

TONTITOWN WATER & SEWER COMMISSION

MEETING MINUTES 11-24-2009

1. **ROLL CALL** – Members present were Gene Baker, Steve Gunderson, Bill Brandt, Mike Zulpo, and Larry who arrived during review status of WWA lawsuit. Also present were Mick Wagner, Rebecca Bennett, Britt Vance, USI Engineering, and JR Carroll, W&S Attorney.
2. **APPROVAL OF AGENDA** – A motion made by Baker to approve agenda as written and 2nd by Brandt, motion passed unanimously.
3. **APPROVAL OF MINUTES FOR 10-27-09** – A motion made by Brandt to approve the minutes as written and 2nd by Zulpo, motion passed unanimously.
4. **REVIEW FINANCIALS** – Wagner presented the financials. Gross profit is about \$26,000 less than the budget. The expenses are in line with what has been discussed in the past. Repairs and maintenance are up due to searching for sewer leaks. Sales tax is 2% under what was budgeted. Overall YTD earnings are 5% better than projections.

5. OLD BUSINESS

- A. **Review status of WWA lawsuit** – Carroll stated that the depositions have been set up and mediation has been scheduled for December 14th. Wagner stated that he has been subpoenaed for December 3rd and has been asked to bring records with him. Gunderson suggested that if Wagner has to provide items as an individual and has to employ a personal attorney he should be reimbursed. A motion made by Brandt to reimburse Wagner for any personal charges accrued due to the WWA lawsuit and 2nd by Zulpo, motion passed unanimously.

Gunderson stated that Mark Dossett, JR Carroll and several members of Davis, Wright Law Firm have changed to Kutak Rock, LLP and suggested a letter be sent to Davis, Wright notifying them that TWU will continue to use Dossett and Carroll. A motion made by Brandt to continue using Dossett and Carroll and send the presented letter to Davis, Wright and 2nd by Baker, motion passed unanimously.

- B. **Review sewer force main from Waste Management** – Wagner stated that NACA was provided with leachate standards that Waste Management complies with in Springdale and Rogers and an agreement will need to be put in place. Vance stated that many easements have been written and a new route has been discussed to go along parcel lines instead of along the road. A motion made by Brandt to approve the new route for the force main as presented and 2nd by Baker, motion passed unanimously.

6. NEW BUSINESS

TONTITOWN WATER & SEWER COMMISSION

MEETING MINUTES 11-24-2009

A. Review 2010 budget – Wagner presented the 2010 budget stating that it projects a 5% growth in most areas. Sewer and water sales and purchases will need to be revised when Springdale submits their new rates.

Health insurance continues to increase and a better rate may be found with another company. Training includes fees for the water operator and his assistant to become certified to do RPZ tests.

Payroll includes raises for employees and a retirement program to match up to 5% of what the employee puts in. The auditor recommended a simple IRA.

There will be extra income from no longer using ARKUPS and using Northwest Utilities less. The projected net income is \$30,000. Proposed capital expenses of \$107,000 include a truck, tool bed, leak detection equipment, locating equipment, two computers, and GIS updates.

The total capital expenditures is proposed to be \$107,000

A motion made by Brandt to match up to 5% of employee contribution on a simple IRA and 2nd by Goddard, motion passed unanimously.

A motion made by Goddard to approve the 2010 budget including miscellaneous expenditures and 2nd by Zulpo, motion passed unanimously.

7. COMMENTS FROM MANAGEMENT – Wagner stated that over the last ten years, average monthly water sales volume is 6.15 million. 2009 is only 6.11 million. Average daily flow is 240,000 gallons per day. Unaccounted water loss is running at 16%. AWWA standards show 10-15% as average. Our goal is to cut this in half once we have leak detection equipment. The Springdale 412 meter has been sent in for testing and recalibration.

There was a leak on Bausinger Road on 11/13 and the road has not been repaired yet because of weather. There was a motorcycle accident on 11/22 although there were cones up. A policy will be put in place to repair and clean up all roads within one week.

The land at the city shop is still being excavated with good progress. Excavation should be done at the end of the week, weather permitting.

There was a gas line damaged on Pat Zulpo's property when the sewer line was put in near the lift station several months back. The owner has replaced the line, but there may be a request for reimbursement.

When putting in the sewer main behind city hall, electrical lines without conduit were found buried only six inches deep. The Committee of the Whole was notified at the last meeting and several city officials were present when the lines were found.

TONTITOWN WATER & SEWER COMMISSION MEETING MINUTES 11-24-2009

- 8. COMMENTS FROM COMMISSIONERS** – Zulpo commented that the shop yard area looks really good. The Commission decided to have the W&S meeting at the usual time next month.
- 9. ADJOURN** – Gunderson adjourned the meeting.