

**Western Area Water Supply Authority  
Board of Directors Meeting  
WAWSA Office April 18, 2019**

**Attendees**

Members Present: Raoul Brandt, Chris Brostuen, Ellis Haake, Ward Koeser, Richard Liesener, Mark Owan, Larry Novak, Gary Rust and Gene Veeder.

Members Absent: none

Others Present: Curtis Wilson (WAWSA), Kim Schilke (WAWSA), Dustin Schultz (AE2S), Cory Chorne (AE2S), Krisann Norby-Jahner (Vogel Law Firm), Bennett Johnson (Vogel Law Firm), Grant Meyer (AE2S), Jeff Hruby (AE2S), Jason Slater (WAWSA), Ben Clarys (NWRWD), Liz Suhr (R & T), Craig Haskins (R & T), Jeff Shaffer (MCWRD), Jill Helmuth (MCWRD), Vawnita Best (MCWRD), Ralph Reddell (Hott H2O), Rich Slagle (Moore Engineering), Kent Ritterman (Moore Engineering), Kevin Bucholz (Moore Engineering) and Duane Sand (WHW) .

**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, Rust seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

**Approval of the Minutes**

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

AYE: Veeder, Haake, Novak, Brandt, Koeser, Rust, Liesener, Brostuen and Owan.

NAY: 0

CARRIED: 9-0

**Financial Report**

9:10 am Leisner left meeting.

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

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

NAY: 0

CARRIED: 8-0

**NDIC Industrial Reimbursement**

NDIC reimbursement request for \$35,904.29 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. **Veeder moved to approve the reimbursement request, Koeser seconded.**

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

NAY: 0

CARRIED: 8-0

**Bank Accounts Authorized Signers**

Schilke requested that the Authorized Signers on the First National Bank and Trust account be updated. Schilke requested that along with herself and Curtis Wilson that Tracey Gerhardt, Accounting Assistant, be added as an authorized signer on checking account #xxxxx8111 at First National Bank and Trust and Michelle Miller be removed from the account. **Rust made a motion to add Tracey Gerhardt along with Kim Schilke and Curtis Wilson to the First National Bank and Trust checking account and remove Michelle Miller from that account, Novak seconded.**

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

NAY: 0

CARRIED: 8-0

9:15 Liesener rejoined meeting.

### **Legal Updates**

Krisann Norby-Jahner (Vogel Law Firm) gave a summary of the proposed Operational Policy revisions that were given to the board for their review. The board will act on the operational policy changes at the next board meeting. Norby-Jahner gave an update to the board on the easement with Wisness for the Arnegard Tower Agreement and the building agreement with McKenzie County.

### **System Updates**

Wilson gave a system update. He reported on staffing changes at WAWSA; Michelle Miller has moved from Williston and Carl Anderson will be retiring at the end of April. Wilson is looking to hire a COO as well as an Operator.

### **Industrial Sales Report**

Schilke reported the industrial sales for March were \$1,878,170.00.

### **Updates**

Wilson gave a report on the ND Industrial Commission meeting. Mark Owan gave an update on the State Water Commission. Jason Slater updated the board on current industrial contracts and inquiries for industrial water.

### **Temporary Construction Easement**

The board agreed to a temporary construction easement between WAWSA and Aurora Wind Project for access at the Wildrose Reservoir. The easement payment would be \$5,000.00.

### **BEK Consulting (Elkan Vault)**

Owan notified the board that he authorized a RPZ valve to be installed at the Elkan vault for the protection of the WAWSA system as requested by Wilson and WAWSA engineers. Because Elkan has the ability to pump surface water against the WAWSA system a RPZ valve is needed. The cost of the RPZ and installation will be \$18,500.00.

### **Hott H2O, LLC. Letter of Intent**

Wilson reported a letter of intent for the purchase of all WAWSA's industrial water from Hott H2O, LLC was received and is being evaluated.

### **Electrical Cost at Alexander and Indian Hills**

Wilson reported an electrical transformer upgrade at the Alexander and Indian Hills pump stations is needed and McKenzie Electric Coop. has stated the cost to upgrade the transformers would be approximately \$17,000.00.

### **Hazardous Spills Clean Up Fees**

WAWSA had a major spill at Indian Hills depot that resulted in extensive cleanup at the depot site as well as a connecting landowner's property. The trucking company responsible for the spill will be billed for the cost of the cleanup. Signage

has been installed at all depots notifying truckers and companies that there will be fines incurred for spilling or dumping at the depots. Letters were sent to all customers notifying them of the policy concerning spills and dumping of hazardous materials on WAWSA property.

**Employee Compensation**

First quarter employee bonus evaluations have taken place. Chairman Owan recommended a 10% 1st quarter bonus for Executive Director Curtis Wilson. **Haake moved to give Wilson a 10% 1st quarter bonus based on Chairman Owan's recommendation, Veeder seconded.**

AYE: Veeder, Haake, Novak, Brandt, Koeser, Rust, Liesener, Brostuen and Owan.  
NAY: 0  
CARRIED: 9-0

Duane Sand addressed the board concerning WAWSA's industrial water sales and how these sales have affected his industrial water sales. He asked if when WAWSA is considering an industrial contract what research is being done to consider the impact on the IWP.

**Project Updates**

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

**Engineering Task Order Amendments**

Schultz presented task order amendments to the board for their approval:

R & T Stanley Distribution Part 1 Base & Pump Station TO #32D	(\$39,425.75)
R & T White Earth Rural Distribution Part 1 Alt TO #43A	\$ 50,000.00
MCWRD Spring Creek Expansion TO #50A-1	\$433,500.00
R & T White Earth East Rural Distribution TO #51A-2	\$ 354,000.00
NWRWD North 200K Transmission Main TO #52	(\$10,574.25)
MCWRD 2018 Storage Improvements TO # 56-1	\$ 697,250.00

**Brostuen made a motion to approve the task order amendments presented, Rust seconded.**

AYE: Veeder, Haake, Novak, Brandt, Koeser, Rust, Liesener, Brostuen and Owan.  
NAY: 0  
CARRIED: 9-0

**SWC Grant Requests**

The SWC \$60M Grant monthly request #41-041819 and the SWC \$20M Grant monthly request #18-041819 were presented to the board for their approval. **Koeser moved to approve the SWC grant requests, Haake seconded.**

AYE: Veeder, Haake, Novak, Brandt, Koeser, Rust, Liesener, Brostuen and Owan.  
NAY: 0  
CARRIED: 9-0

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

Chairman Owan adjourned the meeting.

  
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Mark Owan, Chairman

  
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Kim Schilke, Secretary