

MT. SHERMAN WATER ASSOCIATION
BOARD OF DIRECTOR'S MEETING
AUGUST 12TH 2002
6:00 P.M.

Dear Directors:

Enclosed please find the transaction report for the month of July 2002.

Below is a list of our account balances:

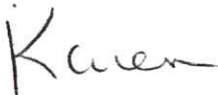
Depreciation	29104.54
Soil & Water	6933.65
Meter Dep.	3990.00

We pumped 1303700 gallons of water and sold 1002098 for a loss of 301602 or 23%.

The new computer has been purchased, and software was to be installed August 5th but due to a conflict with Tammy from Water Works we had to reschedule until the end of the month.

If you have any questions before the meeting please feel free to give me a call.

Thank You,



Karen Edgmon
Billing Clerk
Mt. Sherman Water Association

MT. SHERMAN WATER ASSOCIATION
BOARD OF DIRECTOR'S MEETING
JULY 8, 2002
MINUTES

Meeting was called to order at 6:00 P.M. by Ron Garrett.

Those present were: Ron Garrett, Jim Bowen, Johnny Cooper, Ben Szabrowicz, Ivan Reynolds-Operator, Karen Edgmon-Billing Clerk and Barry Johnson-guest.

Jim Bowen made a motion to approve the previous minutes second by Ben Szabrowicz, motion carried.

A discussion was held regarding the problems of the computer software. Jim Bowen made a motion to purchase new software seconded by Johnny Cooper. Motion carried.

Barry Johnson spoke to the board about the problems Horseshoe Canyon was having with the water service and the plumping problems. The 4" regulator has failed causing plumbing problems. Pilot valve continues to fail on regulator.

Ivan Reynolds suggested installing 2" pressure regulator past the fire hydrant. Barry Johnson did not think this would work as the barn and two cabins are past this point.

Jim Bowen suggested Ivan do a cost analysis on regulator or consider stainless plumbing.

Barry Johnson brought plumping bills he has incurred since April 2002 for \$900+ due to regulator failure. He asked the board for consideration in paying the bill or a portion of the bill.

Jim Bowen made a motion to give \$700 compensation. This will be done at \$100.00 per month credited to water bill. Johnny Cooper seconded, motion carried.

Ron Garrett asked Ivan about Barnard meter. He is to install within next two weeks.

A discussion was held about installing fire hydrants. Two are to be installed per year. One was purchased by Jackie Fears and will be installed on his property. One is to be installed at J R East and Raymond White property.

Ben suggested buying new meters so meters can be changed out regularly.

Jim Bowen made a motion to adjourn seconded by Ben Szabrowicz. Meeting dismissed.

Mt Sherman Water Association Board Meeting
July 8, 2002
Water Operators Report

We had a water leak at the Pressure Reducing Station behind Youngs house above Low Gap. I had already rebuilt the station So that it could be maintained without a backhoe to dig it up. It was standing water around the house and they never said anything to me. I chased down the leak and made the repair. The Lost water was about 2 hundred Thousand gallons.

The Chlorinating system was thoroughly maintained by Replacing old vacuum ejector lines and rebuilding the vacuum Check valve. Also replaced the vacuum ejector.

Purchased 3 Chlorine Cylinders and returned 3 empties.

I have left messages with Randy Shelden, the Engineer in Harrison that wrote our letter to the Ark Dept of health in April For the Feasibility Study for the alternate water supply from Jasper And in our last conversation he said he was waiting for a reply from them. He has not yet returned my subsequent calls although I'm leaving messages on his service.

I talked to Jim Culver about mowing the 2 well sites and he said He would get with me after his company left, which left today, so I'll be talking with him soon.

By Ivan Reynolds