

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

**May 11, 2010
4:30 P.M.**

Commissioners present

Dave Kaufman, Chairman
Mary Peyton, Vice-Chairman

Managers present

Barry Heller
Tina Richardson
Bryan Smith

Attending

Stuart Hankins, MWM Legal Counsel
Fred Oswald, Consulting Engineer
Randolph Polk, City Liaison

Call to order/Roll call

The Chairman called the meeting to order at 4:37 p.m. Commissioner Kearney was absent.

Approval of Minutes

After review, Commissioner Peyton made a motion to approve the Minutes of the April 13, 2010 meeting noting a change to the word "them" to "then" under Attorney's report. Chairman Kaufman seconded the motion, and motion passed.

Financial report

The Board next reviewed and discussed the financial report for the period ended April 30, 2010 with explanation of various items given by Mr. Heller. Mr. Heller stated that he will revise the Profit and Loss Statement to include the Debt Service Expense line item.

Manager's report

Mr. Heller then reported on the following items:

Water Treatment Plant

- Third floor structural work is still in progress and should be completed in approximately 30 days.
- Electrical rehab is still in progress
- Wells #1 & #2 will be on-line during the week. Wells #5 & #10 will have to be treated and Well #11 will have to be pulled because of a mechanical problem.

Wastewater Plant

- The sludge dewatering process is working well. Staff is researching for a better polymer for more complete drying.
- Plans are currently underway for several lift station upgrades such as new piping, pumps, and control panels.
- A meeting is going to be held on the 25th at 6:00 p.m. at the training facility building with some concerned citizens whose residences are located close to the sewer treatment plant and have been experiencing odor issues coming from the treatment plant.

Miscellaneous items

- The District has not heard from the Developer/Engineer on the Right of Way exchange for the Tank site in Osage Terrace.
- The District has not heard from Robert Holloway about the status of C.A.W. processing the customer billing for the District's sewer usage in the Pleasant Valley subdivision.
- The city has started construction to expand Champs Boulevard, and although the City initially requested the District's help in relocating the District's water/wastewater mains, they have not approached the District at this time.

Old business

Change of meeting time

After discussion, the Board decided to leave the meeting time at 4:30 p.m.

City/MWM New Construction Inspection

Mr. Heller stated that due to builder problems (damages) to the sewer and water infrastructure after a subdivision has been accepted by the City, the District is going to try to discuss options with the City to add certain items to their inspection list that would need the District's approval before a Certificate of Occupancy would be issued by the City.

Sewer surcharges outside the City limits

After Mr. Hankins's review of the district's Minutes of the October 18, 2006 he has concerns about how Mr. Thomason formulated the current \$8.00 per month surcharge. After discussion, Mr. Hankins recommended that the Board develop a new resolution that justifies the \$8.00 charge. Mr. Oswald and Mr. Hankins will develop the resolution to be presented at the next meeting. Mr. Heller also pointed out that the billing fee charged by C.A.W. will not be included in the \$8.00 surcharge.

City Liaisons on Website

The Board would like to add the Liaisons' contact information to its website. The Board would also like to add a section to explain how and why the liaison positions were created. Mr. Heller will create the article and Mr. Hankins will review and add information that is relevant.

Mike Thomason memorial

After in-depth discussion, and the need for further research concerning establishment of a scholarship, the Board decided as a memorial to rename the training facility building after Mr. Thomason and revisit the possibility of the scholarship at a later date.

The discussion then led into the legalities of the District contributing any of its funds to any charitable organizations due to the District's debt service fund requirements. After an in-depth discussion, and upon legal counsel advice, the Board advised that no further charitable donations will be given at this time.

New business

General Manager hiring process

As instructed by the Board, research was conducted on what procedures were followed when hiring the General Manager. Mr. Heller stated that a committee was formed by the Board that consisted of Mr. Oswald as the head of the committee, the city liaisons, and the three department managers, to conduct the hiring interview process. Ultimately, their selections were then interviewed by the Board. Commissioner Peyton asked if it was necessary for the District to go through the process again. Mr. Oswald stated that the reason Mr. Heller was promoted to the position of Assistant General Manager, was that if anything were to happen to Mr. Thomason, Mr. Heller would be prepared to take over the position. Mr. Oswald stated he would like to see that carried out. He stated it would be a difficult transition to bring someone else in at this time. After further discussion, and on recommendation by Mr. Heller, the Chairman tabled this issue until all Commissioners are present. Mr. Hankins stated that he would check the F.O.A. and see if the Board could hold an executive session at the next meeting to discuss the salary and responsibility issues. The Chairman then requested Mr. Oswald and Mr. Polk to research a comparable salary range for the position for the next meeting. If Mr.

Heller is hired as the General Manager, Mr. Heller could then report to the Board his plan for future staffing.

Engineer’s Report

Mr. Oswald reported that at the AWW&WEA conference award luncheon, the AWW&WEA association has permanently renamed the “Wastewater Manager of the Year” award to the “Mike Thomason Wastewater Manager of the Year” award.

Attorney’s Report

Mr. Hankins reported that Mr. Bill Spivey, Bond Counsel, and Ms. JaNan Davis, Maumelle City Attorney, have agreed to meet with Mr. Hankins to investigate the District’s current situation with the City’s failure to pass the District’s entire rate increase request, and what can be done to avoid possible litigation if the City refuses to pass the remainder of the rate increase. Although the District’s board wanted the Mayor to be in attendance at the meeting, Mr. Hankins stated he is having difficulty scheduling a date and time for just the attorney’s to meet, and suggested that the lawyers meet initially, and if Mr. Davis thinks it’s necessary, another meeting can be scheduled to include the Mayor.

Adjournment

There being no further business to come before the Board, the Chairman motioned to adjourn the meeting at 6:17 p.m. Commissioner Peyton seconded the motion, and motion passed.

Approved this _____ day of _____, 2010.

Respectfully submitted

Tina Richardson
Assistant Secretary

Approved

Dave Kaufman, Chairman

Mary Peyton, Vice Chairman

Ralph Kearney, Secretary