

JWC

**GOLDEN VALLEY-CRYSTAL-NEW HOPE**  
**JOINT POWERS AGREEMENT**

WHEREAS, the Cities of Golden Valley, Crystal, and New Hope wish to, pursuant to Minnesota Statute Section 471.59, jointly purchase the water produced from the water works system of the City of Minneapolis for the three communities; and

WHEREAS, savings are being realized by the parties hereto through the creation of a joint water supply, storage and distribution system, using as the source of the water supply water to be furnished by the City of Minneapolis, and through the joint operation thereof; and

WHEREAS, such a jointly operated water system will also benefit each of the parties hereto by providing multiple service locations to insure water supply whenever any breakdown of equipment or a natural disaster interferes with or blocks the regular sources of water supply of the community; and

WHEREAS, the parties had a previous Agreement for Water Supply and Distribution System, dated November 12, 1963, as subsequently amended; and

WHEREAS, the parties wish to enter into this Joint Powers Agreement to replace the earlier Agreement for Water Supply and Distribution System with the terms set forth herein;

NOW, THEREFORE, it is hereby agreed by and between the parties hereto, pursuant to Minnesota Statute Section 471.59, as follows:

1. Purpose. The purpose of this Agreement is to provide for the operation and ownership of a water supply and distribution and support system (hereinafter "Facilities") in and for the Cities of Golden Valley, Crystal and New Hope (hereinafter the "Communities").

2. Organization and Name. There is hereby continued an operation for the purpose set forth herein a commission to be known as the "Golden Valley, Crystal and New Hope Joint Water Commission" (hereinafter the "Commission").

a. Composition. Until otherwise provided by law or by unanimous agreement of the communities, the Commission shall have three members, one of whom shall be appointed by the City Council of Golden Valley, another by the City Council of Crystal, and the third by the City Council of New Hope, in each case by the majority vote of all members of the respective City Council at a meeting duly called and held. Each commissioners shall be appointed by city resolution.

b. Term of Office. The term of office of each member shall be three (3) years and until his or her successor is appointed and qualified. Each person so appointed shall qualify by filing an acceptance of the appointment in the Office of the Clerk of the municipality appointed him or her and a copy thereof with the Secretary of the Commission.

c. Meeting, Quorum and Voting. The Commission shall meet as necessary to conduct the business of the Commission but at least once each year. Additional special meetings may be called by a majority vote of the Commission. A quorum shall be two (2) members of the Commission. The Commission shall adopt its own rules of procedure for the conduct of its meetings. All actions by the Commission shall require a two-thirds (2/3) vote of all members; except the following which require unanimous action:

1. Amendment of this Agreement.
2. Contract with the City of Minneapolis
3. Capital Improvements
4. Rate Schedules or Budgets
5. Depository and Check Signers

d. Officers and Officers' Duties. There shall be appointed on an annual basis the following offices of the Commission:

Chairperson; Vice Chairperson; and Secretary/Treasurer. The Chairperson or, in his or her absence, the Vice Chairperson shall preside at all meetings of the Commission. The Secretary/Treasurer shall act as the Clerk of such meeting, shall give notice thereof and shall be custodian of all books and records of the Commission. The Finance Department on one of the member Cities be the custodian of all moneys received by the Commission, shall keep accounts thereof, shall pay out money on orders signed by the Chairperson, shall submit to the Commission such reports as it may request regarding the financial affairs of the Commission.

3. Powers. The Commission and its members (regardless of the community by which the members are respectfully appointed) shall be and are hereby constituted as agents and representatives of the Communities for the purpose of exercising, on behalf of the Communities, the powers hereby conferred in performing the duties hereby imposed on them. No member shall be deemed a partisan representative of the Community by which he or she was appointed. Neither the Commission nor any member thereof shall have any power or authority except as conferred by this Agreement, or an amendment thereto, or any applicable statute hereafter enacted. The Commission shall have all powers, not prohibited by Minnesota law, reasonably necessary and convenient to carry out the purposed of this Agreement, including the following specific powers:

a. The Commission may define its own procedure by the adoption of bylaws, procedure for auditing and allowing claims, the date, time and place of regular meetings, and the manner of calling special meetings.

b. To operate, maintain and repair the Facilities.

c. To allocate construction, operation, maintenance and repair costs and expenses of the Facilities among the Communities.

d. To render and collect bills from the Communities for construction, operation, maintenance and repair costs and expenses.

e. To pay costs of operation, Maintenance and repair of the Facilities.

f. To safeguard the water supply against interconnections with private water supply systems, and any potential hazards to the water supply, including the termination of water service to any portion of the water system where the water supply is endangered.

g. To determine the amount of and allocate unaccounted use of water to the Communities.

h. To assign the Communities responsibility for doing the work of operating, maintaining and repairing the Facilities and the keeping of records regarding such work.

i. To require reports from the parties as to any facilities comprising a part of or connected to the Facilities.

j. To prepare all necessary maps and records necessary for the operation, maintenance and repair of the Facilities.

k. To engage such personnel as may be necessary to provide for the operation, maintenance and repair of the Facilities and the conduct of the work of the Commission.

l. To adopt, and from time to time revise, rules and regulations for the conduct of the affairs of the Commission and for the discharging of powers, duties and responsibilities of the Commission.

m. To hire and/or contract for professional services, including legal, auditing, accounting, and engineering services.

n. To adopt by resolution reasonable charges for water service and availability and collect fees and charges regarding the same, including the imposition of hookup fees, water usage fees and service and availability charges in an amount sufficient to defray all expenses of operation of the system, including all actual operation and data expenses, a reasonable sum to account for depreciation and replacement of equipment and budgeting for future capital needs of the system and to provide for the collection of the same using any and all methods permitted by Minnesota law.

o. To purchase supplies, materials, equipment and other personal property.

p. To purchase, hold and sell real estate.

q. By resolution to adopt appropriate regulations, including, but not limited to, a permanent system to regulate use, connection with, disconnection from and tampering with the system, and providing for enforcement of the regulations by appropriate action, including criminal prosecution.

r. To apply for and receive any grants, aids, gifts or contributions.

s. To limit the number and location of connections to the systems.

t. To enforce all rights which it has under this Agreement by appropriate action, including, but not limited to, legal action in the Courts of this State.

Consistent with the foregoing provisions, responsibility for operation, maintenance and repair of all local facilities shall be discharged by the respective parties within whose boundaries the facilities are located: The Commission shall reimburse each City for costs and expenses associated with major intake, distribution and storage system features, such as intake stations, ground water reservoirs, elevated storage tanks, associated controls and mains and valves large than 12" in size or larger. All other system facilities that are maintained by each respective city.

4. Finance.

a. Budget. The Commission shall establish an annual budget which accounts for the revenues and expenditures.

b. Books/Audits. The Commission shall provide for an annual audit of the financial records of the Commission. The audit shall be conducted by a competent certified public accountant, the cost of such audits to be considered as a cost of operation and maintenance of the Facilities.

c. Investment. Any funds that are not needed for current expenses may be utilized by the Commission for betterment or expansion of the Facilities by acquiring additional real and personal property and contracting for necessary services to carry out the betterment, expansion or purchase. Any funds not needed for current expenses or facilities expansion, may be invested by the Commission in investments lawful for municipalities within the State of Minnesota.

d. Refunds. In the event that additional funds are generated from the Commission beyond current expenses, capital expenses and existing and future debt service, the money may be refunded to the Communities to the extent of cash contributions contributed pursuant to the terms of this Agreement.

e. Bonding. The Commission shall cause all persons handling revenues of the system to be bonded in reasonable amounts for the protection of the Commission and the Communities and will cause the funds collected on account of the operation of the Facilities to be deposited in a bank or banks whose deposits are guaranteed by the Federal Deposit Insurance Corporation or its successor.

5. Operation of Fees Facility.

a. Distribution of Water. The water supplied by and distributed through the Facilities shall be furnished only to premises situated within the corporate limits of the parties, except that such water may be furnished to premises situated outside such corporate limits if the premises abut on a public street or highway which coincides with the municipal boundary of any party. The Commission shall be notified of any such connections.

b. Customer Billing. The amounts billed every month to the Communities for water consumed and for pumping costs shall be proportionate to the amount of water used by the community during the period of service for which the bills are rendered. The amount of water used by each community shall be determined by reference to bills rendered by its water department. The Communities agree to make available for inspection during normal business hours all of their records pertaining to amounts of water used by all community water users served by them.

c. Maintenance Costs. All costs of operation, maintenance, repair and replacement of the facilities shall be apportioned to and paid by each community on the basis of water used by such community. For the purpose of this section, unaccounted-for water assigned to a community by the Commission and water sold by a community in an area outside the corporate limits of any of the Communities shall be included as "water use" by that community. During any year, apportionment shall be made monthly on a tentative basis; but final apportionment shall be made annually on an annual basis at the close of each calendar year. If any bill rendered to a community remains unpaid fifteen (15) days after it has been rendered to that community, it shall thereupon commence to draw interest at the rate of five percent (5%) per annum on the amount thereof. Each community hereby pledges its full faith, credit and taxing powers for the prompt payment of any bills rendered under this Agreement.

d. Arbitration. Whenever there is disagreement between any two or more of the Communities which are a party hereto, any community may apply to the District Court in Hennepin County for appointment of one or more arbitrators under Minnesota Statute Chapter 572, and the disagreement shall thereupon be arbitrated in accordance with said Chapter 572. Pending

conclusion of the arbitration under Chapter 572, any amounts declared or determined by the Commission to be due and owing between the Communities shall be paid in full, and such payment shall not be deemed to prejudice or to act as a waiver of any rights or claims asserted or held by the Communities.

6. Termination. This Agreement may be terminated by unanimous consent of the members of the Commission in ratification of such action by the governing bodies of the Communities. The termination shall be effective six (6) months after consent of all parties. In the event of termination, all real and personal property and cash held by the Commission shall be divided among the Communities by unanimous consent. If such consent cannot be achieved, parties shall apply to the District Court of Hennepin County asking for a determination of an equitable division of property so held, based upon refunded monetary contributions made to the Commission by the Communities. If no such refunded contributions exist, then the division of property shall be as nearly equal as possible between the members. The Court may appoint, at its discretion, an appraiser, the cost of which shall be borne by the Communities equally.

7. Severability. In the event that any portion of this Agreement is deemed to be illegal and unenforceable, it shall not affect the enforceability of the other provisions contained herein.

8. Effective Date and Repeal. This Agreement shall take effect upon approval by all of the governing bodies of the Communities and, upon the same date, the Joint Powers Agreement shall take effect.

Approved by the City Council  
August 16, 1994

CITY OF GOLDEN VALLEY

By [Signature] Mayor

Attest [Signature] City Manager

Approved by the City Council  
September 27, 1994

CITY OF CRYSTAL

By [Signature]

Attest [Signature]

Approved by the City Council  
9-12-94, 1994

CITY OF NEW HOPE

By [Signature]

Attest [Signature]