

**Western Area Water Supply Authority  
Board of Directors Meeting  
WAWSA Office September 19, 2024**

**Attendees**

Members Present: Doug Anderson, Matt Beard, Kent Bickler, Raoul Brandt, Ellis Haake, Robert Harms, Ward Koeser, Larry Novak, Gary Rust, and Chris Brostuen.

Others Present: Tami Madsen (WAWSA), Char Imsland (WAWSA), Cheryl McNeil (WAWSA), Dave Bell (WAWSA), Jacob Monson (WAWSA), Weston McGruder (AE2S), Cory Chorne (AE2S), Josh Feil (Moore Engineering), Katie Sobolik (Moore Engineering), Craig Haskins (R&T), Liz Suhr (R&T), Kenny Bergstrom (City of Williston), Curt Clarys (City of Williston), Justin Smith (City of Watford City), Julius Wakam (MCWRD), Dustin Schultz (AE2S) via video, and Bethany Cichonsky (Brady Martz) via video.

**Meeting Called to Order**

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

**Approval of the Agenda**

Brostuen added item 2a – 2M BBL take or pay arrangement to the financial reports, 1a – intake assessment CO, and 1b – resolution for slope failure to the AE2S project updates. **Rust moved to approve the agenda with the additions, Koeser seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

**2023 WAWSA Financial Audit Report**

Bethany Cichonsky with Brady Martz presented the board with the 2023 WAWSA financial audit report. **Harms moved to accept the 2023 WAWSA financial audit report as presented, Haake seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen  
Nay: 0  
Carried: 10-0

**Approval of the Minutes**

Minutes of the August 15, 2024, board meeting were presented for approval. **Koeser moved to approve the minutes as presented, Novak seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen  
Nay: 0  
Carried: 10-0

Minutes of the September 11, 2024, rate committee meeting were presented for approval. It was announced that a correction was needed by adding “Motion Carried” under the motion and second. **Harms moved to approve the minutes with the correction, Beard seconded.**

Aye: Beard, Harms, and Brostuen  
Nay: 0  
Carried: 3-0

## Financial Reports

The Domestic and Industrial financial reports were presented to the board for their consideration and discussion.

Madsen reported that the rate committee met to discuss how to proceed with prepaid take-or-pay contracts. It was reported that the committee recommended to retain prepaid take-or-pay contracts, lower the minimum requirement from 3M to 2M bbl with a 1-year contract and a \$0.05 discount, with the priority to buy more through the calendar year until the contract deadline at the same discounted price. **Novak moved to accept the rate committee's recommendation concerning prepaid take-or-pay contracts, Haake seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen

Nay: 0

Carried: 10-0

The August capital accounting report was presented to the board for their consideration and discussion.

## Executive Director's Report

Madsen provided the board with an update on WAWSA's water usage and system updates.

It was announced that Curt Clarys is the new WTP Superintendent.

## Policy Updates

Madsen announced that she would like to strike "will not allow for dual coverage" from operational policy 2.2 – Insurance. **Harms moved to approve the striking of "will not allow for dual coverage" from operational policy 2.2 – Insurance, Beard seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen

Nay: 0

Carried: 10-0

Madsen presented a new policy and procedure for background checks. **Novak moved to approve the background check policy and procedure as presented, Koeser seconded.**

Harms announced that he would like to see the policy and procedure to read that background checks "may" be conducted and not "will be" conducted. This will allow background checks to be conducted at the discretion of the executive director. **Koeser moved to amend the motion to read background checks "may be conducted" instead of "will be conducted", Novak seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, and Brostuen

Nay: Rust

Carried: 9-1

Madsen also presented a new policy and procedure for denied WSI claims. **Rust moved to approve the new policy and procedure for denied WSI claims, Bickler seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Harms, Koeser, Novak, Rust, and Brostuen

Nay: 0

Carried: 9-0

Madsen also presented the new payment card industry data security standard information security program (PCI) policy and procedure for approval. **Novak moved to approve the new payment card industry data security standard information security program (PCI) policy and procedure, Anderson seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Harms, Koeser, Novak, Rust, and Brostuen

Nay: 0

Abstain: Haake

Carried: 9-0

#### **County 17 RHC-RRC 20" Transmission Relocation**

Madsen presented a proposal from JMAC resources to reroute the 20" line in Ray due to a culvert conflict for \$74,260. **Haake moved to approve the JMAC proposal to reroute the 20" line in Ray due to a culvert conflict for \$74,260, Anderson seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen

Nay: 0

Carried: 10-0

#### **Moore Engineering Reports**

Feil provided the board with an update on the 29-Mile project.

#### **AE2S Reports**

##### **Intake Assessment Change Order**

Schultz presented a J.F. Brennan Company change order #1 for \$915,000 to clean the sediment from the existing intake and complete a 30" pipe assessment utilizing ROV technology for the Williston WTP Intake Assessment. **Novak moved to approve J.F. Brennan's change order #1 for \$915,000 to clean the sediment from the existing intake and complete a 30" pipe assessment utilizing ROV technology for the Williston WTP Intake Assessment, Rust seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen

Nay: 0

Carried: 10-0

##### **Resolution for Slope Failure**

Schultz reported that the resolution to repair the slope failure on the Williston WTP access road should be deemed an emergency and the resolution is estimated to be \$500,000 - \$700,000. **Koeser moved to deem the slope failure on the Williston WTP access road an emergency and to proceed with the resolution with the estimated \$500,000 - \$700,000, Haake seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen

Nay: 0

Carried: 10-0

##### **R&T Stanley Part II - TO 67**

McGruder presented amendment #4 for \$178,000 for additional services to be performed by the engineer, modifications of payment to engineer, and modifications to times for rendering services for the R&T Stanley

Part II – TO 67 project. **Anderson moved to approve amendment #4 for \$178,000 for the R&T Stanley Part II – TO 67 project, Haake seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen  
Nay: 0  
Carried: 10-0

McGruder also presented Carstensen Contracting's increase change order #2 for \$2,065,340.54 for base project balancing and to add alternate 1 for the R&T Stanley Part II – TO 67 project. **Beard moved to approve the Carstensen Contracting increase change order #2 for \$2,065,340.54 for the R&T Stanley Part II – TO 67 project, Rust seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen  
Nay: 0  
Carried: 10-0

#### **MCWRD System IV Part IV – TO 77**

McGruder presented Eatherly Construction's increase change order #2 for \$128,008.25 for the removal and discarding of an existing 2" flush hydrant, 4" line, and ARV and concrete manhole, lowering an existing 8" line, additional services for Fitzgerald, Johnson, Darnielle, and Skaar, relocating Mosser's service, rerouting Skedsvold service, removing Voll's pasture tap, and ten additional weather days for the MCWRD System IV Part IV – TO 77 project. **Novak moved to approve the Eatherly Construction's increase change order #2 for \$128,008.25 for the MCWRD System IV Part IV – TO 77 project, Koeser seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen  
Nay: 0  
Carried: 10-0

McGruder also presented an extended warranty certificate for the MCWRD System IV Part IV 250K tank – TO 77 project. He reported that the warranty certificate states that the warranty only applies to watertightness, which was not agreed upon by either the WAWSA board or AE2S and recommended denying the contract. **Anderson moved to deny the extended warranty contract for the MCWRD System IV Part IV 250K tank – TO 77 project, Harms seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen  
Nay: 0  
Carried: 10-0

#### **MCWRD System I South – TO 80**

McGruder presented amendment #2 for \$62,000 for modifications of payment to engineer and modifications to time for rendering services for the MCWRD System I South – TO 80 project. **Koeser moved to approve amendment #2 for \$62,000 for the MCWRD System I South – TO 80 project, Rust seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen  
Nay: 0  
Carried: 10-0

#### **MCWRD Invoices for Payment**

The MCWRD System IV Part IV – TO 77, the System I South Expansion – TO 80, and the Phase II Transmission Line for engineering and construction for the month have a combined total of \$853,126.38.

**SWC Grant Payment Request**

SWC \$24M grant request 59-091924, SWC \$7M grant request 21-091924, SWC \$9.6M grant request 24-091924, SWC \$8M grant request 9-091924, and SWC \$4M 17-091924 were presented to the board for their approval. **Anderson moved to approve the SWC monthly grant requests, Haake seconded.**

Aye: Anderson, Beard, Bickler, Brandt, Haake, Harms, Koeser, Novak, Rust, and Brostuen

Nay: 0

Carried: 10-0

Chairman Brostuen adjourned the meeting at 11:43 am.



Chris Brostuen, Chairman



Char Imsland, Secretary