

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

January 12, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, January 12, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Mr. Thomas W. Rimmer, Chair  
Ms. Carmen Sanders Simpson, Vice Chair  
Mr. Jay Hartman, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Eddie Powell, Commissioner  
Dr. Roby Robertson, Commissioner

**Absent:**

Ms. Marie-Bernarde Miller, Secretary/Treasurer

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Darrell Boggs, Director of Distribution  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Martin Maner, Director of Watershed Management  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Terry Bice, Assistant Director of Distribution  
Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Connie Horn, Management Secretary  
Ms. Samantha Williams, Communications Assistant  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Erin Brogdan, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.  
Ms. Jane Dickey, Attorney with the Rose Law Firm  
Dr. Reed Green, U.S. Geological Survey  
Mr. Barry Haas, Citizens Protecting Maumelle Watershed  
Mr. Gary Heathcott, President, Heathcott Associates  
Ms. Becky Heflin, Account Executive, Heathcott Associates  
Ms. Kristin Netterstrom, Reporter, Arkansas Democrat-Gazette

Ms. Bobbi Nichols, Vice President, Stephens, Inc.  
Ms. Vivian Ozura, Advantage Communications, Inc.  
Mr. Lamor Williams, Arkansas Democrat-Gazette

### **CALL MEETING TO ORDER**

Mr. Thomas Rimmer, Chair, called to order the January 12, 2012 meeting of the Board of Commissioners.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the December 8, 2011 Regular Meeting were approved.

### **NEW BUSINESS**

#### **Little Rock Regional Chamber of Commerce Economic Development Efforts**

Mr. Graham Rich, Chief Executive Officer, made a presentation on a request from the Little Rock Regional Chamber of Commerce for a contribution to their "Stock in the Rock" initiative.

Mr. Rich said that there are five goals contained in this initiative: To retain and expand local industry; to improve infrastructure around existing industry; to attract high-paying jobs and skilled workers; to continue to encourage inter-governmental relations; and, to communicate regional, national, and international marketing strategies.

Mr. Rich said that this request would extend the term of the current agreement with the Chamber to 2016 and add an additional \$25,000/year to the current contribution of \$25,000/year made by CAW.

Mr. Anthony Kendall, Commissioner, asked if there is language in the Consolidation Agreement that allows this type of contribution. Mr. Thad Luther, Chief Operating Officer, said that there is a provision in the Consolidation Agreement that allows contributions for economic development.

Mr. Tad Bohannon, legal counsel for CAW, said that the Consolidation Agreement stipulates that a contribution for economic development must benefit the utility.

After some discussion by the Board, Dr. Roby Robertson, Commissioner, made a motion seconded by Mr. Eddie Powell, Commissioner, to table the decision on the Chamber's request until the Chamber could provide more information on the initiative.

#### **Resolution for Sale of Bonds**

Mr. Pittman, Chief Financial Officer, introduced Ms. Bobbi Nichols of Stephens Financial and Ms. Jane Dickey, attorney with The Rose Law Firm.

Ms. Nichols reported the sale of Capital Improvement Bonds took place on January 11, 2012 for \$17.515 million at 2.74% interest. Ms. Nichols said she was very pleased with that interest rate. She said that five bids had been received and the sale was subsequently awarded to Morgan Keegan with the sale scheduled to close on January 31, 2012.

Ms. Jane Dickey presented a resolution authorizing the issuance and sale of revenue bonds for: Capital improvement, the acquisition of land for watershed protection, and payment of the principal and interest on the bonds.

Upon a motion duly made by Commissioner Powell and seconded by Ms. Carmen Sanders Simpson, Vice Chair, the resolution was approved.

#### Purchase of Property in Lake Maumelle Watershed

Mr. Rich presented a resolution authorizing approval of the purchase of 488 acres from the Trust for Public Land (TPL) located in the Lake Maumelle Watershed. He said that the purchase will be made with proceeds from the sale of the revenue bonds.

Mr. Rich said that CAW has been leasing this land from TPL until CAW could get funding for the purchase.

Upon a motion duly made by Mr. Jay Hartman, Commissioner, and seconded by Commissioner Powell, purchase of the property was approved.

### **CONTRACTS**

Upon motions duly made and seconded, the following contracts were approved:

- a. A contract with USGS for \$432,310 to monitor streamflows and water quality in Lakes Maumelle and Winona.
- b. Renewal of a contract with Azteca System, Inc. for \$53,000 for software maintenance on the CityWorks system that is used to process work orders.
- c. Contracts totaling \$127,775.75 with Arkansas Water Products, Consolidated Pipe, and Little Rock Winwater for various sized service fittings.

### **DEPARTMENT UPDATES**

#### Watershed

Mr. Martin Maner, Director of Watershed Management, provided an update on matters pertaining to the Watershed.

#### ExxonMobil Oil Pipeline

Mr. Jonathan Long, Watershed Administrator, reported on his inspection of the ExxonMobil oil pipeline that runs through the Lake Maumelle Watershed.

Mr. Long said that there were several areas in the watershed where the pipeline was exposed and that he had discussed these concerns with representatives of ExxonMobil. He said that these concerns have been addressed by ExxonMobil.

Mr. Long said that ExxonMobil is finalizing its review of the Tactical Response Plan and will meet with CAW staff on February 2. He added that ExxonMobil plans to attend a CAW Board Meeting in the near future.

### Appointment of Temporary Vice Chair

Chair Rimmer noted that Ms. Dickey and Ms. Nichols were waiting to receive the signed bond documents. He asked counsel if an Assistant Secretary/Treasurer could be named in order to sign the documents since Ms. Marie-Bernarde Miller, Secretary/Treasurer, was not in attendance. Mr. Tad Bohannon, legal counsel for CAW, said that was acceptable.

Upon a motion duly made by Commissioner Hartman and seconded by Commissioner Robertson, Vice Chair Simpson was appointed Assistant Secretary/Treasurer for this meeting.

### Forest Legacy Funding

Ms. Stephanie Hymel, Stewardship Coordinator, reported that CAW has received notice from Senator Mark Pryor's office and the regional U.S. Forest Service office that CAW has been awarded their full request for \$4 million for the forest legacy project. She said that this funding requires re-forestation of 75% of the 593 acres covered in the project and that there are plans to plant hardwood trees.

### Regionalism

Mr. Dale Kimbrow, Manager of Planning, Regionalism, and Future Water Sources, provided an update on matters pertaining to Regionalism.

### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a year-to-date financial update on utility operations.

### **BOARD BRIEFING**

Mr. Rich provided an update on the following:

- Recognition of Darrell Boggs, Director of Distribution. Mr. Boggs, a Major in the Army National Guard, recently returned from his 14 month tour of duty in Afghanistan. Mr. Rich thanked Mr. Boggs for his service.
- Recognition of Terry Bice, Assistant Director of Distribution. Mr. Bice was named Acting Director of Distribution in Mr. Boggs' absence. Mr. Rich noted that Mr. Bice had just been promoted to Assistant Director of Distribution when he was called upon to step in for Mr. Boggs.
- Martin Maner will be retiring at the end of February 2012. Mr. Rich wished Mr. Maner well in his retirement.

### **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Rimmer adjourned the meeting.

  
Marie-Bernarde Miller, Secretary

**RESOLUTION NO. 2012-01**

**RESOLUTION AUTHORIZING THE PURCHASE OF LAND FROM THE TRUST FOR PUBLIC LAND; AUTHORIZING THE CHAIR, SECRETARY, CHIEF EXECUTIVE OFFICER OR CHIEF OPERATING OFFICER OF CENTRAL ARKANSAS WATER TO CONSUMMATE SUCH PURCHASE; AND PRESCRIBING OTHER MATTERS RELATING THERETO**

WHEREAS, the Trust for Public Land ("TPL") purchased approximately Four Hundred and Eighty Eight (488) acres of land in Pulaski County (referred to hereinafter as the "Property"); and

WHEREAS, TPL is currently leasing the Property to CAW, with an option for CAW to purchase the Property, pursuant to and in accordance with the terms of the Lease-Purchase Agreement dated August 26, 2011 (the "Agreement"); and

WHEREAS, CAW desires to exercise the option to purchase the Property from TPL, pursuant to and in accordance with the terms of the Agreement; and

WHEREAS, the Agreement provides that CAW shall pay to TPL the sum of Two Million Six Hundred Thirty Thousand Dollars (\$2,630,000) less prior payments in the amount of Two Hundred Sixty Three Thousand Dollars (\$263,000) plus accrued interest, various expenses and closing costs as set forth in the Agreement (collectively, the "Purchase Price") on the closing date which the parties hope shall occur during the first week of February; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER:**

Section 1. The Commission hereby authorizes the exercise of the option to purchase the Property for the Purchase Price pursuant to and in accordance with the terms of the Agreement and authorizes CAW to take such actions as required to consummate the purchase of the Property in accordance with the Agreement.

Section 2. The Purchase Price shall be paid with proceeds from the sale of the Central Arkansas Water Capital Improvement Water Revenue Bonds, Series 2012A issued on or about January 31, 2012.

Section 3. Each or any of the Chair, Secretary, Chief Executive Officer or Chief Operating Officer is hereby authorized and directed to do any and all things necessary to effect the purpose of this Resolution and to take all other actions necessary or desirable in connection with the foregoing section of this resolution.

Section 4. This Resolution shall be in effect upon its adoption and approval.

ADOPTED: January 12, 2012

ATTEST:

APPROVED:

  
Carmen Sanders Simpson  
Assistant Secretary

  
Thomas W. Rimmer  
Chair

CERTIFICATE

STATE OF ARKANSAS    )  
  )  
COUNTY OF PULASKI    )

I, Carmen Sanders Simpson, Assistant Secretary of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2012-01 of the Resolutions of Central Arkansas Water, entitled: RESOLUTION AUTHORIZING THE PURCHASE OF LAND FROM THE TRUST FOR PUBLIC LAND; AUTHORIZING THE CHAIR, SECRETARY, CHIEF EXECUTIVE OFFICER OR CHIEF OPERATING OFFICER OF CENTRAL ARKANSAS WATER TO CONSUMMATE SUCH PURCHASE; AND PRESCRIBING OTHER MATTERS RELATING THERETO, adopted January 12, 2012.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of January 2012.

  
Carmen Sanders Simpson, Assistant Secretary  
Board of Commissioners  
Central Arkansas Water

## RESOLUTION NO. 2012-02

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF CAPITAL IMPROVEMENT WATER REVENUE BONDS FOR THE PURPOSE OF FINANCING THE COSTS OF CAPITAL IMPROVEMENTS TO THE WATER SYSTEM AND THE ACQUISITION OF LAND FOR WATERSHED PROTECTION; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE AND A CONTINUING DISCLOSURE AGREEMENT; APPROVING THE OFFICIAL STATEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO

WHEREAS, Central Arkansas Water (the "Issuer") is a body politic and corporate, created pursuant to the Consolidated Waterworks Authorization Act of 2001, Ark. Code Ann. §§ 25-20-301 *et seq.* (2002 Repl.) (the "Act"), and a Consolidation Agreement dated as of March 5, 2001, as amended (the "Consolidation Agreement"), among the Cities of Little Rock and North Little Rock, Arkansas (the "Cities"), the Board of Commissioners of the Little Rock Municipal Water Works, and the Board of Commissioners of the North Little Rock Water Department; and

WHEREAS, the Issuer owns and operates the consolidated water system of the Cities (the "Water System"); and

WHEREAS, the Board of Commissioners of the Issuer (the "Commission") has determined to acquire, construct, and equip capital improvements to the Water System and to acquire land for watershed protection (the "Project"); and

WHEREAS, pursuant to the Consolidation Agreement, the Issuer, by letter of its Chief Operating Officer dated September 30, 2011, notified the Cities of its intention to issue revenue bonds and neither City as of the date of this resolution has voted its disapproval of the issuance of the revenue bonds; and

WHEREAS, pursuant to the Consolidation Agreement and the Revenue Bond Act of 1987, as amended, Ark. Code Ann. §§ 19-6-601 *et seq.* (2007 Repl.), the Issuer caused to be published on November 19, 2011, a notice of public hearing on the question of issuing revenue bonds and thereafter, on December 6, 2011, held a public hearing, as advertised; and

WHEREAS, pursuant to the authority granted in Commission Resolution No. 2011-14, after due advertisement of an Official Notice of Sale, \$17,615,000 (subsequently reduced to \$17,515,000) of Capital Improvement Water Revenue Bonds, Series 2012A, dated the date of their original issuance and delivery (the "Bonds"), bearing interest at the rate or rates per annum to be specified by the successful bidder, payable serially (or subject to sinking fund redemption) on October 1 in each of the years 2013 through 2032, inclusive, were duly offered for sale on January 11, 2012; and

WHEREAS, at said sale, pursuant to the Official Notice of Sale, the following bids were received:

<b>Bidder</b>	<b>True Interest Cost*</b>
Morgan Keegan & Company, Inc.	2.746432%
Bank of America Merrill Lynch	2.756120
Hutchinson, Shockey, Erley & Co.	2.836684
Piper Jaffray	2.869916
Crews & Associates, Inc.	2.941939

WHEREAS, pursuant to the authority granted in Commission Resolution No. 2011-14, the bid submitted by Morgan Keegan & Company, Inc. (the "Purchaser"), has been accepted by the Chief Financial Officer of the Issuer;

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Central Arkansas Water that:

**Section 1.** Under the authority of the Constitution and laws of the State of Arkansas, including particularly the Act and the Consolidation Agreement, the sale of the Bonds to the Purchaser on the terms of its bid as set out above, is hereby in all respects ratified and approved, and accordingly the Bonds are hereby authorized and ordered to be sold and issued in the total principal amount of \$17,515,000 for the purpose of accomplishing the Project, paying capitalized interest, establishing a debt service reserve, and paying the costs of issuing the Bonds. The Bonds are special obligations of the Issuer, payable solely from the net revenues of the Water System less amounts required to be used to make payments and deposits with respect to certain prior debt and less amounts transferred to and plus amounts transferred from the Issuer's Rate Stabilization Account (the "Stabilized Net Revenues"), and other amounts available under the Indenture authorized in this resolution. The pledge of the Stabilized Net Revenues is on a parity of security with the pledge thereof to the Issuer's not to exceed \$13,400,000 Revenue Bond, Series 2010A, \$9,230,000 Revenue Bonds, Series 2010B (General Improvements Project), \$8,830,000 Refunding Revenue Bonds, Series 2010C (Watershed Protection Project), not to exceed \$4,000,000 Water Revenue Bond, Series 2011A (Wye Mountain Extension Project), \$13,500,000 Refunding Water Revenue Bonds, Series 2011B, and with other bonds, if any, authorized to be issued under the terms of the Indenture. The Bonds do not constitute an indebtedness of the City of Little Rock, the City of North Little Rock, or the State of Arkansas within the meaning of any constitutional or statutory debt limitation or restriction.

**Section 2.** To prescribe the terms and conditions upon which the Bonds are to be executed, authenticated, delivered, issued, accepted, held, and secured, the Chair of the Commission is hereby authorized and directed to execute and acknowledge a Trust Indenture, dated as of January 1, 2012 (the "Indenture") by and between the Issuer and U.S. Bank National Association, as Trustee (the "Trustee"), and the Secretary of the Commission is hereby authorized and directed to execute and acknowledge the Indenture and the Chair and the Secretary of the Commission are hereby authorized and directed to cause the Indenture to be accepted, executed, and acknowledged by the Trustee. The Indenture is hereby approved in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

**Section 3.** All actions heretofore taken by the Commission and officers of the Issuer in connection with the offering of the Bonds, including the preparation and distribution of the



Official Notice of Sale, Official Bid Form, and the Preliminary Official Statement, holding of the public hearing on December 6, 2011, and acceptance of the bid received from the Purchaser are hereby in all respects ratified and approved.

**Section 4.** The Official Statement of the Issuer in the form presented at this meeting with such changes, omissions, insertions, and revisions as the Chief Financial Officer shall deem advisable is hereby authorized and approved and the Chair of the Commission and Chief Executive Officer of the Issuer shall sign and deliver such final Official Statement to the Purchaser for distribution to the owners of the Bonds and other interested persons.

**Section 5.** The Chair of the Commission and the Chief Executive Officer of the Issuer are hereby authorized and directed to execute, by manual or facsimile signature, and deliver the Bonds to or upon the direction of the Purchaser on behalf of the Issuer.


**Section 6.** The Continuing Disclosure Agreement of the Issuer, dated as of January 1, 2012 (the "Continuing Disclosure Agreement"), in substantially the form attached to the Official Statement, with such modifications as shall be approved by the person executing the document, his or her execution to constitute conclusive evidence of such approval, is hereby authorized and approved. The Chair of the Commission or the Chief Executive Officer of the Issuer are hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement.

**Section 7.** The Chair of the Commission and the Chief Executive Officer and Chief Financial Officer of the Issuer, for and on behalf of the Issuer, are authorized and directed to do any and all things necessary to effect the execution and delivery of the Indenture and the Continuing Disclosure Agreement; the execution, delivery, and distribution of the Official Statement; the execution and delivery of such other papers and documents necessary to effect the issuance of the Bonds; the performance of all obligations of the Issuer under the Indenture and the Continuing Disclosure Agreement; the issuance, execution, sale, and delivery of the Bonds; and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this resolution, the Indenture and the Continuing Disclosure Agreement. The Chair and Secretary of the Commission and the Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer of the Issuer, for and on behalf of the Issuer, are further authorized and directed to execute all papers, documents, certificates, and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

**Section 8.** This resolution shall be in effect from and after the date of its adoption.

APPROVED: January 12, 2012

ATTEST:

  
Secretary/Treasurer  
Assistant Secretary

APPROVED:

  
Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

February 9, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, February 9, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Mr. Thomas W. Rimmer, Chair  
Ms. Carmen Sanders Simpson, Vice Chair  
Ms. Marie-Bernarde Miller, Secretary/Treasurer  
Mr. Anthony Kendall, Commissioner  
Mr. Eddie Powell, Commissioner  
Dr. Roby Robertson, Commissioner

**Absent:**

Mr. Jay Hartman, Commissioner

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Darrell Boggs, Director of Distribution  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Martin Maner, Director of Watershed Management  
Ms. Becky Wahlgreen, Director of Human Resources and Communications  
Mr. Terry Bice, Assistant Director of Distribution  
Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Connie Horn, Management Secretary  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, P.E., Watershed Administrator  
Ms. Samantha Williams, Communications Assistant  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Pamela Allen, CAW Diversity/Inclusion Team  
Mr. Ronnie Bankston, CAW Diversity/Inclusion Team  
Mr. Gary Bennett, Garver Engineers  
Ms. Erin Brogdan, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.  
Mr. Barry Haas, Citizens Protecting Maumelle Watershed  
Mr. Nigel Hall, Advantage Communications, Inc.  
Mr. Gary Heathcott, President, Heathcott Associates  
Ms. Becky Heflin, Account Executive, Heathcott Associates  
Mr. John Jones, CAW Diversity/Inclusion Team

Ms. Claudia Lauer, Reporter, Arkansas Democrat-Gazette  
Mr. Robert Martin, CAW Diversity/Inclusion Team  
Ms. Kari Mogensen, Water Customer  
Mr. Kevin Oates, CAW Diversity/Inclusion Team  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Ms. Vivian Ozura, Advantage Communications, Inc.  
Mr. Rufus Pearson, CAW Diversity/Inclusion Team  
Mr. Greg Rayburn, Reporter for Stephens Media  
Ms. Deborah Rice, CAW Diversity/Inclusion Team  
Ms. Lynn Ross, Water Customer  
Ms. Liz Tuck-Rowan, CAW Diversity/Inclusion Team  
Mr. Danny Rye, CAW Diversity/Inclusion Team  
Ms. Margaret Scott, CAW Diversity/Inclusion Team  
Mr. Chris Shahan, CAW Diversity/Inclusion Team  
Ms. Sharon Sweeney, CAW Diversity/Inclusion Team  
Ms. Teresa Uekman, CAW Diversity/Inclusion Team  
Ms. Karen White, Laboratory Manager

### **CALL MEETING TO ORDER**

Mr. Thomas Rimmer, Chair, called to order the February 9, 2012 meeting of the Board of Commissioners.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the January 12, 2012 Regular Meeting were approved.

### **NEW BUSINESS**

#### **Service Pin Award**

Chair Rimmer presented to Ms. Marie-Bernard Miller, Commissioner, a pin commemorating her one year of service on the Board. Chair Rimmer thanked Commissioner Miller for her service.

#### **Customer Request to Address Board**

Ms. Kari Mogensen and Ms. Lynn Ross addressed the Board regarding water damage to their homes. Mr. Robert Hart, Technical Services Officer, then provided a brief history of the issue.

Mr. Hart said that CAW representatives had been to the house of Ms. Mogensen several times, had tested the surface water several times, and determined that the water in her yard is not water treated by CAW but excess surface water and ground water caused by significant rainfall. He said that Ms. Mogensen's home is prone to collecting excess ground water. Mr. Hart explained the process CAW representatives had used to check her home, service lines, and mains in the areas around her home for leaks. He said that while CAW agreed that Ms. Mogensen had a water problem around and underneath her home, CAW was not the cause of the problem nor was CAW responsible for the damages alleged by Ms. Mogensen or Ms. Ross.

Ms. Mogensen asked if a third party could be used to conduct tests to determine the source of the water. Mr. Rich said that CAW would need to be assured that the proper equipment would be used to prevent damage to utility property and that the homeowners would be responsible for the cost of the tests.

Mr. Rich said that given the number of visits to her home, water samplings, and leak detection testing, CAW has exhausted all its options. He added that CAW believes the problem is caused by surface/sub-surface water caused by significant rainfall.

Ms. Ross said that her home is located on the street behind and above Ms. Mogensen. She said that her home has sustained damage from vibrations from the boring machine used to transfer water lines to another main.

Mr. Terry Bice, Assistant Director of Distribution, said that he has never heard of anyone claiming damage to their home from the vibrations of a boring machine.

#### Diversity/Inclusion Team

Ms. Margaret Scott, Human Resource Specialist and Leader of the Diversity/Inclusion Team, introduced members of the Diversity/Inclusion Team and said that the refreshments at this meeting were prepared by the Diversity/Inclusion Team to introduce Board members to various types of desserts from around the world.

Ms. Sharon Sweeney, Water Quality Specialist and member of the Diversity/Inclusion Team, and Ms. Liz Tuck-Rowan, Purchasing Manager and member of the Diversity/Inclusion Team, presented the team's mission and vision statements and reported on the team's activities and accomplishments over the past year, as well as planned initiatives for 2012.

#### Agreement with the Arkansas Forestry Commission

Ms. Stephanie Hymel, Stewardship Coordinator, told the Board that under the proposed agreement with the Arkansas Forestry Commission (AFC), the AFC will install and maintain best management practices on CAW forest roads and assist with fire protection services around Lake Maumelle. She added that this will also provide the AFC with educational and training opportunities.

Ms. Hymel added that the work to be performed under the proposed agreement will satisfy the conditions of the grant received from the U.S. Forestry Service.

Ms. Hymel noted that the term of this agreement can be extended and may include other CAW properties, if agreeable by both parties. She added that the agreement limits work in the first year to an amount not to exceed \$150,000.

Mr. Anthony Kendall, Commissioner, asked for quarterly updates on the progress of this project.

Chair Rimmer asked that pollutant loading information resulting from this project be included in the updates.

Upon a motion duly made by Mr. Eddie Powell, Commissioner, and seconded by Commissioner Miller, the agreement was approved.

#### Lake DeGray Right of First Refusal

Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source, said that staff is requesting approval to make the yearly payment of \$154,426 to the U.S. Corps of Engineers for the First Right of Refusal to take 120 MGD of water from Lake DeGray. He noted there is also a yearly payment of \$25,000 to the Ouachita River Water District for management fees.

Upon a motion made by Dr. Roby Robertson, Commissioner, and seconded by Commissioner Powell, payment was approved.

### **CONTRACTS**

Upon motions duly made and seconded, the following contracts were approved:

- a. A contract with Geosyntec Consultants in the amount of \$79,960 to develop a Comprehensive Land Use and Site Development Plan for the Winrock Grass Farm
- b. A contract with Diamond Construction Company, Inc. in the amount of \$88,633 for the installation of approximately 1,600 linear feet of 8-inch ductile iron pipe along State Highway 5 at McHenry Creek
- c. A contract for the purchase of various sized fire hydrants from Arkansas Water Products in the amount of \$109,934

### **DEPARTMENT UPDATES**

#### Watershed

Mr. Martin Maner, Director of Watershed Management, provided an update on matters pertaining to the Watershed.

#### Regionalism

Mr. Kimbrow provided an update on matters pertaining to Regionalism.

#### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a year-to-date financial update on utility operations.

### **BOARD BRIEFING**

Mr. Rich provided an update on the following:

- Mr. Rich noted that this is the last Board Meeting for Mr. Maner who is retiring at the end of February. Mr. Rich said that Mr. Maner's career at the utility was marked by many accomplishments important to maintaining the high quality of water CAW customers enjoy. Mr. Rich said it has been a pleasure working with Mr. Maner.

### **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Rimmer adjourned the meeting.

  
Marie-Bernarde Miller, Secretary

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

March 8, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, March 8, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Mr. Thomas W. Rimmer, Chair  
Ms. Carmen Sanders Simpson, Vice Chair  
Ms. Marie-Bernarde Miller, Secretary/Treasurer  
Mr. Jay Hartman, Commissioner  
Mr. Eddie Powell, Commissioner  
Dr. Roby Robertson, Commissioner

**Absent:**

Mr. Anthony Kendall, Commissioner

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Darrell Boggs, Director of Distribution  
Mr. Jim Ferguson, P.E., Director of Engineering  
Ms. Becky Wahlgreen, Director of Human Resources and Communications  
Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source  
Ms. Sheronda Shells, Customer Service Supervisor-Office  
Ms. Carla Foster, Customer Service Representative-Office  
Mr. Chris Goodwin, Warehouse Specialist  
Mr. Robert Martin, Safety Specialist  
Ms. Connie Horn, Management Secretary  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, P.E., Watershed Administrator  
Ms. Samantha Williams, Communications Assistant  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Victoria Avery, Operations Manager, Watershed Human & Community Development Agency  
Ms. Erin Brogdan, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.  
Mr. Paul Dean, Chief Financial Officer, Advantage Communications, Inc.  
Mr. Nigel Hall, Vice President, Advantage Communications, Inc.  
Mr. Gary Heathcott, President, Heathcott Associates  
Ms. Becky Heflin, Account Executive, Heathcott Associates  
Mr. Jordan Johnson, Vice President & Director of Public Policy, Cranford, Johnson, Robinson & Woods  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Ms. Vivian Ozura, Senior Account Executive, Advantage Communications, Inc.

Mr. Greg Rayburn, Stephens Media  
Ms. Marcy Rhodes, River Cities Ministries, Social Services Director  
Ms. Marissa Rodgers, Creative Director, Advantage Communications, Inc.  
Mr. Ozell Snyder, Fiscal Manager, Watershed Ministries  
Rev. Hezekiah Stewart, Executive Director, Watershed Human & Community Development Agency  
Ms. Danielle White, Manager of Website Development, Cranford, Johnson, Robinson & Woods

### **CALL MEETING TO ORDER**

Mr. Thomas Rimmer, Chair, called to order the March 8, 2012 meeting of the Board of Commissioners.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the February 9, 2012 Regular Meeting were approved.

### **OLD BUSINESS**

#### **John Robinson Award for Safety**

Mr. Robert Martin, Safety Specialist, said that the John Robinson Award for Safety is awarded each year to the employee who has excelled in the area of safety in the workplace. He said that the award is named after a former long-time employee who consistently showed extreme dedication to promoting safety on the job-site and toward his co-workers.

Mr. Martin introduced Mr. Chris Goodwin, Warehouse Specialist, and Chair of CAW's Safety Team. Mr. Goodwin said that this year's award is being presented to Ms. Carla Foster, Customer Service Representative-Office. He said that Ms. Foster has shown consistent interest in ensuring the safety of her fellow employees and in maintaining safe working conditions.

#### **Upgrade to CAW Website**

Mr. Graham Rich, P.E., CEO, made a presentation on CAW's upgraded website, which will be launched to the public within the next three to four weeks. He said that the changes include a more user-friendly and informative website and a new logo for the utility. Mr. Rich said that staff worked with the web design division of Cranford, Johnson, Robinson & Woods (CJRW) to achieve a website that has maximum functionality and effectiveness, as well as additional ways of communicating with our customers, including Facebook, twitter, a blog, and RSS.

Ms. Danielle White, Manager of Web Design Development at CJRW, spoke on the organization of the new website and how it functions.

Ms. Marisa Rogers, Creative Director with Advantage Communications, Inc., introduced the new logo for CAW, which will be phased in over a period of time as stock items with the current logo are depleted.

#### **Help To Others Program**

Ms. Samantha Williams, Communications Assistant, gave an overview of the Help To Others (H2O) Program since its inception in 2004. She reviewed the number of customers who have been helped in paying their utility bills, where the revenue comes from, qualifications for receiving assistance, and how the revenue is distributed by the two agencies who help administer the (H2O) Program: River City Ministries and Watershed Human & Community Development Agency.

Ms. Marcy Rhodes, River City Ministries Social Services Director, thanked the Board and staff for the assistance these funds provide. She said that these funds make a real difference in the lives of those who seek assistance in paying their bills.

Ms. Victoria Avery, Operations Manager for Watershed Human & Community Development Agency, thanked the Board for the help these funds provide.

Reverend Hezekiah Stewart, Watershed Human & Community Development Agency thanked the Board for setting up this program that helps those in need. He added that, by doing so, the Board has helped so many people over the years.

## **NEW BUSINESS**

### **Presentation on Employee Demographics and Recruitment Practices**

Mr. Rich said that the purpose of the presentation is to inform the Board on the demographics of the utility's labor force, related costs, and how staff is addressing the issue of retiring employees. He said that the future demographics of the CAW workforce will be significantly different from what it is today. Mr. Rich spoke briefly on the current demographics of CAW's employees, the history of labor and benefits costs since 2008, historical staffing levels, and the challenges of workforce diversification.

Ms. Becky Wahlgreen, Director of Human Resources and Communications, discussed steps CAW is taking to address staffing and diversification challenges.

### **Rate Stabilization Account**

Mr. Gary Pittman, Chief Financial Officer, said that a Rate Stabilization Account (RSA) had been created by Resolution 2010-03. He said that the hot, dry weather in 2011 has resulted in net revenue in excess of the amount needed to meet bond requirements.

Mr. Pittman said that staff is requesting to transfer \$2.6 million into the RSA. He said the transfer will be the second deposit to this account and will bring the RSA total to \$4.7 million. He added that it is hoped that some of these funds can be used to reduce the amount of the next rate increase.

Upon a motion duly made by Mr. Eddie Powell, Commissioner, and seconded by Dr. Roby Robertson, Commissioner, the transfer of funds was approved.

## **CONTRACTS**

Upon motions duly made and seconded, the following contracts were approved:

- a. A contract with Natgun Corporation for \$2,394,470.00 to construct a 2.5 million gallon water tank (16B) on the West Markham System and a 0.4 million gallon water tank on the Highland Ridge System
- b. A contract with Harper Construction for \$605,747.00 to install 1,900 linear feet of 12-inch and 4,200 linear feet of 16-inch Ductile Iron pipe necessary to connect the two new water storage tanks to the Highland Ridge/West Markham Distribution Systems
- c. A contract with J.A. Riggs Tractor for the purchase of 20 backhoes. The one-year contract establishes an initial purchase price of \$1,192,000.00 with an end of year repurchase amount of \$1,196,200.00, resulting in a net gain to CAW of \$210/per backhoe



- d. A contract totaling \$477,792.00 with several vendors for the purchase of various sizes and types of water meters

## **DEPARTMENT UPDATES**

### Watershed

Mr. Robert Hart, Technical Services Officer, provided an update on matters pertaining to the Watershed.

### Regionalism

Mr. Dale Kimbrow, Manager of Regionalism and Future Water Source, provided an update on matters pertaining to Regionalism.

### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a year-to-date financial update on utility operations.

## **BOARD BRIEFING**

Mr. Rich provided an update on the following:

- Mr. Rich said that Stephanie Hymel, Stewardship Coordinator, has been accepted to present a paper at the American Water Resources Specialty Conference in Denver, Colorado. He said that acceptance to present at this conference is a highly competitive field and congratulated Ms. Hymel on being accepted.
- Martin Maner, former Director of Watershed Management, and Mr. Trevor Clements of Tetra Tech, had an article on the Lake Maumelle Watershed published in *Lakeline Magazine*.
- Ms. Hymel reported on Fix-A-Leak Week, March 11-17. She said that CAW will be working with local plumbers to assist customers with finding leaks in their homes and make minor repairs. CAW will also provide low-flow showerheads and rain gauges to customers who come into our offices during Fix-A-Leak Week. Ms. Hymel said she had contacted The Home Depot and Lowe's Home Improvement and they have agreed to host Do-It-Yourself clinics on fixing leaky faucets and toilets.
- There will be a news conference held on Wednesday, March 14 regarding Fix-A-Leak Week and all the activities involved.

## **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Rimmer adjourned the meeting.

  
Marie-Bernarde Miller, Secretary

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

April 12, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, April 12, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Mr. Thomas W. Rimmer, Chair  
Ms. Carmen Sanders Simpson, Vice Chair  
Ms. Marie-Bernarde Miller, Secretary/Treasurer  
Mr. Jay Hartman, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Eddie Powell, Commissioner  
Dr. Roby Robertson, Commissioner

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Darrell Boggs, Director of Distribution  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Kevin Hall, Director of Environmental Health & Safety  
Ms. Becky Wahlgreen, Director of Human Resources and Communications  
Mr. Dennis Yarbrow, Supervisor of Water Sources  
Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source  
Ms. Deena Coston, C.P.A., Controller  
Ms. Connie Horn, Management Secretary  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Jeff Mascagni, C.P.A., Controller  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Megan Beeson, Thomas & Thomas, LLP  
Ms. Ambrea Brimmage, Brent Stevenson Associates  
Ms. Jennie Coy, Robinson Middle School  
Mr. Barry Haas, Citizens Protecting Maumelle Watershed  
Mr. Nigel Hall, Vice President, Advantage Communications, Inc.  
Ms. Becky Heflin, Account Executive, Heathcott Associates  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Roger Nesuda, Jolly Roger's Marina  
Ms. Vivian Ozura, Senior Account Executive, Advantage Communications, Inc.  
Mr. Greg Rayburn, Stephens Media  
Ms. Mary Smith, Audubon Arkansas

Mr. Brent Stevenson, Brent Stevenson Associates  
Mr. Paul Strickland, Garver Engineers  
Mr. Kent Walker, Attorney  
Ms. Pattie Weed, Thomas & Thomas, LLP  
Mr. Fred White  
Ms. Judy White

### **CALL MEETING TO ORDER**

Mr. Thomas Rimmer, Chair, called to order the April 12, 2012 meeting of the Board of Commissioners.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the March 8, 2012 Regular Meeting were approved.

### **NEW BUSINESS**

#### **Lake Maumelle Student Projects**

Ms. Stephanie Hymel, Stewardship Coordinator, introduced the students from Robinson Middle School and from Robinson High School and their facilitators, Ms. Jennie Coy of Robinson Middle School and Ms. Mary Smith of Audubon Arkansas. She said that the students would make a presentation on projects they have been working on in the Lake Maumelle Watershed.

The students said that they are participating in a program at their schools called EAST (Environmental and Spatial Technology) labs. They said that, as part of the EAST program, they have been working on projects around Lake Maumelle. They added that they "adopted" a trail to maintain its cleanliness, conducted water quality research around the lake, and developed public education messages promoting the value of high quality drinking water.

#### **2011 Audit**

Mr. Gary Pittman, Chief Financial Officer, introduced Ms. Pattie Weed and Ms. Megan Beeson of Thomas and Thomas, LLP. Mr. Pittman said that they would report on the 2011 Audit.

Ms. Weed and Ms. Beeson explained the auditing process. They said that there would not be a separate audit of Brushy Island Water Authority, but that it would be included in the CAW audit.

Ms. Weed said that the management letter states that the CAW audit was completed within the generally accepted accounting principles and standards and governmental principles.

#### **Jolly Rogers Marina**

Mr. Gary Hum, Director of Source & Treatment, said that Mr. Roger Nesuda of Jolly Rogers Marina is requesting approval to increase the rates on slip and boat rentals at the marina. Mr. Hum said that the last rate increase was in 2009.

Ms. Marie-Bernarde Miller, Commissioner, said she has received phone calls with comments about the condition of the marina.

Mr. Hum said that staff from CAW periodically inspects the marina for unsafe conditions and that Mr. Nesuda responds promptly to our all our concerns.

Mr. Nesuda said that the increasing cost of insurance is the major reason for the requested slip/boat rate increase.

Chair Rimmer asked if Mr. Nesuda has publicly posted the proposed rate increase. In response, Mr. Nesuda said he has a sign in the office at the marina.

Mr. Dennis Yarbrow, Supervisor of Water Sources, reminded everyone that the proposed rate increase is a maximum amount and would not necessarily apply to all rates at the marina. He added that there may not be increases in some of the rates.

Dr. Roby Robertson, Commissioner, suggested there should be more postings and a longer posting time to allow for customer concerns to be voiced.

Upon a motion made by Commissioner Robertson and seconded by Commissioner Miller, the motion to delay for one month a decision on the requested rate increase was approved by a vote of 6-1. Mr. Anthony Kendall, Commissioner, voted nay.

#### Agreement with Arkansas Game and Fish Commission

Ms. Hymel said that staff is requesting a one-year extension of a current agreement between CAW and the Arkansas Game & Fish (AGFC) Commission. She said that there are no changes in the agreement and that this is merely a formality to allow the AGFC to continue to operate the Maumelle River Wildlife Management Area surrounding Lake Maumelle.

Upon a motion duly made by Mr. Eddie Powell, Commissioner, and seconded by Mr. Jay Hartman, Commissioner, a one-year extension of the agreement was approved.

#### Strategic Plan II Presentation

Mr. Rich provided an historical overview of CAW's first Strategic Plan and outlined the goals and strategic tasks for the second Strategic Plan initiative. He said that this presentation is for informational purposes only.

### **OLD BUSINESS**

#### Little Maumelle River Crossing Emergency Repair

Mr. Jonathan Long, Watershed Administrator, provided a summary of the flooding of the Little Maumelle River on May 2, 2011 which undermined a 12-inch water line running under the river. As a result of that flooding and subsequent main break, CAW applied to the Federal Emergency Management Association (FEMA) and the Arkansas Department of Emergency Management (ADEM) for reimbursement on the final costs associated with the Little Maumelle River Crossing emergency repair. Mr. Long said that FEMA reimbursed CAW 75% of the repair costs, for a sum of \$149,248.17. He added that ADEM has said that if funds are available, they may be able to reimburse CAW 12.5% of the cost of repairs, for a sum of \$18,439.88.

## **DEPARTMENT UPDATES**

### **Environmental Health & Safety**

Mr. Kevin Hall, Director of Environmental Health & Safety, provided an update on safety matters.

### **Watershed**

Mr. Robert Hart, Technical Services Officer, provided an update on matters pertaining to the Watershed.

### **Regionalism**

Mr. Dale Kimbrow, Manager of Regionalism and Future Water Source, provided an update on matters pertaining to Regionalism.

### **Finance**

Mr. Gary Pittman, Chief Financial Officer, provided a year-to-date financial update on utility operations.

## **BOARD BRIEFING**

Mr. Rich provided an update on the following:

- Stephanie Hymel, Stewardship Coordinator, led events for Fix-A-Leak Week, March 12-17. Staff identified 43 low income customers who were eligible for assistance in the repair of leaks, which was completed by plumbers who volunteered their services. Staff also directly assisted 136 customers in improving their water efficiency.
- CAW has gone "live" with their newly upgraded website. The goal of the new design is to be more informative, user-friendly and provide for a wider variety of communications methods with our customers.
- Tuesday, May 22, will be the CAW's 3rd Annual Stakeholders Meeting to be held at the Junior League Building 9:30.
- Robert Hart, Technical Services Officer, has been awarded the Glen T. Kellogg Lifetime Award by the Arkansas Water Works & Water Environment Association. This award is given annually to those who exhibit outstanding service and dedication to the Arkansas water and wastewater industries.

## **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Rimmer adjourned the meeting.

  
Marie-Bernarde Miller, Secretary

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

May 10, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, May 10, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Mr. Thomas W. Rimmer, Chair  
Ms. Carmen Sanders, Vice Chair  
Mr. Jay Hartman, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Eddie Powell, Commissioner  
Dr. Roby Robertson, Commissioner

**Absent:**

Ms. Marie-Bernarde Miller, Secretary/Treasurer

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Darrell Boggs, Director of Distribution  
Mr. Jim Ferguson, P.E., Director of Engineering  
Ms. Becky Wahlgreen, Director of Human Resources and Communications  
Ms. Deena Coston, C.P.A., Controller  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source  
Mr. Jeff Mascagni, C.P.A., Controller  
Mr. Dennis Yarbrow, Supervisor of Water Sources  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Barry Haas, Citizens Protecting Maumelle Watershed  
Mr. Nigel Hall, Vice President, Advantage Communications, Inc.  
Mr. Gary Heathcott, President, Heathcott Associates  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Roger Nesuda, Jolly Roger's Marina  
Ms. Vivian Ozura, Senior Account Executive, Advantage Communications, Inc.  
Mr. Kent Walker, Attorney

## **CALL MEETING TO ORDER**

Mr. Thomas Rimmer, Chair, called to order the May 10, 2012 meeting of the Board of Commissioners.

## **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the April 12, 2012 meeting were approved.

## **NEW BUSINESS**

### **Jolly Rogers Marina**

Mr. Dennis Yarbro, Supervisor of Water Sources, said that Mr. Roger Nesuda of Jolly Rogers Marina had appeared before the Board at the April meeting and requested approval to increase the rates on slip and boat rentals at the marina. Mr. Yarbro reminded the Board that the last rate increase was in 2009.

Mr. Yarbro said that Mr. Nesuda posted notification of intended rate increases in several areas and included contact information for comments in those notices. Mr. Yarbro said that no comments were received.

Mr. Yarbro said that staff recommends approval of the rate increases.

Upon a motion duly made by Mr. Eddie Powell, Commissioner, and seconded by Ms. Carmen Sanders, Vice Chair, the rate increases were approved.

### **Appointment of Nominating Committee for 2012-2013 Board Officers**

Chair Rimmer appointed Mr. Anthony Kendall, Commissioner, to chair a committee to nominate officers for the 2012-13 term beginning July 1. He asked Commissioner Kendall to report back at the June Board Meeting.

### **Appointment of Nominating Committee for Appointment/Reappointment of Commissioner**

Chair Rimmer said that Commissioner Powell's term expires on June 30, 2012. He asked Commissioner Kendall to chair a committee to recommend the reappointment of Commissioner Powell or an appointment to fill the Commission vacancy. Chair Rimmer asked Commissioner Kendall to report back at the June Board Meeting.

### **Banking Services**

Mr. Gary Pittman, Chief Financial Officer, said that staff had published a Request For Proposals (RFP) for banking services and received six responses. He said that the banking services contract, which runs on a five-year cycle, consists of checking, trust, and lockbox operations.

Mr. Pittman said that the review committee met to rate each proposal and that First Security Bank received the top rating from the committee. He added that the proposed contract with First Security Bank will save the utility approximately \$31,000 each year in banking fees.

Upon a motion duly made by Commissioner Powell, and seconded by Dr. Roby Robertson, Commissioner, the banking services contract was approved.

### Utility Cost Saving Measures

Mr. Thad Luther, P.E., Chief Operating Officer, said that as the cost of chemicals, fuel, and utilities continues to increase, the utility has taken steps to reduce operating costs in several areas.

Mr. Luther said that one of the changes made has been to reduce the quantity of free bottled water distributed to various organizations, as well as the number of organizations receiving free bottled water.

Mr. Darrell Boggs, Director of Distribution, made a presentation on the cost-saving changes made within the utility over the past year. He said that among the many changes, a Distribution Department crew was assigned to work hours that overlap the regular crew hours, reducing overtime expenses.

Mr. Boggs added that these cost-saving measures tie directly into the Effective Utility Management concept.

### **CONTRACTS**

Upon a motion duly made by Commissioner Robertson and seconded by Commissioner Powell, a contract was approved with Comfort Systems USA in the amount of \$281,236 for heating, ventilation, and air conditioning improvements at the James T. Harvey Administration Building.

### **DEPARTMENT UPDATES**

#### Watershed

Mr. Robert Hart, Technical Services Officer, provided an update on matters pertaining to the Watershed.

#### Regionalism

Mr. Dale Kimbrow, Manager of Regionalism and Future Water Source, provided an update on matters pertaining to Regionalism.

#### Finance

Mr. Pittman provided a year-to-date financial update on utility operations.

Mr. Pittman said that CAW was awarded the Government Finance Officers Association Distinguished Budget Presentation Award. He said that application for this award is a rigorous process and acknowledged Jeff Mascagni, C.P.A., Controller, and Ms. Deena Coston, C.P.A., Controller, for their efforts in attaining this designation.

Ms. Coston provided the annual report on CAW's Red Flag Policy as required by federal law.

#### Public Comments

Mr. Kent Walker, attorney for property owners in the Lake Maumelle Watershed, asked to speak to the Board on the proposed zoning ordinance for the watershed.



Mr. Walker said that he represents a specific homeowner in the watershed and speaks on behalf of 200-300 other homeowners in the watershed. He said that they have tried to negotiate with the county on the mitigation issue and space requirements within the watershed and referenced in the proposed zoning code. Mr. Walker said that their negotiations have not met with success.

### **BOARD BRIEFING**

Mr. Graham Rich, Chief Executive Officer, provided an update on the following:

- Currently in the process of filling the position created when Martin Maner retired. Staff expects to have this position filled by the June Board Meeting.
- CAW has begun the Customer Satisfaction Survey and expects it to be completed by the first part of June.
- The 2011 Water Quality report will be mailed out next week, well before the legally required date of July 1.
- The 2012 Stakeholders Meeting will be held on May 22.

### **EXECUTIVE SESSION**

Upon a motion duly made by Commissioner Robertson and seconded by Commissioner Powell, the Board met in Executive Session to discuss a personnel issue.

Upon reconvening the regular session, Chair Rimmer said no action was taken.

### **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Rimmer adjourned the meeting.

  
Marie-Bernarde Miller, Secretary

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

June 14, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, June 14, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Mr. Thomas W. Rimmer, Chair  
Ms. Carmen Smith, Vice Chair  
Ms. Marie-Bernarde Miller, Secretary/Treasurer  
Mr. Jay Hartman, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Eddie Powell, Commissioner  
Dr. Roby Robertson, Commissioner

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Jim Ferguson, P.E., Director of Engineering  
Ms. Becky Wahlgreen, Director of Human Resources and Communications  
Mr. Rick Euseppi, Office Maintenance Worker  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Kate Althoff, Citizens Protecting Maumelle Watershed  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Barry Haas, Citizens Protecting Maumelle Watershed  
Mr. Nigel Hall, Vice President, Advantage Communications, Inc.  
Ms. Becky Heflin, Heathcott Associates  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Ms. Vivian Ozura, Senior Account Executive, Advantage Communications, Inc.  
Ms. Debbie Priebe, Water Customer  
Mr. Paul Strickland, P.E., Garver Engineers  
Ms. Kathy Wells, Coalition of Greater Little Rock Neighborhoods

**CALL MEETING TO ORDER**

Mr. Thomas Rimmer, Chair, called to order the June 14, 2012 meeting of the Board of Commissioners.

## **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the May 10, 2012 meeting were approved.

## **EMPLOYEE RECOGNITION**

Mr. Graham Rich, Chief Executive Officer, recognized Mr. Rick Euseppi, Office Maintenance Worker, as the recipient of the 2012 Employee of the Year Award.

Mr. Rich said that Mr. Euseppi's attention to detail and dedication in the performance of his job makes him a perfect choice for this award. Mr. Rich thanked Mr. Euseppi for his efforts.

Mr. Rich recognized The Trust for Public Land (TPL) as the recipient of the 2012 Stakeholder of the Year Award.

Chair Rimmer presented Mr. Rich with a five-year service pin. Chair Rimmer said that it has been a good relationship between Mr. Rich and the Board and he hopes it continues for many years to come.

## **OLD BUSINESS**

### **Appointment/Reappointment of Commissioner**

Commissioner Kendall also made a motion to reappoint Mr. Eddie Powell, Commissioner, to a new seven-year term.

Upon a motion duly made and seconded by Dr. Roby Robertson, Commissioner, the reappointment of Commissioner Powell was approved.

### **Appointment of 2012-2013 Board Officers**

Mr. Anthony Kendall, Commissioner, made a motion to nominate the following Board Members to serve as Board Officers for the 2012-13 term beginning July 1.

Ms. Carmen Smith – Chair  
Ms. Marie-Bernarde Miller – Vice Chair  
Mr. Eddie Powell – Secretary/Treasurer

Upon a motion duly made and seconded by Dr. Roby Robertson, Commissioner, the officers were approved.

## **NEW BUSINESS**

### **Addendum to Agreement with Salem Water Users Public Water Authority**

Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source, reviewed the current agreement between CAW and the Salem Water Users Public Water Authority (Salem).

Mr. Kimbrow said that the current agreement signed in 2004 provides one master meter along Colonel Glenn Road. He said that the addendum to the agreement will allow the installation of three additional meter stations to increase the amount of water Salem is able to take daily from CAW, allow approximately 5,000 feet of waterline to provide water to the proposed meter stations, modify the service boundary, and provide five additional fire hydrants along the proposed waterline.

Mr. Kimbrow said that the addendum will increase Salem's take of water by approximately 400,000 gallons per day. He said that currently Salem averages approximately one million gallons per day from CAW and that the current agreement allows them to take up to four million gallons per day.

Upon a motion duly made by Mr. Jay Hartman, Commissioner, and seconded by Commissioner Powell, the addendum was approved.

#### Renewal of Business Insurance

Mr. Jeff Mascagni, C.P.A., Controller, told the Board that CAW is entering the third year of a business insurance contract with Insurance Center, Inc. He said that Insurance Center, Inc. will continue to provide coverage through our current carrier, Arch Insurance Company, with a 4.9% increase in the premium structure, resulting in a total contract price of \$207,452. Mr. Mascagni said that the higher premium is not due to a rate increase, rather to a 17% increase in covered property values/limits. He added that the insurance contract continues to cover property, crime, auto, directors and officers, employment practices, and excess liability.

Upon a motion duly made by Commissioner Powell and seconded by Ms. Carmen Smith, Commissioner, renewal of the business insurance contract was approved.

#### **CONTRACTS**

Upon a motion duly made by Commissioner Powell and seconded by Ms. Marie-Bernarde Miller, Commissioner, a contract was approved with Utility Meter Solutions in an amount not to exceed \$450,000 for the design, equipment, and implementation of a fixed-base automated meter reading system in pilot test areas (Wye Mountain, Hickory Hills Subdivision and Hickory Creek Subdivision).

#### **DEPARTMENT UPDATES**

##### Watershed

Mr. Jonathan Long, Watershed Administrator, provided an update on the ExxonMobil pipeline that runs through the Lake Maumelle Watershed.

Mr. Long detailed the areas within the watershed of concern to CAW, such as repairs to exposed pipeline, construction of a structure to store 3,000 feet of containment boom for use in the event of an oil spill, removal of vegetation to provide emergency response vehicles access to the lake, and creation of a hazardous response plan. Mr. Long said that ExxonMobil had responded quickly to all concerns and took action to rectify any problems. He added that ExxonMobil continues to work with CAW to address stated concerns.

Ms. Stephanie Hymel, Stewardship Coordinator, provided an update on the road work within the Lake Maumelle Watershed that is being done in conjunction with the Arkansas Forestry Commission (AFC). She said that the AFC is focusing on re-establishing Best Management Practices on land in the watershed.

Mr. Rich recently met with Pulaski County Judge Buddy Villines concerning the zoning code for the Land Use Plan for the Lake Maumelle Watershed.

Mr. Rich said that the zoning code will not be brought back before the Pulaski County Quorum Court for approval until the U.S. Geological Survey (USGS) has completed a modeling of the watershed, which is expected to be late summer 2012.

Mr. Robert Hart, Technical Services Officer, provided an update on matters pertaining to the watershed, including concerns the Arkansas Farm Bureau has regarding the modeling program used for the watershed.

He said that the Arkansas Farm Bureau has discussed with the Arkansas Natural Resources Commission what they believe to be inadequacies in the modeling performed by Tetra Tech, Inc. in 2005. He said that the Farm Bureau may be asking the ANRC to jointly fund an additional study using a different modeling program. Mr. Hart said that CAW disagrees with the Farm Bureau on their assessment of the modeling done by Tetra Tech.

### Regionalism

Mr. Dale Kimbrow, Manager of Regionalism and Future Water Source, provided an update on matters pertaining to Regionalism.

### Finance

Mr. Pittman provided a year-to-date financial update on utility operations.

### **BOARD BRIEFING**

Mr. Graham Rich, Chief Executive Officer, provided an update on the following:

- The 2011 Water Quality Report has been mailed out one month ahead of the required July 1 deadline.
- The customer satisfaction survey has been completed. This survey is one of the tasks included in the Strategic Plan.
- The 2012 Stakeholders meeting was held on May 22.
- Staffing changes which include the creation of a Water Quality Department

### **EXECUTIVE SESSION**

Upon a motion duly made by Commissioner Powell and seconded by Commissioner Hartman, the Board met in Executive Session to discuss a personnel issue.

Upon reconvening the regular session, Chair Rimmer said no action was taken.

### **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Rimmer adjourned the meeting.

  
\_\_\_\_\_  
Eddie Powell, Secretary

**RESOLUTION 2012-03**

A RESOLUTION RE-APPOINTING MR. EDDIE POWELL TO THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, AND FOR OTHER PURPOSES

WHEREAS, the term of Mr. Eddie Powell, a member of the Board of Commissioners, Central Arkansas Water ("CAW Board"), expired on June 30, 2012; and

WHEREAS, by law it is the duty of the remaining commissioners to nominate and appoint a commissioner when a vacancy occurs on the CAW Board, subject to confirmation by the City Council of the City of North Little Rock, Arkansas and the Board of Directors of the City of Little Rock, Arkansas.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT the remaining commissioners do hereby appoint Mr. Powell to a seven-year term, subject to confirmation by the duly elected and qualified members of the City Council of the City of North Little Rock, Arkansas and the Board of Directors of the City of Little Rock, Arkansas, and that his term of office shall be through June 30, 2019.

BE IT FURTHER RESOLVED THAT the City Council of the City of North Little Rock, Arkansas and the Board of Directors of the City of Little Rock, Arkansas be requested to confirm this appointment.

\*\*\*\*\*

**CERTIFICATE**

I, Marie-Bernarde Miller, Vice Chair of the Board of Commissioners, Central Arkansas Water, certify that, as such, I have custody of the Minutes and documents of Central Arkansas Water, and that the above and foregoing is a correct copy of a resolution adopted by said Board of Commissioners at a meeting held July 12, 2012.

  
Marie-Bernarde Miller, Vice Chair

**RESOLUTION 2012-04**

**Resolution honoring Graham Rich, Chief Executive Officer of  
Central Arkansas Water on the occasion of his fifth anniversary of joining the utility**

**WHEREAS**, Graham Rich joined Central Arkansas Water as Chief Executive Officer on May 21, 2007; and

**WHEREAS**, during this five-year period, Central Arkansas Water has made continual and substantial improvement in many critical areas, including: infrastructure modernization, environmental sustainability, regional cooperation, and watershed protection; and

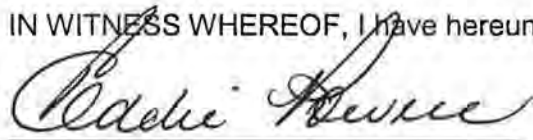
**WHEREAS**, these areas of progress have been due in significant part to the efforts and effective leadership of Graham Rich.

**NOW THEREFORE BE IT RESOLVED THAT** the Board of Commissioners, Central Arkansas Water, does hereby express its profound appreciation and gratitude to Graham Rich for his leadership, vision, and effective management during the past five years and pledges its support of Mr. Rich as his efforts continue to make Central Arkansas Water an outstanding example of a public water utility committed to excellence in all areas.

This Resolution shall be in effect upon its adoption and approval.

I, Eddie Powell, Secretary of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2012-04 of the Resolutions of Central Arkansas Water, adopted July 12, 2012.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of July 2012.



Eddie Powell, Secretary  
Board of Commissioners  
Central Arkansas Water

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

July 12, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, July 12, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Ms. Carmen Smith, Chair  
Ms. Marie-Bernarde Miller, Vice Chair  
Mr. Eddie Powell, Secretary/Treasurer  
Mr. Jay Hartman, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Darrell Boggs, Director of Distribution  
Mr. Randy Easley, Director of Water Quality  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Ms. Becky Wahlgreen, Director of Human Resources and Communications  
Mr. John Tynan, Watershed Protection Manager  
Ms. Connie Horn, Management Secretary  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Samantha Williams, Communications Assistant  
Mr. Thomas Wray, P.E., Senior Engineer  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Ruth Bell, League of Women Voters of Pulaski County  
Ms. Erin Brogdan, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.  
Mr. Barry Haas, Citizens Protecting Maumelle Watershed  
Mr. Nigel Hall, Vice President, Advantage Communications, Inc.  
Ms. Tiffany Jones, Customer  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Ms. Vivian Ozura, Senior Account Executive, Advantage Communications, Inc.  
Mr. Kirby Rowland, P.E., Garver Engineers  
Mr. Michael Steele, CEO, Advantage Communications, Inc.



### **CALL MEETING TO ORDER**

Ms. Carmen Smith, Chair, called to order the July 12, 2012 meeting of the Board of Commissioners.

### **RECOGNITION OF PAST CHAIR**

Chair Smith presented to Mr. Thomas W. Rimmer, Commissioner, a plaque commending his dedication to serving the utility and customers of Central Arkansas Water during his term as Chair.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the June 14, 2012 meeting were approved.

### **OLD BUSINESS**

#### **Resolution Approving the Reappointment of Eddie Powell**

Chair Smith presented a resolution authorizing the reappointment of Mr. Eddie Powell, Secretary, to a seven-year term to expire June 30, 2019.

Upon a motion duly made by Mr. Anthony Kendall, Commissioner, and seconded by Commissioner Rimmer, the reappointment of Secretary Powell was approved.

### **NEW BUSINESS**

#### **Construction of Parking Lot Adjacent to Bringle Creek**

Mr. Robert Hart, Technical Services Officer, said that CAW is working with the Arkansas Game & Fish Commission (AGFC) to construct a parking lot on property at Bringle Creek that is used for hunting and fishing. He said this property is prone to erosion and paving it would help to prevent runoff and thereby maintain the water quality in Lake Maumelle.

Mr. Hart said that this is Amendment #1 to a Memorandum of Agreement between CAW and AGFC for such projects.

Upon a motion duly made by Secretary Powell and seconded by Commissioner Rimmer, the amendment to the agreement was approved.

#### **Reforestation Agreement**

Ms. Stephanie Hymel, Stewardship Coordinator, said that under the \$4 million U.S. Forest Legacy Grant awarded to CAW to purchase the Winrock Grass Farm, the utility is required to complete reforestation on 295 acres of the Winrock Grass Farm. She said that this agreement with the U.S. Forest Service obligates CAW to expend funds to complete the reforestation and shrubland restoration on the grass farm.

Upon a motion duly made by Dr. Roby Robertson, Commissioner, and seconded by Secretary Powell, the agreement was approved.

#### Agreement with U.S. Fish and Wildlife

Ms. Hymel said that staff recommends entering into an agreement with U.S. Fish & Wildlife to work with them to restore, improve, and protect fish and wildlife habitats on the former Winrock Grass Farm. She said that the annual cost-share for CAW is approximately \$25,000.

Upon a motion duly made by Mr. Jay Hartman, Commissioner, and seconded by Secretary Powell, the agreement was approved.

#### Renew Advertising/Public Relations Service Agreement

Ms. Becky Wahlgreen, Director of Human Resources and Communications, said that staff is recommending renewal of the professional services agreement with Advantage Communications, Inc. She said the existing agreement was for one year beginning August 1, 2011 through July 31, 2012, with options for two one-year renewals. Ms. Wahlgreen added that the one-year renewal agreement includes a \$3,000 monthly retainer fee plus individual project expenses.

Upon a motion duly made by Commissioner Hartman, and seconded by Ms. Marie-Bernarde Miller, Vice Chair, the agreement was approved.

#### Public Comments

Mr. Barry Haas, Citizens Protecting Maumelle Watershed, asked if CAW would save money if they didn't have to pay an advertising/public relations firm a monthly retainer.

Mr. Rich, Chief Executive Officer, said that many services are provided without additional cost under the retainer fee. He said that without the retainer fee, the monthly costs for advertising/public relations services would increase.

#### Update on Water Demands

Mr. Rich provided an update on increased water consumption during the month of June. He said that even though almost the entire state of Arkansas is experiencing a drought, CAW lake levels remain at a satisfactory level and that there is plenty of water and treatment capacity.

Mr. Rich said that high demand resulting from low rainfall can present several challenges to the distribution and treatment systems.

Mr. Rich said that CAW had set a record peak day on June 30 at 125 MGD. He added that this is unusual because the peak day record is usually reached in July or August.

Mr. Rich said that staff has plans to expand the "Sprinkler Smart" public outreach program to educate and encourage customers to irrigate their lawns other than "peak" times.

#### Electrical Outage at Lake Maumelle Pumping Station

Commissioner Kendall asked staff to speak on a recent incident when Lake Maumelle Pumping Station lost electrical power.

Mr. Gary Hum, Director of Source & Treatment, said that Entergy, the provider of electricity to the Lake Maumelle Pumping Station, has two electrical feeds to the plant. He said the primary feed was lost and the automatic transfer switch failed to switch over to the secondary feed. Mr. Hum added that both CAW and Entergy believe the outage may have been caused by a failure of the automatic switch, not a problem with the Entergy power grid. Mr. Hum said that CAW is in discussion with Entergy to allow CAW staff to make the switch in power manually rather than wait on Entergy crews to make the switch.

## **CONTRACTS**

Upon a motion duly made and seconded, the following contracts were approved:

- a. The purchase of two crew truck-cab chassis from Truck Centers of Arkansas for \$135,558
- b. The replacement of 2-inch galvanized water mains by J.R. Fox Company for \$770,859
- c. The installation of two new 6-inch meter assemblies in underground concrete vaults at the Union Pacific rail yard by Building & Utility Contractors, Inc. for \$81,925

## **DEPARTMENT UPDATES**

### Watershed

Mr. Hart introduced Mr. John Tynan and Mr. Randy Easley. He said that Mr. Tynan has been hired as Watershed Protection Manager and Mr. Easley has been hired as Director of Water Quality.

Mr. Hart provided an update on watershed issues.

### Regionalism

Mr. Jim Ferguson, Director of Engineering, said that Mr. Dale Kimbrow, Manager of Regionalism and Future Water Source, was out of the office and Mr. Ferguson provided an update on matters pertaining to Regionalism.

### Finance

Mr. Jeff Mascagni, C.P.A., Controller, said that Mr. Gary Pittman, Chief Financial Officer, was out of the office and Mr. Mascagni provided a year-to-date financial update on utility operations.

Mr. Mascagni also provided a presentation focusing on financial metrics such as debt service, debt coverage, debt utilization, working capital, bond ratings, and the rate stabilization account.

### Recognition of Chief Executive Officer

Commissioner Rimmer made a motion to put forth a resolution honoring Mr. Rich on the occasion of his fifth anniversary with the utility. Commissioner Rimmer said that Mr. Rich

has made continual and substantial improvement in many critical areas of the utility and the Board expresses its profound appreciation and gratitude to Mr. Rich for his leadership, vision, and effective management during the past five years.

Upon the motion duly made by Commissioner Rimmer and seconded by Commissioner Robertson, the motion was unanimously approved.

#### Public Comments

Ms. Tiffany Jones, customer, addressed the Board on problems she has had in paying her water bill and keeping her payment arrangements, resulting in having her water service discontinued on several occasions.

Upon hearing Ms. Jones comments, the Board asked CAW staff to investigate her account to determine what is causing her high water consumption. Mr. Rich said staff would look into it and see what they could do to assist Ms. Jones.

#### **BOARD BRIEFING**

Mr. Rich provided an update on the following:

- Staff has submitted an application for the Association of Metropolitan Water Agencies' (AMWA) Platinum Award. This is the highest award presented by AMWA. Mr. Rich thanked everyone involved in the lengthy process of submitting the application.
- The customer satisfaction survey has been completed and will be presented to the Board at the August meeting.

#### **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Smith adjourned the meeting.



Eddie Powell, Secretary/Treasurer

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

August 9, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, August 9, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Ms. Carmen Smith, Chair  
Ms. Marie-Bernarde Miller, Vice Chair  
Mr. Eddie Powell, Secretary/Treasurer  
Mr. Jay Hartman, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Darrell Boggs, Director of Distribution  
Mr. Randy Easley, Director of Water Quality  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Ms. Becky Wahlgreen, Director of Human Resources and Communications  
Mr. Dale Kimbrow, Manager of Planning & Regionalism  
Mr. John Tynan, Watershed Protection Manager  
Ms. Connie Horn, Management Secretary  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, Watershed Administrator  
Ms. Samantha Williams, Communications Assistant  
Mr. Thomas Wray, P.E., Senior Engineer  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Hunter Bacot, Director, University of Arkansas at Little Rock, Institute of Government  
Ms. Erin Brogdan, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.  
Mr. Andy Davis, Reporter, Arkansas Democrat-Gazette  
Ms. Alexandra Goodman, Advantage Communications, Inc.  
Mr. Nigel Hall, Vice President, Advantage Communications, Inc.  
Mr. Gary Heathcott, President, Heathcott Associates  
Ms. Beth Hendrix, Advantage Communications, Inc.

Ms. Kathleen Johnson, Reporter, Fox 16 News  
Mr. Earnest Oakleaf, Opinion Research Associates  
Ms. Zoe Oakleaf, Opinion Research Associates  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Ms. Vivian Ozura, Senior Account Executive, Advantage Communications, Inc.  
Mr. Michael Steele, CEO, Advantage Communications, Inc.  
Mr. Kent Walker, Attorney  
Mr. Ross Weaver, Cameraman for KTHV-Channel 11  
Ms. Kathy Wells, Coalition of Greater Little Rock Neighborhoods  
Ms. Lorie White, Property Owner, Maumelle Watershed

### **CALL MEETING TO ORDER**

Ms. Carmen Smith, Chair, called to order the August 9, 2012 meeting of the Board of Commissioners.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the July 12, 2012 meeting were approved.

### **NEW BUSINESS**

#### **Overview of Customer Satisfaction Survey**

Mr. Michael Steele, President of Advantage Communications, Inc., made a presentation covering the highlights and findings of the customer satisfaction survey that was conducted by Opinion Research Associates.

Mr. Steele said the survey showed that overall customers were pleased with the service and water quality provided by Central Arkansas Water (CAW). He added that the survey also showed that most customers are aware of the efforts by CAW to protect water quality by protecting the watersheds surrounding the water sources.

### **OLD BUSINESS**

#### **Wye Mountain Water Line Project**

Mr. Rich provided some information on the history of this project and said Mr. Robert Hart, Technical Services Officer, would provide an update regarding the project and inspections of the project conducted by the Arkansas Department of Environmental Quality (ADEQ).

Mr. Hart provided a presentation on the history of the project and also provided information as to the progress to date.

Mr. Hart addressed violations noted during two inspections conducted by ADEQ. He said the violations consisted mainly of trash pickup, incorrectly prepared forms or incomplete forms. He added that all violations have been either corrected or are in the process of being corrected.

Dr. Roby Roberts, Commissioner, questioned as to why Board members were not notified of these cited violations and requested staff be sure to do so in the future.

Mr. Rich said that CAW welcomes inspections by ADEQ and county agencies on all CAW projects at any time.

In response to a question by Mr. Thomas Rimmer, Commissioner, Mr. Hart said that ADEQ had not imposed any penalties related to the violations.

### PUBLIC COMMENTS

Ms. Kathy Wells, Coalition of Greater Little Rock Neighborhoods, said that she appreciates that these violations were discussed at the public Board Meeting.

Ms. Wells read from a list of questions she had concerning the cited violations. She presented Chair Smith with the questions and asked that a response be provided in the near future.

Mr. Kent Walker, attorney for Ms. Lorie White, responded to statements made during Mr. Hart's presentation.

### Wye Mountain Water Line Project (cont'd.)

Mr. Rich said that CAW welcomes scrutiny on its projects. He said that in any construction project, but especially one of this magnitude, there is the likelihood of occasional issues arising due to construction, paperwork, etc. relating to the project. He added that inspections performed by overseeing agencies provide the contractor and the utility an opportunity to make improvements in their procedures and to learn from this process for future projects.

In response to a question by Commissioner Miller, Mr. Rich said that the cited violations never presented a pollution threat in the watershed.

### CONTRACTS

Upon a motion duly made and seconded, the following contracts were approved:

- a. An amendment to the engineering services agreement with Jacobs Engineering in an amount not to exceed \$230,000 for the design and construction administration of improvements to treatment facilities required by the EPA
- b. The purchase of nineteen (19) handheld computers with software from Itron, Inc. for \$61,770.90

### DEPARTMENT UPDATES

#### Watershed

Mr. John Tynan, Watershed Protection Manager, provided an update on watershed issues.

### Regionalism

Mr. Dale Kimbrow, Manager of Regionalism and Future Water Source, provided an update on matters pertaining to Regionalism.

### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a year-to-date financial update on utility operations.

### **BOARD BRIEFING**

Mr. Rich provided an update on the following:

- As a result of water saving devices, the utility has seen slow growth in average day usage – an increase of about 22% over the past 25 year period as compared to the maximum day usage increase of 57% over the same time period. With this level of water usage, CAW's treatment facilities are at 80% of treatment capacity. This shows the need to educate the public through the Sprinkler Smart program on reducing usage during peak times.

### **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Smith adjourned the meeting.



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Eddie Powell, Secretary/Treasurer



**RESOLUTION 2012-05**

**RESOLUTION APPROVING EXTENSION OF LEASES  
WITH JOLLY ROGERS MARINA, INC. AND  
GRANDE MAUMELLE SAILING CLUB, INC.**

WHEREAS, Central Arkansas Water leases a portion of the property around Lake Maumelle to Jolly Rogers Marina, Inc. for operation of a marina on Lake Maumelle (the "Jolly Rogers Lease"), a copy of which is presented to the Board of Commissioners of Central Arkansas Water (the "Commission") at this meeting; and

WHEREAS, Central Arkansas Water leases a portion of the property around Lake Maumelle to Grande Maumelle Sailing Club, Inc. for operation of sailing facilities on Lake Maumelle (the "Sailing Club Lease"), a copy of which is presented to the Commission at this meeting; and

WHEREAS, the Jolly Rogers Lease and the Sailing Club Lease (collectively, the "Leases") are currently expected to expire on September 30, 2012; and

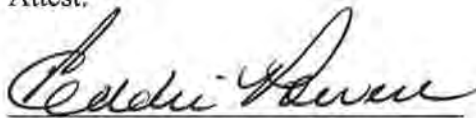
WHEREAS, the Commission desires to extend the termination date of the Leases to September 30, 2014 subject to the terms and conditions of the Extension of Lease Agreement applicable to the Jolly Rogers Lease and the Extension of Lease Agreement applicable to the Sailing Club Lease (collectively, the "Extension Agreements"), each of which is presented to the Commission at this meeting.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CENTRAL ARKANSAS WATER THAT:

1. The Extension Agreements, substantially in the form submitted to and before the Commission at this meeting, are hereby adopted and approved.
2. The Chief Executive Officer is authorized and directed to execute the Extension Agreements.
3. The Chief Executive officer is authorized and directed to take such other actions and approve such other documents as are, in his judgment, necessary and appropriate in order to carry out the purposes of this Resolution and to take all other actions necessary or desirable in connection with this Resolution.
4. This Resolution shall be in effect from and after the date of its adoption.

ADOPTED: September 13, 2012

Attest:

  
Eddie Powell, Secretary/Treasurer

APPROVED:

  
Carmen Smith, Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

September 20, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, September 20, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Ms. Carmen Smith, Chair  
Ms. Marie-Bernarde Miller, Vice Chair  
Mr. Eddie Powell, Secretary/Treasurer  
Mr. Jay Hartman, Commissioner  
Mr. Anthony Kendall, Commissioner  
Dr. Roby Robertson, Commissioner

**Absent:**

Mr. Thomas Rimmer, Commissioner

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Randy Easley, Director of Water Quality  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Dale Kimbrow, Manager of Planning & Regionallism  
Mr. John Tynan, Watershed Protection Manager  
Mr. Dennis Yarbrow, P.E., Supervisor of Water Sources  
Mr. Jonathan Long, Watershed Administrator  
Ms. Stephanie Hymel, Stewardship Coordinator  
Ms. Sheronda Shells, Customer Service Supervisor-Office  
Ms. Doris Moore, Assistant Customer Service Supervisor-Office  
Ms. Connie Horn, Management Secretary  
Ms. Samantha Williams, Communications Assistant  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Billie Ann Askue, QualChoice  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Gary Bennett, P.E., Garver Engineers  
Ms. Erin Brogdan, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.  
Mr. Barry Haas, Citizens Protecting Maumelle Watershed  
Mr. Bob Halstead, Grande Maumelle Sailing Club

Mr. Gary Heathcott, President, Heathcott Associates  
Ms. Tiffany Jones, Customer  
Ms. Claudia Lauder, Arkansas Democrat-Gazette  
Mr. Max Mehlburger, Grande Maumelle Sailing Club  
Mr. Roger Nesuda, Jolly Roger's Marina  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Jeff Olin, Grande Maumelle Sailing Club

### **CALL MEETING TO ORDER**

Ms. Carmen Smith, Chair, called to order the September 20, 2012 meeting of the Board of Commissioners.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the August 9, 2012 meeting were approved.

### **NEW BUSINESS**

#### **2013 Health Insurance Renewal**

Mr. Graham Rich, P.E., CEO, made a presentation on renewal of the employee health insurance plan.

Mr. Rich said that over the last 10 years national health insurance premiums increased 80.9% while the premium increase for CAW over the same 10 year period was 0.6%. He stated that CAW actually experienced an 11.8% decrease in health insurance premiums in 2012. Mr. Rich said that CAW negotiated a 2.9% increase in 2013 health insurance premiums with our current insurance carrier, QualChoice, compared to the predicted national average premium increase of 7% - 7.5%. He added that the renewal quote provides coverage at the same level of current benefits with no changes.

Mr. Rich said that staff recommends approval of the renewal of the current health insurance plan with QualChoice.

Upon a motion duly made by Dr. Roby Robertson, Commissioner, and seconded by Mr. Eddie Powell, Secretary/Treasurer, the health insurance renewal was approved.

Mr. Rich also covered current and future changes to the employee health insurance plan resulting from the Affordable Care Act passed by Congress.

#### **Procurement of Professional Services**

Mr. Rich provided a presentation of the process CAW follows in the procurement and management of professional services contracts. He also covered the different categories considered to be professional services, i.e., appraisers, rate consultants, attorneys, engineering services, etc.

### Resolution to Extend Leases on Marinas

Mr. Robert Hart, P.E., Technical Services Officer, reported on the Lake Maumelle marina leases held by Grande Maumelle Sailing Club and Jolly Roger's Marina.

Mr. Hart said the current leases expire on September 30, 2012. He stated that there are many issues in each lease that need to be addressed before renewing the leases and suggested that a two-year extension of the current leases be approved to allow time for staff to address each issue. Mr. Hart said that input from stakeholders would be beneficial in setting performance standards in both leases. He said that one of the issues to be addressed is rent allowance for capital improvements by leaseholders.

Mr. Bob Halstead with Grande Maumelle Sailing Club spoke on the regional and national recognition brought to Lake Maumelle as a result of the various sailing events held there. He said that, as a representative of the sailing club, he is very appreciative of what CAW has done to ensure the high water quality of Lake Maumelle.

Upon a motion duly made by Commissioner Powell and seconded by Commissioner Robertson, the two-year lease extensions for both marinas were approved.

### DEPARTMENT UPDATES

#### Watershed

Mr. John Tynan, Watershed Protection Manager, provided an update on watershed issues.

#### Regionalism

Mr. Dale Kimbrow, Manager of Regionalism and Future Water Source, provided an update on matters pertaining to Regionalism.

#### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a year-to-date financial update on utility operations.

#### Public Comments

Ms. Tiffany Jones, customer, addressed the Board on problems she has paying her water bill each month. Ms. Jones has requested an extension on payment of her bill. She said that this request had been denied by CAW staff.

Mr. Pittman gave the history of Ms. Jones' water account. He said that Ms. Jones had been given numerous extensions on payment of her water bill and that Ms. Jones failed to keep the agreement made on each extension.

Additionally, in an effort to assist Ms. Jones, Mr. Pittman said that CAW has gone beyond what is normal and usual customer service policy. We also sent an inspector to Ms. Jones' premises to check for water leaks, which resulted in a leak adjustment to her account.

Ms. Doris Moore, Assistant Customer Service Supervisor-office, reported on the many communications she has had with Ms. Jones and the failure by Ms. Jones to keep her arrangements to pay her bill.

Commissioner Robertson said that he believes the Board should accept the staff's recommendations to take no action on this matter.

### **BOARD BRIEFING**

Mr. Rich provided an update on the following:

- In spite of this summer's drought, lake levels remain at a satisfactory level.
- A draft of the 2013 budget will be presented to the Board at the October Board Meeting for their review. The budget includes proposed rate changes.
- Recommendation for approval of bids for upgrading of the Wilson and Ozark treatment plants will be presented to the Board at the December Board Meeting.

Mr. Rich commented on the sudden passing of Jim Harvey, former CEO. Mr. Rich said that Jim's passing will leave a big void in the community and the CAW family. He said that many of the good qualities of CAW are a direct result of Jim's vision, foresight, and dedication to CAW. Mr. Rich said that Jim was a confidante and friend to him. He added that the community and the utility are much better places due to Jim's contributions.

### **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Smith adjourned the meeting.



Eddie Powell, Secretary/Treasurer

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

October 11, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, October 11, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Ms. Carmen Smith, Chair  
Ms. Marie-Bernarde Miller, Vice Chair  
Mr. Eddie Powell, Secretary/Treasurer  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

**Absent:**

Mr. Jay Hartman, Commissioner

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Randy Easley, Director of Water Quality  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources & Communications  
Mr. Dale Kimbrow, Manager of Planning & Regionalism  
Mr. John Tynan, Watershed Protection Manager  
Ms. Deena Coston, C.P.A., Controller  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Connie Horn, Management Secretary  
Mr. Blake Weindorf, P.E., Senior Engineer  
Ms. Samantha Williams-Davis, Communications Assistant  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Mr. Cory Davis, Student, University of Arkansas at Little Rock  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Ms. Becky Flynn, Student, University of Arkansas at Little Rock  
Mr. Barry Haas, Citizens Protecting Maumelle Watershed  
Mr. Nigel Hall, Vice President, Advantage Communications, Inc.

Mr. Gary Heathcott, President, Heathcott Associates  
Mr. Bernie Hockstetter, Customer  
Ms. Claudia Lauer, Reporter, Arkansas Democrat-Gazette  
Mr. Paul Strickland, P.E., Garver Engineers

### **CALL MEETING TO ORDER**

Ms. Carmen Smith, Chair, called to order the October 11, 2012 meeting of the Board of Commissioners.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the September 20, 2012 meeting were approved.

### **INTRODUCTION OF STUDENT INTERNS**

Mr. Graham Rich, P.E., CEO, introduced Mr. Cory Davis and Ms. Becky Flynn, both students at the University of Arkansas at Little Rock. He said that they will be assisting utility staff on developing a strategy to address peak day demand days.

### **NEW BUSINESS**

#### **Request by City of Little Rock for Main Extension and Installation of Water Meter**

Mr. Blake Weindorf, P.E., Senior Engineer, addressed a request by the City of Little Rock for the utility to provide the labor and materials necessary to extend an 8-inch water main and install a 3-inch water meter on LaHarpe Blvd. behind the Peabody Hotel .

Mr. Weindorf said that the extension of this water main would provide a fire hydrant in an area where there is not currently one. He added that this request by the city falls within the guidelines stated in the Consolidation Agreement. The estimated cost to the utility for this project is \$38,196.

Mr. Weindorf also stated that the city would pay for future water use at this location.

Upon a motion duly made by Dr. Roby Robertson, Commissioner, and seconded by Mr. Thomas Rimmer, Commissioner, the main extension, and meter installation were approved.

#### **2013 Financial Plan**

Mr. Gary Pittman, CFO, presented a draft of the 2013 Financial Plan. He said that the 2013 budget includes a change in the current water rates.

Mr. Eddie Powell, Commissioner, complimented Mr. Pittman and his staff on the budget proposal. He said that this was one of the finest budget proposals he has ever seen.

Commissioner Powell said that he thinks it is important that the ratepayers understand that 95% of the rate increase is due directly to federal mandated upgrades to the water treatment plants.

Mr. Pittman told the Board that no action is required at this meeting. He said that the final version of the plan would be presented for consideration at the November Board Meeting.

Mr. Barry Haas, Citizens Protecting Maumelle Watershed, requested that the budget include an increase in the watershed management fee from the current .45¢ to .60¢ and that the \$3 million cap on the watershed management fund be removed.

## **RESOLUTIONS**

Ms. Becky Wahlgreen, Director of Human Resources & Communications, presented a resolution to ensure CAW's compliance with recent changes to the Patient Protection and Affordable Care Act and other regulatory changes applicable to the Plan.

Upon a motion duly made by Mr. Anthony Kendall, Commissioner and seconded by Commissioner Powell, the resolution was approved.

## **CONTRACTS**

Upon a motion duly made and seconded, the Board approved Change Order No. 4 for \$18,200 for the Highway 10 Water Extension project. The total cost of all change orders on this project is \$55,125.

## **DEPARTMENT UPDATES**

### Watershed

Mr. John Tynan, Watershed Protection Manager, provided an update on watershed issues.

### Regionalism

Mr. Dale Kimbrow, Manager of Planning & Regionalism, provided an update on matters pertaining to regionalism.

### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a year-to-date financial update on utility operations.

## **BOARD BRIEFING**

Mr. Rich provided an update on the following:

- Mr. Weindorf is the Incoming Chair for the SW Section AWWA
- Mr. Randy Easley, Director of Water Quality, will make a presentation on "Emerging Contaminants" in water at the Arkansas Department of Environmental Quality Conference, October 10-12, in Fort Smith, Arkansas.
- Sharon Sweeney, Water Quality Specialist, is presenting at the AWWA Water Quality Technology Conference in Toronto, Canada, November 4-8. Ms. Sweeney is the co-presenter on "Artificial Intelligence-Generated Process Models to Optimize TOC Removal and THM Reduction at the Ozark Point Water Treatment Plant". Ms. Sweeney also did a paper and poster presentation on "Use of Historical Water Quality and



Weather Data to Assess the Chemical Impact of Changing Weather Patterns on Lake Winona, Arkansas"

- Employees and citizens will participate in the annual "Lake Sweep" cleanup around Lake Maumelle on Saturday, November 10.
- On Sunday, November 4 CAW employees and their families will participate in the Just Communities of Arkansas' Unity Walk. Graham Rich is the Chair for this year's event.

### **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Smith adjourned the meeting.



Eddie Powell, Secretary/Treasurer

RESOLUTION 2012- 06

RESOLUTION APPROVING AMENDMENTS TO THE CENTRAL ARKANSAS WATER SECTION 125 CAFETERIA PLAN TO COMPLY WITH RECENT LAW CHANGES PURSUANT TO THE PATIENT PROTECTION AND AFFORDABLE CARE ACT OF 2010 AND REGULATORY CHANGES APPLICABLE TO THE PLAN

WHEREAS, Central Arkansas Water maintains the Central Arkansas Water Section 125 Cafeteria Plan (the "Cafeteria Plan") for the benefit of its employees; and

WHEREAS, Central Arkansas Water desires to amend the Cafeteria Plan to comply with the required provisions of the Patient Protection and Affordable Care Act of 2010 ("PPACA") and other regulatory changes applicable to the Plan.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CENTRAL ARKANSAS WATER THAT:

2. Central Arkansas Water amends its Central Arkansas Water Section 125 Cafeteria Plan to reduce the amount that each participant may allocate to the Unreimbursed Medical/Dental Plan to no more than \$2,500 per plan year effective January 1, 2013 and for the purpose of making technical amendments to the Plan to assure the Plan's continued compliance with applicable regulations, all as set forth in the Central Arkansas Water Section 125 Cafeteria Plan.

3. The Chief Executive Officer and the Director of Human Resources are authorized and directed to execute all documents, instruments and certificates required or necessary to carry out the foregoing resolution and take all other actions necessary or desirable in connection with the foregoing resolution.

The foregoing resolutions have been duly adopted by the Board of Commissioners of Central Arkansas Water at a meeting of the Board of Commissioners of Central Arkansas Water held on October 11, 2012.

Attest:

APPROVED:



Eddie Powell  
Secretary/Treasurer



Carmen Smith  
Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

November 8, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 3:30 p.m., Thursday, November 8, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Ms. Carmen Smith, Chair  
Ms. Marie-Bernarde Miller, Vice Chair  
Mr. Eddie Powell, Secretary/Treasurer  
Mr. Jay Hartman, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Kevin Hall, Director of Environmental Health & Safety  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources & Communications  
Mr. Doug Graham, Assistant Director of Source & Treatment  
Mr. Dale Kimbrow, Manager of Planning & Regionalism  
Mr. John Tynan, Watershed Protection Manager  
Mr. Jonathan Long, P.E., Senior Engineer  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Connie Horn, Management Secretary  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Erin Brogdan, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.  
Mr. Barry Haas, Water Customer  
Mr. Nigel Hall, Vice President, Advantage Communications, Inc.  
Ms. Claudia Lauer, Reporter, Arkansas Democrat-Gazette  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Paul Strickland, P.E., Garver Engineers

**CALL MEETING TO ORDER**

Ms. Carmen Smith, Chair, called to order the November 8, 2012 meeting of the Board of Commissioners.

**APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the October 11, 2012 meeting were approved.

**OLD BUSINESS**

**2013 Financial Plan**

Mr. Gary Pittman, CFO, reviewed the draft of the 2013 Financial Plan that was presented to the Board at the October meeting. He said that staff recommends approval.

Upon a motion duly made by Mr. Eddie Powell, Commissioner and seconded by Dr. Roby Robertson, Commissioner, the 2013 Financial Plan was approved.

**RESOLUTIONS**

Mr. Pittman presented a resolution for adjustments to the water rates in 2013 and 2014. He said there would be no change in rates in 2015. He added that the proposed adjustments had been provided to the Board at the October Board Meeting for their review.

Mr. Pittman said two changes were made to the proposed rate adjustments presented in October. He said that clarifications were made to the conservation discount and the \$3 million cap on the Watershed Protection Fund was removed.

**Public Comment**

Mr. Barry Haas, water customer, asked the Board to consider phasing in increases in the watershed fee charge included on the water bills. He said that increasing the fee would give more flexibility to the Board in future land purchases

Upon a motion duly made by Commissioner Robertson and seconded by Mr. Thomas Rimmer, Commissioner, the resolution was approved.

**CONTRACTS**

The following contracts were considered by the Board:

- a. Renewal of annual chemical contracts with the following companies:

Carus Corporation	Bimetallic Glassy Phosphate	\$ 308,000.00
General Chemical	Liquid Aluminum Sulfate	\$ 665,000.00
Performance Products		

Approval of annual chemical contracts to the following lowest responsive bidders:

Arkansas Lime Co.	Quicklime	\$ 123,487.50
Brenntag Mid-South	Potassium Permanganate	\$ 127,600.00
Harcros Chemical Co.	Powdered Activated Carbon	\$ 16,794.00
Brenntag Mid-South	Hydrofluosilicic Acid	\$ 151,597.50
Arkansas Lime Co.	Hydrated Lime	\$ 23,340.63
Brenntag Mid-South	Sodium Silicofluoride	\$ 32,400.00
Harcros Chemical Co.	Sodium Hypochlorite	\$ 255,409.95

Upon a motion duly made by Commissioner Powell and seconded by Commissioner Robertson, the contracts were approved.

- b. Approval of a contract with Building & Utility Contractors for \$350,940 for the replacement of 960 feet of a 12-inch water main in downtown Little Rock

Upon a motion duly made by Commissioner Robertson and seconded by Mr. Jay Hartman, Commissioner, the contract was approved.

- c. Approval of a contract with CoBar Contracting, Inc. for \$388,918.75 to replace a section of 16-inch water line under Baseline Road in Little Rock. (After some discussion on the previous troubled history of project completion with this contractor, the Board approved the contract.)

Upon a motion duly made by Commissioner Robertson and seconded by Commissioner Powell, the contract was approved.

- d. Approval of an amendment to an existing contract with Tetra Tech, Inc. for \$60,000 to provide ongoing support services connected to the implementation of the Maumelle Watershed Management Plan.

Upon a motion duly made by Commissioner Powell and seconded by Commissioner Rimmer, the contract was approved.

## **DEPARTMENT UPDATES**

### **Watershed**

Mr. John Tynan, Watershed Protection Manager, provided an update on watershed issues.

### **Regionalism**

Mr. Dale Kimbrow, Manager of Planning & Regionalism, provided an update on matters pertaining to regionalism.

### **Finance**

Mr. Gary Pittman, Chief Financial Officer, provided a year-to-date financial update on utility operations.

## **BOARD BRIEFING**

Mr. Rich provided an update on the following:

- CAW was awarded the Platinum Award at the Association of Metropolitan Water Agencies Annual Meeting in October in Portland, Oregon. Mr. Rich thanked staff, especially Thad Luther and Becky Wahlgreen, for their efforts that went toward CAW receiving this award.
- Lake Winona is at 6' below the spillway and Lake Maumelle is 10' below the spillway.
- The annual Lake Sweep will be held this coming Saturday, November 10. This is a watershed management clean-up effort performed each year at various areas around the south side of Lake Maumelle.
- The Just Communities Walk for COMMUNITY was held Sunday, November 4. Over 100 CAW employees and their families and friends joined in the walk, resulting in CAW having the largest team participating in the event. The CAW team also raised the most money in the 13 years the event has been held. Mr. Rich was the 2012 Chair for this event.
- Mr. Rich said that 2012 is the 40th anniversary of the Clean Water Drinking Water Act. He said that this legislation has been extremely beneficial in improving the quality of life for everyone. He added that sometime in November he will appear before the Little Rock City Board and the North Little Rock City Council in observance of "Water is Worth It".

## **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Smith adjourned the meeting.



Eddie Powell, Secretary/Treasurer

## **RESOLUTION 2012-07**

**A RESOLUTION TO ESTABLISH A SCHEDULE OF RATES FOR CENTRAL ARKANSAS WATER; TO FIX THE EFFECTIVE DATE FOR THESE RATES; AND FOR OTHER PURPOSES**

WHEREAS, on July 1, 2001 the City of Little Rock and the City of North Little Rock created Central Arkansas Water ("CAW") as a public body corporate and politic under the Consolidated Waterworks Authorization Act, Act 982 of the 83<sup>rd</sup> Arkansas General Assembly, and consolidated the ownership and operation of their municipal water utilities into CAW, and

WHEREAS, the Consolidation Agreement between the City of Little Rock and the City of North Little Rock vested the authority to establish water rates in the Board of Commissioners of Central Arkansas Water, and

WHEREAS, Raftelis Financial Consultants, Inc., CAW's rate consultants, have completed a Rate Study and made recommendations on the schedule of rates, and

WHEREAS, the Board of Commissioners finds that the rates established herein are adequate to meet the revenue requirements that include the cost of operating and maintaining the system, as well as funding for needed capital improvements,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER THAT THE RATE SCHEDULE OF CENTRAL ARKANSAS WATER ADOPTED BY RESOLUTION 2008-05 SHALL BE AMENDED AND RESTATED, AS FOLLOWS:

### **RATE SCHEDULE OF CENTRAL ARKANSAS WATER**

**Section 1.** The following schedule of rates is hereby established by Central Arkansas Water for Residential (formerly Domestic), Commercial, Large Volume (formerly Industrial), and Sprinkler customer classes inside and outside of the corporate limits of the City of Little Rock ("LR"), Arkansas, and the City of North Little Rock ("NLR"), Arkansas, and whose water service meters are located both south (LR) and north (NLR) of the Arkansas River.

#### **Effective Dates**

This schedule shall become effective for water billed on or after March 1, 2013 and January 1, 2014, as hereinafter set forth unless otherwise noted.

#### **Meter Measurement**

Except for public and private fire services, all water used shall be measured through meters. The size of each meter shall be determined by Central Arkansas Water commensurate with its estimate of the amount of water to be used for the premises. One cubic foot of water is equal to 7.48 gallons weighing 62.5 pounds avoirdupois.

### Minimum Monthly Charge

The Minimum Monthly Charge for all customers, except public and private fire service, includes payment for the first 200 cubic feet (cf) of water used.

METER SIZE (diameter)	MINIMUM MONTHLY CHARGE	
	EFFECTIVE MARCH 1, 2013	
	INSIDE	OUTSIDE
5/8"	\$ 5.60	\$ 7.33
3/4"	\$ 7.23	\$ 9.46
1"	\$ 10.28	\$ 13.45
1 1/2"	\$ 17.38	\$ 22.73
2"	\$ 28.18	\$ 36.88
3"	\$ 52.11	\$ 68.20
4"	\$ 84.76	\$ 110.94
6"	\$ 167.65	\$ 219.42
8"	\$ 283.57	\$ 371.12
10"	\$ 408.26	\$ 534.33
12"	\$ 743.55	\$ 973.15

METER SIZE (diameter)	MINIMUM MONTHLY CHARGE	
	EFFECTIVE JANUARY 1, 2014	
	INSIDE	OUTSIDE
5/8"	\$ 5.85	\$ 7.66
3/4"	\$ 7.56	\$ 9.89
1"	\$ 10.74	\$ 14.06
1 1/2"	\$ 18.16	\$ 23.75
2"	\$ 29.45	\$ 38.54
3"	\$ 54.45	\$ 71.27
4"	\$ 88.57	\$ 115.93
6"	\$ 175.19	\$ 229.29
8"	\$ 296.33	\$ 387.82
10"	\$ 426.63	\$ 558.37
12"	\$ 777.01	\$ 1,016.94

### Additional Monthly Charge

In addition to the Minimum Monthly Charge, the following table of rates shall apply to the amount of water used in excess of 200 cubic feet (CF) per month effective March 1, 2013:

CUSTOMER CLASS	INSIDE-CITY \$ PER 100 CF 3 - 33	INSIDE-CITY \$ PER 100 CF OVER 33	OUTSIDE-CITY \$ PER 100 CF 3 - 33	OUTSIDE-CITY \$ PER 100 CF OVER 33
RESIDENTIAL	\$ 1.56	\$ 2.03	\$ 2.50	\$ 3.25
COMMERCIAL	\$ 1.46	\$ 1.46	\$ 2.33	\$ 2.33
LARGE VOLUME	\$ 1.19	\$ 1.19	\$ 1.90	\$ 1.90
SPRINKLER	\$ 1.56	\$ 2.03	\$ 2.50	\$ 3.25



In addition to the Minimum Monthly Charge, the following table of rates shall apply to the amount of water used in excess of 200 cubic feet (CF) per month effective January 1, 2014:

CUSTOMER CLASS	INSIDE-CITY \$ PER 100 CF 3 - 33	INSIDE-CITY \$ PER 100 CF OVER 33	OUTSIDE-CITY \$ PER 100 CF 3 - 33	OUTSIDE-CITY \$ PER 100 CF OVER 33
RESIDENTIAL	\$ 1.61	\$ 2.10	\$ 2.58	\$ 3.36
COMMERCIAL	\$ 1.51	\$ 1.51	\$ 2.41	\$ 2.41
LARGE VOLUME	\$ 1.23	\$ 1.23	\$ 1.96	\$ 1.96
SPRINKLER	\$ 1.61	\$ 2.10	\$ 2.58	\$ 3.36

#### Nonresident Consumers

The term "outside city" used in the foregoing rates refers to any consumer receiving service outside the municipal boundaries of the City of Little Rock and the City of North Little Rock and to nonresident consumers and Wholesale-metered Customers who purchase water within the municipal boundaries for transport to a point outside the municipal boundaries for use or resale.

#### Private Fire Services

Private fire service connections for private premises in both the City of Little Rock, Arkansas and the City of North Little Rock, Arkansas and consumers outside the municipal boundaries of each city both north and south of the Arkansas River shall pay the following annual fire service charges.

	RATES			
	EFFECTIVE MARCH 1, 2013		EFFECTIVE JANUARY 1, 2014	
	INSIDE	OUTSIDE	INSIDE	OUTSIDE
FIRE HYDRANTS	\$ 67.22	\$ 97.24	\$ 69.71	\$ 100.84
FIRE CONNECTION MINIMUM CHARGE	\$ 77.95	\$ 112.77	\$ 80.83	\$ 116.94
AUTOMATIC SPRINKLER SYSTEM MINIMUM CHARGE (1,000 HEADS)	\$ 77.95	\$ 112.77	\$ 80.83	\$ 116.94
ADDITIONAL HEADS, EACH	\$ 0.07	\$ 0.13	\$ 0.08	\$ 0.13
STANDPIPE 1 1/4" (OR SMALLER) DIAMETER, EACH	\$ 15.25	\$ 22.06	\$ 15.81	\$ 22.88
1 1/2" DIAMETER, EACH AT	\$ 23.73	\$ 34.32	\$ 24.61	\$ 35.59
2" DIAMETER, EACH AT	\$ 38.99	\$ 56.38	\$ 40.43	\$ 58.47
2 1/2" DIAMETER, EACH	\$ 77.95	\$ 112.77	\$ 80.83	\$ 116.94

**Section 2.** Inside City Residential accounts with a single house meter (no sprinkler meter) using 100, 200 or 300 cubic feet of monthly usage shall be given a **Conservation Rate Discount of 15%**. The discount shall not apply to zero consumption billings.

**Section 3.** The **Watershed Protection Fee** of \$0.45 per month per 5/8" or 3/4" equivalent meter will continue as implemented in 2009, and be added to the monthly bill for all customers. The fee will accumulate to establish a fund that may be used for small land purchases, to service the debt on larger land purchases, and/or fund the administration of the Watershed Protection Program.

METER SIZE (diameter)	WATERSHED PROTECTION FEE
5/8"	\$ .45
3/4"	\$ .45
1"	\$ .68
1 1/2"	\$ 1.13
2"	\$ 2.25
3"	\$ 3.60
4"	\$ 6.75
6"	\$ 11.25
8"	\$ 22.50
10"	\$ 36.00

**Section 4.** The following schedule of rates is established by Central Arkansas Water for Wholesale-metered Customers.

Wholesale-metered Customers

All outside Central Arkansas Water customers purchasing water through a wholesale meter contract shall pay a Minimum Monthly Charge in accordance with Section 1 for the first 200 cubic feet of water used and an additional amount determined by the following rates for all water used in excess of 200 cubic feet per month, effective the dates stated.

RATES		
TIME WATER IS TAKEN	EFFECTIVE 3/1/2013	EFFECTIVE 1/1/2014
	\$ PER 100 CF	\$ PER 100 CF
ON PEAK Customers taking any water from: 4:01am to 8:59am and/or 5:01pm to 9:59pm	\$ 1.15	\$ 1.19
OFF PEAK Customers taking all water from: 10pm to 4am and/or 9am to 5pm	\$ 1.00	\$ 1.04

The **Watershed Protection Fee**, pursuant to Section 3 herein, shall not apply to the Wholesale meter but instead shall be passed through on the same basis of meter size to the individually metered customers of the Wholesaler as well as those of any subsequent Wholesaler. Wholesalers obtaining less than 100% of their total supply from CAW will pay only a proportional share of the fee based on the percentage supplied by CAW. Wholesalers shall report each month the total metered consumption and number of active meters by size. Wholesalers may pass the fee through directly or include it in their rates.

**Section 5.** The following schedule of rates is hereby established by Central Arkansas Water for Raw Water Customers.

All Central Arkansas Water customers purchasing raw water shall pay a Minimum Monthly Charge in accordance with Section 1 for the first 200 cubic feet of water used and an additional amount determined by the following rates for all water in excess of 200 cubic feet per month, effective the dates stated.

RATES		
Raw Water Customer	EFFECTIVE 3/1/2013	EFFECTIVE 1/1/2014
	\$ PER 100 CF	\$ PER 100 CF
	\$ 0.54	\$ 0.55

**Section 6.** Bills for service shall be rendered and paid monthly, with the exception of payments for private fire service. Payments for private fire service shall be due in semi-annual installments in advance of the first (1<sup>st</sup>) day of January and July of each year.

**Section 7.** A penalty of ten percent (10%) shall be added to a customer bill not paid before the 20<sup>th</sup> day following the billing date. If a bill is not paid within 30 days after the billing date, service for the affected premise, or customer, may be disconnected. In such event, CAW may levy a reconnection charge.

**Section 8. Repealer.** All previous rate schedule resolutions are hereby repealed, as of the effective date of the schedule herein established.

**Section 9. Severability.** The provisions of this resolution are separable, and if any portion, section, provision, or phrase of this resolution shall be declared invalid or unconstitutional, such action shall not affect the validity of the remainder of this resolution.

**Section 10. Definitions.** The customer classes described in Section 1 shall be defined as follows:

“Residential” shall mean all customers receiving water service at a single building or building unit that is owned, leased, or rented by one party, separately metered, and occupied as a residence.

“Commercial” shall mean all customers receiving water service at (i) a building containing two or more apartments or family units that are rented or leased to tenants as residences and are not separately metered; (ii) a building occupied by a retail or service business; (iii) a building owned or occupied by a public utility, a department of a municipality, or a state or federal governmental agency; or (iv) a non-residential customer that does not fit the definition of a Large Volume Class customer.

“Large Volume” shall mean any commercial customer (i) who uses at least 1,500,000 cubic feet of water per meter during the 12-month period from September 1 to August 31; or (ii) who agrees to take or pay for a minimum of 125,000 cubic feet of water per meter per month on an annual basis. Customers who qualify for Large Volume service described in (i) above shall be assigned to the Large Volume Class for the calendar year beginning the following January.

“Sprinkler” shall mean all customers receiving separately-metered water service used exclusively for irrigation sprinkler systems or other outdoor purposes.

**CERTIFICATE**

I, Carmen Smith, Chair of the Board of Commissioners, Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution #2012-07 of the Resolutions of Central Arkansas Water, entitled: **A RESOLUTION TO ESTABLISH A SCHEDULE OF RATES FOR CENTRAL ARKANSAS WATER; TO FIX THE EFFECTIVE DATE FOR THESE RATES; AND FOR OTHER PURPOSES;** passed by the Board of Commissioners at its regular meeting held November 8, 2012.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office on this 8th day of November 2012.



Carmen Smith  
Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

December 13, 2012

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m., Thursday, December 13, 2012, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**Present:**

Ms. Carmen Smith, Chair  
Mr. Eddie Powell, Secretary/Treasurer  
Mr. Jay Hartman, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

**Absent:**

Ms. Marie-Bernarde Miller, Vice Chair

**CAW Staff in attendance:**

Mr. Graham Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary Pittman, Chief Financial Officer  
Mr. Robert Hart, P.E., Technical Services Officer  
Mr. Terry Bice, Acting Director of Distribution  
Mr. Jim Ferguson, P.E., Director of Engineering  
Ms. Becky Wahlgreen, Chief Administrative Officer  
Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source  
Mr. Allen Vincent, Director of Information Services  
Mr. Randy Easley, Director of Water Quality  
Mr. John Tynan, Watershed Protection Manager  
Mr. Gary Hum, Director of Source & Treatment  
Ms. Mary Dyson, Management Secretary  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, Senior Engineer  
Ms. Sharon Sweeney, Water Quality Specialist  
Mr. Tom Wray, Senior Engineer  
Mr. Patrick Greene, Customer Service Assistant Supervisor – Field  
Mr. George Williams, Meter Reader  
Mr. Rufus Pearson, Meter Reader  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

**Also in Attendance:**

Ms. Erin Brogdan, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.  
Ms. Vivian Ozura, Senior Account Executive, Advantage Communications, Inc.  
Mr. Jake Sandlin, Reporter, Arkansas Democrat-Gazette  
Mr. Andy Davis, Reporter, Arkansas Democrat-Gazette  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Cory Davis, Student, University of Arkansas at Little Rock

Mr. Jeremy Haggard, Student, University of Arkansas at Little Rock  
Ms. Kristin Stuart, Student, University of Arkansas at Little Rock  
Ms. Becky Flynn, Student, University of Arkansas at Little Rock  
Ms. Anita Bucur, Student, University of Arkansas at Little Rock  
Mr. David Sink, Student, University of Arkansas at Little Rock  
Mr. Hunter Bacot, Director, University of Arkansas at Little Rock, Institute of Government  
Mr. Bryan Day, Assistant City Manager, City of Little Rock  
Mr. Jim Peterson, Chief of Hydrologic Investigative Program, USGS  
Dr. Reed Green, Hydrologist, USGS  
Ms. Rheannon Hart, Hydrologist, USGS  
Mr. Van McClendon, Director, Pulaski County Planning, & Development  
Mr. Jim Cranor, Plan Review Coordinator, Pulaski County  
Mr. Paul Strickland, P.E., Garver Engineers  
Mr. Beau Bishop, Coordinator of Local Affairs & Rural Development, Farm Bureau  
Mr. Kent Walker, Attorney, Walker Law Firm  
Mr. Mark White, Property Owner, Maumelle Watershed  
Ms. Lori White, Property Owner, Maumelle Watershed

### **CALL MEETING TO ORDER**

Ms. Carmen Smith, Chair, called to order the December 13, 2012 meeting of the Board of Commissioners.

### **RECOGNITION OF EMPLOYEES**

Mr. Graham Rich, P.E., CEO, introduced CAW employees, Mr. Patrick Greene, Customer Service Assistant Supervisor – Field, Mr. George Williams and Mr. Rufus Pearson, Meter Readers. Mr. Rich wanted to highlight what CAW employees encounter from time to time and to thank them for doing a job that falls outside of their normal day-to-day job description. Mr. Rich recognized Mr. Williams and Mr. Pearson for their compassion in assisting a stranger who was contemplating ending his life.

Mr. Williams stated that he was thankful that he was in a position to help someone.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the November 8, 2012 Regular Meeting and the December 4, 2012 Public Hearing were approved.

### **NEW BUSINESS**

Mr. Rich introduced Mr. Hunter Bacot, Director, University of Arkansas at Little Rock, Institute of Government and Mr. Bryan Day, Assistant City Manager, City of Little Rock and thanked them for working with CAW so that we might be involved in the UALR student endeavor to address peak day demand. Students at the University of Arkansas at Little Rock working on their Capstone Class Project, Mr. Cory Davis, Mr. Jeremy Haggard, Ms. Kristin Stuart, Ms. Becky Flynn, Ms. Anita Bucur, and Mr. David Sink, made a presentation concerning managing peak outdoor water use.

Mr. Thomas Rimmer, Commissioner, requested a copy of the written report prepared by the students.

Mr. Robert Hart, P.E., TSO, introduced Dr. Reed Green, and Rheannon Hart, Hydrologist, with USGS. Dr. Green made a presentation on the recently released revised watershed model report, which simulates the impact of land use changes in the watershed of Lake Maumelle on the water quality in the lake for the period 2004 to 2010.

Mr. Gary Pittman, Chief Financial Officer, made a presentation highlighting the financial impacts of receiving the \$4M Federal Forest Legacy Grant, 2010C bonds sold totaling \$8.8M in 2010 with call provisions not typical of our other issues, and the mechanics of the redemption process.

Mr. Thad Luther, P.E., Chief Operating Officer, stated the next agenda item and the contract to relocate water mains on Remount Road should be handled simultaneously. Procedures to obtain federal funds (72.13%) for this relocation project required that the City of North Little Rock (NLR) agree to pay an estimated \$30,807.70 of the water main relocation cost. NLR has requested that CAW reimburse the City their share of project costs.

After approving the relocation contract, a motion was duly made by Mr. Eddie Powell, Commissioner, and seconded by Dr. Roby Robertson, Commissioner, to reimburse NLR their share of final project costs.

### **CONTRACTS**

Upon motions duly made and seconded, the following contracts were approved:

- a. A contract with J.R. Fox Company for \$208,660.00 to relocate approximately 450 LF of 6-inch water main and approximately 400 LF of 24-inch water main adjacent to Remount Road.
- b. A contract with Van Horn Construction for \$12,063,725.00 to construct improvements at Jack H. Wilson and Ozark Point Treatment Plants needed to ensure treated water from the plants will be in conformance with the EPA's Stage 2 Disinfectant/Disinfection By-Product Rule scheduled for enforcement effective 2014.
- c. A contract with Redstone Construction for \$434,610.00 to perform asphalt restoration work. The contract provides for three (3) one-year renewals.
- d. A contract extension with Cinergi Contractors estimated at \$87,558.92 to perform concrete restoration work.
- e. A contract with Superior Protection Services, Inc. for \$82,284.40 to provide security services at the Jack H. Wilson Water Treatment Plant. This will be the second year of a potential four (4) year agreement.
- f. A contract with Advent Systems, Inc. for \$75,295.45 to provide maintenance on CAW's access control system. The contract amount is 2.2% higher than the 2012 contract and contains an additional \$6,137.00 for the access control systems at the new Wilson Maintenance Building and the new sodium hypochlorite buildings at Wilson and Ozark. This will be the third year of a one-year contract with two extension options.
- g. A contract with Arkansas Utility Protection Services, Inc. (ArkUps) in the amount of \$400,964.00 for the marking of various utilities in preparation for pavement cuts and excavations required to repair utility services and mains.

### **DEPARTMENT UPDATES**

#### **Watershed**

Mr. John Tynan, Watershed Protection Manager, provided an update on watershed issues.

### Public Comment

Mr. Kent Walker, Attorney, Walker Law Firm, stated that Mr. Tynan has done an outstanding job representing CAW.

### Regionalism

Mr. Rich stated there has not been significant development in Regionalism and given the length of the meeting, he asked that Mr. Kimbrow be allowed to present next month.

### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a year-to-date financial update on utility operations.

### **BOARD BRIEFING**

Mr. Rich provided an update on the following:

- Ms. Becky Wahlgreen stated that Advantage Communications received notification that CAW's 2011 Water Quality Report had been named a Silver Award Winner for the International Davey Award, which recognizes the outstanding accomplishments of advertising agencies and focuses on creativity.
- Lake Maumelle is at 5.6' below the spillway and Lake Winona is 10.3' below the spillway.
- Article from American Water – The Value of Water was given out. Mr. Rich stated it is a very interesting article that talks about the value of water and how water is undervalued.
- Mr. Rich thanked staff and stated he is impressed with the level of caring that CAW employees have expressed. Employees have given over \$28,000 to the United Way Campaign and \$3,300 for the Children's Fund that helped 14 families during the Holidays.
- Look back at 2012:
  - CAW has gone 946 days without an accident. This speaks very highly of Mr. Kevin Hall, Director of Environmental Health and Safety, Mr. Robert Martin, Safety Specialist, and the Safety Team.
  - CAW was awarded the Platinum Award at the Association of Metropolitan Water Agencies. Mr. Rich thanked staff, especially Thad Luther, Becky Wahlgreen, Gary Pittman, and Robert Hart, for their efforts that went toward CAW receiving this award.
  - Mr. Rich recognized Ms. Stephanie Hymel for her efforts in helping with the purchase of the 915-acre sod farm, a very important piece of land, with almost three miles of river front property. Through her tireless efforts, she was able to get commitments for \$9 million. Other agencies involved are The Trust for Public Land, Arkansas Game & Fish Commission, U.S. Forest Service, Senator Bob Johnson, and a number of other people.
  - CAW implemented the Diversity and Inclusion Team
  - CAW continues to keep the cost of employee benefits low
  - CAW had the largest number of participants at The Just Communities Walk for COMMUNITY.
  - CAW implemented a utility wide succession plan



- Mr. Rich stated that 2013 promises to be even busier than 2012.
  - Mr. Rich stated that when the watershed issues are resolved and hopefully passed by the Pulaski County Quorum Court, focus will then shift toward Stewardship issues and water quality data gathering.
  - CAW will look at asset management and how we will replace assets below and above the ground.
  - Mr. Rich stated he would like to have a brief workshop to update the Board on issues and where CAW is heading.
- Mr. Rich thanked the Board for their support, insight, and hard work they give to CAW.

#### **ADJOURNMENT**

Upon a motion duly made and seconded, Chair Smith adjourned the meeting.

  
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Eddie Powell, Secretary/Treasurer