

City Corporation
Board of Directors' Meeting
Main Office Conference Room
Tuesday, January 20, 2015, 3:00 p.m.

PRESENT:

Directors:	Art Jones	Frank Russenberger
	Luke Duffield	Harold Barr
	Bill Harmon	Susie Nicholson

City Corp:	Steve Mallett	Larry Collins
	Taryn Childers	Lance Bartlett
	Jeremy Myers	Rena Taylor
	Kenny Lutz	Randy Bradley
	Jim Lynch	

Others:	Aaron Stallmann	Clint Bell
	Bob Hardin	Bo Smith
	Steve Sharkey	Loy Claunch
	Dave Garza	Mayor Randy Horton
	Bill Eaton	Larry Brown
	Dan Jackson	Steve Sharkey

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

Election of the 2015 City Corporation Officers: Frank Russenberger was elected as Chairman of the Board. Luke Duffield will serve as Vice-Chairman. Harold Barr was elected Secretary. Bill Harmon will serve as senior member and Susan Nicholson was elected junior member. Chairman Russenberger presented Art Jones with a plaque in recognition for his service to the Board. Mr. Jones expressed his gratitude to Steve Mallett, the employees of City Corporation, and the Board.

Approval of the December 2014 Minutes: Luke Duffield made a motion to approve the minutes. Bill Harmon seconded. Minutes were approved as presented.

Review and Consideration of the December 2014 Financials: On the water side, revenues were 2.0% (\$8,897.25) under budgeted amounts for the month. The yearly variance is running 8.3% less than budgeted amounts. Total Operations & Maintenance (O&M) expense for the month was 4.0% under budget (\$18,371.43). The O&M budget amount was \$459,006.00 with the actual O&M monthly total being \$440,634.57. The yearly variance is 7.8% (\$214,852.72) under projected budget. The net income for the month was 59.5% (\$11,199.86) less of a loss than

anticipated. On the sewer side, revenues were 6.2% (\$18,681.25) over projected amounts. The budgeted revenue was projected to be \$303,540.00 with the actual total revenue being \$322,221.25. The yearly variance is 2.5% (\$48,123.16) over budget. Total O & M expense was \$10,653.60 under budget. The yearly variance is 0.7% (\$14,502.88) over budget projections. The net income for the month was 5.4% (\$7,908.85) less of a loss than anticipated. Bill Harmon made a motion to approve the December 2014 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 sludge handling issues, leak detection services, the ConAgra contract, 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 and the Water Master Plan Update. The I-40 Water and Sewer project is currently on hold. Loy Claunch updated the Board on the Highway 124 Center Valley School Force Main Relocation and the Old Post Road and IP Lift Station Replacement. Dave Garza discussed the West "C" Street – Commerce Sewer and Water Improvements Project. Clint Bell with CWB Engineers gave a report Consent Administrative Order (CAO) updates. Steve Sharkey reported on the PCW Schedule II Project.

Operating Reports: Larry Collins reported eight violations for the month. The storm water basins at the PCW are full at this time. Maintenance crews have completed their regular maintenance tickets for the month. All online meters at the WTP were calibrated by staff for the month. The elevation of the reservoir is 455.5 or 4.8 feet down. The lake was 8.8 feet down this time last year.

Consideration of a Resolution to accept the IRS mileage rate: Luke Duffield made a motion to accept the current IRS mileage rate. Bill Harmon seconded. Resolution was approved.

Consideration for the Resolution of Meter Financing: Bill Harmon made a motion to accept the resolution to enter into a financing agreement with TCF Financial to finance the projected costs of the meter upgrade/ replacement project pending approval of the City of Russellville. Harold Barr seconded. Resolution passed.

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

Harold Barr, Secretary