

City Corporation  
Board of Directors' Meeting  
Main Office Conference Room  
Tuesday, February 21, 2012, 4:00 p.m.

PRESENT:

Directors:	Tommy Richardson Frank Russenberger Luke Duffield	Don Guess Art Jones
City Corp:	Craig Noble Jim Lynch Kenny Lutz	Larry Collins Rena Taylor Hope Penman
Others:	Clint Bell Catherine Wilkins Preston Tootner Mark Tripp	Mayor Bill Eaton Ron Knost Garland Steuber

Chairman Tommy Richardson called the meeting to order at 4:00 p.m.

Approval of the January 2012 Minutes: Don Guess made a motion to approve the minutes. Art Jones seconded. Minutes were approved as presented.

Review and Consideration of the January 2012 Financials: On the water side, revenues were 6.5% (\$27,176.68) under budgeted amounts for the month. The yearly variance is running 1.2% greater than budgeted amounts. Total Operations & Maintenance (O&M) expense for the month was 3.6% under budget (\$13,499.56). The O&M budget amount was \$372,422.00 with the actual O&M monthly total being \$358,922.44. The yearly variance is 10.2% (\$302,982.48) under projected budget. The net income for the month was 29.5% (\$14,779.15) less than the budgeted income. On the sewer side, revenues were 3.1% (\$9,697.65) under projected amounts. The budgeted revenue was projected to be \$308,575.00 with the actual total revenue being \$298,877.35. The yearly variance is 1.4% (\$31,759.91) under budget. Total O & M expense was \$26,369.37 over budget. The yearly variance is 9.4% (\$163,993.05) under budget projections. The net income for the month was 97.2% (\$36,125.56) over budget. Don Guess made a motion to approve the January 2012 financials. Art Jones seconded. The Financial Report was approved as presented.

Capital Projects Status Report: Reported that all areas are operating well with no issues being noted.

Operating Reports: Reported that operations had run smoothly for the month. Art Jones asked if the fourteen overflows were due to the storm events. Larry Collins stated that the overflows were indeed caused by the storm events experienced in the month.

Consent Administrative Order Update: Clint Bell stated that ADEQ had declined the extension of compliance date for TSS and TRC. The TRC issue is being addressed as a separate Construction item (potentially). CWB Engineers is completing the final revisions for the East 2<sup>nd</sup> Street Sewer line rehabilitation project to incorporate the comments and suggestions from the City Corporation review. Initial work has been started on the City Mall. The contractor will be cleaning and televising the lines associated with this area beginning on this February 13th.

PCW Plant Design Update: City Corporation personnel met with ADEQ and asked for an extension on TSS and TRS as well as Nitrates. They declined the request as presented. City Corporation is still shooting for a July 2012 design completion date.

PCW Sludge Application Update: City Corporation received correspondence from the property owner at one of its sludge disposal sites located adjacent to the PCW Plant. This is commonly referred to as the Baker property. As of December 31, 2012, City Corporation will no longer be allowed to spread sludge on this area. Larry Collins offered to have the City Corporation cost per ton for applying it at the March 2012 meeting.

The March Board meeting will be on March 20, 2012 at the Pollution Control Works located at 404 Jimmy Lile Road.

Art Jones made a motion to adjourn. Don Guess seconded. Motion carried. Meeting was adjourned.

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Art Jones, Secretary