

**Western Area Water Supply Authority  
Board of Directors Meeting  
WAWSA Office June 21, 2018**

**Attendees**

Members Present: Chris Brostuen, Ellis Haake, Ward Koeser, Richard Liesener, Mark Owan, Gary Rust, Gene Veeder and Denton Zubke.

Members Absent: Bert Anderson and Raoul Brandt.

Others Present: Todd Pokrzywinski (WAWSA), Kim Schilke (WAWSA), Dustin Schultz (AE2S), Cory Chorne (AE2S), Tami Norgard (Vogel Law Firm), Jason Slater (WAWSA), Jacob Monson (WAWSA), Ben Clarys (NWRWD), Liz Suhr (R & T), Kent Bickler (R & T), David Tuan (City of Williston) and Maria Effertz Hanson (AE2S).

**Meeting Called to Order**

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

**Approval of Agenda**

The agenda was presented for approval. Chairman Owan added item #8 to the Executive Director's Report "Search for Executive Director" to the agenda and moved Project Updates item #3 Master Plan Update to the end of the agenda. **Brostuen moved to approve the agenda as amended, Koeser seconded.**

MOTION CARRIED UNANIMOUSLY BY VOICE VOTE.

**Approval of the Minutes**

Minutes of the May 16, 2018 board minutes were presented for approval. **Haake moved to approve the minutes as presented, Rust seconded.**

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

NAY: 0

CARRIED: 10-0

**Financial Report**

The May General financial reports and the May Industrial financial reports were presented for consideration and discussion. **Liesener moved to accept the financial reports as presented, Brostuen seconded.**

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

NAY: 0

CARRIED: 10-0

**Executive Director's Report**

**System Updates**

Pokrzywinski gave a system update. The Williston Regional WTP access to the pier for intakes is being completed, the NWRWD 200K North is ready for construction and the Stanley line is being staked.

Pokrzywinski reported that a vault in McKenzie County was not installed correctly by Murphy Pipe and Civil and floated to the surface. The repair is under warranty. Zubke inquired of Schultz (AE2S) about the construction oversight and why it was not inspected and would WAWSA be invoiced by AE2S for their time in correcting the faulty installation. Schultz

assured Zubke that the time involved would be billed to the contractor. Norgard suggested that the other vaults installed by Murphy Pipe and Civil be inspected or there be an extended warranty on the vaults installed by Murphy Pipe and Civil.

### **Industrial Sales**

The industrial sales for May were \$1,419,055.00. Jason Slater reported on the current industrial water demands and contract negotiations. Slater reported that contracts are awarded on a first come first serve basis and "Take or Pay" contracts supersede temporary contracts.

### **North Dakota Water Topics Overview Committee Update**

Owan reported on the Water Topics Overview Committee meeting. Stantec presented their "*Industrial Water Supply Infrastructure Financial Analysis*" to the Water Topics Overview Committee. Stantec concluded the sale of WAWSA industrial assets would not be feasible.

### **Notice of Non-Availability of Water**

Norgard presented to the board various landowner categories for seeking reimbursement for money paid to landowners or otherwise expended by WAWSA in preparation for condemnation, for any amount above the typical amount paid to a landowner for a transmission line or distribution line. The board recommended that if WAWSA must file a notice of condemnation that a Notice of Non-Availability of Water be filed at the same time.

### **Proposed WAWSA By-laws Revision**

Norgard reviewed the proposed WAWSA By-laws Revisions. Revision to the by-laws are Section 3.03 adding the following language: *Appointed Directors may also automatically be disqualified and removed from board service pursuant to Section 4.10.*

*New Section 4:10 Attendance Requirements. If any Appointed Director is absent for six consecutive meetings, unless due to medical excuse, the Appointed Director is in breach of their obligations and will be disqualified to serve and removed from the Board. Prospective members of the Board shall be issued copies of the attendance policy and asked to commit themselves to observing its terms. When any Appointed Director has been removed from the Board under this provision, the Board will work with the respective Member to promptly initiate a process to recruit a new Appointed Director.*

The board will vote on the WAWSA By-law revisions at their July board meeting.

### **Request for Proposal for Legal and Engineering Services**

Owan stated the WAWSA project oversees multiple contracts and consultants to meet the needs of the project. The current consultants are providing appropriate information. He stated that as good stewards of the project it is prudent to review of all contracts and do an evaluation and update on WAWSA's needs going forward. Owan recommended that WAWSA do an RFP on legal and engineering services. AE2S's master agreement expires on December 31, 2018 and any Task Order agreements would continue until their expiration unless the board terminate the Task Orders with a 30-day notice. Vogel Law Firm does not have a contract with WAWSA. Koeser stated his concern on the need to do an RFP on the legal services. **Liesener made a motion to move forward with RFP for Legal and Engineering services, Haake seconded.**

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

NAY: Koeser

CARRIED: 9-1

### **Executive Director Search**

Owan reported that there have been some applicants for the position, the closing date is June 29th. The search committee will screen the applicants. Owan hopes to bring three applicants to the full board for interviews. Liesener left meeting at 10:45am

## Project Updates

Dustin Schultz presented a current water demand report and the capital accounting for May.

Owan relayed a request from Liesener (R & T) that if there are any contingencies leftover on the projects that they be awarded to R & T for rural water hookups. Schutz stated AE2S would bring any leftover contingencies to the board for direction on contingency allocations.

### NWRWD East Hwy 1804 Transmission Main

Schultz presented Carstensen Balancing Change Order #3 in the amount of \$80,131.50 to the board for their approval. **Koeser made a motion to approve Change Order #3, Haake seconded.**

AYE: Haake, Koeser, Zubke, Veeder, Brostuen, Rust (also voting for Anderson) and Owan  
NAY: 0  
CARRIED: 8-0

Schultz presented Carstensen Contracting Final Inspection and Acceptance on the NWRWD East Hwy 1804 Transmission Main to the board for their approval. **Brostuen made a motion to accept the Final Inspection and Acceptance, Rust seconded.**

AYE: Haake, Koeser, Zubke, Veeder, Brostuen, Rust (also voting for Anderson) and Owan  
NAY: 0  
CARRIED: 8-0

### MCWRD System I/IV Expansion

Schultz presented Carstensen Contracting Change Order #1 in the amount of \$28,508.50 for upsize of pipe for the Grandview Subdivision. Upsize cost will be reimbursed by subdivision developer to the board for their approval.

Schultz presented Carstensen Contracting Change Order #2 in the amount of \$248,350.00 for pipeline, appurtenances, and user services construction in City of Keene and Buffalo Hills Subdivision to the board for their approval. **Veeder made a motion to approve Change Orders #1 and #2 and, Haake seconded.**

AYE: Haake, Koeser, Zubke, Veeder, Brostuen, Rust (also voting for Anderson) and Owan  
NAY: 0  
CARRIED: 8-0

### SWC Grant Requests

The SWC \$60M Grant request #31-062118 and the SWC \$20M Grant request #8-062118 were presented to the board for their approval. **Zubke moved to approve the SWC grant requests, Koeser seconded.**

AYE: Haake, Koeser, Zubke, Veeder, Brostuen, Rust (also voting for Anderson) and Owan  
NAY: 0  
CARRIED: 8-0

### WAWSA Master Plan Update

Cory Chorne gave the board a presentation on the WAWSA Master Plan.

Chairman Owan adjourned the meeting.



Mark Owan, Chairman



Kim Schilke, Secretary