

**Western Area Water Supply Authority  
Board of Directors Meeting  
WAWSA Office March 21, 2019**

**Attendees**

Members Present: Ellis Haake, Ward Koeser, Mark Owan, Larry Novak, Gary Rust and Gene Veeder.

Members Absent: Raoul Brandt, Chris Brostuen and Richard Liesener.

Others Present: Kim Schilke (WAWSA), Dustin Schultz (AE2S), Cory Chorne (AE2S), Seth Thompson (Vogel Law Firm), Jason Slater (WAWSA), Jacob Monson (WAWSA), Chris Barke (WAWSA), Ben Clarys (NWRWD), Liz Suhr (R & T), Craig Haskins (R & T), Jeff Shaffer (MCWRD), Jill Helmuth (MCWRD), Ralph Reddell (Hott H2O), Kent Ritterman (Moore Engineering) and Kevin Bucholz (Moore Engineering).

**Meeting Called to Order**

Chairman Owan called the meeting to order at 9:00am.

**Approval of Agenda**

The agenda was presented for approval. **Koeser moved to approve the agenda, Haake seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

**Approval of the Minutes**

Minutes of the February 21, 2019 board meeting were presented for approval. **Haake moved to approve the minutes as presented, Rust seconded.**

AYE: Haake, Veeder, Koeser, Koeser voting for Brostuen, Rust, Novak and Owan.

NAY: 0

CARRIED: 7-0

**Financial Report**

The February General financial reports and the February Industrial financial reports were presented for consideration and discussion. **Rust moved to approve the financial reports as presented, Haake seconded.**

AYE: Haake, Veeder, Koeser, Koeser voting for Brostuen, Rust, Novak and Owan.

NAY: 0

CARRIED: 7-0

**NDIC Industrial Reimbursement**

NDIC reimbursement request for \$128,229.26 for upgrades to the Alexander and Indian Hills pumps and upsizing 3 miles of pipe was presented for the board to approve. The reimbursement request will be presented to the NDIC for approval to be reimburse from the industrial account.

AYE: Haake, Veeder, Koeser, Koeser voting for Brostuen, Rust, Novak and Owan.

NAY: 0

CARRIED: 7-0

**System Updates**

Schultz gave an update of the WAWSA system. He gave an update on the pre-treatment project at the Williston Regional Water Treatment Plant and the Alexander and Indian Hills improvements.

## **BND Loan**

The refinanced BND loan has a variable interest rate with a fixed monthly payment; the principal balance is not keeping up the repayment schedule. BND has asked that WAWSA make additional payments to the principal. **Novak made a motion to make additional principal payments totaling \$850,000.00 out of the industrial account over the next three months, Rust seconded.**

AYE: Haake, Veeder, Koeser, Koeser voting for Brostuen, Rust, Novak and Owan.

NAY: 0

CARRIED: 7-0

## **Industrial Sales Report**

Schilke reported the industrial sales for February were \$1,000,587.00.

Schilke presented the board with a letter Elkan, Inc. as a *"Notice of Exercising the Option to Renew the Bulk Industrial Water User Customer Agreement"* for another one-year term. The agreement will be in effect from April 17, 2019 – April 17, 2020.

## **Legal Updates**

Seth Thompson (Vogel Law Firm) gave an update to the board on items that Vogel is working on for WAWSA. Some of the items Vogel is working on are policy concerning fines for spills, operational policies, and lease agreements for the Arnegard Tower and McKenzie Country building.

## **Project Updates**

Schultz presented a current water demand report and the capital accounting for February.

## **R & T White Earth West Rural Distribution**

Schultz presented the board with Carstensen Contracting change order #4 in the amount of \$60,046.14 for material increases and mobilization to the board for their approval. **Koeser moved to approve change order #4, Haake seconded.**

AYE: Haake, Veeder, Koeser, Koeser voting for Brostuen, Rust, Novak and Owan.

NAY: 0

CARRIED: 7-0

## **MCWRD Spring Creek Rural Distribution**

Schultz recommended awarding the MCWRD Spring Creek Rural Distribution Contract #1 project to low bidder Carstensen Contracting Inc. in the amount of \$2,970,000.00. **Rust made a motion to award the MCWRD Spring Creek Rural Distribution Contract #1 project to low bidder Carstensen Contracting Inc. in the amount of \$2,970,000.00, Haake seconded.**

AYE: Haake, Veeder, Koeser, Koeser voting for Brostuen, Rust, Novak and Owan.

NAY: 0

CARRIED: 7-0

## **SWC Grant Requests**

The SWC \$60M Grant monthly request #40-032119 and the SWC \$20M Grant monthly request #17-032119 were presented to the board for their approval. **Novak moved to approve the SWC grant requests, Koeser seconded.**

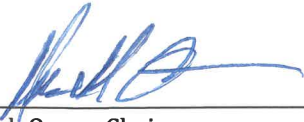
AYE: Haake, Veeder, Koeser, Koeser voting for Brostuen, Rust, Novak and Owan.

NAY: 0

CARRIED: 7-0

**Rust moved to adjourn, Haake seconded.**

Chairman Owan adjourned the meeting.



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Mark Owan, Chairman



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Kim Schilke, Secretary