Western Area Water Supply Authority

Board of Directors Meeting
Williston City Hall
Tuesday, July 26, 2011
1:30 p.m.

Attendees

Members Present: Ward Koeser, Liz Suhr, Denton Zubke, Mark Owen, Bert Anderson, Gene Veeder, Brent Bogar, Gary Rust, Karen Burau and Alternate Jeffrey Mattern (SWC),

Members Absent: Jerry Ranum, Michelle Klose

Others Present: Alternate Ben Clarys, Cory Chorne (AE2S), Steve Burian (AE2S), Dave Johnson (AE2S), David Tuan (AE2S), Tami Norgard (Vogel Law Firm), Dave Laschkewitsch (SWC).

Approval of the Agenda

Agenda items 11: Salary Range for Manager and 12: Office Space Update was added to the agenda. Motion to approve agenda for today's meeting was made by Gary Rust, seconded by Ward Koeser. Motion carried unanimously.

Approval of the Minutes

Cory Chorne (AE2S) suggested clarifying language in the minutes from the last meeting. It was moved by Liz Suhr and seconded by Brent Bogar to approve the minutes. Motion carried unanimously.

Selection of an Official Newspaper

Discussion was held to select an official newspaper for WAWSA announcements and advertisements. It was moved by Gene Veeder to use the Williston Herald as the official newspaper and seconded by Bert Anderson. Motion carried unanimously.

Engineering RFP Report

Tami Norgard indicated that request for proposal was published in the Williston Herald Tuesday, July 19th. Request for Proposals (RFP) are due August 9th and the engineering subgroup will conduct interviews August 15th and recommendations will be presented to the board.

Advance and Repayment Agreement

The board discussed the assessment for the advance and repayment agreements. Agreements will be sent to the members for approval.

Task Order 8

Steve Burian (AE2S) noted that the approval for Task Order 8 had been made previously by the McKenzie County Water Resource District (MCWRD). He indicated that the language had changed from the previous meeting to update the scope and to clarify the intent of the task order.

Mark Owen asked what will be covered as reimbursable expenses. Steve clarified that this includes any expenses other than normal business costs, such as paper reproduction, travel costs and hotel costs. Phone and incidental business-related expenses would not be included as they represent normal operating costs.

Task Order 9

Cory Chorne (AE2S) distributed Task Order 9 is related to construction administration for the three upcoming projects. Jeffry Mattern asked if Task Order 4 could be amended to include Task Order 9. Ward Koeser made a motion to call Task Order 9 "Task Order 4a", amend Task Order 4 appropriately and accept assignment for the scope of work. Motion was seconded by Karen Burau and approved unanimously.

Update on Loan Application

Steve Burian presented an update on the Bank of North Dakota loan process. The loan application has been approved by four committees: Commercial Credit Committee, Investment Committee, Advisory Committee and Industrial Committee. Draft of loan agreement should be available by August 8, 2011.

WAWSA / Member Entities Flow Diagram

Dave Johnson (AE2S) explained the intent of the flow diagram is to describe what existing features would be a part of WAWSP and to identify the agreements that would be needed between the entities involved in the project. The flow diagrams comprised of two pages: Capital and Water Supply Agreements and Customer Agreements. Discussion was held and each entity is to be prepared to comment at the next meeting.

Project Updates

Cory Chorne (AE2S) provided an update on projects that are currently under development or construction affecting WAWSA.

a) MCWRD
   i) Regional Water Service Phase I – 20" Pipeline: The pipeline construction is progressing well. The low-lying river area will likely remain too wet to dig for the next month or two. The facilities construction will not make completion date of September 15th.

   ii) Regional Water System IV – the service area includes Alexander and surrounding area from the Missouri River on the north to near Sidney on the south and east

side. August 1st remains the deadline for signups, at which point the engineer will proceed with final design and easements. Projecting a mid-October bid date.

b) Regional Water Service to Crosby – 12" Pipeline: Currently in the design phase, preliminary route will require a closer look due to standing water. Project will be advertised in October with construction to begin next year.

c) 26th Street Pump Station: Project has been awarded to John T. Jones. The Notice to Proceed is ready to be issued to the contractor. The contractor is expected to start work the week of August 8, 2011.

d) US 2 to County Hwy 7: Project has been awarded to Metro Construction. Reference checks have come back very positive. The contractor is expected to start work the week of August 8, 2011.

e) Regional Reservoir No 1 to Bakken Industrial Park Transmission Main: Currently being advertised. No substantial changes to plans and specifications which consists of a 30" pipeline. Bids will be opened August 9th.

f) Regional Reservoir No. 1: Discussions with landowner continues to purchase parcels of land. The location and elevation of the parcel are critical to the function of the project.

g) Williston West Water and Sewer Extension: This project contains a segment of water main that WAWSA will need in order to supply water to Williams Rural Water District west of Williston. Currently over 3,000 feet of pipe has been laid by Garney Construction. Deadline for completion is October 15th.

Salary Range for Manager Position

Denton Zubke provided an update on the current progress of hiring a manager. No more resumes have been received since last meeting and no interviews are scheduled. The current ad states the salary range as $50-75,000.

A brief discussion was held regarding raising the salary. Koeser made a motion to reflect a salary range of $75-110,000. The motion as seconded by Gene Veeder and carried unanimously.

Office Space

Karen Burau and Brent Bogar provided an update on the progress of finding office space in Williston. A new building going up by Sears is being constructed and talks with the owner indicate a 500 square foot space would be available for approximately $1.15-1.20 / square foot, plus $60 per month for utilities. This includes the use and cleaning of a communal bathroom and hallway area.

Discussion was held and it was suggested that the board seek more space, likely 1,000 square feet with a lease agreement for 1-2 years. The board agreed by general consensus that this be pursued with the property owner.

Motion by Brent Bogar to adjourn, seconded by Ward Koeser and approved unanimously. Meeting adjourned at 3:30pm.

Attest:

Denton Zubke
Chairman

Karen Burau
Secretary