

JOINT POWERS WATER BOARD MINUTES
Regular Meeting of
November 27, 2006
6:00 PM JPWT Plant Board Room

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

Board Members Present: Joyce Paullin, Jerry Zachman (6:05), Joe Hagerty, John Vetsch, Don Peterson, Gerhardt Kottke

Board Members Absent: None

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

Staff Absent: Kelly Browning, Veolia Water NA

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

MOTION BY HAGERTY, SECOND BY KOTTKE, TO APPROVE THE MINUTES OF THE OCTOBER 23, 2006 REGULAR MEETING. MOTION CARRIED UNANIMOUSLY.

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

Under **Unfinished Business**, George Eilertson of Northland Securities introduced Scott Harder of Environmental Financial Group for discussion of the proposed rate study quote. Eilertson explained Harder's specialty was working with governmental units to set rates and charges for utility services. Eilertson added he and Harder met with the city administrators and engineers from each of the JP member cities about a month ago to discuss the scope of the study.

Peterson asked if the rate study would cover WAC fees and Harder confirmed. Hagerty asked when the last rate study was done and Keyes responded she believed when the cities took the distribution systems back. Catlin confirmed that in 1999 a thorough rate study was conducted and updated when the last series of bonds were issued. Eilertson added the update was focused around JPWB's five year capital plan and based the rates on how much revenue was needed to cover that plan.

Harder explained this proposed rate study would include a data review and collection exercise along with development of revenue requirements around capital needs and projected growth forecasts. Harder expects to use that information to create a cost-of-service analysis which uses the identified costs and evaluates the customer classes, water flow usage and loads to apportion the costs fairly among the water users. Harder will also look at rate design issues such as WAC fees, irrigation accounts and any rate ordinance language changes.

Hagerty asked about the completion date for the rate study and Harder stated Browning requested the completed study by mid-year 2007 for 2008 budgeting purposes, but he will set the pace according to the Board's needs. MOTION BY PETERSON, SECOND BY ZACHMAN TO APPROVE THE RATE STUDY PROPOSAL AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

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In other **Unfinished Business**, Board Members approved Tuesday, December 19th at 6 pm as the regular December meeting date instead of December 25th. MOTION BY PETERSON, SECOND BY HAGERTY TO APPROVE DECEMBER 19th AT 6 PM AS THE DECEMBER MEETING DATE. MOTION CARRIED UNANIMOUSLY.

There was no **New Business**.

Under **Engineering**, Catlin recommended payment of pay estimate #4 for \$124,373.99 to EnComm Midwest for Wellhouse 9. MOTION BY PETERSON, SECOND BY ZACHMAN TO APPROVE PAY ESTIMATE #4 FOR WELLHOUSE 9 AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

Catlin also explained to Board Members that he received a preliminary report from the Hanover engineers regarding future growth/annexation plans, the pace of development expected and projected future water demands. The report was provided to HR Green so the JPWB can expand the water system accordingly. Paullin explained the annexation plans are still in the planning stage and subject to change. No action required by the Board.

Under **Operations/Office**, there was nothing to report.

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

MOTION BY KOTTKE, SECOND BY ZACHMAN, TO ADJOURN AT 6:22 P.M. MOTION CARRIED UNANIMOUSLY.

Recording Secretary