

JOINT POWERS WATER BOARD MINUTES

Regular Meeting of

August 22, 2005

6:00 PM JPWT Plant Board Room

Board Members Present: Jerry Zachman, Joyce Paullin, Gerhardt Kottke, Don Peterson, John Vetsch, Joe Marx

Board Members Absent: Joe Hagerty

Staff Present: Chris Catlin, H.R. Green, Kelly Browning, Veolia Water NA, Shelly Keyes, Veolia Water NA

6:00 PM **Call to Order** by Jerry Zachman

MOTION BY PAULLIN, SECOND BY KOTTKE, TO ADOPT THE AGENDA AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

There was no one present under the **Citizen Forum**.

MOTION BY PAULLIN, SECOND BY PETERSON, TO APPROVE THE MINUTES OF THE JULY 25, 2005 REGULAR BOARD MEETING. MOTION CARRIED UNANIMOUSLY.

MOTION BY PETERSON, SECOND BY HAGERTY, TO APPROVE THE CONSENT AGENDA AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

There was no **Unfinished Business**.

In **New Business**, Browning discussed the proposed Sprint Antenna lease agreement for Tower #3. All tower lease agreements are handled by Site Manager Dennis Esterly of RF Communications, who is paid a flat percentage of payment for each agreement he arranges. Mr. Esterly manages the site in regards to engineering, interference, meeting city codes and reviewing all contracts. The original agreement with Mr. Esterly requires that if a contract or lease for an antenna site follows a standard, pre-approved format, Mr. Esterly can enter into an agreement on behalf of the Board. The proposed Sprint contract does not follow this pre-approved format, so Mr. Esterly recommended approval by the Board pending legal counsel.

Peterson requested legal clarification regarding what recourse each city would have if future business opportunities were to interfere with the Sprint antenna lease. Vetsch requested information on how the contract with RF Communications and Mr. Esterly is renewed. Browning explained that the contract length was ten years with several years still remaining and Catlin added he believes there's a term of notice associated with the contract that allows Joint Powers to terminate the contract with a 30 day written notice. Browning noted that she would review the existing contract with RF Communications and provide a written summary for the next meeting. MOTION BY VETSCH, SECOND BY PETERSON TO TABLE APPROVAL OF THE SPRINT ANTENNA LEASE

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AGREEMENT UNTIL ADDITIONAL INFORMATION AND LEGAL ADVICE IS OBTAINED. MOTION CARRIED UNANIMOUSLY.

Under **Engineering**, Catlin recommended payment of \$481,652.85 to Rice Lake Construction Group for Pay Estimate #7 of the Water Treatment Plant Expansion. MOTION BY PETERSON, SECOND BY PAULLIN TO APPROVE PAY ESTIMATE# 7 TO RICE LAKE CONSTRUCTION GROUP IN THE AMOUNT AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

Catlin also handed out and discussed the water quality test results from the 15th Street wellfield. The results confirm there is no contamination from the landfill. The test borings show the rock aquifers are protected from surficial contamination by a deep layer of clay. Also, the Eau Claire shale formation provides additional protection of the Mt. Simon Aquifer. No action required by the Board at this time, Catlin recommended proceeding with developing the well field according to previous recommendations.

Under **Operations/Office**, Browning discussed the Veolia Water and Joint Powers 2006 proposed budgets. Browning explained the increases are directly related to the treatment plant expansion and annual increases for utilities and chemicals. Overages for these items are reconciled after the end of the year, so Joint Powers would receive a rebate if the costs were underbudget at year end. Increases or decreases in the remaining budget line items are based on actual costs incurred this year and confirmed prices for next year. Browning added that the treatment system in the new plant will require more labor hours from a Class A operator rather than entry level operators which will affect labor allocation. Vetsch asked about the number of employees and Browning responded that Joint Powers portion of labor equals 2.65 people and salary increases average about 3%, with all increases merit-based. Browning further explained the zero-based budget is based on actual costs of wages, salaries and elected employee benefits and allocated to projects based on the tasks employees are assigned daily. MOTION BY PETERSON, SECOND BY PAULLIN TO APPROVE THE PROPOSED 2006 VEOLIA WATER AND JOINT POWERS BUDGETS. MOTION CARRIED UNANIMOUSLY.

MOTION BY PAULLIN, SECOND BY KOTTKE, TO APPROVE THE LIST OF CLAIMS AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

In **Other Business/Announcements/Correspondence**, Peterson questioned if staff verifies sprinkling violations and Browning confirmed that before any courtesy notice or actual violation letter is sent, staff confirms the address, date and time. Browning also mentioned 272 warning letters and 9 penalty letters have been issued through August 17th.

MOTION BY PAULLIN, SECOND BY PETERSON, TO ADJOURN AT 6:23 P.M. MOTION CARRIED UNANIMOUSLY.

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Recording Secretary