

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF MAUMELLE
SUBURBAN IMPROVEMENT DISTRICT NO. 500, a/k/a MAUMELLE WATER MANAGEMENT**

**December 8, 2009
4:30 p.m.**

Commissioners present

Dave Kaufman, Chairman
Mary Peyton, Vice-Chairman
Ralph Kearney, Secretary

Managers present

Mike Thomason, General Manager
Barry Heller, Asst. General Manager
Tina Richardson, Business Manager
Bryan Smith, Water Manager
Todd Crook, Wastewater Manager

Attending

Vaughan Hankins, MWM Legal Counsel
Fred Oswald, Consulting Engineer
George Glenn, City Liaison
Randolph Polk, City Liaison
Larry Pruss, MWM Employee

Call to order/Roll call

The Chairman called the meeting to order at 4:35 p.m. with all Commissioners in attendance.

Approval of Minutes

After review, Commissioner Peyton motioned to approve the November 10th minutes as written. Motion was seconded by Chairman Kaufman and passed.

Financial Report

The Board next discussed the financial report for the period ended November 31, 2009 with explanations of various items given by Mr. Thomason. Mr. Thomason projected that overall revenues will be under budget by the end of the year. Mr. Thomason stated he anticipates that, due to decreased filing of health insurance claims, the District's medical health insurance premium should go down. Mr. Thomason stated the District will aggressively shop around for other proposals before the current health insurance renews in March.

Manager's report

Mr. Thomason gave reports on the following items:

Sludge disposal equipment

Mr. Thomason stated we are still waiting on arrival of the equipment.

Water Plant repairs

Currently under construction

Well field report

The treatment of Well #9 was successful and Wells #1 and #2 will also be treated and may not have to be re-drilled. Treatment will cost approximately \$10,000 per well.

Old business

2010 Budget

The Board next reviewed and discussed the 2010 revised budget. Mr. Thomason stated that, based on the numbers, the District's projected year end revenue to be approximately \$175,000 dollars more in 2010 than last year. Mr. Thomason also stated that the District still intends to look at any programs that will help contain energy costs as has been suggested by Commissioner Kearney. Before the Board voted to approve the budget, the Chairman suggested the Board review and discuss the Engineer's report concerning the Finance Committee's recommendations concerning increased fees and rate changes.

Engineer's report

Mr. Oswald stated that after a meeting of the Finance Committee, the following fee recommendations and rate increase were made.

After hours charge:

Current: \$ 60.00	Recommendation: \$ 150.00
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Per meter, per month (water source development fee)	Recommendation: .75
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Returned Check fee:

Current: \$ 20.00	Recommendation: \$ 30.00
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Broken/Tamper meter lock fee:

Recommendation: \$ 100.00

Reconnect Fee:

Current: \$ 25.00 (regular hours) Recommendation: \$ 35.00

Customer Service Fees:

(i.e. meter re-read request, leak detection request, etc.)

Recommendation: \$ 25.00

Mr. Oswald stated these fees would generate approximately \$120,000 of the \$400,000 additional revenues the District will need to meet its budget. The Finance Committee also recommended a %5 rate increase to cover approximately \$241,000 of the \$ 280,000 short fall. The Finance Committee also recommended that the District appear before the City council to request an automatic 3% rate increase over the next 5 years.

Mr. Oswald also stated the Finance Committee looked at charging a fee for private fire security. This fee would not generate enough income to help the District and therefore the Finance Committee decided not to make a recommendation on this issue.

At the request of the Board, Mr. Thomason will gather information from surrounding areas, i.e. Little Rock, North Little Rock, etc., comparing how the District's average water and sewer bill of 5,000 gallons with the current rate and with a 5% rate increase would compare. Mr. Thomason will also incorporate the .75 water resource fee into the bill.

The Board then decided to table the fee and rate recommendations until the next meeting to give Mr. Thomason time to gather the requested information.

2010 Budget (con't.)

The Board then returned to discussion of the 2010 budget. Mr. Thomason recommended that based on the financial outlook, no employee rate increases were added to the 2010 budget. Mr. Thomason did state that the employees did not expect a rate increase but stated that they would like the Board to consider giving them some sort of year end award in lieu of the annual Christmas party. Commissioner Kearney recommended \$200 per employee for end of year and a \$1,000 per employee pay raise for 2010.

After discussion, Chairman Kaufman made a motion to give a year end award to the employees equal to 40 hours pay and revisit pay increases at mid-year. Motion was seconded by Commissioner Peyton, and motion passed unanimously.

Attorney's report

Mr. Hankins stated he had nothing to report at this time but he would like to know about the sewer back-up issue at #62 Danube drive.

New Business

Sewer Backup - #62 Danube Drive

Mr. Thomason told Mr. Hankins that the couple suffered minimal damage to their bathroom when they experienced a sewer backup. They called a plumber to have it cleaned out and the clog was not in their line. In accordance with the District's policy, the Selligman's filed a Damage Claim Form, signed a Release Waiver, and requested to be reimbursed for the cost of the plumber in the amount of \$130 dollars.

After a brief discussion, Chairman Kaufman motioned to approve the request as a good-will gesture consistent with the District's policy. Motion was seconded by Commissioner Peyton, and upon unanimous vote, motion passed.

Mutual Aid Agreement

After review and discussion, Chairman Kaufman motioned to approve the Mutual Aid Agreement resolution. Motion was seconded by Commissioner Payton, and motion passed unanimously.

Adjournment

There being no further business to come before the Board, Chairman Kaufman motioned to adjourn the meeting at 6:15 p.m. Motion was seconded by Commissioner Peyton and motion passed.

Approved this _____ day of _____, 2010.

Respectfully submitted

Tina Richardson, Asst. Secretary

Approved

Dave Kaufman, Chairman

Mary Peyton, Commissioner

Ralph Kearney, Commissioner