

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

**September 8, 2009  
4:30 P.M.**

**Commissioners present**

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

**Managers present**

Mike Thomason, G.M.  
Barry Heller, Asst. G.M.  
Tina Richardson, Bus. Mgr.  
Bryan Smith, Water Mgr.  
Todd Crook, WWater Mgr.

**Attending**

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

**Call to order/Roll call**

The Chairman called the meeting to order at 4:39 p.m. with all Commissioners present.

**Approval of Minutes**

The Board next reviewed the corrected Minutes of the June 2009 meeting, and the Minutes of the July 2009 meeting. There being no further changes, Commissioner Peyton motioned to approve both sets of Minutes as presented. Commissioner Kearney seconded the motion and motion passed.

**Financial report**

The Board then reviewed and discussed the financial statement for the period ended August 2009 with explanation of various items given by Mr. Thomason. Mr. Thomason explained that revenues continue to decline due to the extremely wet weather. Mr. Thomason also informed the Board that U.S. Bank has extended a Line of Credit to the District should the District need additional revenue. Mr. Thomason stated he doesn't anticipate having to use the line, but it is available if the District needs it. The District also has a line of credit with Region's Bank.

## **Manager's report**

Mr. Thomason then reported on the following items:

### *Well Field Update*

The results of the test wells were received and passed. The surveyors are going to do the surveys immediately for the two sites needed to replace well sites 1 & 2. When the surveys are complete and the lots staked, the legal descriptions will be forwarded to the District's legal counsel for negotiations with the Maumelle Country Club to obtain those two sites.

The valve has been installed on Well #10 and is working. Installation of the valve was less expensive than anticipated, and if it continues to work, other valves will be installed on the other wells.

### *Wastewater bio-solid dewatering*

The building for the dewatering equipment has been installed and the intermediate wall will be constructed next.

### *General Operations update*

The Diamond Point lift station located at the northwest corner of the city limits suffered a power outage and overflowed. The staff is investigating why the alarm system failed. ADEQ contacted the District about the overflow. The District cleaned up the spill and monitored the situation with oversight by ADEQ. ADEQ will probably fine the District for the violation, but it will probably be three (3) to six (6) months before the amount of the fine will be known.

## **Old Business**

### *Policy on Employment of Relatives*

Mr. Hankins stated that each Commissioner and staff had been emailed a "black-lined" copy of the policy for review. Commissioner Kearney stated he may have deleted the copy from his computer and needed another copy to review. This issue will be added to the next regular meeting agenda.

## **New Business**

### *Bids*

Mr. Thomason reported that the bids were received for the structural repair at the water treatment plant. The bids were from Robert McNutt for \$83,740 and Western

Waterproofing for \$85,234. These two bids were not for the actual steel structure. These were for the two phases for repair of the ceiling structure part of the roof.

After discussion, Chairman Kaufman motioned to authorize Mr. Thomason to award the bid to the lowest bidder. Commissioner Kearney seconded the motion and motion passed unanimously.

#### *Request for Public Minutes*

After discussion, the Board advised that they would like for the Minutes of the public meetings to be put on the District's web site.

#### *Customer Complaints*

Commissioner Kearney advised the Board that he had received some customer complaints concerning the new ascending sprinkler rates. Commissioner Kearney commented that, due to the current economy, the Board might want to reconsider and re-evaluate the rates. The reason for the increase was to facilitate the expansion of the water treatment plant mostly due to the excessive amount of residential lawn irrigation and therefore the Commissioners could not consider changing the rates at this time.

#### *Complaint from local Bank*

Commissioner Kearney next stated that he had received a complaint from one of the local banking institutions that they were not given a chance to solicit the District's banking business when the District was looking for another bank. Mr. Thomason told Commissioner Kearney to let them know that all they need to do is contact him (Mr. Thomason) and to come by the office to discuss what services they have to offer.

#### **Engineer's report**

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

#### **Attorney's report**

Mr. Hankins updated the Board on the Bottomline situation. Mr. Hankins stated that a revised draft on all easements and the Settlement Agreement was sent to Bottomline's attorney back in June. Bottomline responded two months later.

There is an issue with well site #3 concerning Bottomline's construction of a road that could possibly encroach on well site #3. Bottomline will need to get approval from the health department before MWM will finalize and approve a settlement agreement. Due to some confusion concerning what the health department requires, Mr. Oswald met directly with the health department to gather the health department's requirements and relayed that information to the District's attorneys. Mr. Hankins will forward the information to Bottomline's attorney.

Mr. Hankins next stated that there are two other issues. There are several easements Bottomline is trying to obtain; an easement to access the peninsula; a utility easement; an emergency easement; and a golf cart path easement. All of these easements will be subject to the District's numerous easements all over the golf course. There are no legal descriptions for any of the easements they are asking for. It is unknown how this will impact the District's easements. Mr. Hankins informed Bottomline's attorney that the District cannot give Bottomline an easement without a legal description.

The other issue is the gravel road leading to the well sites. Bottomline does not want to recognize the District's use of the road. The only way to fix this issue is to put the District's use of the road in an easement and record it. Before that can be done the road will have to be surveyed and a legal description obtained which could be very expensive.

MWM's legal counsel will continue to work on these issues and keep the board informed.

### **Adjournment**

There being no further business to come before the Board, Chairman Kaufman motioned to adjourn the meeting. Motion was seconded by Commissioner and motion passed. The meeting was adjourned at 5:39 p.m.

**Approved this \_\_\_\_\_ day of October, 2009.**

**Respectfully submitted**

**Approved**

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**Tina Richardson**  
**Assistant Secretary**

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**Dave Kaufman, Commissioner**

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**Mary Peyton, Commissioner**

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**Ralph Kearney, Commissioner**