

City Corporation
Board of Directors' Meeting
205 West Third Place, Russellville, Arkansas
Tuesday, June 16, 2015, 3:00 p.m.

PRESENT:

Directors:	Frank Russenberger Harold Barr	Luke Duffield Bill Harmon
City Corp:	Lance Bartlett Larry Collins Rena Taylor	Jim Lynch Taryn Childers
Others:	Aaron Stallmann Bob Hardin Mayor Randy Horton Clay Thompson Dave Garza Sean Ingram	Clint Bell Oren Noble Shannon Jones Larry Brown Steve Sharkey

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

Approval of the May 2015 Minutes: Bill Harmon made a motion to approve the minutes as presented. Luke Duffield seconded. Minutes were approved.

Review and Consideration of the May 2015 Financials: On the water side, revenues were 4.2% (\$18,530.72) over budgeted amounts for the month. The yearly variance is running 3.5% less than budgeted amounts. Total Operations & Maintenance (O&M) expense for the month was 3.5% under budget (\$14,151.45). The O&M budget amount was \$408,642.00 with the actual O&M monthly total being \$394,490.55. The yearly variance is 5.2% (\$251,879.08) under projected budget. The net income for the month was 80.7% (\$31,954.23) more than anticipated. On the sewer side, revenues were 22.8% (\$73,990.24) over projected amounts. The budgeted revenue was projected to be \$324,540.00 with the actual total revenue being \$398,530.24. The yearly variance is 7.2% (\$248,939.92) over budget. Total O & M expense was \$154,866.05 over budget. The yearly variance is 5.4% (\$216,208.01) over budget projections. The net income for the month was 463.6% (\$80,968.31) more of a loss than anticipated. Luke Duffield made a motion to approve the May 2015 financials. Bill Harmon seconded. The Financial Report was approved as presented.

General Manager's Report: Staff gave an update to the Board regarding several items that Steve Mallett has been working on recently. Among those items, they addressed Bond Issuance, Sludge handling Issues, Leak Detection Services, and the Meter Replacement Project.

Capital Projects Status Report: Lance Bartlett deferred to Aaron Stallmann with Garver Engineers for updates on the Water Treatment Plant Improvements, ANO Meter Swing Tie Project, and the Water Treatment Plant Sludge Pond Bank Stabilization Project. The I-40 Water and Sewer project is currently on hold. Lance Bartlett 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 are full at this time. All online meters at the WTP were calibrated during the month of May. Maintenance staff completed all regular monthly maintenance tickets at the plant. The elevation of the reservoir is 460.3 or full. The lake was full this time last year.

Consideration of the 2015/16 O & M Capital Budget: Taryn Childers asked the board for approval of the budget which was distributed previously to all members for review. Harold Barr made a motion to approve the budget. Luke Duffield seconded. Motion passed.

Consideration of annual supply contracts: Lance Bartlett asked to board to approve the contracts in the presented not to exceed amounts to run from July 1, 2015 to June 30, 2016. Bill Harmon made a motion to approve all contracts presented. Harold Barr seconded. Motion passed.

Consideration of a contract renewal with Denali Water Solutions: Lance Bartlett asked the board to accept the unit price contract in the amount of \$123,113.40 to dispose of water treatment residuals. Harold Barr made a motion to accept the contract. Bill Harmon seconded. Motion passed.

City of Russellville/ City Corporation Lease Extension: The board unanimously approved a resolution to extend the lease one more year. Luke Duffield made the motion. Bill Harmon seconded. The resolution was signed.

Wastewater Certificate of Deposit Bid: Harold Barr made a motion to approve a bid from Bank of the Ozarks in the amount of 0.46% APR for the \$479,234.28 certificate of deposit. Bill Harmon seconded. The bid was accepted.

Consideration of contract for Auditing Services: Bill Harmon made a motion to approve a contract with Shoptaw Labahn and Co. for 2015 auditing service in the not to exceed amount of \$15,000. Luke Duffield seconded. Motion passed.

Consideration of a sole source contract with Duke's Root Control: Lance Bartlett asked the board to approve the unit price contract in the amount of \$81,390. Harold Barr seconded. Motion passed.

Consideration of sole source joint funding agreements with the USGS for various sampling projects: Bill Harmon made a motion to approve the joint funding agreement with USGS as the sole source provider of various sampling projects in the amount of \$90,700. Luke Duffield seconded. Motion passed.

Executive Session: The board adjourned into Executive Session. They returned to regular session with no action being taken.

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

Harold Barr, Secretary