

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

**January 12, 2010
4:30 P.M.**

Commissioners present

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

Managers present

Mike Thomason, General Manager
Tina Richardson, Business Manager

Attending

Vaughan Hankins, MWM Legal Counsel
Fred Oswald, Consulting Engineer
George Glenn, City Liaison

Call to order/Roll call

The Chairman called the meeting to order at 4:55 p.m. with all Commissioners present.

Approval of Minutes

After review, Commissioner Peyton motioned to approve the Minutes of the December 8th meeting as written. Chairman Kaufman seconded the motion, and motion passed.

Financial Report

The Board then reviewed and discussed the financial report for the period ended December 31, 2009 with explanation of various items given by Mr. Thomason.

The Chairman commented that everything was inline on the budget with the exception of the revenues which have been under budget for several months mostly due to the extremely wet spring and summer.

Manager's report

Mr. Thomason next reported on the following general items:

- *Electrical – Bond Project – Contractor is installing temporary power in order to make the electrical repairs.*
- *Water Treatment Plant - Phase I of the upper floor repairs are complete. The contractor is currently repairing the steel structure.*
- *Wells – Well 1 & 2 are back to producing at 100% or better. The automatic valves have been ordered and will be installed as soon as they are received.*
- *ADEQ – The District has not heard anything from ADEQ action for the sewer overflow that happened in early September due to a power outage at the Diamond Pointe lift station.*

Old Business

Finance Committee Rate and Fee Recommendations:

Mr. Oswald, Chairman of MWM's finance committee, submitted the committee's rate and fee recommendations. (Copy of recommendations attached as Exhibit "A").

After review of the recommended fee adjustments, Chairman Kaufman stated that he wanted the District to be able to explain to the customers what the \$0.75 cent per meter WSP&D (Water Source Protection and Development) fee would be used for. This information will be put on the District's web site. Mr. Thomason explained that these funds will be put in a separate bank account and can only be used for future water source protection and development items. Mr. Hankins recommended that the funds could only be used for those purposes and that the Commissioners refrain from approving until Mr. Oswald had collected additional information from CAW. Mr. Oswald stated that he will contact Central Arkansas Water and find out what logic they put together concerning their water shed protection fee that is currently in effect.

After this discussion, Commissioner Peyton motioned to accept the finance committee's fee increase recommendations for items 1 thru 6. Motion was seconded by Commissioner Kearney, and upon unanimous vote, motion passed.

Mr. Thomason then reported on water and sewer area rate comparisons. After further discussion, Commissioner Peyton motioned to amend the previous resolution to also approve item #7 of the finance committee's recommendations with the 5% increase to be immediate, but instead of a 3% annual increase for the next 5 years, the District would have a 5% increase in early 2011, and another 5% increase in 2012, and to also authorize Mr. Thomason to

organize a workshop with City officials to review and discuss the increases. Chairman Kaufman seconded the motion, and upon unanimous vote, motion passed.

2010 Budget

Mr. Thomason next submitted the 2010 budget which does not reflect the future possible rate increase. After review and discussion, Commissioner Peyton motioned to approve the budget with an expectation of a 5% income increase in March or June. Motion was seconded by Chairman Kaufman, and upon unanimous vote, motion passed.

New Business

Easement Exchange Agreement

Vaughan Hankins reported that he had been contacted by Mr. Travis Porter concerning the District's waterline easement located across the river that traverses his property. Mr. Porter would like to know if the District would be willing to relocate the easement as he is planning to construct a barn or arena in the area where the easement is currently located.

After discussion, the Board stated it would be willing to consider the request but that the District will need to know the design recommendation and, Mr. Porter would be responsible for all costs involved. Mr. Hankins then stated that Mr. Porter contacted him and requested that the Board table this issue because he has not made a definitive decision as to where he is going to build the structure. The Board tabled the request.

Mr. Hankins then advised the Board that there is another issue about the easement that will need to be clarified. Mr. Hankins told the Board that a survey completed by White, Daters & Associates shows two water line easements on this same property. The Board approved Mr. Hankins to further investigate this issue by contacting the attorney of record who filed the original easement documents.

Customer Request

Mr. Thomason stated that a customer stated he was unaware that he had to pay a minimum bill for his sprinkler service if he did not use it during the winter months and has requested reimbursement of all of his minimum bills relating to his sprinkler account during those past months. The Board declined this request.

Donation Request

Commissioner Kearney motioned to approve a \$500 donation to the Maumelle F.O.P. Motion was seconded by Commissioner Peyton, and upon unanimous vote, motion passed.

Commissioner Kearney motioned to approve a \$500 donation to Special Olympics. Motion was seconded by Commissioner Peyton, and upon unanimous vote, motion passed.

Engineer's Report

Mr. Oswald's report was covered under General Manager's report.

Attorney's Report

Mr. Hankins report was covered under the easement exchange request under New Business.

Adjournment

There being no further business to come before the Board, Chairman Kaufman made a motion to adjourn the meeting at 6:24 p.m. Motion was seconded by Commissioner Kearney, and upon unanimous vote, the Chairman adjourned the meeting.

Approved this _____ day of March, 2010.

Respectfully submitted

Approved

Tina Richardson
Assistant Secretary

Dave Kaufman, Chairman

Mary Peyton, Vice Chairman

Ralph Kearney, Secretary

