

MT. SHERMAN WATER ASSOCIATION

P.O. BOX 356

JASPER, AR 72641

(870) 861-5530

BOARD OF DIRECTOR'S MEETING

MONDAY OCTOBER 20TH 2014

5:30 P.M.

Dear Directors:

Enclosed please find the board minutes, director's report and financial information for the month of September 2014.

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 Dept.

Scribe:	Odie J. Watts	
Date:	September 15, 2014	Time: 5:35 PM – 7:08 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 MSHA members attended the meeting.

Minutes and Business Discussions:

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1. Call to Order	Meeting was called to order at 5:35 by Calvin Voshell – President.
2. Meeting Minutes	The Meeting minutes from the August 11, 2014 meeting were reviewed and approved. Motion to approve the minutes was made by Ben Szabrowicz with 2 nd by Betty Stivers with no abstentions.
3. Financial and Water Association Director's Report	Karen Edgmon presented the financial and director's reports: - No significant expenditures. - The water loss rate was recorded at -9.8%. Ivan explained that this number is probably due to the time period lapse between when the master meter was read and

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	the meter readings from the customer base were recorded for billing. • After a review of the leak experienced by Horse Shoe Canyon in July, the monthly water loss for July, 2014 was adjusted from 5% to 19%. • Received an email from Ron Ferguson complimenting Odie Watts for all the work involved in getting the OMRPWA to reimburse the MSWA for water losses due to the OMRPWA tank overflowing. • There is a total of \$29,685.79 in the checking account. • Received a registered letter from John Butler demanding water service be terminated to the Williams residence. There is an ongoing dispute between Mr. Butler and the Williams regarding the existing water line easement. The letter from Mr. Butler was presented to the Board and after some discussion the Board agreed to ignore Mr. Butler's request to terminate water service to the Williams residence. This is a legal dispute between Mr. Butler and the Williams and the MSWA has elected to NOT get involved. Motion to approve the financial and director's reports – Barry Shechtman, 2nd by Betty Stivers with no Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the Water Operators Report: • The chlorine unit came back but one part is on back order that is needed to make the chlorine unit fully operational. • Collected Bill Sloss past due. • Put in a meter for Miles Hogan. • Put in a meter for Frances Harkness who are building a cabin. • Collected and replaced the Tim Knapp meter. • Replaced Jeannie King meter box with riser and a new meter. • Pulled the Coy Brasel rental trailer meter. • Reworked the inventory with current prices and passed the updated inventory sheet to Odie Watts. • Used all the residential meters and meter setters and will order and replace them in inventory. • Replaced the valve and pressure regulator at Bubba Lloyd's.

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	Received a registered letter from John Butler demanding Mary Williams water be terminated. Said NO to his request and either him or one of his assigns placed a padlock on the observation meter to the 4" main on our system. Contacted the Newton County Deputy and when they arrived the lock had been removed by an unknown party. This is a serious situation (see above) and is a matter between Mr. Butler and the Williams and the MSWA will not be a party to the dispute as approved by the MSWA Board. Motion to approve the Water Operator's report – by Ben Szabrowicz, 2nd by Betty Stivers 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. 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. No meters were installed and no status change recorded for this reporting period. As of 7/14/14 no new meters have been installed, still 8 more to be installed. No change in status as of 8/11/14. See New Business for update. - 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 2 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. No change in status as of 6/9/14. As of 7/14/14 6 more meters need to be installed to close this item. No change in status as of 8/11/14. See New Business for update - 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. No change in status as of 6/9/14. No change in status as of 7/14/14. No change in status as of 8/1/14. No change in status as of 9/15/14. - Action Item 86: Item is assigned to Ivan Reynolds to purchase materials and add a gate to secure access to the new master meter vault on the Lonnie Spencer property. As of 7/14/14 this item is OPEN. As of 8/11/14 the materials have been purchased and the work to install the gate is IN PROGRESS. Work is complete and

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	the action item is CLOSED. ▪ Action Item 87: Item is assigned to Odie Watts and Ivan Reynolds to write a letter to ESI that will support the need for the project to replace the 3" line with a 6" line to handle the anticipate growth of the MSWA in the area west of the Low Gap community. As of 7/14/14 this item is OPEN. As of 8/11/14 this item is remains OPEN. As of 9/15/14 the item will remain OPEN until a final decision is made to proceed with the overall project. ▪ Action Item 88: Item is assigned to Odie Watts to write a letter to OMRPWA requiring a credit to the MSWA account to compensate for losses caused by the overflow at the OMRPWA tank. As of 7/14/14 this item is OPEN. Letter has been written and as of 8/11/14 the item is CLOSED. ▪ Action Item 90: Item is assigned to Ivan Reynolds to meet with property owners to discuss impact of new 20 ft. easement requirement for the potential overlay project. As of 9/15/14 the item will remain OPEN pending a final decision to further pursue the project. See New Business for more information. ▪ Action Item 91: Item is assigned to Odie Watts and Ivan Reynolds to work on a procedure to keep the Board up to date on inventory levels and value. As of 8/11/14 the item will remain OPEN. An updated inventory sheet has been completed and presented to the Board. See New Business for more information.
6. New Business	• Action Item 57 has been open since July 2010. The Board tasked Ivan Reynolds to get busy and finish installing the observations meters. He was tasked to install a minimum of 2 meters per month until the remaining 11 meters have been installed. The Action Item has been updated. • Ivan indicated he had ordered more ¾" residential meters. The Board approved a purchased of 12 additional meters. The Board reminded Ivan that the Board has to approve all purchases as per the Operating Policy governing purchasing activity. In the future when parts are needed he must have the Board approval before submitting a purchase order to a vendor. • Odie Watts announced that he and Ron Ferguson had attended the meeting of the OMRPWA in Western Grove and had presented that Board an overview of why the MSWA should be compensated for water losses dating back to October, 2013. The OMRPWA Board approved a refund of \$5,220.64 to the MSWA. The refund will be in the form of a credit to our account in the amount of \$1,000 per month with the last credit of \$220.64 appearing on the 6th month's bill. • The Board discussed how best to handle the spare parts inventory reporting. It was agreed that Ivan Reynolds will report to Odie Watts all usages and receipts into the inventory and Karen Edgmon will report to Odie Watts all receipts and paid invoices for spare parts and Odie Watts will assimilate the information and present to the

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	Board an updated inventory at each monthly meeting. - The Board requested that Karen Edgmon put together a financial report each month indicating the current balance of all financial assets by category (i.e. Bonds, Checking, Certificates of Deposit, etc.). (ACTION ITEM) - The Board discussed the overlay project to increase the size of the line feeding Shiloh from a 3" line to a 6" line. The Board voted to delay the project until funding is available to finance the project. The Board agreed to invite ESI engineering to attend the meeting in October, 2014 to give the Board all the information it will need in order to determine whether or not to proceed any further with the project. Odie Watts will contact ESI and invite them to attend the October, 2014 meeting. (ACTION ITEM).
7. Adjournment	Meeting adjourned at 7:05 P.M.
8. Next Meetings	NOTE MEETING START TIME: The next regularly scheduled meeting will be on October 20, 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 11, one inch observation meters to tighten up leak detection within the system. Install at least 2 meters per month and 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
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
AI 86	7/14/14	Purchase materials and install a secured access gate to the master meter vault.	Ivan Reynolds	8/11/14	CLOSED

Item No.	Opened Date	Description	Assigned To	Target Date	Status
AI 87	7/14/14	Write a letter to the ESI grant person justifying a request for grant and/or matching fund request to fund the project to replace the 3" line with a 6" line to enhance and support expansion of the MSWA system.	Odie Watts and Ivan Reynolds	8/11/14	PENDING
AI90	8/11/14	Meet with each property owner and review the impact of a new 20 ft. easement requirement for the installation of a potential over lay project to replace the existing 3" line with a 6" line in the Low Gap area.	Ivan Reynolds	9/8/14	PENDING
AI91	8/11/14	Work together to develop an Inventory Control system that includes a verification process in which inventory receipts are verified before bills are paid and the Board gets a monthly update on current Inventory levels and values.	Ivan Reynolds, Odie Watts, and Karen Edgmon	9/8/14	OPEN
AI92	9/15/14	Develop and full report of financial assets on hand and present it to the Board on a monthly basis.	Karen Edgmon	10/20/14	OPEN
AI93	9/15/14	Contact ESI and invite them to the Board meeting on 10/20/14 to present to the Board a full overview of the Shiloh overlay project so the Board can make an informed decision as to whether or not to proceed with the project.	Odie Watts	10/20/14	OPEN



DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,301,330	100.0%
Water Sold to Customers	1,067,170	82.0%
Utility Use (fire, flushing)	0	0.0%
Water Lost	234,160	18.0%
Average Use Per Account	3,593	
Accounts Using Water	297	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	9,704.22	0.00	0.00	98.70	650.00	0.00	759.23
Count	330	0	0	329	260	0	325
Average	29.41	0.00	0.00	0.30	2.50	0.00	2.34

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on September 2014 Bills	15,547.04	329
Credit Balances	-1,472.70	19
Debit Balances	17,019.74	310
Payments	-13,351.74	292
Adjustments	-729.25	11
Balance after Payments and Adj	1,466.05	35
Current	573.02	22
30 to 60 Days Old	386.18	3
60 to 90 Days Old	220.09	7
Over 90 Days Old	286.76	3
Penalty Charges	426.27	46
Charges for Services	11,212.15	330
Balance Due	13,104.47	

CHECK #	PAYEE	AMOUNT	SERVICE
4890	Buffalo River Ranch	\$ 125.00	mowing
4891	Ark. Dept. Health	1144.80	annual public fee
4892	Ozark Mt. Regional	4153.99	Water Service
4893	D F & A	1016.00	Sales Tax
4894	MSVFD	637.24	Fire Dept Fee (June)
4895	Karen Edgmon	100.00	Fire Dept (June, July)
4896	MSVFD	653.58	Fire Dept Fee (July)
4898	Odie Watts	50.00	Reimburse
4899	Karen Edgmon	981.50	Contract Labor
4900	Karen Edgmon	75.00	Rent
4903	Jasper Farm Supply	88.05	fencing master meter
4904	Leslie Daniels	200.00	contract labor
4905	Leslie Daniels	175.00	maintenance
4906	Ivan Reynolds	1100.00	contract labor
4907	Ivan Reynolds	75.00	maintenance
4909	Henard Utility	934.34	maintenance
4910	Odie Watts	100.00	Gift
4911	Sam's Club	87.97	membership, paper, adding machine rolls

Mt Sherman Water Board Meeting Oct 20,2014

Water Operators Report by Ivan Reynolds

Received the Chlorinator unit. All parts are here to rehook the Chlorine system for disinfection.

Installed four observation meters:

One on the line to Jr Proctor

Two at the Shiloh tank tee

One on the line to the Lavenue property

Pulled Christy Gerdes meter, moved, final.

Talked to Byron Mann about easements from his neighbors
To run water to his new home and they said no.

Received 12 meters, 12 meter setters and 16 4x ¾ saddles.

Finished hanging gate for OMPWA observation meter.