

City Corporation
Board of Directors' Meeting
Main Office Conference Room
Tuesday, September 17, 2013, 3:00 p.m.

PRESENT:

Directors:	Don Guess Frank Russenberger Harold Barr	Art Jones Luke Duffield
City Corp:	Steve Mallett Kenny Lutz Lance Bartlett Hope Penman	Larry Collins Brenda Austin Randy Bradley
Others	Clint Bell Mayor Bill Eaton	Aaron Stallmann Bob Hardin

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

Approval of the August 2013 Minutes: Harold Barr made a motion to approve the minutes. Art Jones seconded. Minutes were approved as presented.

Review and Consideration of the August 2013 Financials: On the water side, revenues were 7.5% (\$43,221.82) under budgeted amounts for the month. The yearly variance is running 8.20% less than budgeted amounts. Total Operations & Maintenance (O&M) expense for the month was 12.9% under budget (\$56,734.28). The O&M budget amount was \$440,173.00 with the actual O&M monthly total being \$383,438.72. The yearly variance is 12.5% (\$115,499.31) under projected budget. The net income for the month was 9.6% (\$13,618.87) more than the budgeted income. On the sewer side, revenues were 2.9% (\$9,571.82) under projected amounts. The budgeted revenue was projected to be \$331,750.00 with the actual total revenue being \$322,178.18. The yearly variance is 3.2% (\$21,589.64) under budget. Total O & M expense was \$13,709.68 under budget. The yearly variance is 6.5% (\$46,335.88) under budget projections. The net income for the month was 92.1% (\$11,745.92) less of a loss than anticipated. Art Jones made a motion to approve the August 2013 financials. Luke Duffield seconded. The Financial Report was approved as presented.

General Manager's Report: Steve Mallett gave an update to the Board regarding several items that he has been working on recently. Among those items, he addressed the one cent sales tax extension, the Tri-County Water Adjustment, Wastewater Sludge Disposal /Compost facility, the proposed HR policy manual, staffing items, and multiple meetings which he attended throughout the month. Frank Russenberger asked to have a work meeting scheduled to review the HR manual revisions. A meeting was set up for October 1, 2013, at 11:00 a.m.

Capital Projects Status Report: Lance Bartlett deferred to Aaron Stallmann with Garver Engineers for updates on three projects including the 23rd Street Gravity Line, the Carbon Feed System Replacement, and the Western Hills Tank Painting project. Clint Bell with CWB Engineers gave a report on East 2nd street wastewater improvements. City Corporation staff is currently monitoring (31) local developments at this time.

Operating Reports: Collins reported two violations for the month. The first was for total residual chlorine (TRC). Mr. Collins explained that the PCW has a temporary set up in place awaiting the completion of new equipment and its installation. A kink developed in the temporary hose. This caused the TRC violation. The other violation was for copper.

Bid Award for Wastewater Improvements in Basins 1,2,8 and 11: Art Jones made a motion to accept the low bid of \$1,141,322.00 from Building and Utility Contractors, Inc. Frank Russenberger seconded. Motion passed.

Consideration of Various Annual Engineering Contracts: Frank Russenberger made a motion to accept all contracts in the amount presented. Luke Duffield seconded. Motion passed.

Consideration of Contract with Garver for Water Master Plan: Frank Russenberger made a motion to accept the proposed contract with Garver on an hourly basis not to exceed \$150,000. Harold Barr seconded. Motion passed.

Consent Administrative Order Update: Clint Bell gave an update on various projects pertaining to the CAO. City Corporation has fulfilled all requirements to the CAP with the exception of submittal of the plans and specifications for future construction projects and annual CMOM submittals.

PCW Plant Design Update: Steve Mallett presented the PCW Plant Design Update for the month. He noted that the dechlorination project is past the scheduled completion date and City Corporation is awaiting response on several items on the project. Schedule II is moving forward and seems to be ahead of schedule at this time.

Executive Session: The Board adjourned into executive session to discuss the appointment of the new Board officer. The Board reconvened into open meeting with no action being taken.

Frank Russenberger made a motion to adjourn. Art Jones seconded. Motion carried. Meeting was adjourned.

C. Frank Russenberger, Secretary