

**Western Area Water Supply Authority
Board of Directors Meeting
WAWSA Office 9:00am
Thursday – November 16, 2017**

Attendees

Members Present: Chris Brostuen, Ward Koeser, Richard Liesener, Mark Owan, Gary Rust, and Denton Zubke (via phone).

Members Absent: Bert Anderson, Raoul Brandt, Ellis Haake and Gene Veeder.

Others Present: Jaret Wirtz (WAWSA), Kim Schilke (WAWSA), Tami Norgard (Vogel Law Firm) via phone, Cory Chorne (AE2S), Dan Berthe (AE2S), Jeff Shaffer (MCWRD), Liz Suhr (R & T), Todd Pokrzywinski (WAWSA), Jason Slater (WAWSA), Jacob Monson (WAWSA), Kenny Bergstrom (City of Williston) and David 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. **Koeser moved to approve the agenda, Brostuen seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

Approval of the Minutes

Minutes of the October 19, 2017 board meeting were presented for approval. **Liesener moved to approve the meeting minutes as presented, Rust seconded.**

AYE: Koeser, Brostuen, Rust (also voting for Anderson), Liesener (also voting for Brandt), Zubke (also voting for Veeder) and Owan (also voting for Haake).

NAY: 0

CARRIED: 10-0

Financial Report

The October General financial reports and the October Industrial financial reports were presented for consideration and discussion. **Rust moved to accept the financial reports as presented, Koeser seconded.**

AYE: Koeser, Brostuen, Rust (also voting for Anderson), Liesener (also voting for Brandt), Zubke (also voting for Veeder) and Owan (also voting for Haake).

NAY: 0

CARRIED: 10-0

Executive Director's Report

Fourth Amendment to Member Agreements

Wirtz presented the Fourth Amendment to the Member Agreements amending the accruing of 2010 Baseline Revenue. Accrue unpaid 2010 Baseline Sales Revenue, effective as of January 1, 2016, and that any 2010 Baseline Sales Revenue accrued by WAWSA since January 1, 2016, would be immediately discharged. After December 31, 2018 Revenue Payments may again be made unless the Board determines that there is insufficient Industrial Sales Revenue to pay them. A determination of when sufficient funds are available for payment of 2010 Revenue Payments will be determined by WAWSA annually, considering things such as: foreseeable expenses, the extent cash is available at the end of the year,

satisfying all operation and maintenance payments, satisfying all contractual and statutory obligations, and after reserves are adequately funded. If less than full payments are available, WAWSA will make prorated payments to Members, with pro rata reductions based upon each Member's percentage of the total of all 2010 Baseline Revenue Payments, as indicated in the First Amendment to Member Agreements at Paragraph 2. **Liesener made a motion to approve the Fourth Amendment to the Member Agreements for presentation to the NDIC; and any changes requested be presented to the Executive Committee for approval, Brostuen seconded.**

AYE: Koeser, Brostuen, Rust (also voting for Anderson), Liesener (also voting for Brandt), Zubke (also voting for Veeder) and Owan (also voting for Haake).

NAY: 0

CARRIED: 10-0

Easement Acquisitions

Wirtz reported to the board that there have been a few landowners wanting to negotiate their easements. WAWSA's policy is to try to avoid negotiations unless it is a slight change.

Wirtz reported on four easement court actions.

The board discussed that any parcels of land owned by someone involved in condemnation be barred from receiving water service from the WAWSA system or any of the WAWSA members systems. Wirtz and Vogel will bring a formal motion to next month's board meeting.

9:40am **Rust made a motion to entered executive session, Brostuen seconded.**

AYE: Koeser, Brostuen, Rust (also voting for Anderson), Liesener (also voting for Brandt), Zubke (also voting for Veeder) and Owan (also voting for Haake).

NAY: 0

CARRIED: 10-0

9:50am **Liesener made a motion to leave executive session, Brostuen seconded.**

AYE: Koeser, Brostuen, Rust (also voting for Anderson), Liesener (also voting for Brandt), Zubke (also voting for Veeder) and Owan (also voting for Haake).

NAY: 0

CARRIED: 10-0

Liesener made a motion to make an easement payment of \$250 per acre and attorney fees up to \$5,000.00 for the parcel(s) of land in Sec 7 T154 R89 and that water service will not be allowed on the parcel(s) of land until fees and the cost of the easement(s) are paid back to WAWSA; Koeser seconded.

AYE: Koeser, Brostuen, Rust (also voting for Anderson), Liesener (also voting for Brandt), Zubke (also voting for Veeder) and Owan (also voting for Haake).

NAY: 0

CARRIED: 10-0

Project Updates

Williston Regional Water Treatment Plant

Chorne presented to the board a proposal from PKG Contracting, Inc. for the CO2 Tank Slab Replacement and Generator Slab Stabilization in the amount of \$158,449.00. **Brostuen made a motion to approve the slab replacement and stabilization, Rust seconded.**

AYE: Koeser, Brostuen, Rust (also voting for Anderson), Liesener (also voting for Brandt), Zubke (also voting for Veeder) and Owan (also voting for Haake).

NAY: 0

CARRIED: 10-0

WRWD East Hwy 1804 Transmission Main

Chorne presented Carstensen Contracting Change Order #2 for the cost associated with additional hydrovac needs and line break repairs as part to the 1804 temporary bypass work to the board for their approval. WRWD will be billed for these costs. **Brostuen moved to approve Change Order #2, Rust seconded.**

AYE: Koeser, Brostuen, Rust (also voting for Anderson), Liesener (also voting for Brandt), Zubke (also voting for Veeder) and Owan (also voting for Haake).

NAY: 0

CARRIED: 10-0

Consent Agenda

All items under the Consent Agenda will be enacted on by one motion and a roll call vote. There was no separate discussion on these items.

- Task Order 43 R&T Tioga High Point Pump Station Final Inspection & Acceptance - American General
- Task Order 48 WRWD East Hwy 1804 Transmission Main Certificate of Substantial Completion - Carstensen
- Task Order 50 MCWRD CR34 Waterline Relocation Certificate of Substantial Completion - Carstensen
- Task Order 50 MCWRD CR34 Waterline Relocation Final Inspection & Acceptance - Carstensen

It was moved by Brostuen and seconded by Koeser that the items contained in the Consent Agenda be approved.

AYE: Koeser, Brostuen, Rust (also voting for Anderson), Liesener (also voting for Brandt), Zubke (also voting for Veeder) and Owan (also voting for Haake).

NAY: 0

CARRIED: 10-0

SWC Grant Requests

The SWC \$60M Grant request #24-111617, SWC \$39.5M Grant request #39-111617 and the SWC \$8.75M Grant request 1-111617 were presented to the board for their approval. **Liesener moved to approve the SWC grant requests, Koeser seconded.**

AYE: Koeser, Brostuen, Rust (also voting for Anderson), Liesener (also voting for Brandt), Zubke (also voting for Veeder) and Owan (also voting for Haake).

NAY: 0

CARRIED: 10-0

10:10am Zubke left the meeting.

System Updates

Wirtz gave an update on the system. He reported on the line break west of the 13-mile corner.

Industrial Sales

The industrial sales for October were \$1,980,596. Wirtz reported that a few oil companies have established permanent industrial connections for maintenance water. WAWSA has been approached by a company that is showing interest in heating water at a north and south depot.

ND Rural Water Information

Wirtz reported that the ND Rural Water's annual meeting will be December 6th. ND Rural Water will also have a DC Rally Feb. 5-7 and their Leadership Retreat Topics is scheduled for July 18-20 in Medora.

Preliminary Budget

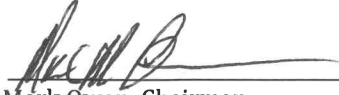
The board was given the 2018 preliminary budget for their review. There is not water rate increase planned for 2018.

Chorne presented a current water demand report, the capital accounting report and the Williston WTP master plan update.

Rust made a motion to adjourn, Brostuen seconded.

Carried.

Chairman Owan adjourned the meeting.



Mark Owan, Chairman



Kim Schilke, Secretary