

MT. SHERMAN WATER ASSOCIATION

P.O. BOX 356

JASPER, AR 72641

(870) 861-5580

BOARD OF DIRECTOR'S MEETING

MONDAY, JUNE 9TH 2014

Dear Directors:

Enclosed please find the transaction report, bank statement, board minutes and director's report for May 2014.

I have collected the Mt. Sherman Fire Dept. in full, Jackie/Kim Fears are now current. Tim Knapp has paid and been reconnected. Frank Sullivan has paid \$245.00 toward his leak.

June 9th will be the annual board meeting with election of officers. Information was placed on the June water bills.

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

Thank You,



Karen Edgmon

Financial Officer

Mt. Sherman Water Association

Check #	Payee	Amount	Service
4826	Nelson Phillips	\$1080.00	contract backhoe work
4825	Jasper Post Office	204.00	post card stamps
4827	OMRWA	5842.81	water service 3/21-4/21/14
4828	Liberty Mutual Ins.	121.00	property insurance
4830	Karen Edgmon	50.00	fire dues/March
4832	Karen Edgmon	50.00	fire dues/April
4835	Karen Edgmon	981.50	contract labor
4836	Karen Edgmon	90.96	rent/mileage to take computer
4837	Andria Laughter	56.51	refund meter deposit
4840	Leslie Daniels	200.00	contract labor
4841	Leslie Daniels	175.00	maintenance
4833	Engineering Services	550.00	analysis 3 " main
4834	Dept. Fin. & Adm.	761.00	sales tax
4839	Nelson Phillips	870.00	contract backhoe work
4842	Ivan Reynolds	1100.00	contract labor
4843	Ivan Reynolds	75.00	maintenance

Thursday, June 05, 2014

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BANK OF THE OZARKS (0727)

MT SHERMAN WATER ASSOCIATION
GENERAL ACCOUNT
P O BOX 356
JASPER, AR 72641

Checking Activity

Account Number *****8454
INT CHKG-STATE & PS

Transactions From Statement Period Ending 5/31/2014

Account Summary

Ending Statement Balance on Saturday, May 31, 2014

\$30,449.28

Account Activity

Date	Description	Debit	Credit	Balance
05/01/2014	Check #4826	\$1,080.00		\$30,778.38
05/05/2014	Check #4825	\$204.00		\$30,574.38
05/06/2014	Check #4827	\$5,842.81		\$24,731.57
05/07/2014	DEPOSIT		\$1,337.48	\$26,069.05
05/08/2014	Check #4828	\$121.00		\$25,948.05
05/12/2014	DEPOSIT		\$2,261.17	\$28,209.22
05/14/2014	Check #4830	\$50.00		\$28,159.22
05/14/2014	Check #4832	\$50.00		\$28,109.22
05/14/2014	Check #4835	\$981.50		\$27,127.72
05/14/2014	Check #4836	\$90.96		\$27,036.76
05/16/2014	Check #4837	\$56.51		\$26,980.25
05/19/2014	Check #4840	\$200.00		\$26,780.25
05/19/2014	Check #4841	\$175.00		\$26,605.25
05/20/2014	DEPOSIT		\$260.00	\$26,865.25
05/20/2014	DEPOSIT		\$2,846.37	\$29,711.62
05/20/2014	Check #4833	\$550.00		\$29,161.62
05/20/2014	Check #4834	\$761.00		\$28,400.62
05/20/2014	Check #4839	\$870.00		\$27,530.62
05/22/2014	Check #4842	\$1,100.00		\$26,430.62
05/22/2014	Check #4843	\$75.00		\$26,355.62
05/23/2014	AC-RITTER COMM -RITTER PMT	\$34.74		\$26,320.88
05/23/2014	AC-RITTER COMM -RITTER PMT	\$39.21		\$26,281.67
05/27/2014	DEPOSIT		\$3,733.27	\$30,014.94
05/27/2014	AC-CARROLL ELEC-CEC-CASH TRANS	\$23.67		\$29,991.27
05/27/2014	AC-CARROLL ELEC-CEC-CASH TRANS	\$63.99		\$29,927.28
05/27/2014	AC-CARROLL ELEC-CEC-CASH TRANS	\$104.53		\$29,822.75
05/30/2014	DEPOSIT		\$625.35	\$30,448.10
05/31/2014	INTEREST PAYMENT		\$1.18	\$30,449.28

Balance By Day

BANK OF THE OZARKS (0727)

**MT SHERMAN WATER ASSOCIATION
GENERAL ACCOUNT
P O BOX 356
JASPER, AR 72641**

Checking Activity

Account Number ****8454
INT CHKG-STATE & PS

Transactions From Statement Period Ending 5/31/2014

1.	5/1/2014: \$30,778.38	2.	5/5/2014: \$30,574.38	3.	5/6/2014: \$24,731.57
4.	5/7/2014: \$26,069.05	5.	5/8/2014: \$25,948.05	6.	5/12/2014: \$28,209.22
7.	5/14/2014: \$27,036.76	8.	5/16/2014: \$26,980.25	9.	5/19/2014: \$26,605.25
10.	5/20/2014: \$27,530.62	11.	5/22/2014: \$26,355.62	12.	5/23/2014: \$26,281.67
13.	5/27/2014: \$29,822.75	14.	5/30/2014: \$30,448.10	15.	5/31/2014: \$30,449.28

Scribe:	Odie J. Watts	
Date:	May 12, 2014	Time: 5:28 PM – 6:15 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	870-688-7541
*	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

Key	Board Meeting Attendees:
	No Guests or MSWA members attended the meeting.

Minutes and Business Discussions:

Agenda	
1. Call to Order	Meeting was called to order at 5:28 by Calvin Voshell – President.
2. Meeting Minutes	The Meeting minutes from the April 14, 2014 were reviewed and approved. Motion to approve the minutes was made by Ron Ferguson with 2 nd by Koby Lee with no abstentions.
3. Financial and Water Association Director's Report	Karen Edgmon presented the financial and director's reports: - No significant issues. - The fire department had a water bill of \$490 due to a toilet left running. Notices have been sent but there has been no response. Karen indicated she will call and talk to Don Labonte about the bill (ACTION ITEM). - Karen told the Board her calculator has died and requested permission to buy another. The Board voted unanimously to allow the purchase. - The water loss rate was recorded at 43.3%. The water operator addressed the losses in his report. See the operator's report below. - The bill for the ESI engineering study has been received and will be paid and reported on June's financial report. Motion to approve the financial and director's reports – Betty Stivers, 2nd by Koby Lee with no Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the Water Operators Report: - Found 2 leaks past Donnie Villines both were repaired. - Install an observation meter at David Clark's property. - Installed an observation meter at Rex Folk's meter for better monitoring of the Low Gap line. - Added an observation meter at the Low Gap cemetery pressure station to observe the line to Steel Creek. There is a leak on that line and efforts are underway to find the leak. - Contacted ESI about the cost for overbuilding (replacing existing line) and they came back with a full report and an estimated cost in excess of \$124,000. The project will

Agenda	
	have to be examined more closely and the Board will have to make a decision about expending the money to pay for such a needed system upgrade. The ESI report is on file and the bill of \$550 for the engineering study has been received. • Pulled the Frances Harkness camper meter as requested. • Pulled the Time Knapp meter for unpaid bill • Bled the lines in Low Gap and Shilor. • Jim Culver rental house hookup is a go from the AHTD for crossing to his property. • An updated inventory list was completed and presented to Karen Edgmon who will enter the date on the inventory spreadsheet. Motion to approve the Water Operator's report – by Ben Szabrowicz, 2nd by Koby Lee with 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. As of January 13, 2014 there are approximately 17 more observation meters to install. Until completed this action item will remain in IN WORK Status. Installed another meter leaving approximately 16 more to install. No change in status as of March 10, 2014. As of April 14 plans are to install three more meters in the Low Gap area where leaks are suspected. As of 5/12/14 there are 11 more observation meters to be installed. ▪ 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. As of January 13, 2014 there are approximately 11 more older meters to replace. Until this action item is completed it will remain in IN WORK status. No change in status as of 2/10/14. No change in status as of 3/10/14. As of April 14 there are nine more meters which are planned to be replaced. As of 5/12/14 older meters are being replaced and there may soon be a need to purchase more ▪ 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. No change in status as of January 13, 2014. No change in status as of 2/10/14. No change in status as of 3/10/14. No change in status as of 4/14/14. No change in status as of 5/12/14. ▪ 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. This action item is PENDING. No change in status as of 11/11/13. No change in status as of 12/16/13. No change in status as of 1/13/14. No change in status as of 2/10/14. No change in status as of 3/10/14. No change in status as of 4/14/14. No change in status as of 5/12/14. ▪ Action Item 82: Item assigned to Karen Edgmon and Barry Shectman to contact the Campbell Insurance Agency agreeing to renew the current liability insurance policy in September, 2014 with an increase in liability limits from \$500,000 to \$1,000,000. Item also includes inquiring about documents needed to support the increased limits. As of 5/12/14 see New Business for more updates. ▪ Action Item 83: Item assigned to Ivan Reynolds to contact ESI engineering to provide cost of replacing 3" line feeding the Shiloh area with a 6" line. As of 5/12/14

Agenda	
	the study has been completed and the project cost is estimated to be in excess of \$124,000. As of 5/14/14 the Board has yet to take any action but the Action Item is considered CLOSED. - Action Item 84: Item is assigned to Ivan Reynolds to present the Board with an updated inventory list of all the parts and supplies he maintains to support the system. As of 5/12/14 Ivan presented to updated inventory to Karen Edgmon for her files. As of 5/12/14 the item is considered CLOSED. - Action Item 85: Item is assigned to Karen Edgmon to contact Don Labonte, President of the the Mt. Sherman VFD about their excessive water bill which remains unpaid. As of 5/12/14 there has been no communication from the VFD even though they have been sent notices about their unpaid balance.
6. New Business	- The Board has agreed to renew the liability insurance with the Cambell Insurance agency when the current policy expires in September, 2014. The cost of increasing the liability limits from \$500,000 to \$1,000,000 will only add \$100 per year to the premium. - Ivan Reynolds presented an engineering study report on the cost of replacing the 3" line with a 6" line feeding the Shiloh area. The report indicated the cost of the project would be in excess of \$124,000. The report is on file and the Board will have to take up the issue in the near future. - Based on the current situation with the OMRPWA running out of money the Board has directed Ivan Reynolds to develop a contingency plan to reconnect to our old well in the event the OMRPWA is unable to continue supplying water due to their financial problems. Ivan will present the plan to the Board during the June 9, 2014 meeting. - Odie Watts has volunteered to attend the Jasper City Council meeting on May 15, 2014 to brief them on the current financial situation at the OMRPWA.
7. Adjournment	Meeting adjourned at 6:15 P.M.
8. Next Meetings	NOTE MEETING START TIME: The next regularly scheduled meeting will be on June 9, 2014 at 5:30 at 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	PENDING
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	PENDING

Item No.	Opened Date	Description	Assigned To	Target Date	Status
AI82	3/10/14	Notify Campbell Insurance to determine if they can meet the proposal made by Nation Insurance to increase our liability Insurance from \$500,000 to \$1 million. See the New Business Section for more information.	Barry Shechtman and Karen Edgmon	4/8/14	PENDING
AI83	4/14/14	Contact Engineering firm to begin collecting cost and engineering data to replace the 3" line with a 6" line feeding the Shiloh area.	Ivan Reynolds	5/12/14	CLOSED
AI84	4/14/14	Present an undated Inventory of maintenance and installation material on hand.	Ivan Reynolds	5/12/14	CLOSED
AI85	5/12/14	Contact the President of the Mt. Sherman VFD about their large water bill and determine their payment plan.	Karen Edgmon	6/12/14	OPEN



800-227-5128

Printed Monday, June 2, 2014 @ 20:38

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,953,300	100.0%
Water Sold to Customers	1,273,420	65.2%
Utility Use (fire, flushing)	0	0.0%
Water Lost	679,880	34.8%
Average Use Per Account	4,245	
Accounts Using Water	300	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	10,914.16	0.00	0.00	98.10	645.00	0.00	836.45
Percent	328	0	0	327	258	0	324
Average	33.27	0.00	0.00	0.30	2.50	0.00	2.58

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on May 2014 Bills	10,863.93	331
Credit Balances	-2,241.24	24
Debit Balances	13,105.17	307
Payments	-10,803.64	272
Adjustments	101.93	9
Balance after Payments and Adj	162.22	49
Current	-1,321.98	29
30 to 60 Days Old	394.64	7
60 to 90 Days Old	248.83	7
Over 90 Days Old	840.73	6
Penalty Charges	312.32	49
Charges for Services	12,493.71	328
Balance Due	12,968.25	

Mt Sherman Water Board Meeting June 9.2014

Water Operators Report by Ivan Reynolds

Miles Hogan and Robert Edgmon signed up for meters. The work will begin soon as it dries up.

I changed J. R. East meter and reinstalled Tim Knapps meter.

I changed Jerry Pattons meter due to no usage registering.

Began working on the Steel Creek Pressure reducing stations.

Contingency Plan for Reconnecting Mt Sherman Distribution piping to Well

Number One:

1. Reconnect influent line at well head; need 8 #8 bolts, nuts and washers.
2. Prepare Chlorine contact by refurbishing the chlorinator ejecting system;

Which includes replacing the double check valve and sending the cylinder

Head unit to HENARD UTILITY PRODUCTS for maintenance and certification.

3. Shut off the inlet valve from OMPWA and open the two valves at the well house, one inside the door and the other outside the door at the fence post.
4. Restore the starter disconnect and turn on the pumps. One for the chlorinator and the auto start for the well pump, check chlorine level for proper disinfection level.
Additional mixing info with Jasper to be presented separately.