

TONTITOWN WATER & SEWER COMMISSION MEETING MINUTES 04-28-2009

1. **ROLL CALL** – All members present except Bill Brandt. Larry Goddard arrived during review of the financials. Also present were Mick Wagner, Rebecca Bennett, Britt Vance, USI Engineering, and Aldermen Ken Robertson, Bobby Pianalto and Julie Zulpo-Bowling.
2. **APPROVAL OF AGENDA** – A motion made by Zulpo to approve agenda as written and 2nd by Baker motion passed unanimously.
3. **APPROVAL OF MINUTES FOR 03/24/09 meeting and 4-15-09 Special meeting** – A motion made by Baker to approve the 3/24 minutes as written and 2nd by Zulpo motion passed unanimously. A motion made by Baker to approve the 4/15 minutes as written and 2nd by Zulpo motion passed unanimously.
4. **REVIEW FINANCIALS** – Wagner stated that the net income is down about \$18,000. Sewer was underestimated in the original budget and will be corrected in the amended budget. Water sales are lower than estimated. There have been no service fees this year. The cost of goods fluctuates because we send in ERTS for upgrade and expense out of inventory then credit these amounts back when the vendor ships them back. The amount due from the city and TAFD is for work done by W&S that will be reimbursed. Auto expense is higher due to the bumper and upholstery being fixed on the pickup. IT Expense is higher due to a water clerk computer being worked on, mother board fried which resulted in having to load everything on the spare laptop we had. We are holding off on new computers till MS Windows 7 to avoid Vista . Contract labor when Terry Crutchfield was hired as contract labor instead of replacement of another salaried person. Depreciation Expense is incorrect due to updated monthly entries not being received from the auditor yet. Payroll Expense is down as a result of there being one less employee. Professional fees are up because of the water aging trends being researched. Repairs and Maintenances are higher due to a couple of leaks. Sales Tax is down. Interest Income was overestimated.
5. **OLD BUSINESS** –
 - A. **Review status of WWA issue regarding customers we currently serve**

Last Monday our attorney filed a Declaratory Judgement. In 2008 it was noticed that Springdale's water service boundary didn't match Washington County's. There are customers on Wildcat Creek and other areas being served by Tontitown even though they are in WWA's area. On February 20, 2009 Tontitown met with WWA to present a new map that were based on grid line's. WWA decided they wanted the map to be based on parcels instead. The new map was sent to them the next day. An answer was never received from them. After House Bill 1647 was passed, WWA decided to table the matter. At the meeting on April 27, 2009 of the

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RDAA/WWA Board THE RDA Vice Chair, Williams commented it appeared logical that the agreement as reached in the 2/20/09 meeting be finalized.

6. NEW BUSINESS

- A. Review 2009 amended budget** – Wagner stated that Sewer Sales was amended based on the trend for the first three months. Cost of Goods Sold has been raised. Contract Labor is based on 32 hours per week at \$13 per hour. The same has been subtracted from Payroll Expense. EPA matching funds have been zeroed out. The original budget had transfers and they have been taken out as they canceled each other out. The projected net income is now \$83,000. Also, there was \$30,000 budgeted for a new truck for a field operations manager to be hired. A trackhoe was budgeted for \$35,000, but only \$19,000 was spent. Computers were budgeted for, but none have been bought yet. A Geo Nav Unit was added to the budget. Shp files can be downloaded onto it, which will allow you to navigate to meters or other things in the water system. Chlorine Analyzers, a mobile and one to be installed, have been added to the budget. Also, auto flushing devices have been added to the budget.
- B. Consider purchase of 3 automatic line flushing devices** – Wagner stated that these units fit on fire hydrants or dead end lines. They can be set to flush during off peak periods so as to not affect pressure during peak periods. Wagner recommended three be bought. They can be moved to other hydrants as needed and flush 200 gallons per minute. A motion made by Baker to purchase three automatic line flushing devices and 2nd by Zulpo, motion passed unanimously.
- C. Review Springdale Water contract renewal** – Wagner stated that Tontitown has a five year agreement with Springdale that started in 2004. It is up for renewal in June 2009. Springdale had a Rate Study done which concluded that they have been undercharging. There will also be a penalty, up to 50% of the water bill, based on peak flow limit as established for each master meter. However, the SCADA system monitors the master meter flows and we can calibrate to avoid penalty situations. Peak flows penalty are not enforced when we have a fire flow. There has been no monthly connection charge in the past, but the new contract will have \$2,600 per month connection fee. Originally they had decided it would be \$4,500 per month. The new rates Tontitown passed in Feb of this year should adequate to accommodate this new charge.
- D. Review sewer force main from Waste Management** – Wagner stated that landfills generate leachate, liquid that drains or 'leaches' from a landfill. In 2008 Waste Management generated 11 million gallons of leachate. They have been transferring this to Springdale by truck, which costs \$10,000-11,000 per week. Waste Management would like to build a sewer line for this to go through Tontitown's lift station, which will then go to the NACA plant. Waste Management is beginning to build a methane

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gas facility, which is also used to dry sludge. One benefit of this sewer force main would be fewer trucks on the roads. The proposed design of the Waste Management line would include a lift station which would enable sewer service to a large portion of the south part of the city to connect to sewer once it is built. There will be more information on this at the next meeting.

E. Discuss purchase of Geo Nav Unit – A motion made by Zulpo to purchase a Geo Nav Unit and 2nd by Goddard, motion passed unanimously.

7. COMMENTS FROM COMMISSIONERS – None.

8. ADJOURN – A motion to adjourn made by Zulpo and 2nd by Goddard, motion passed unanimously.