

**Western Area Water Supply Authority
Board of Directors Meeting
WAWSA Office June 27, 2019**

Attendees

Members Present: Chris Brostuen (via phone), Ellis Haake, Ward Koeser, Mark Owan, Larry Novak and Gary Rust.

Members Absent: Raoul Brandt, Richard Liesener and Vawnita Best.

Others Present: Curtis Wilson (WAWSA), Kim Schilke (WAWSA), Tami Madsen (WAWSA), Dustin Schultz (AE2S), Cory Chorne (AE2S), Seth Thompson (Vogel Law Firm), Jason Slater (WAWSA), Ben Clarys (NWRWD), Liz Suhr (R & T), Jeff Shaffer (MCWRD), Kent Ritterman (Moore Engineering), Kevin Bucholz (Moore Engineering), Kyle Meyer (Moore Engineering), Kenny Bergstrom (City of Williston) and Dave Bell (City of Williston).

Meeting Called to Order

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

Approval of Agenda

The agenda was presented for approval. Wilson requested that an item #8 Master Service Agreement with Moore Engineering be added to the agenda under the Executive Director's report. **Haake moved to approve the agenda with the addition of item #8, Novak seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Approval of the Minutes

Minutes of the May 16, 2019 board meeting were presented for approval. **Rust moved to approve the minutes as presented, Koeser seconded.**

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

NAY: 0

CARRIED: 6-0

Financial Report

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

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

NAY: 0

CARRIED: 6-0

Schilke ask the board to consider charging off two industrial accounts that are considered uncollectible finance charges; MLH \$1,637.83 and Schiele Mobility, Inc. \$12,583.35. Schiele Mobility has a judgment against them that would also be released. **Koeser made a motion to charge of the balance due for MLH of \$1,637.83 and Schiele Mobility of \$12,583.35 and release the judgment on Schiele, Haake seconded.**

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

NAY: 0

CARRIED: 6-0

NDIC Industrial Reimbursement

NDIC reimbursement request for \$856,571.50 for upgrades to the Alexander and Indian Hills pumps and upsizing 3 miles of pipe and construction on the Watford City ground water line replacement 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. **Koeser made a motion to approve the request, Haake seconded.**

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

NAY: 0

CARRIED: 6-0

Williston Regional Water Treatment Plant Invoices

Wilson presented the board with two invoices for board approval for work on the raw water intake access at the Williston water treatment plant; Mid-America Steel in the amount of \$42,550.00 and PKG for \$39,969.00. **Novak moved to approve payment of the presented invoices, Rust seconded.**

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

NAY: 0

CARRIED: 6-0

System Updates

Wilson asked for the board's direction on the possibility of installing a pipeline in the road right-of-way when an easement is not readily available and would possibly have to go to condemnation. Chorne said he would not recommend the installation of pipeline in the road right-of-way because of the risk of having to move the pipeline at WAWSA's expense in the future if the road would expand. **Novak made a motion to stay with WAWSA's current policy of not putting the pipeline in the road right-of-way, Haake seconded.**

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

NAY: 0

CARRIED: 6-0

Wilson reported he would be going to the Power's Lake City council meeting on July 9th to discuss the upcoming 2019-2020 projects.

SWC Updates

Owan gave an update that the ND State Water Commission approved the pre-engineering projects. The member entities need to decide the which Phase 6 projects they want completed for the 2019-2020 biennium.

RFP

Tami Madsen informed the board of the intent to issue an RFP concerning a single concessionaire bulk water sale. This RFP is intended to advertise the availability of industrial water for purchase throughout the major shale plays in order to attract industrial customers who have not worked with WAWSA or are not aware of the availability of bulk water through WAWSA.

Staffing

Wilson reported that Sabrina Sims was hired as the Director of Operations.

Industrial Sales Report

Wilson reported the industrial sales for May were \$1,128,303.00.

Compensation for Board Members

Wilson stated that at this time the WAWSA board members do not receive compensation for their services. The WAWSA By-laws Article 7 and the Operational Policy 3.2 provide for compensation if the board would so desire. The rate of compensation is established by the NC Century code 54-35-10. The current state rate is \$181.00 per day for the July 2019-June 2020 year. **Koeser made a motion to compensate the WAWSA board members per the ND state statutes on compensation at a rate of \$181.00 per meeting starting July 2019, Rust seconded.**

AYE: Haake, Novak, Koeser, Rust, Brostuen and Owan.
NAY: 0
CARRIED: 6-0

WAWSA Depot Improvements

Kent Ritterman, Moore Engineering, reported that the bids for the depot improvements came in over the engineer's estimate and recommended rejecting all bids. **Haake made a motion to reject all bids received for the depot improvements, Koeser seconded.**

AYE: Haake, Novak, Koeser, Rust, Brostuen and Owan.
NAY: 0
CARRIED: 6-0

Master Service Agreement – Moore Engineering, Inc.

Wilson presented the Master Service Agreement with Moore Engineering, Inc. for the board to approve. **Novak make a motion to the approve the Master Service Agreement with Moore Engineering, Haake seconded.**

AYE: Haake, Novak, Koeser, Rust, Brostuen and Owan.
NAY: 0
CARRIED: 6-0

Legal Updates

Seth Thompson updated to the board on the legal items he is working on; the RFP for industrial water, the contract with Trenton/WAWSA/NWRWD that has been finalized and easement issues. He stated in the future he will reviewing the WAWSA Conflict of Interest Policy with all Directors as required by the WAWSA Operational Policy.

Project Updates

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

SWC Grant Requests

The SWC \$20M Grant monthly request #20-062719 was presented to the board for their approval. **Koeser moved to approve the SWC grant requests, Haake seconded.**

AYE: Haake, Novak, Koeser, Rust, Brostuen and Owan.
NAY: 0
CARRIED: 6-0

Rust moved to adjourn; Novak seconded.

Chairman Owan adjourned the meeting.



Mark Owan, Chairman



Kim Schilke, Secretary