MT. SHERMAN WATER ASSOCIATION
P.O. BOX 356
JASPER, AR 72641
(870) 861-5580

BOARD OF DIRECTOR'S MEETING
MONDAY JANUARY 13TH 2014
5:30 P.M.

Dear Directors:

Enclosed please find the Director's Report, board minutes and financial reports for December 2013.

If you have any questions please feel free to give me call.

Thank You,

Kar

Karen Edgmon
Financial Officer
Mt. Sherman Water Association

WaterWorks

A Utility Billing Software

800-227-5128

MT. SHERMAN WATER

DIRECTOR'S REPORT

December 2013 Billing cycle

Printed Monday, December 30, 2013 @ 18:38

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,629,188	100.0%
Water Sold to Customers	1,106,250	67.9%
Utility Use (fire, flushing)	0	0.0%
Water Lost	522,938	32.1%
Average Use Per Account	3,828	
Accounts Using Water	289	

Master Meter Reading 8339644 12/20

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	9,956.58	0.00	0.00	97.80	647.50	0.00	777.10
Count	327	0	0	326	259	0	323
Average	30.45	0.00	0.00	0.30	2.50	0.00	2.41

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on December 2013 Bills		13,899.12	333
Credit Balances	-1,856.35		26
Debit Balances	15,755.47		307
Payments		-11,927.72	280
Adjustments		-617.06	13
Balance after Payments and Adj		1,354.34	46
Current	-1,189.58		26
30 to 60 Days Old	586.03		5
60 to 90 Days Old	494.27		3
Over 90 Days Old	1,463.62		12
Penalty Charges		365.14	57
Charges for Services		11,478.98	327
Balance Due		13,198.46	

Scribe:	Odie J. Watts	
Date:	**December 16, 2013**	**Time:** 5:24 PM – 6:25 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:	
	Ed Manor, the Newton County representative for the Ozark Mountain Public Water Authority, came to the meeting to determine if the MSWA Board had any questions or concerns regarding the operation of the OMPWA and the present status of the system. The question of the location of the Master Meter for the MSWA was raised and Mr. Manor indicated that the meter will be permanently installed at the location requested by the MSWA as soon as the weather permits and funding has been allocated. In the mean time the meter will continue to be operated from its temporary location. Questions were asked about the billing and whether Marshall and Lead Hill will be allowed to withdraw from their agreement to join the OMPWA. Mr. Manor indicated that legal action against these water systems is pending and unless these systems are forced to comply with their original agreements then the rest of the customers of the OMPWA will have to make up the difference to continue funding the operation of the system. The hope and plan for operation of the OMPWA is that everyone will live up to their agreements and after a full year of operation they can take another look at the water pricing structure and adjust their water rates accordingly. The issue of adding fluoride to the system was discussed. Mr. Manor said that at the moment the addition of fluoride is on hold because the Delta Dental group has failed to fund the installation of the fluoride equipment which is required in order to go forward with the requirement to add the fluoride to the water. Whether or not the water will ever be fluoridated is still an open question. One final point Mr. Manor made to the MSWA was the fact that the National Park Service has declined to hook up to the OMPWA system. This may have some effect on the water pricing structure in the future.	

Minutes and Business Discussions:

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1. Call to Order	Meeting was called to order at 5:24 by Calvin Voshell – President. The meeting was originally scheduled for 12/9/13 but was rescheduled to 12/16/13 due to weather.
2. Meeting Minutes	The Meeting minutes from the November 11, 2013 were reviewed and approved. Motion to approve the minutes was made by Ron Ferguston with 2nd by Koby Lee with no abstentions.
3. Financial and Water Association Director's Report	The Director's report for November 1 through November 30, 2013 was reviewed along with the financial report for the same period. The most significant item on the report are listed below: ▪ Meter readings between the master meter and the MSWA meter were very close. The loss rate is shown at 24%. ▪ Purchased a new supply of water billing forms.

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	▪ Obtained and filed the "Release of Lien" paper work to release the lien against the Fear's property as approved by the Board. Motion to approve the financial and director's reports – Betty Stivers, 2nd by Koby Lee. No Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the Water Operators Report: • Pulled the Frank Sullivan and Wendy Norton meters putting them on vaction status. • Replaced the 4" valve to Horseshoe Canyon Ranch and installed a observation meter. • Replaced the Larry Nutter meter. • The Ozark Mountain Water Authority has resumed adding chloramines for the system disinfectant. • Ron Wishon called to say had had a water leak. Will follow up. The Church of Philadelphia called to say they had a leak on their side and later discovered a second leak on their side. • We pumped 30,000 more per day for three days and the pumping dropped back to 49,000 which indicates several large water bills will be coming up. Motion to approve the financial and director's reports – Koby Lee, 2nd by Ron Ferguson. 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. 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

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	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. No change in status as of 11/11/13. No change in status as of 12/16/13. ▪ 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. No change in status as of 11/11/13. No change in status as of 12/16/13. ▪ 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. No change in status as of 11/11/13. As of 12/16/13 according to Mr. Ed Manor who attended the 12/16/13 meeting, the Master Meter is set to be installed just as soon as the installation can be funded and the weather permits. The Action Item will be placed on **HOLD** status. ▪ Action Item 76: Item assigned to Karen Edgmon to determine the cost of raising the Board's liability insurance policy limits to $1 million dollars. The cost will be approximately $800 per year increase but can not be changed until the current policy expires. Barry Shectman checked with State Farm Insurance and Karen will follow up to determine what their annual cost for liability might be. Status was changed to PENDING. As of 12/16/13 the Action Item is still **PENDING**. ▪ 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. No change in status as of 11/11/13. No change in status as of 12/16/13. ▪ Action Item 79: Item assigned to Ivan Reynolds to contact Hillard Kilgore to

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	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. No change in status as of 11/11/13. No change in status as of 12/16/13. ▪ Action Item 80: Item assigned to Odie Watts to update the Operating Policy and By-Laws documents and present them to the Board for their review. Changes are needed to the By-Laws since the MSWA is now buying rather that pumping water for our customers. At the December 9 meeting the revised by-laws were distributed for the review by all Board members. A vote will be taken to approve these amended by-laws during the January 13, 2014 meeting. This item is **PENDING**. ▪ Action Item 81: Item assigned to Odie Watts to develop a simple inventory management spreadsheet to be completed and updated by the Water Operator on a monthly basis. The spreadsheet was developed and present to the Water Operator during the December 16, 2013 meeting. This action item is **CLOSED.** ▪ Action Item 82: Item assigned to Odie Watts to find and have an attorney review the contract with the Mt. Sherman VFD to use the MSWA facilities to install radio equipment. The agreement was reviewed by Jeff Malm, Attorney and his assessment of the agreement was presented to the Board. The agreement finalization is still pending. This action item is **CLOSED.** ▪ Action Item 83: Item assigned to Karen Edgmon to have the lien against the Fear's property removed for non-payment since they have been paying the outstanding balance on time. The lien has been removed as of 12/16/13 so the item is considered **CLOSED.**
6. New Business	The only new business discussed was to award each of the three MSWA employees a $100 Christmas bonus. The motion was made and the Board unanimously agreed to make the award.
7. Adjournment	Meeting adjourned at 6:25 P.M.
8. Next Meeting	**NOTE MEETING START TIME: The next meeting is scheduled for January 13, 2014 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	**ON HOLD**
AI76	10/14/13	Determine the cost of increasing the Board's Liability Insurance limits up to $1 million.	Karen Edgmon	11/11/13	**PENDING**
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**
AI80	12/9/13	Revise the MSWA By-Laws and present them to the Board for their approval.	Odie Watts	1/13/14	**PENDING**

CHECK #	PAYEE	AMOUNT	SERVICE
4747	Ozark Mt. Regional Wtr	$ 5402.96	water
4750	Neighbor News	65.25	public notice
4751	Odie Watts	71.98	reimburse
4752	Ivan Reynolds	100.00	Christmas Bonus
4753	Dept. Fin. & Adm.	851.00	sales tax
4754	Ivan Reynolds	1100.00	contract labor
4755	Karen Edgmon	981.50	contract labor
4756	Karen Edgmon	96.12	rent/mileage for bill forms
4757	Ivan Reynolds	75.00	maintenance
4758	Leslie Daniels	200.00	contract labor
4759	Leslie Daniels	175.00	maintenance
4760	Leslie Daniels	100.00	Christmas bonus
4762	Family Dollar	27.50	storage totes
4763	Karen Edgmon	14.73	reimburse notebooks

Mt Sherman Water Association Board Meeting

Jan 13, 2014 Operators Report by Ivan Reynolds

Placed Observation meters at the following:

On the 4 inch line by Jerry Stone,

On the 2 inch line to Quentin Riley., on the 2 inch line toward Nelms Gallery. On the one inch line to McClintons, also on the 2 inch line to the old Gerald Villines property, total of five.

Pulled and reset Frank Sullivan meter and he sprung a big Leak during the hard freeze.

Found a very large leak at Horseshoe Canyon Ranch and Notified Barry Johnson.

Had low pressure on Shiloh due to several customer leaks And restored tank levels.

I filled in the inventory portion of the spread and vendors.

Replaced the meter setter at Anna Reynolds due to leak.

I put in a meter for Kevin Clark, Next to Danny Clark.