

City Corporation
Board of Directors' Meeting
Huckleberry Creek Reservoir
Monday, May 18, 2015, 4:00 p.m.

PRESENT:

Directors:	Frank Russenberger Harold Barr Susie Nicholson	Luke Duffield Bill Harmon
City Corp:	Steve Mallett Lance Bartlett Taryn Childers Jeremy Myers Jonathan Shipley Joey Hanna	Kenny Lutz Larry Collins Randy Bradley Rena Taylor Ricky Biffle
Others:	Aaron Stallmann Bob Hardin Steve Sharkey Dave Garza Loy Claunch Larry Brown Stephen Jeffus Robert Taylor Vickie Horton	Clint Bell Bo Smith Dee Brown Clay Thompson Oren Noble Noelle Gaspara Bruce Brown Mayor Randy Horton Judy Collins

Vice- Chairman Duffield called the meeting to order at 4:00 p.m.

Approval of the April 2015 Minutes: Harold Barr made a motion to approve the minutes with one correction. Bill Harmon seconded. Minutes were approved.

Review and Consideration of the April 2015 Financials: On the water side, revenues were 4.3% (\$18,560.34) over budgeted amounts for the month. The yearly variance is running 4.2% less than budgeted amounts. Total Operations & Maintenance (O&M) expense for the month was 9.7% over budget (\$40,012.95). The O&M budget amount was \$412,212.00 with the actual O&M monthly total being \$452,224.95. The yearly variance is 5.4% (\$237,727.63) under projected budget. The net income for the month was 131.4% (\$23,015.95) less than anticipated. On the sewer side, revenues were 25.6% (\$80,323.52) over projected amounts. The budgeted revenue was projected to be \$314,040.00 with the actual total revenue being

\$394,363.52. The yearly variance is 5.6% (\$174,949.68) over budget. Total O & M expense was \$111,731.11 over budget. The yearly variance is 1.7% (\$61,341.96) over budget projections. The net income for the month was 105.5% (\$31,472.82) more of a loss than anticipated. Luke Duffield made a motion to approve the April 2015 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, they addressed Bond Issuance, Sludge handling Issues, Leak Detection Services, Meter Replacement Project, and the 2015-2016 Budget as well as various meetings that Steve Mallett had attended over the course of the month. Mallett concluded his report by recognizing City Corporation staff and Randy Bradley for awards received at the AWWA Conference 2015.

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. 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. Oren Noble 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 twelve violations for the month. All online meters at the WTP were calibrated during the month of April. 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 an Engineering Contract to design and bid a two million gallon ground storage tank on the ridge above the Water Treatment Plant to be known as "Bayou Ridge Ground Storage Tank": Harold Barr made a motion to approve the hourly contract in the not to exceed amount of \$145,766.00. Bill Harmon seconded.

Consideration of a Bid Award for City Mall Wastewater Improvements: Luke Duffield made a motion to approve the contract in the amount of \$1,824,925.00. Harold Barr seconded.

Consideration of an engineering contract to observe and administrate the installation of approximately 7,000 LF of sanitary sewer pipe in a project titled "City Mall Wastewater Improvements": Bill Harmon made a motion to approve the hourly contract in the not to exceed amount of \$127,644.00. Harold Barr seconded.

Consideration of a Construction Contract to rehabilitate approximately 720 sanitary sewer manholes in a project titles "Manhole Rehab- Phase I": Bill Harmon made a motion to approve the contract in the amount of \$721,695.00. Harold Barr seconded.

Consideration of an engineering contract to observe and administrate the rehabilitation of approximately 750 sanitary sewer manholes in a project titled "Manhole Rehab – Phase 1": Luke Duffield made a motion to approve the hourly contract in a not to exceed amount of \$72,800.00. Bill Harmon seconded.

Consideration of Bond Resolution: Harold Barr made a motion to approve a resolution of intent regarding the upcoming bond issuance. Luke Duffield seconded.

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

Harold Barr, Secretary