MT. SHERMAN WATER ASSOCIATION

BOARD OF DIRECTOR'S MEETING

MONDAY NOVEMBER 11, 2013

5:30 P.M.

Dear Directors:

Enclosed please find the transaction report and board minutes for October 2013. Director's report will be made available at the meeting.

Enclosed is the tower lease agreement between the Mt. Sherman Water Association and the Newton County Fire Association.

We have received our first billing from Ozark Mt. Regional, copy of bill enclosed.

I have contacted Campbell Insurance about increasing the liability amount, they estimate the cost would be between $500.00 to $750.00 more per year but state the amount cannot be changed in the middle of the policy, we will have to wait until the renewal, which will be 2014.

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

Thank You,

Karen

Karen Edgmon

Financial Officer

Mt. Sherman Water Association

Check #	Payee	Service	Amount
4718	Munzer Pump Co.	maintenance/equip	$2987.47
4719	Karen Edgmon	Contract Labor	981.50
4720	Karen Edgmon	rent	75.00
4722	Odie Watts	reimburse	50.00
4723	Nelson Phillips	contract Labor	330.00
4724	D F & A	sales tax	894.00
4725	Karen Edgmon	reimburse toner	214.70
4726	MSVFD	fire dues	553.64
4727	Karen Edgmon	Fire dues	50.00
4728	Leslie Daniels	contract labor	200.00
4729	Leslie Daniels	maintenance	175.00
4730	Ivan Reynolds	contract labor	1100.00
4731	Ivan Reynolds	maintenance	75.00
4733	River Valley Win Wtr	maintenance	356.56

Scribe:	Odie J. Watts	
Date:	**October 14, 2013**	**Time:** 5:30 PM – 6:35 PM

Board Members:

Key	Board Member Attendees: Key: * Attended, # Absent	Phone
*	Edgmon, Karen – CHIEF FINANCIAL OFFICER	861-5641
*	Ferguson, Ron – BOARD MEMBER	446-2910
*	Lee, Koby – BOARD MEMBER	861-5158
*	Reynolds, Ivan – WATER OPERATOR	446-5352
*	Shechtman, Barry – BOARD MEMBER	446-6630
*	Stivers, Betty – VICE PRESIDENT	446-5744
*	Szabrowicz, Ben – BOARD MEMBER	446-6007
*	Voshell, Calvin – PRESIDENT	446-2270
*	Watts, Odie – SECRETARY / TREASURER	446-2838

Customers and Guests:

Key	Board Meeting Attendees:	
	Mr. Jerry Patton attended the meeting to discuss his water supply and water pressure problems. See the New Business section for more information.	

Minutes and Business Discussions:

Agenda	Main Points, Conclusions/Discussions, Decisions
1. Call to Order	Meeting was called to order at 5:30 by Calvin Voshell – President.
2. Meeting Minutes	The Meeting minutes from the September 9, 2013 were reviewed and approved. Motion to approve the minutes was made by Betty Stivers with 2nd by Koby Lee with no abstentions.
3. Financial and Water Association	Transaction reports for September 1 through September 30, 2013 were reviewed and approved. Most significance expenditures are reported below. A detailed expenditure

Agenda	Main Points, Conclusions/Discussions, Decisions
Director's Report	report is on file: ▪ Paid Washington Pump for replacement pumps. ▪ Paid for mowing work at pumping facilities. ▪ Renewed Sam's Club membership and purchased office supplies. Motion to approve the financial and director's reports – Ben Szborwicz 2nd by Ron Ferguson. No Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the monthly Water Operator's Report. Most significant items in the report are listed below: ▪ Bled and bleeding lines to remove taste and odor caused by clashing of chlorinated and chloramined water. ▪ Emptied the tanks on both sides of the system and started over on the line flushing. ▪ Have a chlorine residual everywhere but the end of the Murray line which has been bleeding for several days. ▪ Repaired the pressure reducing station at Low Gap due to a leak. ▪ The #2 booster pump station failed. Ordered 2 replacement pumps and a pressure tank. It is working OK at this time. ▪ Marking the line for fiber optic installation on Shiloh and Murray Road and will have to be with the installers on Murray Road due to excavation near our lines. ▪ Replaced the mater at Larry Nutt's due to metal failure resulting in a leak. ▪ Did lead and copper sample for the Department of Health. Motion to approve the Water Operator's report – Betty Stivers 2nd by Koby Lee. No Abstentions.
5. Old Business	▪ Action Item 57: Opened and revised on 3/12/10 for Ivan Reynolds to purchase and install approximately 50, one inch meters to tighten up leak detection within the system. This action item was first opened on 7/9/10 but has been revised and remains open. See new business. Ivan will continue working on purchasing and installing the observation meters. He plans to install at least 50 more meters in the system to help isolate leaks. 14 meters have been installed to date. The action item was updated as of 3/9/12. The Board approved Ivan to purchase 25 observation setters and related materials and begin installing them ASAP. An additional 25 meters will be purchased and installed at a later date. Material for 25 meters has arrived as of May 14, 2012. Estimate 4 meters per month will be installed. Monthly progress reports will be made to the Board. Ivan Reynolds was absent from the June,2012 meeting so no status report was given. No change in status as of 7/9/12.

Agenda	Main Points, Conclusions/Discussions, Decisions
	No status change as of 8/13/12. As of 9/12/12 at least one meter has been installed and another is planned soon. No status change as of 10/8/12. No new progress to report as of 11/19/12. No change in status as of 12/10/12. No change in status to record for 12/10/12. As of 2/11/13 status remains as "in work". As of 3/11/13 status remains as "in work". As of 4/8/13 status remains "in work." As of 5/13/13 status remains "in work". No more meters have been installed. No status change as of 6/10/13. As of 7/8/13 three of these meters were installed during the month of June and work will continue. No change in status as of 8/12/13. No change in status as of 9/9/13. Item was not discussed at 10/14/13 meeting. ▪ Action Item 61: Item assigned to Ivan Reynolds to work through the older system meters and replace those that do not appear to be recording correctly. This item is in work and as of 9/12/12 there is no significant change in status. As of 11/19/12 the Board requested Ivan to furnish the Board with the number of older meters he intends to replace. Estimate 40 meters will be replaced. Board approved purchase of 50 meters. 40 will be installed and 10 will be maintained in inventory. See above comments under Water Operator's Report. Meters are on order but have not arrived as yet. No change in status to record during the 12/10/12 meeting. As of 2/11/13 the meters have arrived and are being installed as replacements for some of the older meters in the system. Estimate completion in February or early March, 2013. No change in status as of 3/11/13. As of 4/8/13 over half of the proposed meter changes have been accomplished. Work will continue as time permits. As of 5/13/13 the project is approximately 60% complete and will continue as time permits. Work is progressing as of 6/10/13 but no new status was given as to how many new meters have been installed. As of 7/8/13 one more meter has been changed. Work will continue. No change in status as of 8/12/13. No change in status as of 9/9/13. Item was not discussed at the 10/14/13 meeting. ▪ Action Item 72: Item assigned to Ivan Reynolds to contact ESI Engineering to determine when and where the master meter will be set to monitor water usage from the OMPWA supply source. The master meter is currently housed in the facility near the Harvey Gash residence. The OMPWA is awaiting funding to build a permanent structure for the master meter which will be relocated once that facility is built. No estimate as to when the new facility will be funded or constructed. Item was not discussed at the 10/14/13 meeting. ▪ Action Item 73: Item assigned to Odie Watts to coordinate with Tommy Martin and obtain all the contractual and agreement documents relating to the relationship between the MSWA and the OMPWA. As of 9/9/13 still waiting on Tommy Martin to respond to the request for all materials relating to the agreement between the MSWA and the OMPWA. Will revisit this item prior to 11/11/13 meeting. ▪ Action Item 75: Item assigned to Ivan Reynolds to read the OMPWA master meter on 9/20/13 and report the results to Karen Edgmon so she can compare the reading to the billing statement from the OMPWA. Item was not discussed at the 10/14/13 meeting.

Agenda	Main Points, Conclusions/Discussions, Decisions
	▪ Action Item 76: Item assigned to Karen Edgmon to determine the cost of raising the Board's libility insurance policy limits to $1 million dollars. ▪ Action Item 77: Item assigned to Odie Watts to write a letter to Mr. Patton concerning his water supply and water pressure problems. ▪ Action Item 78: Item assigned to Ivan Reynolds to contact Carroll Electric to determine how we can minimized electrical connections at the pumping facilities to minimize electricity consumption. ▪ Action Item 79: Item assigned to Ivan Reynolds to contact Hillard Kilgore to determine if he would consider giving an easement to the MSWA to lay a water line through his proper so the line can be used to tap into a larger supply line which would resolve the problems being encountered by Mr. Patton (see New Business and Action Item 77.
6. New Business	▪ Mr. Jerry Patton attended the meeting to discuss his water supply and water pressure problems. After much discussion it was determined that little could be accomplished to solve his problems without increasing his water supply. The Board agreed to write him a letter (see Action Item 77) explaining what it would take to provide a long term fix to his problems. The letter to Mr. Patton is attached to these minutes **(Action Item 77).** ▪ Betty Stivers indicated she had been in contact with Jim Culver who said he would remove the old pipe that is laying at our pump station which would make it much easier for him to mow the area. The Board agreed that Betty can call Mr. Culver and tell him he could have the pipe for free provided he would remove it from the area. There was also a comment made that there is a significant amount of copper wire that is laying at another facility but the Board agreed that we should hold onto the wire for future sale as scrap. The issue of the wire was tabled for further discussion. ▪ Karen Edgmon was asked to contact our Liability Insurance provider and determine the cost of raising the liability limits to at least $1 million dollars **(Action Item 76).** ▪ Ivan Reynolds was asked to contact Carroll Electric to determine how and when electrical inputs to the pumping facilities can be modified to minimize electric billing for those facilities **(Action Item 78).**
7. Adjournment	Meeting adjourned at 6:35 P.M.
8. Next Meeting	**NOTE MEETING START TIME: The next meeting is scheduled for November 11, 2013 at 5:30 PM at the Mt. Sherman Volunteer Fire Department main station.**

Action Items for Discussion and Update at Next Meeting:

Item No.	Opened Date	Description	Assigned To	Target Date	Status
AI57	7/19/10	Install 25, one inch meters to tighten up leak detection within the system. Make progress reports to Board on monthly basis.	Ivan Reynolds	ASAP	**IN WORK**
AI61	8/13/12	Work through the system to replace older meters that may not be recording properly.	Ivan Reynolds	ASAP	**IN WORK**
AI72	8/12/13	Coordinate with ESI Engineering regarding the location and installation dates for the master meter which will be used to measure incoming water from the OMRPWA.	Ivan Reynolds	ASAP	**OPEN**
AI73	8/12/13	Coordinate with Tommy Martin and obtain the latest copies of contracts or agreement between MSWA and OMRPWA.	Odie Watts	10/14/13	**OPEN**
AI75	9/9/13	Read the OMRPWA on 9/20/13 and reports the reading to Karen Edgmon.	Ivan Reynolds	11/11/13	**OPEN**
AI76	10/14/13	Determine the cost of increasing the Board's Liability Insurance limits up to $1 million.	Karen Edgmon	11/11/13	**OPEN**
AI77	10/14/13	Write a letter to Mr. Patton to explain the Board's position on resolving his water supply and water pressure problems. See the letter attached to these minutes.	Odie Watts	11/11/13	**OPEN**
AI78	9/9/13	Coordinate with Carroll Electric on reducing electrical service at the pumping station since the 3-phase power to the pump is no longer required.	Ivan Reynolds	11/11/13	**OPEN**
AI79	10/14/13	Talk to Hillard Kilgore to determine the possibility of pursuing an easement to the Patton water problems can be resolved.	Ivan Reynolds	10/14/13	**OPEN**

October 14, 2013

Dear Mr. Patton

First, thank you for coming to the meeting of the Mt. Sherman Water Association Board of Directors on October 14, 2013. After you left the meeting the Board had a lengthy discussion concerning your situation but, unfortunately, we could find no short-term solution to remedy your water supply and water pressure problems.

It is our understanding that the problems you are experiencing with insufficient water supply and water pressure are not new but have been present since you purchased the property approximately 10 years ago. We also understand that your water issues have not been resolved but they have been stabilized with the recent Water Association funded replacement pump and pressure tank that supplies water to your residence.

To assist you in developing a long-term solution to your water problems, the Mt. Sherman Water Association will begin exploring a more permanent fix which involves tapping into a nearby, privately owned, larger supply line that is currently in the planning stages. However, you must realize that such a solution is dependent upon obtaining an easement that has previously been denied. Should the land owner have changed his mind and will now allow the Water Association to lay a water line across his property the next step will be to fund the project before work can actually begin. In all, if a long-term fix is possible the process will take a considerable amount of time to complete.

In the meantime, the Mt. Sherman Water Association Board of Directors highly recommends you seek the advice of a professional plumber to determine if there is a workable solution to your problems using the components of the system you currently have available.

The Mt. Sherman Water Association will commit to maintaining the booster pump and pressure tank that supplies your water but beyond that commitment there is nothing further the

Association can do, or promise to do in the short-term that will resolve the issues you are having with your water supply.

Please feel free to come meet with the Board of Directors to continue this discussion if you feel it necessary. The Board meetings are held on the 2nd Monday of each month at 5:30 PM at the Mt. Sherman Volunteer Fire Department building.

Sincerely,

The Board of Directors

Mt. Sherman Water Association

From: Ozark Mtn Regional PWA
PO Box 1020
Diamond City, AR 72630

Amount Due 11/15/2013 5,929.35
After 11/15/2013 Pay 5,988.64

TO: **Mt Sherman Water Assoc**
Po Box 453
Jasper, AR 72641

Mt Sherman Water Assoc
Account# 10 - 0
Meter Reading on 9/23/13 was 3316193
Meter Reading on 10/21/13 was 5260239
Gallons Used - 1,944,046

Balance due by the 15th Subject to penalty if not received by 20th

Last Bill	0.00
Payments	0.00
Water Charges	5,929.35

Amount Due 11/15/2013	5,929.35
After 11/15/2013 Pay	5,988.64

4735

Keep this section for your records.

Please return this section with payment.

From: Mt Sherman Water Assoc
Po Box 453
Jasper, AR 72641

DUE BY THE 15TH

Ozark Mtn Regional PWA

Print Seq - 11

Mt Sherman Water Assoc
Account# 10 - 0

Amount Due 11/15/2013 5,929.35
After 11/15/2013 Pay 5,988.64

TO: **Ozark Mtn Regional PWA**
PO Box 1020
Diamond City, AR 72630

Mt Sherman Water Association Board Meeting

Water Operators Report Oct 14. 2013

By Ivan Reynolds

Bled and bleeding water lines to remove taste and odor caused by the clashing of chlorinated and chloramined water. I emptied the tanks on both sides of the system and started over on the flushing of lines.

I have a chlorine residual every where but the end of the Murray line

Which I have been bleeding for several days and it should be ok tonight.

Repaired the pressure reducing station at Low Gap due to a leak in a 2 inch elbow.

The number two booster pump station failed. I ordered two replacement pumps and a pressure tank. It is working OK at this time.

I'm marking water lines for fiber optic installation on Shiloh and Murray Road and will have to be with the installers on Murray Road due to excavation near our lines.

Replaced the meter at Larry Nutt's due to metal failure causing leak.

I did Lead and Copper Samples for the Ar Dept of Health.