

City Corporation
Board of Directors' Meeting
Main Office Conference Room
Wednesday, August 20, 2014, 3:00 p.m.

PRESENT:

Directors:	Art Jones Luke Duffield Bill Harmon	Frank Russenberger Harold Barr
City Corp:	Steve Mallett Taryn Childers Jim Lynch Randy Bradley Jeremy Myers	Larry Collins Lance Bartlett Kenny Lutz Rena Taylor Brenda Austin
Others:	David Garza Clint Bell Bob Hardin	Aaron Stallmann Nick Williams

Chairman Jones called the meeting to order at 3:00 p.m.

Approval of the July 2014 Minutes: Frank Russenberger made a motion to approve the minutes. Luke Duffield seconded. Minutes were approved as presented.

Review and Consideration of the July 2014 Financials: On the water side, revenues were 18% (\$109,350.60) under budgeted amounts for the month. The yearly variance is running 18% less than budgeted amounts. Total Operations & Maintenance (O&M) expenses for the month were 14.2% (\$69,736.49) under budget. The O&M budget amount was \$491,212.30 with the actual O&M monthly total being \$421,475.81. The yearly variance is 14.2% (\$69,736.49) under projected budget. The net income for the month was 35.2% (\$41,313.33) less than the budget projections. On the sewer side, revenues were 4% (\$13,448.76) over projected amounts. The budgeted revenue was projected to be \$332,540.00 with the actual total revenue being \$345,988.76. The yearly variance is (\$13,446.76) over budget. Total O&M expense was \$35,373.59 over budget. The yearly variance is 9.2% (\$35,373.59) over budget projections. The net income for the month was 43.9% (\$22,151.25) greater a loss than anticipated. Harold Barr made a motion to approve the July 2014 financials. Bill Harmon seconded. Motion passed.

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 a proposed Board work session to discuss fee revisions and credit card fees, Office/ WTP House Remodel projects, ADEQ Update, Leachate from Ozark Ridge Landfill and a meter study of 200 meters in the water system.

Capital Projects Status Report: Lance Bartlett updated the Board on the status of several projects affecting the system currently. Aaron Stallmann with Garver Engineers addressed the Water Treatment Plant Alum Building and the Water Master Plan Update. Dave Garza with Barrett & Associates discussed the West C Street – Commerce Sewer and Water Improvements Project. Lance Bartlett addressed the

completion of the 2013 Root Control Project. Clint Bell with CWB Engineers discussed the current Consent Administrative Order (CAO).

Operating Reports: Larry Collins reported on the operations at both treatment plants. At the Pollution Control Works Facility, the storm water basins are currently empty. Maintenance crews have completed their regular maintenance tickets for the month and plant staff is now busy with mowing and weed control at the plant. At the Water Treatment Plant, all online meters were calibrated by staff during the month of July. A two day Sanitary Survey was completed by the Arkansas Department of Health in April. The report should arrive shortly. The elevation of the reservoir is 459.1.

Water Reserve CD Renewal Bid Award: frank Russenberger made a motion to accept the bid of 0.25% APR from First State Bank. Harold Barr seconded. Motion passed.

Consideration of Additional Allocation for H and Parker: Frank Russenberger made a motion to approve additional allocation in the amount of \$35,633.32 as requested. Harold Barr seconded. Motion passed.

Consideration of Contract with Utility Services Associates for leak detection in the water distribution system: Due to further need for clarification, the item was tabled until the Board work session scheduled for Tuesday, August 26.

Consideration of Solid Waste Contract: Luke Duffield made a motion to approve the agreement between the City of Russellville, City Corporation, and Waste Management. Bill Harmon seconded. Motion passed.

Consideration of Contract with Crafton Tull on the lift station rehabilitation: Harold Barr made a motion to accept the contract in a not to exceed amount of \$83,035.00 based on hourly rates plus reimbursable expenses. Bill Harmon seconded. Motion passed.

Consideration of Contract with CWB Engineers on the manhole rehabilitation: Luke Duffield made a motion to approve the contract in a not to exceed amount of \$54,500.80 based on hourly rates plus reimbursable expenses. Harold Barr seconded. Motion passed.

Consideration of Contract with RJN and Associates for the SSES: Bill Harmon made a motion to approve the proposed contract in a not to exceed amount of \$339,192.00. Luke Duffield seconded.

Appointment of the Board Member Selection Committee: Harold Barr made a motion to appoint Frank Russenberger as Chairman of the Selection Committee and Art Jones as the ex-officio. Bill Harmon seconded. Motion passed.

Luke Duffield made a motion to adjourn. Harold Barr seconded. Meeting was adjourned.

Luke Duffield, Secretary