

MINUTES

OZARK MOUNTAIN REGIONAL PUBLIC WATER AUTHORITY

**February 21, 2019
Valley Springs City Hall**

Andy Anderson, Skip Armes, Bill Braden, Steve McCallister, Gale Ruhwedel, Charmaine Seaton, and Don West were present.

Chairman Anderson called the meeting to order at 6:00 p.m.

Mr. Ruhwedel reported \$45.50 in the 2010 Water Revenue Bond Fund; \$126,504.31 in Arvest Construction ANRC; \$51,212.46 in Arvest Construction USDA; \$20,840.15 in O&M; \$164,156.90 in Regular Checking; \$522,490.75 in Debt Service Reserve; \$142,652.63 in Revenue Fund; and \$291,161.57 in Short Term Depreciation. The report will be filed for audit.

Mr. Anderson reported January income was \$153,991.02 and expenses were \$165,771.87. February income was \$173,377.12 and expenses \$284,969.14, for as estimated loss of \$111,592.02. However, the Corps of Engineers annual payment of \$80,429.07 included in the expenses came from internal reserves that are set aside each month to cover large annual expenses. \$24,603 for closing out project legal costs came from the USDA construction account.

Mr. Anderson stated that the inspection of the ammonia tank was completed. Some small repairs were made and the tank was refilled today. Mr. Anderson requested a permit from ADEQ today to do the lagoon cleaning. A permit is needed from ADEQ to put our lagoon sludge on our property. There is six inches of sediment in the Clear Well. Mr. Anderson is looking for someone to pump it out.

Mr. Stude reported 58,985,000 gallons were processed in January. Of that, 54,055,000 gallons were made available to customers. Trent Jones from the Health Department was at the Plant this week and seemed pleased.

Mr. Mays was absent but had sent some information to Mr. Anderson: Our operator worked on a PRV problem at Parthenon. When it was put back online it blew out again and caused damage in the Parthenon system. Mr. Anderson has sent information to the insurance company to see if this damage is covered.

Mt. Sherman has decided that they will not pay for installation of a check valve in the line between the booster station and the tank. It will require three to five days to rebury the pipe currently on the ground between the booster and the Mt.

Sherman tank. No water could be provided to Mr. Sherman during that time and some form of shutoff is needed to preserve the water in the tank.

SPG is installing a third master meter for the Gilbert line. They will pay for the installation. ESI is working on a plan for cleaning zebra mussels out of the pipes at the intake. Many permits will be required.

The appeal hearing on Act 197 will be heard on March 7. We will not be allowed to speak. The judge will decide based on his interpretation of the law.

The judge has ruled that ESI should not be a party to S&J's lawsuit for payment on the Buffalo River bridge crossings due to the statute of limitations. The highway department will not approve the work, ESI says the work is faulty construction, and S&J says it was a faulty design. Mr. Anderson talked to USDA and ANRC today looking for guidance in this matter.

The Highway Department is still working at the site of Highway 74 slide in Newton County. We have 880 feet of our line on top of the ground that will need to be buried when the highway work is complete. The Searcy County Judge will be contacted about getting County crews to work on washed out roads at the Marshall tank site.

A proposal was submitted to amend the By-Laws ARTICLE II: Office Location to read: The principal office of the Authority in Arkansas shall be, 307 Grand Avenue, {Box 1020} Diamond City, Arkansas, 72630. The bank statements will go to the principal office, Box 1020 Diamond City Arkansas, 72630.

and ARTICLE III: Section 2 Board of Directors to read: Numbers, Tenure and Qualifications: The Board of Directors shall be composed of nine qualified electors with three directors from Boone County, three directors from Newton County, and three directors from Searcy County. Each director shall be a customer of the authority and a resident of the county that he or she represents. The Board of Directors will elect subsequent directors and continue to maintain three directors from each county with each director meeting the qualifications described in the preceding sentence. Each director shall have one vote on any action coming before the board. Each director shall hold office for a term of three (3) years and terms will be staggered. A director may serve one or more subsequent terms if reelected by the Board of Directors.

and ARTICLE III Section 3: Directors Meetings to read: A regular meeting of the Board of Directors for the purpose of transacting business will be held at a designated time and location as agreed to by the Board of Directors. Notice of

the meetings shall be sent in advance to news media in accordance with the Arkansas Freedom of Information Act and to anyone requesting notification.

Motion to accept the By-Law amendments was made by Mr. Armes, seconded by Mr. McCallister. Motion carried.

Mr. Anderson noted that three separate resolutions are required by USDA for the Zebra Mussel eradication grants. The following Resolutions were approved: #19-001, To accept a \$500,000.00 grant from USDA for Zebra Mussel eradication, motion by Mr. Ruhwedel, seconded by Mr. Braden; #19-002, To accept a \$230,000.00 grant from USDA for Zebra Mussel eradication, motion by Mr. Braden, seconded by Ms. Seaton; #19-003, To accept a \$162,000.00 grant for Zebra Mussel eradication from USDA, motion by Mr. Armes, seconded by Mr. McCallister. Resolution #19-004, that \$500,000.00 be moved from the Debt Service Reserve account into Certificates of Deposit for 2 years was approved on motion by Mr. Braden, seconded by Ms. Seaton.

The next regular meeting is March 21, 2019.

The meeting adjourned at 7:16 p.m.

Joyce Anderson, Secretary

Approved