

TONTITOWN WATER & SEWER COMMISSION

MEETING AGENDA 05-26-2009

1. **ROLL CALL** – All members present. Also present were Mick Wagner, Rebecca Bennett, Chuck Nickle, USI Engineering, and JR Carroll, W&S Attorney.
2. **APPROVAL OF AGENDA** – A motion made by Brandt to approve agenda as written and 2nd by Zulpo, motion passed unanimously.
3. **APPROVAL OF MINUTES FOR 04-28-09** – A motion made by Zulpo to approve the minutes as written and 2nd by Baker, motion passed unanimously.
4. **REVIEW FINANCIALS** – Wagner stated that sanitation is 8% above what was projected and water is 10% under budget. Water sales are expected catch up in the higher use season since monthly annual budgets were straight lined over 12 months. Service fees are down due to no connections. Auto and equipment are higher due to the truck bumper being repaired and the seat being reupholstered. The auditor still hasn't given the updated depreciation numbers, which is reason for this variance. Payroll expenses are down since there are only two employees while 3 are budgeted. Rent and utilities are higher than projected. Sales tax is behind 15%. Overall net income is \$7,000 above what was projected.
5. **OLD BUSINESS**
 - A. **Review status of WWA lawsuit** – Carroll stated that WWA wants to move forward. There have been no plans to resolve the issue. Charles Harwell as a customer of Tontitown Water has said he wants to stay with Tontitown water. He doesn't want the WWA's increased rates. Carroll stated that requests of admissions have been sent to WWA and they have 30 days to respond. Wagner asked what the deadline for the interrogatory. Carroll stated that the deadline is 30 days and the interrogatories were sent the same time as the requests of admissions. They were both sent May 18, 2009. Most of the information Tontitown Water has been requested of by FOIA is on the website. Gunderson asked if there is a tentative court date. Carroll stated that there is not one Moore's deposition is scheduled for July 7, 2009.
 - B. **Review sewer force main from Waste Management** – Wagner stated that he has had a couple more conversations with Waste Management. They are very interested in proceeding. Tontitown's sewer agreement with Springdale doesn't include leachate. Hopefully this can be revised or WM project will be delayed until NACA is online as NACA's service agreement doesn't prohibit this.. Waste Management understands they will be required to finance this project, with possibility they will receive credit if other users hook on. They have been provided with estimates of project cost. The sewer use code prohibits excepting service from anyone except a Tontitown Water user. A draft agreement needs provided to Waste

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Management. Wagner stated that he will be meeting with Rick Losa, who is over a region for Waste Management that contains about 13 different solid waste facilities. Nickle stated that it will take between eight to twelve months to get the NACA project in operation. Wagner stated that the next step, after an agreement is put in place with Waste Management, would be for USI to draw a design plan. Nickle stated that Waste Management is in discussions with NACA to provide a drying facility at the landfill. This would mean there would be more filtrated water. Depending on the decision, the facility may need to be upgraded. This would change the gravity line from an eight inch to a twelve inch. The lift station and force main would have to be upsized as well. Wagner requested Nickle e-mail Waste Management cost estimates regarding.

6. NEW BUSINESS

A. Consider nomination for board position expiration – Wagner stated that Zulpo's board seat expires next month. A term is for eight years and the commission is required to nominate someone for the seat. The City Council is required to confirm this appointment. A motion made by Brandt to nominate Mike Zulpo to remain in his position on the Commission and 2nd by Goddard, motion passed unanimously. Brandt stated that he was under the impression that once the commission was in place, the commission could vote on who filled the positions. Wagner stated that this is incorrect and showed the commission the ordinance regarding this.

7. COMMENTS FROM COMMISSIONERS – None.

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