

JOINT POWERS WATER BOARD MINUTES
Regular Meeting of
October 26, 2009
6:00 PM JPWT Plant Board Room

6:00 PM **Call to Order** by Ron Klecker at 6:05 PM.

Board Members Present: Dean Eggert (alternate for Jerry Zachman), Ron Klecker, Dave Malewicki, Joe Hagerty.

Board Members Absent: Martin Waters, Tom Faye.

Staff Present: Kelly Daleiden, Veolia Water NA; Chris Larson, HR Green

Staff Absent: Shelly Keyes, Veolia Water NA

MOTION BY EGGERT, SECOND BY HAGERTY, TO ADOPT THE AGENDA AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

MOTION BY HAGERTY, SECOND BY MALEWICKI, TO APPROVE THE MINUTES OF THE SEPTEMBER 28th, 2009, REGULAR MEETING. MOTION CARRIED UNANIMOUSLY.

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

Under **Unfinished Business**, Daleiden summarized the history on the CJ's account. She explained that approximately two years ago this came before the Board and Albertville Council for direction. The account, when it was turned over to the City of Albertville in 1999/2000 (which was approximately the same time that the Laundry moved into this location), the meter reading of record was incorrect. In the subsequent 7 years, the billing department continued to "drop" the zero off of the meter reading that was being submitted by the owner because it appeared to be too high of water usage, otherwise. When the meter was replaced two years ago by City staff, the meter was found to have actual water usage that coincided with the meter readings that had been submitted on the meter cards (without dropping any digits). Therefore, it was discovered that CJ's Laundry had been underbilled for approximately 10 years and by a factor of 10. In 2007, the Water Board agreed to forgive/waive all but one year of water usage on this account, which amounted to more than \$40,000. The City of Albertville did the same with their portion of the distribution system charges and the sewer fees. The Water Board at that time agreed to give CJ's up to two years interest free and penalty free to pay the balance of \$8715.10. In the past two years, very little has been paid toward this account. The balance remains at \$7615.00. CJ's and Mike Savitski (the building owner) receive a statement of account every month.

At the Water Board meeting two months ago, the Board directed staff to go ahead and send CJ's and Savitski a Certification to Taxes letter demanding that the balance get paid or the remainder would go to the property taxes. CJ's recently brought a response letter, requesting more time to make monthly payments and proposing \$200 per month payments. In February of 2009, the City of Albertville wrote off their portion of the historical balance. Daleiden also confirmed with the City that CJ's has kept current on their water and sewer bill during the past two years. Daleiden also stated that the Joint Powers' attorney, Scott Landsman, responded to this issue by saying that MN Statute does allow a utility to go back up to six years for a billing error, even if on the part of the utility. He also stated that he could find no case history where this Statute was challenged in court. After considerable discussion, the Board consensus was that there had not been enough consistent effort on the part of CJ's made to accept their proposed \$200 per month payment plan. They also were concerned that at \$200 per month, it would take too long to clear this balance. They also felt that the more than \$40,000 that was previously forgiven was more than generous and that the owner had the benefit of many years worth of very low utility bills. **MOTION BY HAGERTY,**

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SECOND BY MALEWICKI, TO ACCEPT MONTHLY PAYMENTS, BUT ONLY IN THE AMOUNT OF AT LEAST \$300 PER MONTH; AND WITH THE CONDITION THAT IF THERE IS A DEFAULT IN THIS ARRANGEMENT, THE BALANCE WILL IMMEDIATELY BE CERTIFIED TO THE COUNTY PROPERTY TAXES. MOTION CARRIED UNANIMOUSLY.

Under **Engineering**, there were no new items. Chris Larson noted that the Board's attorney had reviewed the settlement release on the valve issue for Well #9 and did not approve. He was working directly with EnComm's attorney to work out an acceptable release agreement. There was no action to be taken at this time.

There were no new items under **Operations/Office**. Board members asked about the status on foreclosures. Daleiden discussed the water shut offs that staff were working on to catch vacant, abandoned, and foreclosure homes before freezing weather hits. She stated that each month the office reviews the "zero usage" report from the meter readings and sends the field staff to investigate any that could potentially be vacant or abandoned properties. If a home is found to be vacant and if no contact information can be obtained, the water is shut off and a notice posted on the door. Accounts where the bill is being paid by someone regularly, but appears vacant, office staff will contact the billing customer to confirm if the water should be shut off or not before freezing weather.

The Board reviewed the list of claims. **MOTION BY KLECKER, SECOND BY EGGERT, TO APPROVE THE LIST OF CLAIMS AS PRESENTED. MOTION CARRIED UNANIMOUSLY.**

There was no **Other Business/Announcements/Correspondence**.

MOTION BY MALEWICKI, SECOND BY HAGERTY, TO ADJOURN THE MEETING AT 6:35 PM. MOTION CARRIED UNANIMOUSLY.

Kelly Daleiden, Recording Secretary