

City Corporation
Board of Directors' Meeting
Main Office Conference Room
Tuesday, October 16, 2012, 4:00 p.m.

PRESENT:

Directors:	Tommy Richardson	Don Guess
	Art Jones	Frank Russenberger
	Luke Duffield	
City Corp:	Steve Mallett	Kenny Lutz
	Larry Collins	Hope Penman
	Brenda Austin	Jim Lynch
	Randy Bradley	Jonathan Shipley
Others:	Mayor Bill Eaton	Matt Crow
	Bob Hardin	Garland Steuber
	Sam Gates	Gary Bennett
	Ron Knost	Clint Bell

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

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

Review and Consideration of the September 2012 Financials: On the water side, revenues were 1.2% (\$6,295.33) under budgeted amounts for the month. The yearly variance is running 1.7% more than budgeted amounts. Total Operations & Maintenance (O&M) expense for the month was 4% over budget (\$15,984.66). The O&M budget amount was \$403,689.00 with the actual O&M monthly total being \$419,673.66. The yearly variance is 3.6% (\$45,921.27) over projected budget. The net income for the month was 17.2% (\$22,045.07) less than the budgeted income. On the sewer side, revenues were 2.2% (\$7,528.00) under projected amounts. The budgeted revenue was projected to be \$341,065.00 with the actual total revenue being \$333,537.00. The yearly variance is 1.9% (\$19,712.99) under budget. Total O & M expense was \$50,384.91 under budget. The yearly variance is 12.7% (\$139,653.82) under budget projections. The net income for the month was 819% (\$42,784.41) greater of a loss than anticipated. Luke Duffield made a motion to approve the September 2012 financials. Art Jones seconded. The Financial Report was approved as presented.

Chief Operating Officer Report: Steve Mallet gave an update to the Board regarding several items that he has been working on recently. Among those items, he addressed water service to

Cove Landing, City of Russellville Street Projects, the Wellness Program, ADEQ and ADH correspondence.

Capital Projects Status Report: Collins reported that all areas are operating well with no issues being noted. Collins stated that sludge removal at the Water Treatment Plant Lagoons was going well. The East pond will be completed in approximately one week and the work will begin on the West.

Operating Reports: Collins reported that all operations had run smoothly for the month. Collins stated that filter washes are up because of the presence of algae. Mr. Collins introduced Sam Gates with McClellan Engineers to discuss the algae issue at Huckleberry Creek Reservoir. Mr. Gates gave a detailed presentation on the various types of algae species found in the reservoir and treatment methods. Mr. Collins concluded his report stating that one violation was noted in September which was on chlorine residual.

Consent Administrative Order Update: Clint Bell gave an update on the Consent Administrative Order for the month of September. Mr. Bell noted a workshop was held on September 19, 2012. A pre-construction meeting will occur next week for the East 2nd Street project.

PCW Plant Design Update: Matt Crow with CDMSmith gave the report on the PCW Plant Design Update. Mr. Crow reported that the Arkansas Department of Health has reviewed and approved Schedule I: Dechlorination System. The Construction Permit Application was submitted to ADEQ on August 31 for review for Schedule II: Nitrate Removal.

The Board adjourned into Executive Session.

The Board came out of Executive Session and announced that no action was taken.

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

Art Jones, Secretary