

City Corporation
Board of Directors' Meeting
Huckleberry Creek Reservoir
Tuesday, May 15, 2012, 4:00 p.m.

PRESENT:

Directors:	Tommy Richardson	Don Guess
	Art Jones	Frank Russenberger
	Luke Duffield	
City Corp:	Craig Noble	Larry Collins
	Ricky Biffle	Hope Penman
	Brenda Austin	Jim Lynch
	Kenny Lutz	Rena Taylor
	Jeremy Myers	
Others:	Clint Bell	Bob Hardin
	Ron Knost	Randal Horton
	Gary Bennett	Michael Oakes
	Burke Larkin	Earl Woker
	Craig Johnson	Mayor Bill Eaton
	Al Sun	Joseph Cotton
	Rusty Gadberry	Steven Jeffus
	Hugh Kelso	Billye Southerland
	Linda Russenberger	Mylah Myers
	Judy Collins	Martin Irwin
	Michelle Irwin	Andrew Pownall
	Nathan George	

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

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

Review and Consideration of the April 2012 Financials: On the water side, revenues were 1.4% (\$5,933.20) over budgeted amounts for the month. The yearly variance is running 3.1% less than budgeted amounts. Total Operations & Maintenance (O&M) expense for the month was 2.2% under budget (\$8,093.99). The O&M budget amount was \$365,657.00 with the actual O&M monthly total being \$135,300.00. The yearly variance is 7.2% (\$293,503.06) under projected budget. The net income for the month was 19.7% (\$15,075.06) greater than the budgeted income. On the sewer side, revenues were 6.8% (\$22,109.17) over projected amounts. The budgeted revenue was projected to be \$323,875.00 with the actual total revenue being \$345,984.17. The yearly variance is 0.3% (\$9,113.87) over budget. Total O & M expense was \$47,849.51 over budget. The yearly variance is 4.9% (\$167,747.91) under budget.

projections. The net income for the month was 209.5% (\$25,798.68) under budget. Don Guess made a motion to approve the April 2012 financials. Frank Russenberger 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 all operations had run smoothly for the month. The Dam Inspection Report was returned with no issues being cited.

City Corporation Lease: Art Jones made a motion to approve the Lease as presented. Luke Duffield seconded. Tommy Richardson took a moment to thank the City Corporation Liaison (Burke Larkin), City Council and Mayor Eaton. He stated that he looked forward to increased cooperation with all involved. He also said that he wanted to thank the management and City Corporation employees because without them, none of this would be possible.

Bid Items: All three bid items had only one responsive bid received. Noble stated that in the past the Board has not considered one bid as a true bid but City Corporation had advertised well for the three bids and received little response. Luke Duffield made a motion to open the bids and award them at the next Board Meeting. Art Jones seconded. Tommy Richardson asked Rusty Gadberry with Arkansas Data Services to research possible lease options for the Power 7 Server. The bid for Power 7 Server from ADS came in at \$107,477.00. The telephone system bid was by Service Plus. The Mayor stated that this was the company that won the bid for the City's system and that they were very pleased with the services. The bid was received in the amount of \$36,410.64. The final bid item was for Fire Hydrants. One bid was received from River Valley WinWater in the amount of \$24,017.02 for 15 Clow Medallion Fire Hydrants. Noble stated that City Corporation has a line item in the budget to purchase \$30,000 worth of fire hydrants that are installed at the direction of the Fire Department.

Consent Administrative Order Update: Clint Bell deferred to Stephen Jeffus of RJN Group to give a presentation on the SSES.

PCW Plant Design Update: Andrew Pownall gave an update on the PCW Plant Design Project with the assistance of Project Manager Al Sun, and Craig Johnson.

Preferred Contractor Program Discussion: Jeremy Myers gave a presentation on City Corporation Sewer Ordinance, Rates, and Preferred Programs. He proposed to the Board to eliminate the number in the households as a means of determining sewer rate and begin using a flat rate based on a 10 year average of all residential customers. Myers also stated that some Preferred Contractors did not like the idea of having to pay sewer rates when the house was under construction. Art Jones made a motion to eliminate the number in the households as a means of determining sewer rate and begin using a flat rate based on a 10 year average of all residential customers and eliminate the sewer fees for preferred contractors with a house under construction. Frank Russenberger seconded. Motion carried.

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

Art Jones, Secretary