

JOINT POWERS WATER BOARD MINUTES
Regular Meeting of
May 22, 2006
6:00 PM JPWT Plant Board Room

6:00 PM **Call to Order** by Chairperson Joyce Paullin

Board Members Present: Jerry Zachman, Joe Marx (alternate for Joe Hagerty), Gerhard Kottke, John Vetsch (6:04), Don Peterson

Board Members Absent: Joe Hagerty

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

Staff Absent: None

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

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

MOTION BY PETERSON, SECOND BY ZACHMAN, TO APPROVE THE MINUTES OF THE APRIL 24, 2006 REGULAR MEETING. MOTION CARRIED UNANIMOUSLY.

MOTION BY KOTTKE, SECOND BY MARX, TO APPROVE THE CONSENT AGENDA AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

There was no **Unfinished Business**.

Under **New Business**, Arlan Middleton of Middleton Insurance Agency presented the annual review of the JPWB insurance policy from the League of Minnesota Cities Insurance Trust. Middleton explained there are only minor policy changes and the increase in the policy premium is due to the additional property being insured as the plant expansion is completed. Marx asked how asset value is determined for insurance purposes and Middleton explained actual costs are provided by the engineers using the bid tabulations, while replacement costs are determined by a standard LMC percent calculation. Zachman asked what the average JP claim runs and Browning explained most JP claims are for hydrant damage and run between \$1500 and \$2000 dollars. However, most of these claims are City-owned and are run through the City's policy. Zachman asked if a higher deduction could lower the premium cost and Middleton explained the LMC uses a standard \$500 deductible for organizations which are not municipalities. Additional discussion followed. MOTION BY ZACHMAN, SECOND BY KOTTKE TO APPROVE THE LMC INSURANCE RENEWAL POLICY AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

Under **Engineering**, Catlin recommended payment of \$68,545.35 to Rice Lake Construction for Pay Estimate #14. MOTION BY PETERSON, SECOND BY KOTTKE TO APPROVE PAYMENT OF PAY ESTIMATE #14 for \$68,545.35 TO RICE LAKE CONSTRUCTION. MOTION CARRIED UNANIMOUSLY.

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Under **Operations/Office**, Browning explained the quarterly joint staff meeting is being scheduled for June, dependent on city staff availability. No action required by the Board at this time.

MOTION BY PETERSON, SECOND BY VETSCH TO APPROVE THE LIST OF CLAIMS AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

In **Other Business/Announcements/Correspondence**, Vetsch asked if the auditors follow GASB procedures and provide the financial information to the insurance agent and Browning confirmed the audit follows GASB rules and is provided to Middleton Insurance Agency. Marx asked about the status of the 15th Street Well Site. Catlin explained he had received an email of the preliminary variance to well code enabling work to proceed, but no official word from the Minnesota Department of Health at this time.

MOTION BY PETERSON, SECOND BY ZACHMAN TO ADJOURN AT 6:14 P.M.
MOTION CARRIED UNANIMOUSLY.

Recording Secretary