

City Corporation  
Board of Directors' Meeting  
Main Office Conference Room  
Tuesday, October 21, 2014, 3:00 p.m.

PRESENT:

Directors:	Art Jones Luke Duffield Bill Harmon	Frank Russenberger Harold Barr
City Corp:	Steve Mallett Taryn Childers Jeremy Myers	Larry Collins Randy Bradley Rena Taylor
Others	Aaron Stallmann John Metrailler Clint Bell Bo Smith Andrew Pownall	Danny Bauer Loy Claunch Bob Hardin David Garza

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

Approval of the September 2014 Minutes: Harold Barr made a motion to approve the minutes. Luke Duffield seconded. Minutes were approved as presented.

Review and Consideration of the September 2014 Financials: On the water side, revenues were 4.2% (\$22,884.87) under budgeted amounts for the month. The yearly variance is running 12.2% less than budgeted amounts. Total Operations & Maintenance (O&M) expense for the month was 30.2% under budget (\$175,573.46). The O&M budget amount was \$582,329.76 with the actual O&M monthly total being \$406,756.30. The yearly variance is 9.5% (\$142,319.69) under projected budget. The net income for the month was 423.2% (\$150,682.79) more than the budgeted income. On the sewer side, revenues were 1.9% (\$6,300.07) under projected amounts. The budgeted revenue was projected to be \$330,540.00 with the actual total revenue being \$324,239.93. The yearly variance is 0.5% (\$4,425.89) over budget. Total O & M expense was \$22,507.31 under budget. The yearly variance is 0.1% (\$1,076.86) under budget projections. The net income for the month was 25.2% (\$15,989.73) less of a loss than anticipated. Frank Russenberger made a motion to approve the September 2014 financials. Bill Harmon 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 upcoming Progress Edition in the Courier scheduled to run in the Sunday, November 2<sup>nd</sup> edition, the ongoing meter

study being completed by UMS, an update on the 205 Office Remodel and various meetings that he attended over the course of the month.

Capital Projects Status Report: Lance Bartlett deferred to Aaron Stallmann with Garver Engineers for updates on the Water Treatment Plant Improvements, I-40 Water and Sewer Project, and the Water Master Plan Update. Loy Claunch with Crafton Tull was present to discuss the Highway 124 Center Valley School Force Main Relocation and the Old Post Road and IP Lift Station Replacement. Dave Garza with Barrett and Associates discussed the West "C" Street – Commerce Sewer and Water Improvements Project. Clint Bell with CWB Engineers gave a report Consent Administrative Order (CAO) updates. Andrew Pownall with CDMSmith reported on the PCW Schedule II Project.

Operating Reports: Larry Collins reported ten violations for the month. Plants continue to be busy with mowing and weed control. All online meters were calibrated and all plant generators were serviced in the month of September. Repairs were made to the backwash basin sludge pumps and the Water Treatment Plant. The elevation of the reservoir is 456.09 or 4.21 feet down. The lake was 8.1 feet down this time last year.

Consideration of Change Order Number 9 with Archer Western: Bartlett recommended approval of Change Order Number 9 submitted by Archer Western. The total amount proposed in the change order is \$137,201.00 which included several items. Bill Harmon made a motion to approve the change order as submitted. Frank Russenberger seconded. Change order was approved.

Consideration of Bids for Various Door Replacements at PCW and Wastewater Lift Stations: \$43,000 was budgeted for this project. One bid was received from Ford Engineering in the amount of \$25,890.00. Because of the great price, Larry Collins suggested that other doors be replaced if Ford Engineering will honor the price on those as well. Harold Barr made a motion to authorize spending up to the budgeted amount of \$43,000 for door replacement if Ford Engineering will honor the bid price on the other door replacements. Frank Russenberger seconded. Motion passed.

Consideration of contract with Duncan Construction for a utility relocation project along Highway 124 (Crow Mountain – Center Valley Road): Harold Barr made a motion to approve the contract in the amount of \$130,460.89. Bill Harmon seconded. Motion was passed as presented.

Executive Session: The Board adjourned into executive session to discuss the appointment of the new Board member. The Board reconvened into open meeting. Frank Russenberger submitted Susie Nicholson as the City Corporation Board nominee to replace Art Jones, outgoing member. Bill Harmon made a motion to accept the nomination and Harold Barr seconded. Motion passed unanimously.

Harold Barr made a motion to adjourn. Frank Russenberger seconded. Meeting was adjourned.

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Luke Duffield, Secretary