

**Western Area Water Supply Authority
Board of Directors Meeting Minutes
WAWSA Office July 16, 2020**

Attendees

Members Present: Doug Anderson, Chris Brostuen, Ellis Haake, Ward Koeser, Richard Liesener, Larry Novak, Mark Owan and Gary Rust.

Members Present via phone or video: Vawnita Best, Raoul Brandt, and Chris Brostuen.

Members Absent: none

Others Present: Tami Madsen (WAWSA), Kim Schilke (WAWSA), Seth Thompson (Vogel Law Firm), Weston McGruder (AE2S), Dustin Schulz (AE2S), Cory Chorne (AE2S), Kent Ritterman (Moore Engineering), Dave Bell (City of Williston), Kenny Bergstrom (City of Williston), Ben Clarys (NWRWD), Craig Haskins (R & T), Jeff Shaffer (MCWRD), Julius Wakam (MCWRD), Grace Demars (City of Watford City) and Jacob Monson (WAWSA).

Meeting Called to Order

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

Approval of Agenda

Owan presented the agenda for approval. **Rust moved to approve the agenda, Liesener seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Approval of the Minutes

Minutes of the June 18, 2020 board meeting were presented for approval. **Haake moved to approve the minutes as presented, Koeser seconded.**

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

NAY: 0

CARRIED: 10-0

Financial Report

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

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

NAY: 0

CARRIED: 10-0

Executive Director Report

Madsen gave a monthly update on the WAWSA system operations. She updated on the SWC/NDIC meetings. The SWC will be meeting today to determine the funding for water projects.

Note Modification Agreement – Financing Resolution

Madsen presented a Note Modification Agreement that will defer the interest and principal on the four industrial loans that WAWSA is currently making monthly payments on until November 1st. The interest and principal would be moved to the back of the loans. **Koeser made a motion to approve the Note Modification Agreement and authorized Chairman Owan to sign the agreement, Haake seconded.**

AYE: Haake, Novak, Koeser, Anderson, Rust, Liesener, Brostuen, Best, Brandt and Owan.
NAY: 0
CARRIED: 10-0

Madsen presented the Financing Resolution for the new \$16.5M SRF domestic loan for the Board's approval. The term of the loan is 30 years. **Liesener made a motion to approve the Financing Resolution, Rust seconded.**

AYE: Haake, Novak, Koeser, Anderson, Rust, Liesener, Brostuen, Best, Brandt and Owan.
NAY: 0
CARRIED: 10-0

Board Compensation

Per the North Dakota Century Code 54-35-10 the compensation for board meeting attendance increases from \$181.00 per day to \$186.00 effective July 1, 2020. **Rust made a motion to increase the board meeting compensation to \$186.00, Liesener seconded.**

AYE: Haake, Novak, Koeser, Anderson, Rust, Liesener, Brostuen, Best, Brandt and Owan.
NAY: 0
CARRIED: 10-0

Employee Compensation

Madsen made a recommendation to the Board to give the WAWSA employees a second-quarter bonus based on the second-quarter company performance. **Rust made a motion to give a second-quarter bonus to the WAWSA employees, Anderson seconded.**

AYE: Haake, Novak, Koeser, Anderson, Rust, Liesener, Brostuen, Best, Brandt and Owan.
NAY: 0
CARRIED: 10-0

Owan recommended to the Board that Madsen be given a 10% quarterly bonus for the second quarter. **Haake made a motion to give Madsen a 10% second quarterly bonus, Anderson seconded.**

AYE: Haake, Novak, Koeser, Anderson, Rust, Liesener, Brostuen, Best, Brandt and Owan.
NAY: 0
CARRIED: 10-0

Suspension of Unfunded Projects

Madsen made a recommendation to the Board that projects that have not received funding from the State Water Commission be suspended and that no further work be done on the projects by the engineering firms until funding is available. Projects for suspension are AE2S Task Order #65 RTWD - Service to Powers Lake and Battleview, AE2S Task Order #67 RTWD - Stanley Rural Distribution Part 2, and Moore Engineering Task Order for NWRWD - 29 Mile Rural Distribution. **Koeser made a motion to suspend the unfunded projects until funding is available, Anderson seconded.**

AYE: Haake, Novak, Koeser, Anderson, Rust, Liesener, Brostuen, Best, Brandt and Owan.
NAY: 0
CARRIED: 10-0

Madsen will send a letter notifying the engineering firms of the suspension of these projects.

Project Updates

McGruder presented a current water demand report and the June capital accounting.

R&TWD East White Earth Rural Dist. Part 1

McGruder presented the final balancing change order for the project in the amount of a decrease of (\$85,373.55), the Certificate of Substantial Completion, and the Final Inspection and Acceptance from Eatherly Constructors, Inc. for the East White Earth Rural Distribution for the Board's approval. **Liesener made a motion to approve the balancing change order, the Certificate of Substantial Completion, and the Final Inspection and Acceptance from Eatherly Constructors, Inc., Rust seconded.**

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

NAY: 0

CARRIED: 10-0

Presentation of Bids

McGruder presented the Engineer's bid award recommendations for projects that are ready for construction contingent upon receiving State Water Commission funding. The Engineer's recommendation for the R&T East White Earth Distribution Alternates is to award to the lowest qualified bidder Carstensen Contracting Inc. with a bid of \$3,836,435.00 for the base bid; the recommendation for the R&T West White Earth Rural Distribution Alternates is to award to the lowest qualified bidder Carstensen Contracting Inc. with a bid of \$1,825,295.50; the recommendation for the NWRWD North 200k Rural Distribution is to award to the lowest qualified bidder Carstensen Contracting Inc. with a bid of \$2,999,715.00. All three projects would have an extended completion date of October 15, 2020. **Based on the Engineer's recommendation Liesender made a motion to the award the projects to the lowest qualified bidder Carstensen Contracting Inc. contingent on SWC approving funding for the projects, Koeser seconded.**

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

NAY: 0

CARRIED: 10-0

Engineering Task Order Amendment

McGruder presented task order amendments for the construction phase, the post-construction phase, and I&C related services for Task Order #63 R&T East White Earth Rural Dist. Alternates, Task Order #64 R&T West White Earth Rural Dist. Alternates, and Task Order #69 NWRWD North 200K Rural Distribution to the Board for their approval. **Liesener made a motion to approve the engineering task order amendments contingent on SWC approving funding for the projects, Haake seconded.**

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

NAY: 0

CARRIED: 10-0

29 Mile Project

Ritterman gave an update on the 29 Mile project. They are done with the design and they still need to get some easements.

SWC Grant Requests

SWC \$20M Grant monthly request #34-07162020 and SWC \$5,476K monthly request #9-07162020 were presented to the Board for their approval. **Haake moved to approve the SWC grant requests, Liesener seconded.**

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

NAY: 0

CARRIED: 10-0

Novak asked if Madsen has heard from Elkan concerning their industrial contract that would be terminating. Madsen let the Board know that she had not heard from Elkan and as of the conclusion of today's board meeting their contract would be terminated.

Rust moved to adjourn; Koeser seconded.

Chairman Owan adjourned the meeting.



Mark Owan, Chairman



Kim Schilke, Secretary