

**Western Area Water Supply Authority
Board of Directors Meeting Minutes
WAWSA Office November 19, 2020**

Attendees

Members Present: Ellis Haake, Ward Koeser and Mark Owan

Members Present via teleconference: Doug Anderson, Vawnita Best, Kent Bickler (R&T Alternate) Raoul Brandt, Chris Brostuen, Larry Novak, and Gary Rust.

Members Absent: Richard Liesener

Others Present: Tami Madsen (WAWSA), Kim Schilke (WAWSA), Colleen Cannon (WAWSP), Weston McGruder (AE2S), Cory Chorne (AE2S), Shawn Gaddie (AE2S Nexus), Miranda Kleven (AE2S Nexus), Jacob Monson (WAWSA)

Others Present via teleconference: Dustin Schulz (AE2S), Jeff Shaffer (MCWRD) and Grace Demars (City of Watford City), Kenny Bergstrom (City of Williston) and Kent Ritterman (Moore Engineering).

Meeting Called to Order

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

Approval of Agenda

Owan presented the agenda for approval. Madsen asked to add item #6 Employee Policy under the Executive Director's report and to remove the Watford City Rate Study and item # 3 Relocation of R&T line on the agenda. **Koeser moved to approve the agenda with the changes, Haake seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Approval of the Minutes

Minutes of the October 15, 2020 board meeting were presented for approval. **Rust moved to approve the minutes as presented, Haake seconded.**

AYE: Haake, Koeser, Brandt, Best, Novak, Brostuen, Rust, Anderson, Bickler, Owan

NAY: 0

CARRIED: 10-0

Financial Report

The October General financial reports and the October Industrial financial reports were presented to the Board for their consideration and discussion. **Koeser moved to approve the financial reports as presented, Brostuen seconded.**

AYE: Haake, Koeser, Brandt, Best, Novak, Brostuen, Rust, Anderson, Bickler, Owan

NAY: 0

CARRIED: 10-0

2021 WAWSA Rate Analysis

Miranda Kleven, AE2S Nexus, presented the 2021 O&M Rate Analysis. The analysis covered the rate-setting philosophy, domestic rate revenue requirements, cost of service-based O&M rates and the 2021 rate increase recommendations. The 2021 recommended rate increases are:

| | 2021 Rate (\$/KGAL) | % Change from 2020 | \$ Change from 2020 |
|-------------------|---------------------|--------------------|---------------------|
| MCWRD | \$4.07 | 0% | \$0.00 |
| NWRWD/BDW | \$3.79 | 3.0% | \$0.11 |
| R&TWD | \$3.79 | 3.0% | \$0.11 |
| CITY OF WILLISTON | \$2.02 | 1% | \$0.02 |

Haake made a motion to approve the 2021 water rate increase as presented, Koeser seconded.

AYE: Haake, Koeser, Brandt, Best, Novak, Brostuen, Rust, Anderson, Bickler, Owan

NAY: 0

CARRIED: 10-0

2021 Proposed Domestic and Industrial Budgets

Schilke presented the 2021 Domestic and Industrial budgets based on the approved rate increase to the Board for their approval. **Novak made a motion to approve the 2021 Domestic and Industrial budgets as presented, Haake seconded.**

AYE: Haake, Koeser, Brandt, Best, Novak, Brostuen, Rust, Anderson, Bickler, Owan

NAY: 0

CARRIED: 10-0

Executive Director Report

Madsen gave a monthly update on the WAWSA system operations.

Madsen informed the Board of a landowner, Darcy Hanson of Wildrose, who has contacted her numerous times about getting compensation for the 2016 installed water line not in the easement and his claim that Indian teepee rings were damaged. Madsen told the Board that the cultural report shows no teepee rings and that the line is within the easement. The Board elected not to move forward with any additional action concerning Mr. Hanson's request for compensation.

Proposal for Heating Water at Depots

WAWSA advertised a Request for Proposal for heating water at the WAWSA depots. West Dakota Water was the only RFP received. Madsen asked for a motion to accept the proposal and generate a contract that will be brought back to the Board for their approval. **Haake made a motion to accept the RFP from West Dakota Water and authorize Madsen to draw up a contract to be approved by the Board, Rust seconded.**

AYE: Haake, Koeser, Brandt, Best, Novak, Brostuen, Rust, Anderson, Bickler, Owan

NAY: 0

CARRIED: 10-0

Employee Policy Change

Madsen requested that the Employee Policy 2.1 Employee Compensation be amended to remove the bonus language from the employee handbook (2.1E), pay the partial amount for the fourth quarter (October 1, 2020 to November 14, 2020), and adjust salaries as of November 15 based on the average of the last year of performance compensation percentages for all WAWSA employees. **Haake made a motion to remove the bonus language (2.1E) from the employee policy and to pay out the partial fourth quarter and adjust salaries as of November 15th, Koeser seconded.**

AYE: Haake, Koeser, Brandt, Best, Novak, Brostuen, Rust, Anderson, Bickler, Owan

NAY: 0

CARRIED: 10-0

Project Updates

McGruder presented a current water demand report, the October capital accounting, and project updates.

North 200K Change Order #1

McGruder presented Change Order #1 for \$24,087.00 for winter construction to add five users (Anderson (2), Lombardi (1) and Scully (2) to the North 200K Rural project. The users will pay a portion of the cost for the installation of the connections. **Haake made a motion to approve Change Order #1, Rust seconded.**

AYE: Haake, Koeser, Brandt, Best, Novak, Brostuen, Rust, Anderson, Bickler, Owan

NAY: 0

CARRIED: 10-0

McKenzie County Water Resources District Payment Request

McGruder reported that MCWRD had approved the WAWSA October reimbursement request for the engineering and construction of Spring Creek Expansion for \$721,437.27. MCWRD also approve Change Order #1 for \$22,556.20. **Novak made a motion to approve paying the engineering and construction invoices for October and to approve Change Order #1, Best seconded.**

AYE: Haake, Koeser, Brandt, Best, Novak, Brostuen, Rust, Anderson, Bickler, Owan

NAY: 0

CARRIED: 10-0

SWC Grant Requests

SWC \$20M monthly grant request #38-111952020 and SWC \$14,479,400 monthly grant request #13-11192020 were presented to the Board for their approval. **Koeser moved to approve the SWC grant requests, Haake seconded.**

AYE: Haake, Koeser, Brandt, Best, Novak, Brostuen, Rust, Anderson, Bickler, Owan

NAY: 0

CARRIED: 10-0

Haake moved to adjourn; Koeser seconded.

Chairman Owan adjourned the meeting.



Mark Owan, Chairman



Kim Schilke, Secretary