

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

January 8, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, January 8, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Eddie Powell, Chair  
Mr. Jay Hartman, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Ms. Marie A. Crawford, Director of Communications  
Mr. Stan Benton, Director of Distribution  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Martin Maner, P.E., Director of Watershed Management  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Emily Althoff, Girl Scout Troop #6345, Diamond Council  
Ms. Kate Althoff, Mother of Emily Althoff  
Ms. Sally Anderson, Diamond Council Girl Scouts of America  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Ms. Erin Brogdan, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Mr. Dee Brown, P.E., Principal, Brown Engineers  
Ms. Olivia Dedner, Director of Public Relations, Advantage Communications  
Ms. Kate Keene, Ecologist II, Arkansas Department of Environmental Quality  
Mr. Mike Marlar, P.E., President, Marlar Engineering  
Ms. Kristin Netterstrom, Reporter with Arkansas Democrat-Gazette  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Ms. Cathy Owen, Mother of Sarah Owen  
Ms. Sarah Owen, Girl Scout Troop #6345, Diamond Council  
Ms. Vivian Ozura, Account Executive with Advantage Communications, Inc.  
Mr. Norvell Plowman, Attorney for Mr. Lee Bodenhamer

Mr. Doug Rawn, Finance Officer, Advantage Communications, Inc.  
Mr. Kirby Rowland, P.E., Vice President, Garver Engineers  
Mr. Evan Steele, Executive Vice President, Advantage Communications, Inc.

### **CALL TO ORDER OF JANUARY 8, 2009, MEETING**

Mr. Eddie Powell, Chair, called to order the January 8, 2009 meeting of the Board of Commissioners.

### **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, Chief Executive Officer, introduced guests.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the December 2008 minutes were approved.

### **WORLD WATER MONITORING DAY**

Chair Powell introduced Ms. Emily Althoff and Ms. Sarah Owen, both members of Girl Scout Troop #6345 of the Diamond Council.

Chair Powell said that Ms. Althoff and Owen are working toward the Girl Scout Gold Award which is equivalent to the Boy Scouts' Eagle Scout Award.

Ms. Althoff and Ms. Owen said that Central Arkansas' first "World Water Monitoring Day" was held at Lake Maumelle in October 2007. They said the goal is to make this an annual event and that they are asking for CAW's participation through granting use of the lake property, bottled water for the event, etc.

Dr. Roby Robertson, Commissioner, indicated that the Board would gladly support this project.

Mr. Rich said that CAW employees would lead education programs at the events.

### **HELP TO OTHERS CUSTOMER ASSISTANCE PROGRAM**

Ms. Marie Crawford, Director of Communications, provided the background for the Help To Others Customer Assistance Program. She commended the Board for allowing the funds received from the program to go towards customers' total utility bill, rather than only the water portion of the bill. She also commended CAW staff for providing customers with contact information for agencies that may be able to provide assistance in the payment of utility bills.

Ms. Olivia Dedner, Director of Public Relations, Advantage Communications, discussed 2009 strategy assessments, expanded objectives, key strategies, advertising fee strategies, budget analysis, and sales strategies.

### **CENTRAL ARKANSAS WATER ORGANIZATIONAL STRUCTURE UPDATE**

Mr. Rich discussed a new utility organizational structure that is recommended as a result of a large number of key management employees either retiring or planning to retire in the near future.

Mr. Rich said that the new organizational structure shifts job responsibilities to other staff members in order to maintain efficient utility operations.

Mr. Anthony Kendall, Commissioner, suggested that a long-term succession document be prepared to ensure a smooth transition upon the retirement of key management employees.

Mr. Rich said that plans for such a document are included in the Strategic Implementation Plan.

### **CENTRAL ARKANSAS WATER MISSION AND VALUES STATEMENTS**

Ms. Becky Wahlgreen, Director of Human Resources, presented a draft copy of CAW's proposed Mission and Values Statements for the Board's review. She said that during the strategic planning process it was determined that there is a need to revise CAW's Mission Statement in order to ensure that it accurately reflects the mission of our merged utility, as well as a need to document the values of the utility. Upon a recommendation from the Board, a final Mission and Values Statement will be presented for the Board's consideration following input from CAW employees.

### **CONTRACTS/PURCHASES**

Upon motions duly made and seconded, the following contracts were approved:

- i. Renewal of CAW's annual maintenance contract with Systems & Software for \$339,176.65. The maintenance contract covers licensing fees and support services for the Customer Information System software used by staff. It also includes services to manage and resolve problems with the underlying database.
- ii. Contracts with Arkansas Water Products, Badger Meter, Consolidated Pipe, Hughes Supply, and Neptune Technology Group for the purchase of various sizes of displacement water meters and turbo meters. The estimated annual cost of the contracts, based on the low bids received, is \$437,762.98.

### **DEPARTMENT UPDATES**

#### **Watershed Issues**

Mr. Martin Maner P.E., Director of Watershed Management, provided an update on watershed issues:

- A Stewardship Council Planning Meeting is scheduled for January 14, 2009. At that time, details of the formation of the Council will be discussed
- The Pulaski County Quorum Court will address proposed Subdivision Rules & Regulations at their meeting in February
- The Arkansas Pollution Control and Ecology Commission will meet on January 9, 2009, and is scheduled to address regulations regarding the prohibition of discharging wastewater systems into the watershed
- CAW staff continues to monitor construction and performance of the erosion control ditch in Waterview Estates
- Currently reviewing terms of the annual contract between CAW and the US Geological Survey for the water quality monitoring program. The proposed contract will be presented at the next Board Meeting for your consideration.

- Continuing to revise a draft Memorandum of Understanding (MOU) between CAW and the Arkansas Game and Fish Commission concerning land use options for the Winrock Sod Farm. The MOU will be presented at the next Board Meeting for your consideration.

### Regionalism

Mr. Rich reminded everyone that Mr. Steve Morgan recently retired after 40 years of dedicated service to the utility. He added that Mr. Morgan's position has been filled by Mr. Dale Kimbrow, who held the position of Planning Manager and who has worked for the utility for almost 27 years. He added that, with these additional responsibilities, Mr. Kimbrow's revised title will be Manager of Planning, Regionalism and Future Water Source.

Mr. Kimbrow reported on the following regionalism activities:

- Mid-Arkansas Water Alliance (MAWA) — The request for discretionary storage from Greers Ferry has been approved by both the Little Rock District and Southwestern Regional District of the Corps of Engineers and has been forwarded to their national headquarters in Washington D.C. Anticipated approval is set for summer 2009.
- Wye Mountain — System improvements are being implemented with an expected completion date of 2010. The system improvements are needed for the Wye Mountain Water District to connect to CAW's distribution system.

### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

Mr. Pittman discussed new regulations instituted by the Federal Trade Commission (FTC) regarding identity theft. He said that the FTC is requiring regulations be in place by May 1, 2009. Mr. Pittman added that he would present an Identity Theft Program for the Board's approval at the February Board Meeting.

### BRIEFING

Mr. Rich updated the Board on the following:

- The American Water Works Association and the Water Environment Federation are jointly holding a Utility Management Conference in New Orleans, February 17-20.
- The Association of Metropolitan Water Agencies is holding a Water Policy Conference in Washington, DC, April 19-22

### ADJOURNMENT

With there being no further business, Chair Powell adjourned the meeting.

  
Francille Turbyfill, Secretary/Treasurer

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

February 12 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, February 12, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Eddie Powell, Chair  
Mr. Jay Hartman, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Martin Maner, P.E., Director of Watershed Management  
Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Linda Bell, League of Women Voters of Pulaski County  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Ms. Erin Brogdan, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Mr. Tim Daters, P.E., White-Daters Engineers  
Ms. Olivia Dedner, Director of Public Relations, Advantage Communications  
Mr. Herb Dicker, President of Little Rock Neighborhood Connections  
Ms. Patricia Dicker, Justice of the Peace, Pulaski County Quorum Court  
Mr. Barry Haas, Citizens Protecting Maumelle Watershed  
Mr. Mike Marlar, P.E., President, Marlar Engineering  
Mr. Brode Morgan, P.E., Vice President, Garver Engineers  
Mr. Gerard Matthews, Reporter with The Arkansas Times  
Ms. Donna Nash, League of Women Voters of Pulaski County  
Ms. Kristin Netterstrom, Reporter with Arkansas Democrat-Gazette  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Norvell Plowman, Attorney for Mr. Lee Bodenhamer  
Mr. L. Van Warren, Sierra Club

## **CALL TO ORDER OF FEBRUARY 12, 2009, MEETING**

Mr. Eddie Powell, Chair, called to order the February 12, 2009 meeting of the Board of Commissioners.

## **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, Chief Executive Officer, introduced guests.

## **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the January 2009 minutes were approved.

## **PULASKI COUNTY SUBDIVISION RULES & REGULATIONS**

Mr. Rich discussed the updates to the proposed revisions of the Pulaski County Subdivision Rules and Regulations, a joint agreement between CAW and Pulaski County, and a Letter of Intent to pursue development of a Comprehensive Land Use Plan for land located within the Maumelle Watershed in Pulaski County.

Mr. Rich covered the following topics:

- wastewater management
- storm water management
- development on very high slopes (>25%)
- major difference between the Watershed Management Plan and Pulaski County subdivision regulations
- a Watershed Protection Agreement and Letter of Intent

Mr. Rich said that the information is for review purposes only at this time. He said that this item will be presented for action at the March 2009 Board Meeting.

Mr. Rich said that he is in discussion with Mr. Reggie Corbett, P.E., Chief Executive Officer, Little Rock Wastewater (LRW), as to LRW serving as the Responsible Management Entity (RME) in the Maumelle Watershed. Mr. Rich said that if an agreement for LRW to serve as RME cannot be reached, CAW would serve as the RME. He added that, in that case, CAW would outsource management of the RME duties.

Mr. Jay Hartman, Vice Chair, asked about the funding and employment benefits of the new county positions created to enforce the revised County Subdivision Rules and Regulations.

Mr. Tad Bohannon, CAW legal counsel, said that the new county positions would be subject to county employment and benefit rules. He said that CAW would direct funds to the County for the new position.

Mr. Bohannon said that the Watershed Protection Agreement applies only if the Chapter 8 Rules and Regulations are approved, as revised. He said that, according to the Agreement, changes cannot be made to the Chapter 8 Rules and Regulations without giving CAW 60 days notice.

In response to a question by Dr. Roby Robertson, Commissioner, Mr. Bohannon said that the paragraph concerning indemnity ensures the coverage of legal fees if a lawsuit were filed. He said that the Agreement stipulates that CAW will pay the legal fees and the cost of property

purchase if the County is sued for the "taking of land".

Chair Powell opened discussion to the public on this item.

- Ms. Ruth Bell, Pulaski County League of Women Voters, said that her organization is concerned with the proposed Chapter 8 of the Subdivision Rules and Regulations as currently proposed. She said that the current version of the Rules and Regulations does not address density or lot size.

Ms. Bell said that the Letter of Intent has no legal backing. She added that the Agreement, as stated, will not take effect for 15-18 months, leaving the land unprotected during that time period.

- Ms. Pat Dicker, Justice of the Peace, Pulaski County Quorum Court, commended CAW staff and Commissioners for their efforts on this issue. She said that this is a very formidable situation and that central Arkansas' high quality drinking water must not be jeopardized.
- Ms. Julie Hendrix commended the Commission for their strong leadership on this issue. Ms. Hendrix asked how best management practices will be prioritized. She said that she felt it would be beneficial if CAW were to provide education to the public on best management practices.
- Mr. Van Warren, Sierra Club, noted that CAW has increased their scientific water monitoring which provides the opportunity to correct conditions before they become a problem.
- Mr. Barry Haas, Citizens Protecting Maumelle Watershed, said he opposes the proposed changes to the Chapter 8 Rules and Regulations because there is no science behind those regulations and they contradict the Maumelle Watershed Plan. He said approval of these rules and regulations would not adequately protect the lake and would create hard decisions for future water commissions.
- Ms. Donna Nash, League of Women Voters of Pulaski County, Environmental Co-Chair, said that if the most stringent protections are not put into place now, future commissions will have difficulty in maintaining the high quality of quality

Chair Powell thanked everyone for their comments.

#### **ANNUAL PAYMENT TO OUACHITA RIVER WATER DISTRICT**

Mr. Rich said that the annual payments of \$25,000 to the Ouachita River Water District (ORWD) and \$154,426.20 to ORWD and the U.S. Corps of Engineers for the right of first refusal for water from Lake DeGray are due March 2008. The payment guarantees CAW the right to take 120 million gallons per day from Lake DeGray.

Mr. Rich said that he would like staff to consider future options to continuing this contract with ORWD and the Corps.

Upon a motion duly made by Mr. Anthony Kendall, Commissioner, and seconded by Commissioner Rimmer, the payment was approved.

## **IDENTITY THEFT PROGRAM**

Ms. Deena Coston, Controller, said that the Federal Trade Commission (FTC) has instituted new regulations requiring utilities providing service or credit to implement an identity theft program before May 1, 2009.

Ms. Coston explained the procedures CAW has instituted to ensure the utility meets the requirements set by the FTC.

Upon a motion duly made by Ms. Adrienne Bradley, Commissioner, and seconded by Commissioner Hartman, the Identity Theft Program was approved.

## **CONTRACTS/PURCHASES**

Upon motions duly made and seconded, the following contracts were approved:

- a. a contract with Leher Painting Enterprises, Inc., for \$664,777.00 for the painting of Tank 11 - Doyle Springs Road at I-30; and Tank 13B - Granite Mountain
- b. a contract with Redstone Construction Group, Inc., for \$80,670.00 to resurface paving and modify landscaping at the James T. Harvey Administration Building
- c. a contract with Ferguson Waterworks in the amount of \$95,060.00 for the purchase of 77 fire hydrants
- d. a contract with Building & Utility Contractors, Inc., for \$77,550.00 for the replacement of 6-inch meter vaults at Tyson Foods and Camp Robinson in North Little Rock.

Commissioner Kendall cast a dissenting vote for the resurfacing of pavement and modifying of landscape at the James T. Harvey Building.

## **DEPARTMENT UPDATES**

### **Watershed Issues**

Mr. Martin Maner P.E., Director of Watershed Management, provided an update on watershed issues:

- The Stewardship Council Planning Meeting was held February 4, 2009. Discussion focused on membership, purpose and function of the council, etc. The next meeting is scheduled for Wednesday March 4.
- The Arkansas Pollution Control and Ecology Commission (APC&EC) met on January 23 and updated the Regulations Committee on Regulation No. 6, prohibition of surface discharge of wastewater in the Lake Maumelle Basin. A public hearing was held and the next step for a proposed APC&EC regulation change is for the regulation to go before the Rules and Regulations Committee and the Public Health Legislative Committee. Neither of these committees will have the Regulation 6 proposal on their agenda until after Pulaski County has considered the issue. Since the County has yet to do so, the legislative committees have not taken up the proposed change to Regulation No. 6. Since Legislative committees do not meet while the State Legislature is in session, the APC&EC will not be able to consider this matter until the legislative committees have met in Spring/Summer 2009.



- Mr. Jonathan Long, Watershed Administrator, has compiled for staff review a first draft of a Watershed Hazardous Material Spill Risk Plan.
- A meeting between the Arkansas Game & Fish (AG&F) Commission and CAW was held February 2 to discuss formation of a Wildlife Management Area (WMA) by AG&F on CAW property. There are conceptual ideas regarding archery hunting by permit along with possible locations for hunting that would be compatible with surrounding areas. Because of the tight timeline regarding the drafting of the hunting regulations for the fall 2009 hunting season, it was decided to first address the formation of the WMA only and consider hunting for the 2010 season.
- A draft Memorandum of Agreement (MOA) for formation of the Wildlife Management Area is being developed by AG&F and CAW. Once final MOA language and regulations are agreed upon, the MOA will be brought to the CAW Board of Commission for approval.
- Mr. Long checks weekly on the progress and condition of the erosion ditch being constructed in the Waterview Estates development. Phases 1, 2, and 3 of the erosion control ditch are complete and look to be in compliance with the agreement.
- CAW plans to take aerial photographs of Lake Maumelle before and after major storm events which will give us a better idea on where to focus water sampling and monitoring
- CAW staff continues to take water samples in areas not sampled by the U.S. Geological Survey

### Regionalism

Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources, reported on the following regionalism activities:

- Mid-Arkansas Water Alliance (MAWA) — Approval on MAWA's water allocation request from the Corp of Engineers' (COE) National Headquarters is anticipated with a formal signing ceremony in August 2009
- Wye Mountain Public Water Authority — A meeting was held at Arkansas Natural Resources Commission to go over submittal schedules and target dates for the Revolving Loan Fund Program (RLF). The two most important and time consuming parts to the submittals are the Facility Plan and Environmental Information Document (EID). A request was made by Mike Marlar, engineer for Wye Mountain, for submittal of a joint Facility Plan and EID by Wye Mtn. and CAW, rather than individual plans. Mr. Howard Hoover, Project Administrator, is reviewing the request.

### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

- The highest rainfall (58 inches) in CAW's seven-year history, along with a slow economy, kept revenues for the twelve months ending December 2008 under budget by 1.3%.

- Revenues for the month of December were approximately 5.6% over 2008 primarily due to a January 2007 rate increase. Meter consumption in December 2008 trailed December 2007 consumption by approximately 8%.
- Total Operating Expenses were under budget for December 2008 by approximately 5% due in part to spending restrictions imposed by management.


### **BRIEFING**

Mr. Rich updated the Board on the following:

- Trust for Public Land, continuing in their negotiations with Mr. Jay DeHaven to purchase the property formerly known as the Winrock Sod Farm, is awaiting an appraisal on the property.
- Mr. Rich met with Mark Stodola, Little Rock City Mayor, concerning the city's use of CAW property below the Lake Maumelle Dam for soccer fields.
- American Water Works Association (AWWA) is holding their Annual Conference and Exhibition in San Diego, CA, June 14-18.
- Mr. Rich, Commissioner Bradley, and Ms. Becky Wahlgreen, Director of Human Resources, will attend the AWWA Utility Management Conference in New Orleans, February 16-20.
- Mr. Rich will attend the Association of Metropolitan Water Agencies' Water Policy Conference in Washington, DC April, 19-22.
- Mr. Rich will conduct a seminar on watershed management at Clemson University in South Carolina on Friday, February 13. The seminar will focus on technical and public policy implementation issues.

### **ADJOURNMENT**

With there being no further business, Chair Powell adjourned the meeting.



Jay Hartman, Vice Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

March 12, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, February 12, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Eddie Powell, Chair  
Mr. Jay Hartman, Vice Chair  
Ms. Adrienne Bradley, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

Absent:

Ms. Francille Turbyfill, Secretary/Treasurer

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Mr. Stan Benton, Director of Distribution  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Kevin Hall, Director of Environmental Health & Safety  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Martin Maner, P.E., Director of Watershed Management  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources  
Mr. Jonathan Long, P.E., Watershed Administrator  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Ruth Bell, League of Women Voters of Pulaski County  
Ms. Erin Brogdan, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Ms. Ann Butler, Water User  
Mr. Griffiin Coop, Mayor's Office, City of Little Rock  
Mr. Tim Daters, P.E., White-Daters Associates  
Ms. Olivia Dedner, Director of Public Relations, Advantage Communications  
Mr. Herb Dicker, President of Little Rock Neighborhood Connections  
Ms. Patricia Dicker, Justice of the Peace, Pulaski County Quorum Court  
Mr. Zach East, Reporter, KATV-Channel 7  
Mr. Sam English, Water User  
Ms. Dottie Funk, Water User  
Mr. Robert Gregory, Land Legacy

Mr. Barry Haas, Citizens Protecting Maumelle Watershed  
Ms. Susan Hardin, Water User  
Ms. Julie Hendrix, Water User  
Mr. Vic Jacuzzi, Water User  
Mr. Jordan Johnson, Cranford, Johnson, Robinson & Woods  
Ms. Myra Jones, Water User  
Mr. Frank Kelly, Water User  
Mr. Hal Kemp, Attorney  
Mr. Gerard Matthews, Reporter, *Arkansas Times*  
Ms. Nell Matthews, League of Women Voters of Pulaski County  
Mr. G. Murry, Water User  
Ms. Kristin Netterstrom, Reporter with *Arkansas Democrat-Gazette*  
Mr. J. A. Perry, Water User  
Mr. Norvell Plowman, Attorney for Mr. Lee Bodenhamer  
Ms. Secillia Russell, Water User  
Mr. Bill Saunders, Water User  
Mr. Bill Shepherd, Water User  
Mr. Nathan Vandiver, Reporter, KUAR Radio  
Mr. L. Van Warren, Sierra Club  
Ms. Kathy Wells, President of the Coalition of Little Rock Neighborhoods  
Ms. Jeannie Williams, Water User

#### **CALL TO ORDER OF MARCH 12, 2009, MEETING**

Mr. Eddie Powell, Chair, called to order the March 12, 2009 meeting of the Board of Commissioners.

#### **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, Chief Executive Officer, introduced guests.

#### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the February 12, 2009, minutes were approved.

#### **LETTER OF INTENT AND AGREEMENT FOR WATERSHED PROTECTION**

Mr. Rich said that some concern has been voiced by the public regarding elements of Chapter 8 of the Pulaski County Subdivision Rules and Regulations (Chapter 8). He stated that this is the Chapter that would enforce some of the elements of the Watershed Management Plan.

Mr. Rich said that there are currently two groups that have the legislative and regulatory authority to implement the Watershed Management Plan, Pulaski County and the City of Little Rock.

Mr. Rich reviewed the differences between the proposed Chapter 8 rules and CAW's Watershed Management Plan. He said that in meetings with Pulaski County Judge F.G. "Buddy" Villines, the Judge has said he thinks the best way to implement those elements not contained in Chapter 8 would be through land-use ordinances.

Mr. Rich said that Tad Bohannon, CAW attorney, has outlined a procedure to develop land-use controls that call for the development of a comprehensive land-use plan that would include setbacks, minimum lot size, percentage of impervious surfaces, policies and procedures for

variances and appeals, incompatible use of lands, etc. He said that a comprehensive land-use plan would be a valuable tool to be used in conjunction with the Watershed Management Plan in guiding the management and use of land within the watershed. He added that he believes Chapter 8 addresses issues not specifically identified in the Watershed Management Plan and that the Letter of Intent (LOI) and Agreement for Watershed Protection (Agreement) with Pulaski County will aid in developing a comprehensive land-use plan.

Mr. Rich said that a comprehensive land-use plan will take money and time to develop but that the result would allow more public input and better management of land in the watershed. He recommends that the Board send a strong message to the County on the need for the County to require lot sizes of five-acres or greater in the Maumelle Watershed by approving the LOI and Agreement.

Mr. Rich said that staff is asking the Board to approve the agreement and Letter of Intent with Pulaski County to develop a Comprehensive Land-Use Plan for the implementation and enforcement of Chapter 8.

Dr. Roby Robertson, Commissioner, asked that it be made part of the official record that the Board of Commissioners, Central Arkansas Water, does not believe the language in Chapter 8 goes far enough in protecting the watershed.

Upon motion duly made by Commissioner Robertson and seconded by Mr. Thomas W. Rimmer, Commissioner, the following motion was approved:

Resolved, that the Board of Commissioners, Central Arkansas Water hereby approves the Agreement for Watershed Protection and the Letter of Intent presented to them at this meeting and thereby accepts Chapter 8 as currently drafted.

Resolved Further, Chapter 8, as currently drafted, does not adequately implement the protections recommended by the Lake Maumelle Watershed Management Plan or protect the lake itself as the water supply for over 400,000 citizens; accordingly this Board strongly believes that the County, working together with CAW staff, must proceed quickly toward the drafting and adoption of a land use plan that will incorporate all of the provisions of the Lake Maumelle Watershed Management Plan designed to protect the lake, including but not limited to, the adoption of minimum lot sizes in accordance with the Plan.

The motion was approved with 5 yea votes, 1 nay vote, and 1 absent, with Ms. Adrienne Bradley, Commissioner, casting the dissenting vote.

### **CONTRACTS/PURCHASES**

Upon motions duly made and seconded, the following contracts were approved:

- The purchase of five (5) vehicles for a total of \$96,373.60 from various vendors under the State of Arkansas Cooperative Purchasing Program
- The purchase of an 8.37-acre tract from Deltic Timber Corporation, at a cost not to exceed \$160,000, to site two new treated water storage tanks in the West Markham area of CAW's distribution system

## **DEPARTMENT UPDATES**

### **Watershed Issues**

Mr. Martin Maner P.E., Director of Watershed Management, provided an update on watershed issues:

- Prohibition of Wastewater Discharge – Meeting with legislators to draft a bill (HB 1746) to be considered in the Arkansas State Legislature
- High resolution aerial photographs of Lake Maumelle were taken on February 12, two days after a major storm event. The high resolution images from these photographs are very helpful in determining sources of potential pollution to the water in the lake.
- The appraisal for the Winrock Sod Farm has been completed.

### **Regionalism**

Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources, reported on the following regionalism activities:

- Mid-Arkansas Water Alliance (MAWA) – the report on MAWA's request to take water from Greer's Ferry has been sent to the Corps of Engineers (COE) Washington, DC office. COE representative, Mike Biggs, has stated it is 'imperative' that we let our congressional delegates know that the report is in the Washington, DC office awaiting comments.
- Lake Ouachita – Mike Biggs suggested we contact the Vicksburg office of the COE and see what monies will forthcoming from the recently passed Federal Economic Stimulus Plan and if any would be available to assist in the Blakely Mt. Dam leak inspection. Mike is assisting with setting up a meeting for sometime in April or early May.
- Wye Mountain Public Water Authority – the Arkansas Natural Resources Commission has approved a request by Wye Mtn. and CAW to submit a joint Facility Plan and Environmental Information Document EID. This approval will allow a significant savings in time and effort for both utilities and facilitate the process of system improvements needed in the Wye Mountain Water District in order to connect to CAW's distribution system.
- North Pulaski Waterworks Association – Their current contract with CAW to take water originated in 1988. A draft of an updated contract has been sent to Steve Fikes, General Manager of North Pulaski Waterworks for his review.

### **Finance**

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

### **Source & Treatment**

Mr. Gary Hum, Director of Source & Treatment, provided an update on water treatment operations.

**BRIEFING**


Mr. Rich introduced water customer, Sam English.

Mr. English spoke to the Board on his desire to have fluoridation removed from the drinking water. Mr. English said that it is his belief that fluoride in the drinking water poses a health risk.

Chair Powell thanked Mr. English for his time.

**ADJOURNMENT**

With there being no further business, Chair Powell adjourned the meeting.



Jay Hartman, Vice Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

April 8, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Wednesday, April 8, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Eddie Powell, Chair  
Mr. Jay Hartman, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Mr. Stan Benton, Director of Distribution  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Vince Guillett, GIS Manager  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Martin Maner, P.E., Director of Watershed Management  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Darrell Boggs, Assistant Director of Distribution  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources  
Mr. Jonathan Long, P.E., Watershed Administrator  
Ms. Deena Coston, C.P.A., Controller  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Connie Horn, Management Secretary  
Mr. Buck Lewis, Special Project Manager  
Ms. Phyllis Riley-Smith, Distribution Dispatcher  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Erin Brogdan, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Mr. Tim Daters, P.E., White-Daters Associates  
Ms. Olivia Dedner, Director of Public Relations, Advantage Communications  
Mr. Herb Dicker, Representative of Southwest United for Progress  
Ms. Patricia Dicker, Justice of the Peace, Pulaski County Quorum Court



Mr. Sam English, Water User  
Mr. Kevin Kemp, BKD Accounting Firm  
Mr. Mike Marlar, P.E., Principal with Marlar Engineering, Inc.  
Ms. Kristin Netterstrom, Reporter with *Arkansas Democrat-Gazette*  
Mr. Norvell Plowman, Attorney for Mr. Lee Bodenhamer  
Ms. Kathleen Oleson, Representative of League of Women Voters of Pulaski County  
Mr. Lamor Williams, Reporter with *Arkansas Democrat-Gazette*

### **CALL TO ORDER OF APRIL 8, 2009, MEETING**

Mr. Eddie Powell, Chair, called to order the April 8, 2009 meeting of the Board of Commissioners.

### **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, Chief Executive Officer, introduced guests.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the March 12, 2009, minutes were approved.

Chair Powell commended staff for the improvements made in the landscaping and paving around the James T. Harvey Administration Building.

### **RESOLUTION CONCERNING WORLD WATER MONITORING DAY**

Chair Powell commended Ms. Emily Althoff and Ms. Sara Owen for the initiative they showed in organizing and implementing World Water Monitoring Day for Central Arkansas. He said that he found it very inspirational that these two young women have taken it upon themselves to spearhead this project.

Upon a motion duly made by Ms. Adrienne Bradley, Commissioner, and seconded by Mr. Thomas W. Rimmer, Commissioner, the motion for CAW to support World Water Monitoring Day was approved.

### **STRATEGIC PLAN IMPLEMENTATION UPDATE**

Mr. Rich said that Mr. Gary Pittman, Chief Financial Officer; Ms. Becky Wahlgreen, Director of Human Resources; and Mr. Gary Hum, Director of Source and Treatment, would provide an update on the Strategic Implementation Plan (Plan).

Ms. Wahlgreen covered highlights of the Strategic Plan and discussed progress on completion of the Plan tasks.

Mr. Pittman discussed the new capital improvement plan prioritization methodology, strategic task 1.2 under Integrated Financial Management.

Mr. Hum discussed long term conservation and peak demand management strategies, strategic task 4.1 under the Comprehensive Water Management section of the plan.

Mr. Thad Luther, Chief Operating Officer, reported on the dashboard/performance metrics project, strategic task 1.5 under Integrated Financial Management.

## **MISSION AND VALUES STATEMENTS**

Ms. Wahlgreen presented the CAW Mission Statement and Values Statement for approval. Ms. Wahlgreen said that if the Board approves the statements, objectives and measurable benchmarks would be developed for each department that would tie into the statements.

Upon a motion duly made by Mr. Jay Hartman, Commissioner, and seconded by Commissioner Kendall, the motion was approved.

## **NEW BUSINESS**

### **2008 AUDIT**

Mr. Pittman introduced Mr. Kevin Kemp of BKD Accounting Firm.

Mr. Kemp reviewed the audit procedures and results and answered questions from the Board.

Upon a motion duly made by Dr. Roby Robertson, Commissioner, and seconded by Commissioner Rimmer, the motion was approved.

### **NAMING OF TRAILS AND PARKS AROUND LAKE MAUMELLE**

Ms. Stephanie Hymel, Stewardship Coordinator, discussed the naming of new birding trails around Lake Maumelle, which is one of the tasks in CAW's Strategic Plan. She said that these trails and parks are known by many informal names. She added that name consistency will help promote the trails and parks for public use and make them easily identifiable for emergency responders. Ms. Hymel presented several trail names for Board consideration and approval.

Upon a motion duly made by Commissioner Kendall, and seconded by Commissioner Hartman, the motion was approved.

### **CONTRACTS/PURCHASES**

Mr. Stan Benton, Director of Distribution, said that staff had prepared a presentation on City Works, the new work order/asset management system. [check with Stan or Thad on correct wording here]

Ms. Phyllis Riley-Smith, Distribution Dispatcher, demonstrated how City Works is used to assist in daily operations of the utility and detailed possible future uses for the software.

Upon motions duly made and seconded, the following contracts were approved:

- The renewal of an annual Software Maintenance Agreement with Azteca Systems (City Works) in the amount of \$53,000
- Approve the purchase of 16-inch-diameter pipe and fittings from HD Supply, Water Products, LLC; Little Rock Winwater; and Ferguson Waterworks for a total of \$77,903.18

## **DEPARTMENT UPDATES**

## Watershed Issues

Mr. Martin Maner P.E., Director of Watershed Management, provided an update on watershed issues:

- Stewardship Council – The next meeting is scheduled for August 5, 2009
- Watershed Protection Ordinances – This issue will go before the Pulaski County Quorum Court on April 28
- Development of a Model Erosion and Sedimentation Control Manual – CAW staff met with Pulaski County staff March 24<sup>th</sup> to discuss what would be required in the Erosion and Sedimentation Control Manual, associated Best Management Practices, and Site Evaluation Tools (SET) if the new Subdivision Rules and Regulations are adopted by the Quorum Court
- Prohibition of the Discharge of Wastewater Systems – Legislation (HB1746) sets up a task force to consider the prohibition and potential water quality impacts a surface discharge of sewage could cause. The bill will go before the Senate Agricultural Committee on April 2<sup>nd</sup>
- Waterview Estates Erosion Diversion Ditch – Construction of ditches 1, 2, and 3 is complete. The last step for completion of these ditches is to continue establishment of vegetation on the berms to prevent erosion. Vegetation is about 70% established at this time
- Winrock Grass Farm (DeHaven Property) – On March 2, 2009, Sen. Bob Johnson filed Senate Bill 714 which asks that \$4 million dollars be appropriated to the Arkansas Forestry Commission for the purchase of the Winrock Grass Farm. SB714 was returned by the Committee with the recommendation for “Do Pass” on 3-24-09. It was before the Senate Agricultural committee on April 1 and passed out of committee.
- A trail work day to expand and refine birding trails was held on Saturday March 21 at two sites on Lake Maumelle. Volunteers included the Central Arkansas Master Naturalists, the Audubon Society of Central Arkansas, CAW employees, and members of the public.

Ms. Hymel extended special thanks to Arkansas State Senator Bob Johnson for his sponsorship of SB714 which goes a long way toward ensuring the continuation of the high quality of water Central Arkansas residents currently enjoy.

## Regionalism

Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources, reported on regionalism activities.

## Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

## Source & Treatment

Mr. Gary Hum, Director of Source & Treatment, provided an update on water treatment operations.

### **BRIEFING**

Mr. Rich introduced water customer, Sam English.

At the March Board Meeting, Mr. English requested the Board cease fluoridation of the drinking water.

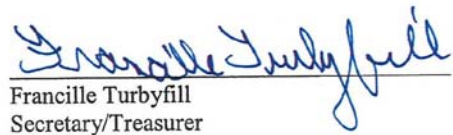
Mr. English said he returned to find out if the Board planned to comply with the request he made at the March meeting.

Mr. Rich said that Central Arkansas Water is in compliance with federal drinking water regulations and standards set by regulatory and professional organizations and the federal Centers for Disease Control and Prevention.

Chair Powell said that no action will be taken.

### **ADJOURNMENT**

With there being no further business, Chair Powell adjourned the meeting.

  
Francille Turbyfill  
Secretary/Treasurer



**RESOLUTION 2009-01**

**WHEREAS**, Miss Emily Althoff and Miss Sara Owen for the past two years have been instrumental in increasing public awareness of Lake Maumelle and its water quality through the Girl Scouts of America Troop #6345's local observance of World Water Monitoring Day; and

**WHEREAS**, Miss Althoff and Miss Owen in 2008 spearheaded the local Water Awareness Through Education and Research (WATER) project, a World Water Monitoring Day water quality monitoring program that focuses on Lake Maumelle, the primary drinking water supply of Central Arkansas Water (CAW); and

**WHEREAS**, they are coordinating the 2009 observance at Lake Maumelle and seeking to expand the project through sustaining partnerships with CAW and natural resources agencies; and

**WHEREAS**, World Water Monitoring Day is an international education and outreach program that builds public awareness and involvement in protecting water resources around the world by engaging citizens in conducting basic monitoring of their local water bodies; and

**WHEREAS**, the WATER project, which includes the collection and analysis of water quality samples from Lake Maumelle for a national data base study, complements CAW's Watershed Management Program; and

**WHEREAS**, Miss Althoff and Miss Owen are undertaking this community service project toward earning the prestigious Girl Scouts of America Gold Award, with the objective of establishing a continuing educational program that focuses on Lake Maumelle and the importance of protecting the lake's water quality, and with the objective of creating an opportunity for students, parents, and the public to effect a lasting positive change locally and globally.

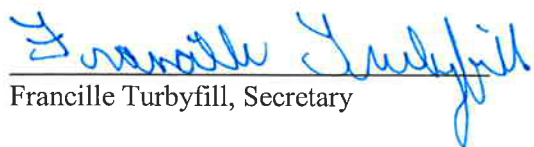
**NOW, THEREFORE, BE IT RESOLVED THAT** the Board of Commissioners, Central Arkansas Water, hereby does express appreciation to Miss Althoff and Miss Owen for this commendable and unique community service initiative and commit the utility's support to the project by becoming a sustaining partner of the World Water Monitoring Day WATER project.

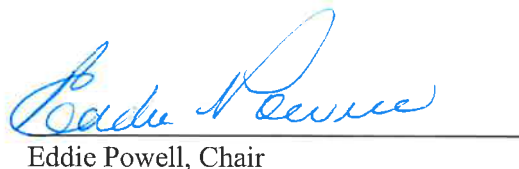
**FURTHER, IT IS DIRECTED THAT** a copy of this resolution be included in the official Minutes of the Board of Commissioners and a copy be presented to Miss Althoff and Miss Owen.

ADOPTED: April 8, 2009

ATTEST:

APPROVED:

  
Francille Turbyfill, Secretary

  
Eddie Powell, Chair

RESOLUTION 2009- 02

**RESOLUTION APPROVING AMENDMENT AND RESTATEMENT OF THE CENTRAL ARKANSAS WATER EMPLOYEE SAVINGS PLAN TO COMPLY WITH CERTAIN REQUIRED PROVISIONS UNDER THE INTERNAL REVENUE CODE AND THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001**

WHEREAS, Central Arkansas Water maintains the Central Arkansas Water Employee Savings Plan (the "Plan") for the benefit of its employees; and

WHEREAS, Central Arkansas Water desires to amend the Plan to comply with the required provisions enacted by the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") and subsequent legislation;

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CENTRAL ARKANSAS WATER THAT:

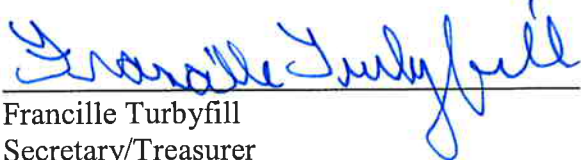
1. Central Arkansas Water amends and restates its Central Arkansas Employee Savings Plan, for the purpose of making technical amendments to the Plan to assure the Plan's continued compliance with the required provisions under the Internal Revenue Code and EGTRRA, all as set forth in the Central Arkansas Water Employee Savings Plan attached as Exhibit A hereto; and


2. The Chief Executive Officer and the Director of Human Resources are authorized and directed to execute all documents, instruments and certificates required or necessary to carry out the foregoing resolution and take all other actions necessary or desirable in connection with the foregoing resolution.

The foregoing resolutions have been duly adopted by the Board of Commissioners of Central Arkansas Water at a meeting of the Board of Commissioners of Central Arkansas Water held on May 14, 2009.

Attest:

APPROVED:

  
Francille Turbyfill  
Secretary/Treasurer

  
Eddie Powell  
Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

May 14, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Wednesday, April 8, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Eddie Powell, Chair  
Mr. Jay Hartman, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Mr. Stan Benton, Director of Distribution  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Martin Maner, P.E., Director of Watershed Management  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Vince Guillett, GIS Manager  
Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources  
Ms. Deirdre Newcomb, Human Resources Manager  
Ms. Stephanie Hymel, Stewardship Coordinator  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Erin Brogdin, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Ms. Olivia Dedner, Director of Public Relations, Advantage Communications  
Mr. Herb Dicker, Representative of Southwest United for Progress  
Ms. Patricia Dicker, Justice of the Peace, Pulaski County Quorum Court  
Ms. Kathleen Oleson, Representative of League of Women Voters of Pulaski County  
Mr. Norvell Plowman, Attorney for Mr. Lee Bodenhamer  
Mr. Kirby Rowland, P.E., Vice President, Garver Engineers  
Mr. Michael Steele, President and Chief Executive Officer, Advantage Communications, Inc.

**CALL TO ORDER OF MAY 14, 2009, MEETING**

Mr. Eddie Powell, Chair, called to order the May 14, 2009 meeting of the Board of

Commissioners.

### **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, Chief Executive Officer, introduced guests.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the April 8, 2009, minutes were approved.

### **OLD BUSINESS**

#### **STRATEGIC PLAN IMPLEMENTATION UPDATE**

Ms. Becky Wahlgreen, Director of Human Resources, thanked the Board for their comments and suggestions on the tasks of the Plan and updated them on the progress of the Strategic Plan.

Ms. Wahlgreen distributed to the Board information detailing each task within the plan and said that they will be kept updated on the Plan's progress at the monthly Board Meetings.

Mr. Gary Pittman, Chief Financial Officer, discussed the process that will be used to ensure the anticipated outcome of each task covered in the Plan.

#### **MASTER PLAN UPDATE**

Mr. Rich provided the Board with an update of the ongoing Master Plan study.

Mr. Rich said that the plan is focusing on: 1.) future water needs, 2.) raw water transmission system evaluation, 3.) water treatment plant capacity, and 4.) treated water transmission.

Mr. Rich added that the study is considering the advantages/disadvantages of using Lake Ouachita or Lake DeGray as a future water source. He added that the Master Plan project should be completed this year.

### **NEW BUSINESS**

#### **OFFICER ELECTION/REPOINTMENT OF COMMISSIONER**

Chair Powell said that Dr. Roby Robertson, Commissioner, and Ms. Francille Turbyfill, Secretary/Treasurer, would act as the nominating committee for the selection of 2009-10 officers of the Board of Commissioners and also address the re-appointment of Mr. Jay Hartman, Vice Chair, whose term expires on June 30, 2009.

#### **CUSTOMER COMMUNICATION FOR NEW RATE FEATURES**

Ms. Marie Crawford, Director of Communications, updated the Board on the various methods of notifying water customers and stakeholders of the new rate features that have been recently adopted.



## **RENEWAL OF PUBLIC RELATIONS CONTRACT**

Ms. Crawford reminded the Board that Advantage Communications, Inc. currently has a one-year contract with options for two one-year renewals. Ms. Crawford said that this is the first renewal and asked that the Board approve this contract renewal.

Upon a motion duly made by Commissioner Adrienne Bradley and seconded by Commissioner Robertson, the motion was approved.

## **RESOLUTION FOR AMENDMENTS TO CAW 401(a) SAVINGS PLAN**

Ms. Deirdre Newcomb, Human Resources Manager, told the Board that an amendment to CAW's 401(a) Savings Plan is required to assure continued compliance with certain required provisions under the Internal Revenue Code.

Upon a motion duly made by Commissioner Robertson and seconded by Vice Chair Hartman, Commissioner, the motion was approved.

## **PULASKI AREA GEOGRAPHIC INFORMATION SYSTEM INTER-LOCAL AGREEMENT**

Mr. Vince Guillett, Geographic Information Services Manager, told the Board that the City of Jacksonville is becoming a member of the Pulaski Area Geographic Information System (PAgis). He said that their addition as a member requires an amendment to the inter-local agreement.

Upon a motion duly made by Commissioner Adrienne Bradley and seconded by Mr. Thomas W. Rimmer, Commissioner, the motion was approved.

## **CONTRACTS/PURCHASES**

- Approve a contract with Garney Construction Company for \$2,440,391.45 for the construction of Section "C" of the Northbelt Transmission Main Project

Upon a motion duly made by Mr. Anthony Kendall, Commissioner and seconded by Commissioner Turbyfill, the motion was approved.

- Approve a contract with Powers of Arkansas for \$194,759.00 for the complete replacement of all existing pneumatic HVAC controls (office thermostats, damper actuators, control valves, and sensors) with new digital controls in the JTH Administration Building.

Upon a motion duly made by Commissioner Robertson and seconded by Commissioner Rimmer, the motion was approved. Commissioner Kendall voted no on the motion.

- Approve a contract with Twin City Tractor for the purchase/repurchase of 22 backhoes for \$1,097,800.00. (CAW will purchase the backhoes from Twin City Tractor and, after one-year of use, the backhoes will be sold back to the vendor for \$1,031,800.00, resulting in a net cost to CAW of \$66,000.00.)

Upon a motion duly made by Commissioner Kendall and seconded by Vice Chair Hartman, the motion was approved.

## **DEPARTMENT UPDATES**

### Watershed Issues

Mr. Martin Maner P.E., Director of Watershed Management, provided an update on watershed issues:

- On April 28, the Pulaski County Quorum Court adopted Chapter 8 Subdivision Rules and Regulations changes, which include CAW funding of a Pulaski County Watershed Inspector, the letter of intent and agreement from CAW, and the creation of a comprehensive land-use plan within the watershed.
- Pulaski County has advertised for the new position of Watershed Inspector (CAW has asked for the creation of this position and will fund this position)
- CAW staff has sent to Pulaski County staff a draft of a Request for Qualifications for the creation of a storm water management and drainage manual and site evaluation tool and this will be published in the Arkansas Democrat-Gazette.
- Construction of conservation ditches 1, 2, and 3 in Waterview Estates is complete. On April 16, a final inspection of the ditches was conducted by CAW, White Daters and Associates, Garver Engineers, Waterview Estates and Harper Construction. Since the requirements of the Stormwater Pollution Prevention Plan (SWPPP) have been met, a Notice of Termination has been requested from ADEQ. During a recent rain event, Mr. Jonathan Long, Watershed Administrator, inspected the ditches and found them to be working properly.
- Staff met with Saline County officials to request a meeting to begin working with them to develop Subdivision Rules and Regulations similar to those recently passed by Pulaski County.
- A draft Memorandum of Understanding regarding a proposed wildlife management partnership with the Arkansas Game & Fish Commission for the Winrock Grass Farm property is being reviewed. Once a final version of this document has been reached, it will be brought before the Board of Commissioners for their consideration.
- A forestry management plan for the Bodenheimer property has been signed.

### Regionalism

Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources, reported on regionalism activities.

### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

## EXECUTIVE SESSION

The Board met in executive session.

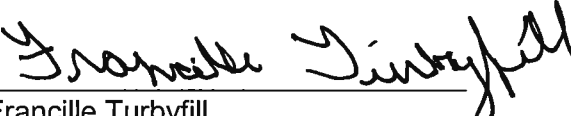
Upon reconvening, Chair Powell said that no action will be taken.

## COMMISSIONER RECOGNITION

Chair Powell offered congratulations to Commissioner Hartman for receiving the University of Arkansas at Little Rock's "2009 Alumni President's Award". The award is designed to salute alumni who combine career success with dedication to the community and University.

## ADJOURNMENT

With there being no further business, Chair Powell adjourned the meeting.

  
\_\_\_\_\_  
Francille Turbyfill  
Secretary/Treasurer

**RESOLUTION 2009-03**

A RESOLUTION RE-APPOINTING MR. JAY HARTMAN TO THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, AND FOR OTHER PURPOSES

WHEREAS, the term of Mr. Jay Hartman, a member of the Board of Commissioners, Central Arkansas Water ("CAW Board"), expired on June 30, 2009; and

WHEREAS, by law it is the duty of the remaining commissioners to nominate and appoint a commissioner when a vacancy occurs on the CAW Board, subject to confirmation by the Board of Directors of the City of Little Rock, Arkansas, and the City Council of the City of North Little Rock, Arkansas.

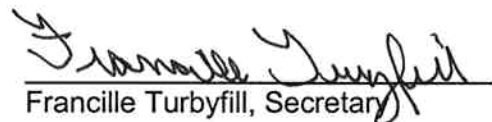
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT the remaining commissioners do hereby appoint Mr. Hartman to a seven-year term, subject to confirmation by the duly elected and qualified members of the Board of Directors of the City of Little Rock and the City Council of the City of North Little Rock, and that his term of office shall be through June 30, 2016.

BE IT FURTHER RESOLVED THAT the Board of Directors of the City of Little Rock and the City Council of the City of North Little Rock be requested to confirm this appointment.

\*\*\*\*\*

**CERTIFICATE**

I, Francille Turbyfill, Secretary of the Board of Commissioners, Central Arkansas Water, certify that, as such Secretary, I have custody of the Minutes and documents of Central Arkansas Water, and that the above and foregoing is a correct copy of a resolution adopted by said Board of Commissioners at a meeting held June 11, 2009.

  
Francille Turbyfill, Secretary

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

June 11, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, June 11, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Eddie Powell, Chair  
Mr. Jay Hartman, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas W. Rimmer, Commissioner

Absent:

Dr. Roby Robertson, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Martin Maner, P.E., Director of Watershed Management  
Mr. Allen Vincent, Director of Information Services  
Mr. Vince Guillett, GIS Manager  
Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Sheronda Shells, Customer Service Supervisor-Office  
Ms. LaRhonda Fulcher, Customer Service Representative  
Ms. Tondelayo Wesley-Wayne, Customer Service Representative  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Erin Brogdon, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Mr. Ricky Chastain, Assistant Chief, Wildlife Management Division, Arkansas Games & Fish Commission  
Ms. Olivia Dedner, Director of Public Relations, Advantage Communications  
Mr. Barry Haas, Representative, Citizens Protecting Maumelle Watershed  
Mr. Clifton Jackson, Fisheries Biologist, Arkansas Game & Fish Commission  
Mr. Brode Morgan, P.E., Garver Engineers  
Ms. Kristin Netterstrom, Reporter, Arkansas Democrat-Gazette  
Ms. Kathleen Oleson, Representative of League of Women Voters of Pulaski County

Mr. James C. Petersen, Hydrologist, U.S. Geological Survey  
Ms. Margaret Powell, Customer

### **CALL TO ORDER OF JUNE 11, 2009, MEETING**

Mr. Eddie Powell, Chair, called to order the June 11, 2009 meeting of the Board of Commissioners.

### **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, Chief Executive Officer, introduced guests.

### **EMPLOYEE RECOGNITION**

Mr. Thad Luther, Chief Operating Officer, recognized two employees for their hard work and dedication in completing the requirements to receive a degree, while also working full time for CAW.

Mr. Luther said that Ms. Tondelayo Wesley-Wayne, Customer Service Representative, received a Bachelor of Arts Degree in Speech Communications from the University of Arkansas at Little Rock, through participation in CAW's Tuition Reimbursement Program. Ms. LaRhonda Fulcher, Customer Service Representative, received a Master of Arts Degree in Teaching and Learning with Technology from Ashford University in Clinton, Iowa.

The Board of Commissioners and CAW Staff congratulated both employees on their achievements.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the May 14, 2009, minutes were approved.

### **OLD BUSINESS**

### **REAPPOINTMENT OF COMMISSIONER**

Ms. Francille Turbyfill, Secretary/Treasurer, said the nominating committee recommends Mr. Jay Hartman, Commissioner, be re-appointed to the Board of Commissioners with a term ending June 30, 2016.

Upon a motion duly made by Ms. Adrienne Bradley, Commissioner, and seconded by Mr. Thomas Rimmer, Commissioner, the re-appointment of Commissioner Hartman was approved.

### **COMMISSION OFFICER SELECTION**

Ms. Francille Turbyfill, Secretary/Treasurer, said the nominating committee made the following officer nominations for the term July 1, 2009 to June 30, 2010:

Jay Hartman – Chair  
Anthony Kendall – Vice Chair  
Francille Turbyfill – Secretary

Upon a motion duly made by Mr. Anthony Kendall, Commissioner, and seconded by Commissioner Bradley, the motion was approved.

Chair Powell thanked the Board for their support during his term as Chair and said he has been proud to serve as Chair over the last year.

## **NEW BUSINESS**

### **MEMORANDUM OF AGREEMENT WITH ARKANSAS GAME & FISH COMMISSION**

Ms. Stephanie Hymel, Stewardship Coordinator, presented a draft Memorandum of Agreement (MOA) between CAW and the Arkansas Game & Fish Commission (AG&F) for the establishment of a wildlife management area in the Lake Maumelle Watershed.

Ms. Hymel said that if the MOA is approved by the CAW Board and the AG&F, an operations plan will be developed by both parties to define hunting areas, fishing regulations, habitat management activities, enforcement obligations, etc. Ms. Hymel said that areas around the dam, spillway, and an outdoor education site will be excluded from the agreement.

Upon a motion duly made by Commissioner Kendall, and seconded by Commissioner Turbyfill, the motion to approve the MOA was approved.

### **WASTEWATER DISCHARGE TASK FORCE**

Ms. Hymel told the Board that Arkansas Governor Mike Beebe has asked that a task force be formed to consider prohibiting wastewater discharges into the watershed of dedicated public water supply lakes. She said that the Governor's office has requested CAW nominate someone from their Board of Commissioners to serve on this task force.

Upon a motion duly made by Commissioner Bradley, and seconded by Commissioner Kendall, Commissioner Rimmer has been nominated to serve on the Governor's Wastewater Discharge Task Force.

### **CONTRACTS/PURCHASES**

Upon motions duly made and seconded, the following contracts were approved:

- The renewal of the annual Joint Funding Agreement with U.S. Geological Survey (USGS) for an expanded water quality monitoring of lakes Maumelle and Winona. The contract amount is \$424,150.00
- Updating by USGS of the lake and watershed models (two models) used to develop the Lake Maumelle Watershed Management Plan. The contract amount is \$132,450.00.
- Renewal of CAW's business insurance policies with the Insurance Center, Inc. The contract amount is \$216,544.
- The purchase of Bimetallic Glassy Phosphate from Shannon Chemical. The contract amount is \$187,200.00.

Mr. Jay Hartman, Commissioner arrived.

## **DEPARTMENT UPDATES**

### **Watershed Issues**

Mr. Martin Maner P.E., Director of Watershed Management, provided an update on watershed issues:

- As per the Agreement signed between CAW and Pulaski County, the County has hired a Watershed Inspector to oversee the enforcement of Chapter 8 Subdivision Rules and Regulations in the watershed.
- The Stormwater and Drainage Manual and Site Evaluation Tools (SET) Request for Qualifications (RFQ) have been advertised by Pulaski County and are to be received by Pulaski County by close of business on June 19, 2009 .
- Staff has also worked with Pulaski County to develop the RFQ for a Comprehensive Land Use Plan and Land Use Controls for the Pulaski County portion of the Lake Maumelle Watershed. Statements of Qualifications are to be received by Pulaski County by 4 P.M. July 2, 2009.
- A risk mitigation plan has been developed by Mr. Jonathan Long, P.E., Watershed Administrator. The plan contains emergency contact information and will be distributed to county and regional organizations.

### **Regionalism**

Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources, reported on regionalism activities.

### **Finance**

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

Mr. Pittman also reported on the results of CAW's participation in a survey conducted by the Association of Metropolitan Water Agencies (AMWA).

## **BOARD BRIEFING**

- At next month's CAW Board Meeting, the City of Little Rock will present their proposal to use CAW land located near the Lake Maumelle dam as a public soccer field.
- The first annual CAW Stakeholder's Meeting will be held on June 30 at 9:30 a.m. at the North Little Rock Chamber of Commerce facility.
- Plans are underway to develop framework and timelines to evaluate RFQ's for professional services. It would be beneficial for a member of CAW's Board to assist in this process.



**RECOGNITION OF COMMISSIONER**

Chair Powell offered congratulations to Commissioner Hartman for receiving the University of Arkansas at Little Rock's "2009 Alumni President's Award".

**EXECUTIVE SESSION**

The Board met in executive session.

Upon reconvening, Chair Powell said that the Board discussed the annual performance review for Mr. Rich.

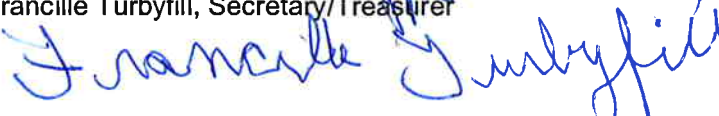
Chair Powell said that Mr. Rich has done an outstanding job as CEO and the Board is pleased to announce that Mr. Rich will receive a pay increase based on a three percent cost of living allowance, which is normal policy for the utility. He added that a five percent raise will be given, which is in line with the performance standards of the utility.

Upon a motion duly made by Commissioner Bradley and seconded by Commissioner Rimmer, the pay increase for Mr. Rich was approved.

**ADJOURNMENT**

With there being no further business, Chair Powell adjourned the meeting.

  
Francille Turbyfill, Secretary/Treasurer



Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

July 9, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, July 9, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Jay Hartman, Chair  
Mr. Anthony Kendall, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Eddie Powell, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Martin Maner, P.E., Director of Watershed Management  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Dennis Yarbrow, Supervisor of Water Sources  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Ruth Bell, Representative of League of Women Voters of Pulaski County  
Ms. Erin Brogdon, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Ms. Olivia Dedner, Director of Public Relations, Advantage Communications  
Mr. Barry Haas, Representative, Citizens Protecting Maumelle Watershed  
Mr. Byron Hicks, P.E., McClelland Engineers  
Mr. Dreykus Lane, Intern, Audubon Arkansas  
Mr. Kirby Rowland, P.E., Vice President, Garver Engineers  
Ms. Kristin Netterstrom, Reporter, Arkansas Democrat-Gazette  
Ms. Kathleen Oleson, Representative of League of Women Voters of Pulaski County  
Mr. Dan Scheiman, Interim Director of Conservation, Audubon Arkansas  
Mr. Mark Webre, Deputy Director, Little Rock Department of Parks & Recreation  
Ms. Kathy Wells, Coalition of Greater Little Rock Neighborhoods

## **CALL MEETING TO ORDER**

Mr. Jay Hartman, Chair, called to order the July 9, 2009 meeting of the Board of Commissioners.

## **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, Chief Executive Officer, introduced guests.

## **RECOGNITION OF PAST CHAIR**

Chair Hartman presented Mr. Eddie Powell, Past Chair, with a plaque commending him for his service as Chair for the 2008-2009 term. Chair Hartman said that Mr. Powell had provided outstanding leadership to CAW during his term as Chair.

## **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the June 11, 2009, minutes were approved.

## **OLD BUSINESS**

### **PROPOSED TRANSFER OF CAW PROPERTY TO CITY OF LITTLE ROCK**

Mr. Rich introduced Mr. Mark Webre, Deputy Director, Little Rock Department of Parks & Recreation. He said that Mr. Webre asked to speak to the Board regarding a proposed transfer of land located at the base of the Lake Maumelle Dam to the City of Little Rock. Mr. Rich said that land owned by CAW and not needed for the operation of the system is considered surplus land. He added that this land meets those criteria.

Mr. Webre told the Board that the City of Little Rock has a pressing need of additional soccer fields and believes this parcel of land would be ideal for that use. Mr. Webre distributed a drawing of the proposed soccer field.

Mr. Eddie Powell, Commissioner, asked if staff was recommending permanent transfer to the City or to grant the City long-term use of the property. Mr. Rich responded that CAW would maintain ownership of land from the "toe" of the dam out a distance of 300 feet. He said that from the 300 foot point out to Arkansas Highway 300 would be transferred to the City with the stipulation that CAW would retain an easement across the property for access to the dam and land directly below the dam.

In response to a question by Dr. Roby Robertson, Commissioner, Mr. Rich said that the land retained by CAW would have the same security fencing as before the land transfer.

Mr. Thomas Rimmer, Commissioner, asked if there would be building restrictions on the land. Mr. Rich responded that the issue of building restrictions had not been discussed but such restrictions could be taken under consideration.

Mr. Rich said that staff is bringing this matter to the Board for information purposes and no action is required at this time. He said that this matter would be brought to the Board for a vote at the August 2009 Board Meeting.

Ms. Ruth Bell, representative for the League of Women Voters of Pulaski County (League), said that the utility should reconsider the transfer of this property to the City. Ms. Bell said that the League is concerned of the real possibility of CAW's need for this land in the future and would like to see more consideration given to the utility's future land needs around the dam.

Ms. Kathy Wells, Coalition of Greater Little Rock Neighborhoods, asked the Board to not make a quick decision on this land transfer. Ms. Wells also brought up concerns about the suitability of the soil type for use as a soccer field.

Barry Haas, Representative, Citizens Protecting Maumelle Watershed, said he was speaking for himself and not on behalf of any organization. Mr. Haas reminded everyone that this land was originally acquired for the construction of Lake Maumelle and was to be used solely to supply water to the utility's customers. Mr. Haas questioned if the land truly fit the legal definition of surplus land.

Commissioner Rimmer said that the public comments have raised some very good questions and he would like to see more definite plans from the City before the Board is asked to make a decision as to the transfer of any lands.

#### STRATEGIC PLAN UPDATE

Ms. Becky Wahlgreen Director of Human Resources, reported on strategic tasks completions.

Mr. Thad Luther, Chief Operating Officer, talked about Section 6.1 of the Strategic Implementation Plan, "Coordinate development of utility wide Disaster Recovery Plan, including operational resiliency plans for a pandemic". Mr. Luther said that he has worked closely on this project with Mr. Kevin Hall, Director of Environmental Health and Safety. He said that he and Mr. Hall have developed a framework for business risk assessment. He stated that in 2009 they will concentrate on the risk assessment phase and business impact analysis of the project. This will help to construct the plans within the framework.

Mr. Luther said another area they have focused on is Information Technology Disaster Recovery. He said that the utility has fully configured backup servers at the Clearwater facility for customer information operations, including the call center as well as the customer information system. He stated that the project is on schedule.

Mr. Jonathan Long, Watershed Administrator, told the board that he has completed Section 6.3 of the Strategic Implementation Plant, "Develop a Watershed Risk Mitigation Plan". He distributed copies to the Board. Mr. Long said that this plan addresses potential risks in the watersheds and provides contact information for emergency response organizations. He added that this plan will be distributed to CAW staff who would be the first to react to emergencies within the watershed.

#### NEW BUSINESS

##### RIDGEFIELD ESTATES AGREEMENT

Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources, addressed the Board regarding a request from the Ridgefield Estates Public Facilities Board (Ridgefield Estates) in western Pulaski County to enter into a Wholesale Water Agreement for a term of 15 years instead of the usual 20 years. He said that over the next 15 years Ridgefield Estates

intends to upgrade their existing water system to current CAW construction specifications and will, upon completion of the upgrades, transfer assets to CAW, becoming customers of CAW. Mr. Kimbrow added that the Wholesale Water Agreement will terminate at that time.

Upon a motion duly made by Commissioner Robertson and Ms. Adrienne Bradley, Commissioner, the agreement was approved.

### CONTRACTS/PURCHASES

Upon motions duly made and seconded, the following contracts were approved:

- a contract with Southern Electric Corporation in the amount of \$190,850 for the installation of approximately 3,500 linear feet of 2-inch-diameter Polyvinylchloride pipe and appurtenances in the University Park Area of Little Rock
- a contract with Hipskind Excavating, LLC, of Benton, Arkansas, in the amount of \$94,500 for the replacement of ten stone and concrete open channel storm drains (constructed in 1930) located on the back side of the Lake Winona Dam

### DEPARTMENT UPDATES

#### Watershed Issues

Mr. Martin Maner P.E., Director of Watershed Management, provided an update on watershed issues:

- A Watershed Inspector has been hired by Pulaski County and began work on June 22, 2009.
- The Request for Qualifications (RFQ) for the Stormwater and Drainage Manual and Site Evaluation Tool (SET) was advertised by Pulaski County on May 17 and May 24. The Selection Committee received five responses to the RFQ and made a unanimous recommendation of Tetra Tech, Inc., as the firm to be considered for development of the Drainage Manual and SET. A finalized contract for services must be completed by July 23, 2009 for consideration for approval by Pulaski County on July 28, 2009.
- An RFQ for the Comprehensive Land Use Plan was advertised by Pulaski County on June 3, 2009. Seven submittals were received which are still under review.
- Ms. Stephanie Hymel, Stewardship Coordinator, has replaced Mr. Maner on the Steering Committee for the Watershed Center for Excellence, a partnership formed between the University of Arkansas at Little Rock, U.S. Geological Survey, and Central Arkansas Water.
- Mr. Long continues to inspect the Waterview Estates conservation ditch on a weekly basis. The ditch seems to be performing as planned.
- The Memorandum of Agreement with the Arkansas Game & Fish Commission for the establishment of a wildlife management area in the Lake Maumelle Watershed has been signed by both the utility and the Game & Fish Commission. The next step is to develop a working plan with separate plans for the hunting, fisheries and education portions.

- Ms. Hymel displayed a new map of the Lake Maumelle Watershed. She said that this map has been in the planning process for over a year and contains the history of the lake and a lot of different information about the watershed itself. She said she thought it would be a very good educational tool for the community. Ms. Hymel said that Audubon of Arkansas assisted in compiling the information and graphics for this map.

### Regionalism

Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources, reported on regionalism activities.

### Engineering

Mr. Jim Ferguson, Director of Engineering, updated the Board on on-going projects within the Engineering Department.

### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

### BOARD BRIEFING

- A break on a 16-inch-diameter transmission main occurred on July 3 in the University Avenue and Kavanaugh Boulevard area of Little Rock. The main nearly drained one of the water storage tanks and caused discolored in a large area. Mr. Rich commended the efforts of Source & Treatment employees in responding to this main break.
- On June 30, CAW held its first Annual Stakeholders' Meeting in the North Little Rock Chamber of Commerce building. There were approximately 150 people in attendance.

Ms. Shirley Tucker, Receptionist, was the recipient of the first Annual Crystal Water Drop Award for Employee of the Year, an award given to recognize the employee who exemplifies the ideals of exceptional customer service and dedication to the utility's mission as a public water supplier

Ms. Kate Althoff, representative of Citizens Protecting Maumelle Watershed, received CAW's first Annual Crystal Water Drop Award for Stakeholder of the Year. The award is to recognize a citizen for outstanding commitment to ensuring the quality of the community's drinking water; protecting the sources, Lake Maumelle and Lake Winona; and increasing public awareness, in general, in regard to drinking-water issues

### ADJOURNMENT

With there being no further business, Chair Hartman adjourned the meeting.

  
Francille Turbyfill, Secretary/Treasurer

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

August 13, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, August 13, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Jay Hartman, Chair  
Mr. Anthony Kendall, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Eddie Powell, Commissioner  
Dr. Roby Robertson, Commissioner

Absent:

Mr. Thomas W. Rimmer, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Martin Maner, P.E., Director of Watershed Management  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Sources  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Jeff Mascagni, C.P.A., Controller  
Mr. Blake Weindorf, P.E., Senior Engineer  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Ruth Bell, Representative of the League of Women Voters of Pulaski County  
Mr. John Brayman, President of The Oaks Property Owners' Association  
Ms. Erin Brogdan, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Mr. Barry Haas, Representative, Citizens Protecting Maumelle Watershed  
Mr. Todd Harris, Citizen  
Mr. Hap Hoffman, Citizen  
Mr. Jim Kriss, CDM  
Mr. Doug Rawn, Chief Financial Officer, Advantage Communications, Inc.  
Ms. Kristin Netterstrom, Reporter, Arkansas Democrat-Gazette  
Ms. Kathleen Oleson, Representative of the League of Women Voters of Pulaski County  
Mr. Paul Strickland, P.E., Garver, L.L.C.  
Mr. Truman Tolefree, Director, Department of Parks and Recreation, City of Little Rock

Mr. Mark Webre, Deputy Director, Department of Parks & Recreation, City of Little Rock

### **CALL MEETING TO ORDER**

Mr. Jay Hartman, Chair, called to order the August 13, 2009 meeting of the Board of Commissioners.

### **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, Chief Executive Officer, introduced guests.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the July 9, 2009, minutes were approved.

### **OLD BUSINESS**

#### **PROPOSED TRANSFER OF CAW PROPERTY**

Mr. Rich reviewed a proposed transfer of property to the City of Little Rock that was brought before the Board at the July 2009 meeting. He said that representatives from the City of Little Rock again were present to address any questions concerning the property transfer. The property under consideration is adjacent to the Lake Maumelle Dam and bordered by Arkansas Highway 300.

Mr. Rich said that staff is asking the Board to authorize CAW to enter into negotiations to transfer the property to the City of Little Rock.

In response to a question by Mr. Eddie Powell, Commissioner, Mr. Rich said that CAW would maintain an easement covering the entire property for maintenance, repairs, etc. Mr. Rich also said that concerns regarding the building of structures, land use, etc. would be addressed in the land transfer agreement.

#### **PUBLIC COMMENTS:**

Ms. Kathleen Oleson, representative of the League of Women Voters of Pulaski County, said that CAW has spent millions of dollars purchasing land around Lake Maumelle to prevent development within the watershed. She said that the transfer of this land contradicts the goal in protecting the watershed and would permit access to hundreds of people to land near Lake Maumelle.

Mr. Barry Haas, Citizens Protecting Maumelle Watershed, said that the land was obtained by CAW's predecessor through condemnation for the purpose of constructing Lake Maumelle. He asked that the Board take into consideration the impact this decision will have on public opinion.

Dr. Roby Robertson, Commissioner, made a motion to authorize staff to enter into negotiations with the City of Little Rock for the transfer of the property below the Lake Maumelle Dam to be used for recreational space. The motion, seconded by Commissioner Powell, was approved.

Mr. Haas asked if any public comments had been received concerning the transfer of this property. Mr. Rich said that none had been received and that the decision whether to hold a public hearing would have to be made by the City of Little Rock.



## STORMWATER MANAGEMENT AND DRAINAGE MANUAL

Mr. Martin Maner, P.E., Director of Watershed Management, addressed the Board on development of the Lake Maumelle Stormwater Management and Drainage Manual and the Site Evaluation Tool (SET). He said that, in accordance with the agreement between CAW and Pulaski County, a Request for Qualifications to select a firm to develop the manual and SET was advertised. Mr. Maner added that Tetra Tech, Inc., was selected as the most qualified firm to perform the work, and submitted an initial contract amount of \$233,567.

Upon a motion duly made by Commissioner Powell and seconded by Ms. Adrienne Bradley, Commissioner, a contract with Tetra Tech, Inc., in an amount not to exceed \$233,567 was approved.

## NEW BUSINESS

### DEMAND MANAGEMENT SURCHARGE

Mr. Rich introduced Mr. John Brayman, President of The Oaks Property Owners' Association (POA). Mr. Brayman said that the POA pays the irrigation fees and bills the individual property owners.

Mr. Brayman said that the Demand Management Surcharge is unfair to POA's who pay the irrigation fees because if each property was billed individually, their usage would fall under the surcharge minimum.

Mr. Brayman asked the Board to consider establishing a new rate class for shared irrigation systems.

Chair Hartman asked staff to work with The Oaks Property Owners' Association to find a solution.

### Future Water Source Storage Allocation Agreements

#### Greers Ferry Lake

Mr. Dale Kimbrow, Manager of Planning, Regionalism & Future Water Source, said that he would present to the Board at the September Meeting an agreement between CAW and MAWA authorizing MAWA to sign an agreement with the U.S. Corps of Engineers on September 30, 2009 on behalf of its members. The agreement with the Corps allows MAWA to receive a 15 Million Gallon per Day (MGD) storage allocation from Greers Ferry Lake, with CAW receiving 1.2 MGD of that total allocation.

Mr. Kimbrow said that CAW's cost of the allocation is \$282,713, spread out over a 30-year period. He said the cost breakdown is as follows:

Annual Debt Service:	\$ 16,834
Annual Operation & Maintenance:	\$ <u>1,260</u>
Payment Due Upon Signing of Agreement:	\$ 18,094

The following payment schedule will go into effect once the 'water storage agreement'

between MAWA and the U.S. Corps of Engineers is signed:

First four months of year 2:	\$6,031.33
Monthly billing thereafter:	<u>\$1,507.83</u>
Total cost over 30 year period:	\$ 282,713.00

### Lake DeGray

Mr. Kimbrow reviewed key provisions of CAW's agreement with the Ouachita Regional Water District for the Right of First Refusal to take water from Lake DeGray. Mr. Kimbrow stated that under the agreement, CAW is allowed 120 MGD of lake storage.

Mr. Kimbrow said that per a 99-year agreement signed in 1988, the annual cost to CAW for the Right of First Refusal is a payment of \$154,426.20 to the Corps of Engineers and a payment of \$25,000 to the Ouachita River Water District. He said that the payment to the Corps is an interest-only payment. Mr. Kimbrow added that the total cost if paid out over the term will be \$5.25 million.

Mr. Pittman spoke on the various payment options available to CAW, whether to continue annual payments until 2038 or to set up a plan to pay the total amount over the next five years. He added that paying out the contract over the next five years would result in a savings to CAW of \$2.2 million.

Mr. Rich told the Board that this discussion is for informational purposes only. He said that no action is required by the Board at this time.

### CONTRACTS/PURCHASES

Upon a motion duly made and seconded, the following was approved:

- A contract with Haren Construction Company, Inc., in the amount of \$6,130,000 for the installation of sodium hypochlorite and other chemical feed systems at the Jack H. Wilson and Ozark Point Water Treatment Plants. The contract award is contingent upon review and approval by the Arkansas Natural Resources Commission (ANRC). CAW is financing the improvements through ANRC's State Revolving Loan Fund Program.

### DEPARTMENT UPDATE

#### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

### PUBLIC COMMENTS

Mr. Todd Harris, a CAW customer, addressed the Board on the surcharge on his water bill to pay for system improvements performed by the Salem Water Association.

Mr. Harris said he had recently purchased a home and was unaware at the time of purchase of the surcharge on his water bill that would add \$45 per month over the next 30 years.

Mr. Harris asked that he be exempted from this cost.

Mr. Thad Luther, Chief Operating Officer, said that CAW is obligated to pay that money to the Salem Water Association and therefore could not exempt any customer from the surcharge.

Mr. Luther said that procedural changes have been made to inform new customers of surcharges that are placed on water bills.

#### BOARD BRIEFING

- An update on the Strategic Plan will be presented at the September Board Meeting
- CAW has purchased from the American Water Works Association a copy of *The Business of Water* if anyone is interested in reading the manual.

Chair Hartman presented a one-year service pen to Commissioner Bradley and a five-year service pen to Mr. Anthony Kendall, Commissioner.

#### ADJOURNMENT

With there being no further business, Chair Hartman adjourned the meeting.

  
Francille Turbyfill, Secretary/Treasurer

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

September 10, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, September 10, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Jay Hartman, Chair  
Mr. Anthony Kendall, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Eddie Powell, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Mr. Stan Benton, Director of Distribution  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Martin Maner, P.E., Director of Watershed Management  
Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Jeff Mascagni, C.P.A., Controller  
Mr. Blake Weindorf, P.E., Senior Engineer  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Ruth Bell, Representative of the League of Women Voters of Pulaski County  
Ms. Erin Brogdan, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Mr. Barry Haas, Representative, Citizens Protecting Maumelle Watershed  
Mr. Craig Johnson, P.E., CDM, Inc.  
Ms. Leslie Peacock, *Arkansas Times*  
Ms. Marita Steele, Account Executive, Advantage Communications, Inc.  
Mr. Paul Strickland, P.E., Garver, L.L.C.  
Mr. Truman Tolefree, Director, Department of Parks and Recreation, City of Little Rock  
Mr. Mark Webre, Deputy Director, Department of Parks & Recreation, City of Little Rock

## **CALL MEETING TO ORDER**

Mr. Jay Hartman, Chair, called to order the September 10, 2009 meeting of the Board of Commissioners.

## **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, P.E., Chief Executive Officer, introduced guests.

## **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the August 13, 2009 minutes were approved.

## **OLD BUSINESS**

### **Proposed Transfer of CAW Property**

Mr. Rich reviewed a proposed transfer of property to the City of Little Rock that was brought before the Board at the July and August 2009 meetings. The property under consideration is adjacent to the Lake Maumelle Dam and bordered by Arkansas Highway 300.

### **Public Comments:**

Ms. Ruth Bell, representative of the League of Women Voters of Pulaski County, thanked staff for providing more specific information on the proposed use of the land in question. Ms. Bell said that the league is still concerned about security of the dam if the land is transferred to the city for public use.

Mr. Barry Haas, Citizens Protecting Lake Maumelle, said that this parcel of land is part of the lands that were considered necessary for the construction of Lake Maumelle and the dam. He added that this is a policy that sets a bad precedent. Mr. Haas said that he believes the proposed use of this land benefits only a few and does not truly benefit the entire CAW community.

Upon a motion duly made by Dr. Roby Robertson, Commissioner, and seconded by Ms. Adrienne Bradley, Commissioner, the transfer of property to the City of Little Rock was approved.

### **Mid-Arkansas Water Alliance Agreement**

Mr. Rich said that staff is recommending approval of a resolution authorizing staff to enter into an agreement with the Mid-Arkansas Water Alliance for a 1.2 Million Gallon per Day (MGD) allocation of water from Greers Ferry Lake. The allocation would be CAW's portion from MAWA's 15 MGD storage allocation received from the U.S. Corps of Engineers.

Upon a motion duly made by Mr. Eddie Powell, Commissioner, and seconded by Mr. Anthony Kendall, Vice Chair, the resolution and agreement was approved.

### **Issuance and Sale of Water Revenue Bonds**

Mr. Thad Luther, Chief Operating Officer, said that staff is asking for approval of a resolution for the issuance and sale of \$13,400,000 in water revenue bonds for the purpose of financing projects to discontinue the use of gaseous chlorine and to improve the chemical feed systems at the Jack Wilson and Ozark Point Water Treatment Plants, to construct a new maintenance

building at Wilson, and to erect additional storage facilities in west Little Rock. He added that the resolution also authorizes the execution and delivery of a supplemental trust indenture and a bond purchase agreement. Mr. Luther said that these documents are required by the Arkansas Natural Resource Commission who will purchase the bonds at an interest rate of 2.0 percent.

Upon a motion duly made by Commissioner Powell and seconded by Commissioner Bradley, the motion on the issuance and sale of \$13,400,000 of water revenue bonds was approved.

#### Strategic Plan Update

Ms. Becky Wahlgreen, Director of Human Resources, reported on strategic tasks completions.

Mr. Luther spoke regarding section 1.7c of the Strategic Plan - Review provisions in the LR/NLR waterworks consolidation documents covering economic support and charitable contributions.

Mr. Luther discussed CAW's participation in economic development projects. He said that the Consolidation Agreement that formed CAW allows for charitable and economic development contributions.

After some discussion on what charitable contribution amounts should be brought to the Board for approval, the Board requested staff present for their approval charitable contributions of \$25,000 or higher.

Mr. Luther noted that over the last four years, CAW has made total economic contributions of \$1.292 million to the cities of Little Rock and North Little Rock.

Mr. Luther said that staff will draft a guidance document to evaluate future contribution requests and forward the document to the Board for their review.

#### **NEW BUSINESS**

##### LAKE MAUMELLE WATERSHED STEWARDSHIP COUNCIL REPRESENTATIVE

Ms. Stephanie Hymel, Stewardship Coordinator, reminded everyone that the Watershed Management Plan calls for the formation of a Watershed Stewardship Council. She said that the Council meets at 10:00 a.m. on the first Wednesday of each yearly quarter.

Ms. Hymel said that the Watershed Management Plan suggests that a representative from the CAW Board serve on the Council.

After some discussion, Chair Hartman proposed that the current Chair of the Board serve on the council.

Mr. Haas commended Ms. Hymel on her efforts on the formation of the stewardship council.

##### CONTRACTS/PURCHASES

Upon a motion duly made and seconded, the following was approved:

- A contract with Matson Construction in the amount of \$1,499,000 for the construction of a new maintenance facility at the Jack Wilson Water Treatment Plant to provide

maintenance shop space, inventory management, and office space for the maintenance staff.

- To amend an existing contract with CDM, Inc. to include construction services to the contract for design of the chlorine conversion, chemical feed, and maintenance facility improvements planned at the Wilson and Ozark Point water treatment plants for an amount not to exceed \$377,940.

## **DEPARTMENT UPDATE**

### Watershed

Mr. Martin Maner, P.E., Director of Watershed Management, provided an update on watershed issues:

- A contract with Tetra Tec, Inc. for a Stormwater Management and Drainage Manual and Site Evaluation Tools has been signed by Pulaski County officials and the work is under way. The first meeting between Tetra Tech, Pulaski County, and CAW staff will be held on September 21. The purpose of the meeting is to set objectives for the manual, develop a preliminary list of Best Management Practices, and obtain feedback on proposed decision points.
- Of the seven firms that submitted Statements of Qualifications for the development of a Land Use Plan, the Selection Committee selected the top ranked three for interviews, which were conducted on August 24, 2009. The Selection Committee unanimously selected Wallace, Roberts, & Todd (WRT), as the firm to develop the Land Use Plan. WRT will also partner with White & Smith, L.L.C., a leading land use and growth management law firm, and Mr. Randall Arendt, an internationally recognized proponent for conservation development practices.
- Mr. Jonathan Long, Watershed Administrator, has completed work on the development of a Watershed Risk Mitigation Plan. A kick-off meeting with emergency responders was held August 19 to provide a copy of the plan, explain its use, and prepare for table top exercises which are planned to occur in October. After the table top exercises are successfully completed, a mock drill will be held at Lake Maumelle sometime between November and early spring 2010.
- The Watershed Center for Excellence (The Center), a partnership between the University of Arkansas at Little Rock, the U.S. Geological Survey (USGS), and CAW submitted a proposal to the Winthrop Rockefeller Institute to seek funding for a five-year program to:
  - Develop a governance document defining how the participating institutions will function under the framework of The Center
  - Develop a Strategic Plan defining long-term goals and objectives
  - Develop work plans that will focus on annual objectives to meet the goals of the Strategic Plan

Mr. Maner said that stated USGS has a FEMA (Federal Emergency Management Agency) trailer located at the USGS Little Rock office that they offered to relocate to Jolly Rogers Marina for use in the project.

#### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

#### BOARD BRIEFING

Mr. Rich provide an update on the following items:

- Negotiations continue between Mr. Jay DeHaven and Trust for Public Land (TPL) representatives. TPL is optimistic that negotiations can be finalized for a December 10 closing on the property.
- Recently, several CAW Directors accompanied Mr. Rich to South Carolina to tour several facilities and gather information on their sustainability initiatives.
- The proposed budget for 2010 will be presented at the October Board Meeting for informational purposes only. Staff will present a final draft version of the 2010 budget for approval at the November Board Meeting.
- Recognition of Mr. Tad Bohannon, CAW Counsel, for his selection as Leadership Arkansas Class IV Chairman. Created by the Arkansas State Chamber of Commerce and Associated Industries of Arkansas, Inc., Leadership Arkansas introduces its participants over a nine-month period to a statewide view of the economic and political challenges that face our great state. Mr. Rich added that Mr. Bohannon, a graduate of Leadership Arkansas, Class II and Leadership Greater Little Rock, Class XVI, has been repeatedly recognized in Best Lawyers in America.

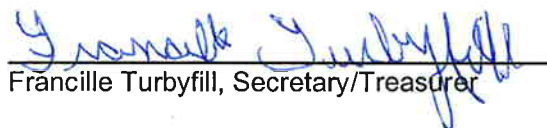
Mr. Haas asked to address the Board on the balance in CAW's land acquisition fund and how much TPL will be spending for the DeHaven land.

Mr. Rich said that approximately \$2 million has been placed in the 2010 budget for purchase of land within the watershed.

Mr. Rich said that the land TPL is negotiating to purchase from Mr. DeHaven is around \$10 - \$12 million.

#### ADJOURNMENT

With there being no further business, Chair Hartman adjourned the meeting.

  
Francille Turbyfill, Secretary/Treasurer



**RESOLUTION 2009-04**

**A RESOLUTION APPROVING AN AGREEMENT BETWEEN  
CENTRAL ARKANSAS WATER AND THE MID-ARKANSAS  
WATER ALLIANCE AND AUTHORIZING THE SIGNATURE  
THEREOF, AND PROSCRIBING OTHER MATTERS  
RELATED THERETO.**


**WHEREAS**, Central Arkansas Water, an Arkansas public body politic and corporate created under the Consolidated Waterworks Authorization Act, Act 982 of the 83<sup>rd</sup> General Assembly of the State of Arkansas ("CAW"), operates the state's largest water treatment and distribution system which serves, directly or indirectly, citizens in portions of Pulaski, Saline, and Lonoke counties; and

**WHEREAS**, it has been determined that it is in the best interest of CAW that CAW enter into an Agreement by and between Mid-Arkansas Water Alliance ("MAWA") and various water providers within central Arkansas whereby CAW will purchase an undivided interest in one million two hundred thousand gallons of water per day (1.2 mgd) in the joint-storage space reserved by the United States Corps of Engineers for MAWA in Greers Ferry Lake.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT:**

1. The Agreement, in substantially the form presented at the meeting at which this Resolution is addressed, is hereby approved, and the Chair of the Board of Commissioners of CAW (the "Chair") is authorized to execute the Agreement on behalf of CAW, with such changes as may be approved by the Chair consistent with the Agreement presented and the terms of this Resolution.
2. In addition, the Chair is authorized to execute such other writings and take such other actions as may be appropriate to carry out the terms of this Resolution.

ADOPTED this 10th day of September, 2009.

  
\_\_\_\_\_  
Jay Hartman, Chair

**CERTIFICATE**

I, Francille Turbyfill, Secretary of the Board of Commissioners, Central Arkansas Water, certify that the foregoing pages is a correct copy of Resolution 2009-04 adopted by said Board of Commissioners at a meeting held on the 10th day of September, 2009.

GIVEN under my hand and seal on this 10th day of September, 2009.

  
Secretary

**RESOLUTION 2009-05**

**A RESOLUTION APPROVING TRANSFER OF LAND BELOW THE LAKE MAUMELLE DAM TO THE CITY OF LITTLE ROCK FOR A CITY PARK, AND AUTHORIZING THE EXECUTION OF A DEED TRANSFERRING SUCH LAND TO THE CITY OF LITTLE ROCK, AND PROSCRIBING OTHER MATTERS RELATED THERETO.**

**WHEREAS**, Central Arkansas Water, an Arkansas public body politic and corporate created under the Consolidated Waterworks Authorization Act, Act 982 of the 83<sup>rd</sup> General Assembly of the State of Arkansas ("CAW"), owns the land between the Lake Maumelle dam and Hwy 300 (the "Property"); and

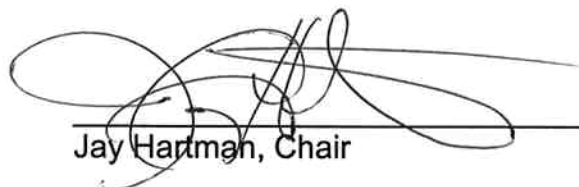
**WHEREAS**, the City of Little Rock (the City") desires to acquire the Property for construction and operation of a city park.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT:**

1. The Deed, in substantially the form presented at the meeting at which this Resolution is addressed, is hereby approved, and the Chair of the Board of Commissioners of CAW (the "Chair") is authorized to execute the Deed on behalf of CAW, with such changes as may be approved by the Chair consistent with the Agreement presented and the terms of this Resolution.

2. In addition, the Chair is authorized to execute such other writings and take such other actions as may be appropriate to carry out the terms of this Resolution.

ADOPTED this 10<sup>TH</sup> day of September, 2009.

  
\_\_\_\_\_  
Jay Hartman, Chair

**RESOLUTION NO. 2009-06**

**A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF WATER REVENUE BONDS FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING, CONSTRUCTING AND EQUIPPING CAPITAL IMPROVEMENTS TO THE WATER COLLECTION, TREATMENT AND DISTRIBUTION SYSTEM OF CENTRAL ARKANSAS WATER; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE AND A BOND PURCHASE AGREEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO.**

WHEREAS, Central Arkansas Water, a body politic and corporate, (the "Issuer") created pursuant to the Consolidated Waterworks Authorization Act, Act No. 982 of the Acts of Arkansas of 2001, as amended (the "Act"), and pursuant to a Consolidation Agreement entered into by and between the cities of Little Rock and North Little Rock, Arkansas dated as of March 5, 2001, as amended by a First Amendment to Consolidation Agreement dated as of June 30, 2001 (collectively, the "Agreement") is being operated, managed, and maintained by the Central Arkansas Water Board of Commissioners (the "Commission"); and

WHEREAS, the Commission has determined that in order for it to continue to provide quality water service to the Issuer's customers, that it is necessary to undertake a program of capital improvements to its water treatment and distribution system (the "System") more particularly described as (i) new sodium hypochlorite storage and feed systems at the Ozark Point Treatment Plant ("Ozark") and the Jack H. Wilson Treatment Plant ("Wilson") to discontinue use of gaseous chlorine and support the increased capacity rating at Wilson; (ii) additional feed system improvements at both plants to replace older equipment, provide needed hydro fluorosilicic acid storage, and support increased Wilson capacity; (iii) new maintenance facility at Wilson to provide office/shop space and inventory management; (iv) two finished water tanks in West Little Rock addressing storage deficiencies in the Highland Ridge and West Markham Pressure Plains; and (v) the costs of related engineering and other services (collectively, the "Improvements"); and

WHEREAS, the Commission has further determined that the cost of accomplishing the Improvements shall be paid from a combination of the following sources: (1) the proceeds of water revenue bonds issued pursuant to the Act in the approximate aggregate principal amount of \$13,400,000; and (2) funds derived from the operating revenues of the Water System; and

WHEREAS, the Issuer previously issued \$22,000,000 of its Water Revenue Bonds, Series 2002, dated October 1, 2002 (the "Series 2002 Bonds"), pursuant to a Master Trust Indenture dated as of October 1, 2002 (the "Master Trust Indenture"), as

supplemented and amended by a Supplemental Trust Indenture dated as of October 1, 2002 (the "Series 2002 Supplemental Indenture"); and

WHEREAS, the Issuer previously issued \$22,000,000 of its Water Revenue Bonds, Series 2004, dated November 15, 2004 (the "Series 2004 Bonds"), pursuant to the Master Trust Indenture dated as of October 1, 2002 (the "Master Trust Indenture"), as supplemented and amended by a Supplemental Trust Indenture dated as of November 15, 2004 (the "Series 2004 Supplemental Indenture"); and

WHEREAS, the Issuer previously issued \$17,625,000 of its Water Revenue Bonds, Series 2007, dated July 15, 2007 (the "Series 2007 Bonds"), pursuant to the Master Trust Indenture dated as of October 1, 2002 (the "Master Trust Indenture"), as supplemented and amended by a Supplemental Trust Indenture dated as of July 15, 2007 (the "Series 2007 Supplemental Indenture"); and

WHEREAS, pursuant to the Agreement, the Issuer, by letter of its Chief Operating Officer dated June 8, 2009, notified the cities of Little Rock and North Little Rock of its intention to issue the Series 2009 Bonds (identified hereinafter) and neither City as of the date of this resolution has voted its disapproval of the Series 2009 Bonds; and

WHEREAS, pursuant to the Agreement and the Revenue Bond Act of 1987 (Act 852), the Issuer caused to be published on July 31, 2009, a notice of public hearing on the question of issuing the Series 2009 Bonds and thereafter, on August 13, 2009, held a public hearing, as advertised, at which comments from the public and customers of the Water System were heard; and

WHEREAS, the Issuer desires to issue water revenue bonds in the principal amount of \$13,400,000 (the "Series 2009 Bonds") to the Arkansas Natural Resource Commission (the "Purchaser") in accordance with the terms and conditions of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Central Arkansas Water:

**Section 1.** Under the authority of the Constitution and laws of the State of Arkansas, including particularly the Act and the Agreement, the sale of the Central Arkansas Water, Water Revenue Bonds, Series 2009 (the "Series 2009 Bonds") to the Purchaser is hereby in all respects approved, and the issuance of the Series 2009 Bonds in the aggregate principal amount of \$13,400,000.00 is hereby authorized, and the Chair and Secretary-Treasurer of the Board of Commissioners are hereby authorized to execute, by manual or facsimile signature, and deliver the Series 2009 Bonds to the Arkansas Natural Resources Commission (the "Purchaser"). The Bonds shall be issued in the form and denominations, shall be dated, shall be numbered, shall mature on October 15, 2032, shall be subject to mandatory sinking fund redemption on April 15, 2013 and on each October 15 and April 15 thereafter to and including October

15, 2032, the final maturity of the Series 2009 Bonds, in the amounts, shall bear interest at the rate of 2.00% per annum, and shall be subject to optional redemption prior to maturity, all upon the terms and conditions set forth in the Bond Purchase Agreement and Series 2009 Supplemental Indenture, which are identified and authorized below. The Series 2009 Bonds shall be not general obligations of the Issuer, but shall be special obligations payable solely from revenues of the water system and certain other funds more specifically identified in a Master Trust Indenture, as supplemented and amended by the Series 2002 Supplemental Indenture, the Series 2004 Supplement Indenture, the Series 2007 Supplemental Indenture, and the Series 2009 Supplemental Indenture.

**Section 2.** The Bonds shall be sold pursuant to the specific terms and conditions set forth in the Term Sheet for ANRC Revolving Loan Fund Programs referencing ANRC Loan No. 00657-DWSRF-L attached hereto as Exhibit A, the Series 2009 Supplemental Indenture, and the Bond Purchase Agreement presented to the Commission at this meeting, for the purchase price of 100% of the principal amount thereof.

**Section 3.** The Bond Purchase Agreement is hereby approved in substantially the form submitted at this meeting, and the Chair is hereby authorized, upon the advice of bond counsel, to execute the Bond Purchase Agreement with such modifications as shall be approved by the Chair, with his execution to constitute conclusive evidence of such approval. An executed copy of the Bond Purchase Agreement shall be filed in the permanent records of CAW and kept by the Secretary.

**Section 4.** To prescribe the terms and conditions upon which the Bonds are to be executed, authenticated, delivered, issued, accepted, held, and secured, the Chair is hereby authorized and directed to execute a Series 2009 Supplemental Indenture, to be dated as of the date of closing, by and between the Issuer and Metropolitan National Bank, as Trustee, and to cause the Series 2009 Supplemental Indenture to be accepted, executed, and acknowledged by the Trustee. The Series 2009 Supplemental Indenture is hereby approved in substantially the form submitted at this meeting, and the Chair is hereby authorized, upon the advice of bond counsel, to execute the Series 2009 Supplemental Indenture with such modifications as shall be approved by the Chair, with his execution to constitute conclusive evidence of such approval.

**Section 5.** The Chair, the Secretary, the Chief Executive Officer, the Chief Operating Officer, and the Chief Financial Officer, for and on behalf of the Issuer, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Series 2009 Bonds, the Series 2009 Supplemental Indenture, and the Bond Purchase Agreement; the execution and delivery of such other papers and documents necessary to effect the issuance of the Series 2009 Bonds; and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this Resolution. The Chair, the Secretary, the Chief Executive Officer, the Chief Operating Officer, and the Chief Financial Officer are hereby further authorized and directed, for and on behalf of the Issuer, to execute all papers, documents, certificates, and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

**Section 6.** The Issuer by resolution of the Commission effective, August 14, 2008, rates and charges sufficient to provide for the payment of the principal of, premium, if any, interest on and Trustees' and paying agents' fees in connection with the Bonds and to provide for the operation and maintenance of CAW's Water System. The revenues derived from the collection of the rates and charges are hereby pledged to the payment of the Series 2009 Bonds and the operation and maintenance of the Water System as provided in the Series 2009 Supplemental Indenture. The rates as previously approved are hereby reaffirmed and ratified and the Issuer covenants with the Purchaser that it shall faithfully and diligently levy and collect such rates and charges and, furthermore, that so long as the Series 2009 Bonds are outstanding, that CAW shall not reduce such rates and charges except in accordance with the Series 2009 Supplemental Indenture. The Commission further covenants that it shall from time to time as necessary to provide for the payment of the Series 2009 Bonds and the operation and maintenance of the Water System, increase such rates and charges as necessary or as requested by the Purchaser.

**Section 7.** The selections of Wright, Lindsey & Jennings LLP as bond counsel and the appointment of Metropolitan National Bank, Little Rock, Arkansas, to serve as Trustee are hereby ratified and approved.

**Section 8.** The Secretary shall maintain, as a part of the minutes of the meeting at which this Resolution is adopted, and in the permanent records of the Issuer, for inspection by any interested person, a copy of the Series 2009 Supplemental Indenture and the Bond Purchase Agreement.

**Section 9.** It is hereby ascertained and declared that the Improvements must be accomplished as soon as possible in order to alleviate immediate hazards to the health, safety, and welfare of the Issuer, its customers, and their property, and that the Improvements can be accomplished only by the issuance of the Series 2009 Bonds. It is, therefore, declared that an emergency exists and this Resolution, being necessary for the immediate preservation of the public peace, health, and safety, shall take effect and be enforced from and after its passage.

**Section 10.** All actions heretofore taken by the Commission and officers of the Issuer in connection with the offering of the Series 2009 Bonds, including the preparation of this Resolution, are hereby in all respects ratified and approved.

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**CERTIFICATE**

STATE OF ARKANSAS )

COUNTY OF PULASKI )

I, Francille Turbyfill, Secretary of the Board of Commissioners of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2009-06 of the Resolutions of Central Arkansas Water, entitled: **A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF WATER REVENUE BONDS FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING, CONSTRUCTING AND EQUIPPING CAPITAL IMPROVEMENTS TO THE WATER COLLECTION, TREATMENT AND DISTRIBUTION SYSTEM OF CENTRAL ARKANSAS WATER; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE AND A BOND PURCHASE AGREEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO** passed by the Commission on September 10, 2009, said Resolution now appearing of record in this office.

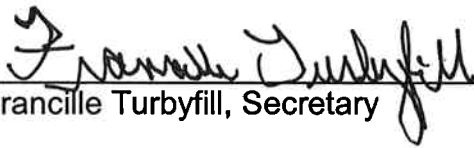
IN WITNESS WHEREOF, I have hereunto set my hand and seal of office on this 10th day of September, 2009.


  
Francille Turbyfill, Secretary



ADOPTED: September 10, 2009

ATTEST:

  
Francille Turbyfill, Secretary

  
Jay Hartman, Chair

**CERTIFICATE**

I, Francille Turbyfill, Secretary of the Board of Commissioners, Central Arkansas Water, certify that the foregoing pages is a correct copy of Resolution 2009-\_\_\_\_ adopted by said Board of Commissioners at a meeting held on the \_\_\_\_ day of September, 2009.

GIVEN under my hand and seal on this 10<sup>th</sup> day of SEPTEMBER 2009.

  
Secretary

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

October 8, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, October 8, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Jay Hartman, Chair  
Mr. Anthony Kendall, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Eddie Powell, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Martin Maner, P.E., Director of Watershed Management  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Darrell Boggs, Assistant Distribution Director  
Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Sources  
Ms. Stephanie Hymel, Stewardship Coordinator  
Ms. Deena Coston, C.P.A., Controller  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Samantha J. Williams, Communications Assistant  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Mr. McRee Anderson, Fire Ecologist with The Nature Conservancy  
Ms. Ruth Bell, Representative of the League of Women Voters of Pulaski County  
Mr. Martin Blaney, Habitat Coordinator with the Arkansas Game & Fish Commission  
Ms. Erin Brogdan, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Mr. Mike Coulson, Arkansas Boathouse Club  
Mr. Barry Haas, Representative, Citizens Protecting Maumelle Watershed  
Ms. Kristin Netterstrom, Reporter for the *Arkansas Democrat Gazette*  
Ms. Marita Steele, Account Executive, Advantage Communications, Inc.  
Mr. Paul Strickland, P.E., Garver, L.L.C.  
Mr. Billy Turner, Raffetis Financial Consultants

Mr. Gerald Wexelbaum, Raftelis Financial Consultants

### **CALL MEETING TO ORDER**

Mr. Jay Hartman, Chair, called to order the October 8, 2009 meeting of the Board of Commissioners.

### **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, P.E., Chief Executive Officer, introduced guests.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the September 10, 2009 minutes were approved.

### **NEW BUSINESS**

#### **Arkansas Game & Fish Presentation**

Ms. Stephanie Hymel, Stewardship Coordinator, introduced Mr. Martin Blaney, Habitat Coordinator with the Arkansas Game & Fish Commission and Mr. McRee Anderson, Fire Ecologist with The Nature Conservancy. Ms. Hymel said that they would speak on forest habitat management techniques.

#### **Utility Management Audit**

Mr. Rich said that CAW has been working with Raftelis Financial Consultants who has been performing an audit of the utility in reference to the recently published primer, *Effective Utility Management*. He said that the audit is to determine if CAW is consistent with the attributes of Effective Utility Management and, if not, to develop a plan to improve and become consistent with those attributes.

Mr. Rich said that the primer was developed by six private and public water and wastewater utilities, along with the U.S. Environmental Protection Agency (EPA). He added that these attributes are considered the new standard for well-managed utilities.

Mr. Rich introduced Mr. Billy Turner and Mr. Gerald Wexelbaum, both with Raftelis Consultants, who spoke to the Board on Effective Utility Management.

### **OLD BUSINESS**

#### **Comprehensive Land Use Plan**

Mr. Martin Maner, Director of Watershed Management, said that the firm of Wallace, Roberts, and Todd, L.L.C., has been selected to develop a Comprehensive Land Use Plan for the Lake Maumelle Watershed. He noted that the contract is for an amount not to exceed \$253,000.

Mr. Eddie Powell, Commissioner, asked what will be accomplished with the completion of the plan. Mr. Maner said that the plan will determine what type of land use is compatible with maintaining the water quality at Lake Maumelle. He added that the primary focus is for an environmentally friendly development of the land within the Lake Maumelle Watershed.

Mr. Maner said that the plan should be completed by April 2010.

### 2010 Financial Plan

Mr. Gary Pittman presented a draft of the 2010 Financial Plan for Board consideration. Mr. Pittman said that the 2010 plan has more content and conforms to Government Finance Officer Association guidelines. He added that Board approval will be requested at the November meeting.

Commissioner Powell said that the 2010 Financial Plan appears to be very thorough and thanked staff for their efforts.

### Employee Health Insurance Renewal

Ms. Becky Wahlgreen, Director of Human Resources, discussed modifications to the employee health insurance plan for 2010.

She stated that over the last seven years health insurance premiums increased 60% nationally, while CAW's increase over the same time frame was exceptionally low at 4.4%. She said that premium increases at the national average would have resulted in additional expenses to CAW of \$850,000.

Ms. Wahlgreen said that in 2010 premiums are projected to increase nationally 9-11%, with local premiums averaging a 10% increase. She added that the initial quote CAW received called for an 11.4% increase, with coverage remaining the same. Ms. Wahlgreen said that staff recommended several changes to coverage levels, with increased employee cost sharing, which resulted in a lower premium increase at 5% and significant savings to CAW

Upon a motion duly made by Commissioner Kendall and seconded by Commissioner Powell, the Letter of Intent was approved.

### Retiree Insurance Plan

Mr. Gary Pittman said that for over 30 years, CAW has provided health insurance to utility retirees. He said that recent changes in governmental regulations require CAW to show the cost to the utility for this healthcare, known as Other Post Employment Benefits (OPEB). Mr. Pittman spoke of a proposal to reduce CAW's OPEB liability. Mr. Pittman said that the proposed plan will initially reduce the cost to the utility by \$113,000 and, eventually, eliminate the liability completely.

Ms. Wahlgreen reviewed the current requirements to participate in CAW's retiree healthcare benefit, as well as proposed changes to reduce CAW's OPEB liability.

Ms. Wahlgreen said that staff recommends that CAW continue to provide retiree healthcare benefits to retirees currently covered by this benefit. She said that the proposed plan would eventually phase-out retiree healthcare for current employees, but will not affect existing retirees. A revised retiree healthcare policy would include the following: no changes to retiree healthcare for employees who currently have 20 years of service; incremental reductions to the retiree healthcare benefit for employees with 15 -19 years of service, 10 – 14 years of service and less than 10 years of service. New hires effective 1/1/10 would not receive a retiree healthcare benefit.

Mr. Rich said that no action was needed at this time.

### Letter of Intent with the Arkansas Game & Fish Commission

Mr. Rich spoke on the efforts to secure funding for the potential purchase of the property known as the Winrock Sod Farm. Mr. Rich said that one potential source of funding is the Arkansas Game & Fish Commission (AGFC). He said that the AGFC has asked that, in return for the funding, they receive a conservation easement on portions of the property. Mr. Rich said that this conservation easement is consistent with CAW's intended use of the property. He added that staff is asking only for approval of a Letter of Intent to develop a conservation easement should we receive funding from the AGFC for purchase of the property.

Upon a motion duly made by Commissioner Powell and seconded by Dr. Roby Robertson, Commissioner, the Letter of Intent was approved.

### DEPARTMENT UPDATE

#### Watershed

Mr. Martin Maner, P.E., Director of Watershed Management, provided an update on watershed issues:

- The first meeting for development of a Stormwater and Drainage Manual and a Site Evaluation Tool was held between Pulaski County, Tetra Tech, Inc., and CAW on September 21. The purpose of the meeting was to determine the format and content of the manual.
- Proposed changes to Regulation 6, Prohibition of Surface Discharge of Water and Wastewater, is scheduled to go before the Arkansas State Legislature's Public Health Committee.
- On November 10 and 12, CAW in conjunction with the Arkansas Game & Fish Commission, will hold public hearings on proposed changes to the Rules and Regulations for Lake Maumelle. The proposed changes would allow kayaks above the Highway 10 bridge, archery-only and small game hunting in designated areas, and trot lines in designated areas around Lake Maumelle.

#### Regionalism

Mr. Dale Kimbrow, Manager of Planning, Regionalism, and Future Water Sources, provided an update on regionalism and planning activities:

- Greers Ferry Water Allocation Request - The U.S. Corps of Engineers has said that the agreement to take water from Greers Ferry should be signed sometime this month.
- Lonoke/White Public Water Authority (LWPWA) - LWPWA encountered some technical issues with the EPA in regards to funding their project with stimulus money. They have since resolved those issues with the EPA and are preparing to go out for bids for the project.

- Wye Mountain – Waiting on approval from the Arkansas State Highway Department. It is expected that approval will be granted later this month. Once approval is received, the bidding process can proceed.

#### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

#### Public Comments

Mr. Mike Coulson with the Arkansas Boathouse Club said they are looking for a site for their rowing club. He asked the Board to consider allowing them to use Lake Maumelle.

Mr. Barry Haas, asked the Board to remember the decision of previous Boards to not allow kayaking on Lake Maumelle.


#### BOARD BRIEFING

Mr. Rich provided an update on the following items:

- Each year the Little Rock Regional Chamber of Commerce conducts a Leadership Greater Little Rock program. Approximately 50 class members are selected from hundreds of applicants to participate in the nine-month program. Mr. Kimbrow has been selected to participate in the classes.
- On November 14, CAW will be conducting the second annual Southshore Sweep at Lake Maumelle. CAW employees, civic organizations, and community volunteers will join together to clean trash and debris within the Lake Maumelle Watershed.
- CAW is in the final phase of the Master Plan and it should be ready to be presented to the Board at the December 2009 Board Meeting.

#### ADJOURNMENT

With there being no further business, Chair Hartman adjourned the meeting.

  
Francille Turbyfill, Secretary/Treasurer

RESOLUTION NO. 2009-07

**RESOLUTION APPROVING LEASE-PURCHASE AGREEMENT CONTRACT BETWEEN CENTRAL ARKANSAS WATER AND THE TRUST FOR PUBLIC LAND; AUTHORIZING PAYMENT OF THE FIRST PAYMENT DUE THEREUNDER; AUTHORIZING THE CHAIRPERSON TO EXECUTE SUCH AGREEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO**

WHEREAS, the Trust for Public Land ("TPL") has contracted to purchase approximately nine hundred and fifteen (915) acres of land in Pulaski County commonly referred to as the Winrock Grass Farm (the "Property"); and

WHEREAS, TPL desires to lease the Property to CAW, with an option for CAW to purchase the Property, pursuant to and in accordance with the terms of the Lease-Purchase Agreement (the "Agreement") presented at this meeting; and

WHEREAS, CAW desires to lease the Property from TPL, with an option to purchase, pursuant to and in accordance with the terms of the Agreement; and

WHEREAS, the Agreement provides that CAW shall pay to TPL an initial lease payment of Four Million Three Hundred Fifty Thousand Dollars (\$4,350,000) (the "Initial Payment") on the date TPL acquires the Property; and

WHEREAS, the State of Arkansas has appropriated Four Million Dollars (\$4,000,000) to be applied towards the Initial Payment (the "State's Initial Contribution"); and

WHEREAS, CAW will pay Three Hundred and Fifty Thousand Dollars (\$350,000) of the Initial Payment (the "CAW's Initial Contribution").

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER:**

Section 1. The Chair and Secretary of the Commission are hereby authorized and directed to execute and acknowledge, respectively, the Agreement, and the Agreement is hereby approved in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

Section 2. CAW is authorized to pay CAW's Initial Contribution as provided in the Agreement.

Section 3. CAW shall request that the State of Arkansas fund the State's Initial Contribution to complete funding of the Initial Payment as provided in the Agreement.



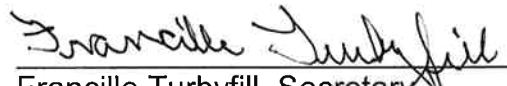
Section 4. Each or any of the Chair, Secretary, Chief Executive Officer or Chief Operating Officer is hereby authorized and directed to do any and all things necessary to effect the purpose of this Resolution and to take all other actions necessary or desirable in connection with the foregoing sections of this resolution.

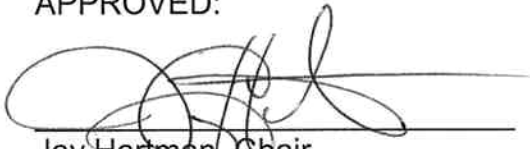
Section 5. This Resolution shall be in effect upon its adoption and approval.

ADOPTED: November 12, 2009

ATTEST:

APPROVED:

  
Francille Turbyfill, Secretary

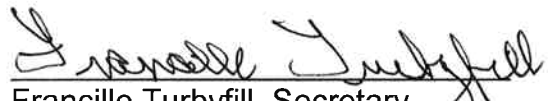
  
Jay Hartman, Chair

CERTIFICATE

STATE OF ARKANSAS    )  
  )  
COUNTY OF PULASKI    )

I, Francille Turbyfill, Secretary of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2009-07 of the Resolutions of Central Arkansas Water, entitled: RESOLUTION APPROVING LEASE-PURCHASE AGREEMENT CONTRACT BETWEEN CENTRAL ARKANSAS WATER AND THE TRUST FOR PUBLIC LAND; AUTHORIZING PAYMENT OF THE FIRST PAYMENT DUE THEREUNDER; AUTHORIZING THE CHAIRPERSON TO EXECUTE SUCH AGREEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO, adopted November 12, 2009.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of November, 2009.

  
Francille Turbyfill, Secretary  
Board of Commissioners  
Central Arkansas Water

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

November 4, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a Special Called meeting at 11 a.m. Wednesday, November 4, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Jay Hartman, Chair  
Mr. Anthony Kendall, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Eddie Powell, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Martin Maner, P.E., Director of Watershed Management  
Mr. Jonathan Long, Water shed Administrator  
Ms. Samantha J. Williams, Communications Assistant  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Attendance via Telephone:

Mr. Chris Demming, Senior Program Manager, Trust Public Land

Also in attendance:

Mr. Herb Dicker, President of Little Rock Neighborhood Connections  
Ms. Patricia Dicker, Member, Pulaski County Quorum Court  
Mr. Barry Haas, Representative, Citizens Protecting Maumelle Watershed  
Mr. Ray Hamilton, Photographer with KATV-Channel 7 TV  
Mr. Jim Harvey, former CEO, Central Arkansas Water  
Senator Bob Johnson, Arkansas State Senator, 18<sup>th</sup> District  
Mr. Jim Jolley, Arkansas Forestry Commission  
Mr. Gerard Matthews, Report, *Arkansas Times*  
Ms. Kristin Netterstrom, Reporter for the *Arkansas Democrat Gazette*  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Scott Simon, Director, The Nature Conservancy of Arkansas  
Ms. Marita Steele, Account Executive, Advantage Communications, Inc.

## **CALL MEETING TO ORDER**

The Special Called Meeting of the Board of Commissioner was called to order on November 4, 2009.

## **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, P.E., Chief Executive Officer, introduced guests.

## **NEW BUSINESS**

Vice Chair Kendall said that public hearing had been held to receive public comments regarding the purchase of land known as the Winrock Grass Farm, along Arkansas Highway 10.

Mr. Rich reviewed details of the land under consideration for purchase. He said that the purchase price of \$12.4 million is for 915 acres. Mr. Rich said that a formal agreement to sell has been reached between Mr. Jay DeHaven, owner of the property and the Trust for Public Land (TPL), with a scheduled closing date of December 10, 2009.

Mr. Rich said that staff is asking for approval to enter into a lend/lease agreement with TPL for this property. He said that funding sources for the purchase of the property include \$4 million from the State of Arkansas and \$1 million from the Arkansas Game & Fish Commission. Mr. Rich added that CAW had applied for a grant from the U.S. Forestry Legacy program but there were insufficient funds in that program to meet all grant requests for 2009. Mr. Rich said that CAW has re-applied to the Forestry Legacy program to receive a \$4 million grant in 2010.

Mr. Rich said that not only would this be an asset in protecting the long-term water quality of Lake Maumelle, but would also be a benefit to the community in terms of recreation and education and preserving wildlife habitat.

Mr. Rich noted that the purchase agreement is for three years at 5.25% interest. He said that the intent is to pay TPL for the property in 2010 next year through bond issue or by acquiring a State Revolving Fund loan which offers a very attractive interest rate. Mr. Rich added that the water management fee that is collected from each water bill would go toward retiring the debt on the bond issue or state loan. He said that CAW collects approximately \$690,000 annually from this fee.

Mr. Tad Bohannon, attorney for CAW, said that 40 acres owned by Mr. DeHaven and adjacent to the land under consideration is not part of the acreage to be purchased but that TPL has an option to purchase these 40 acres and will assign this option to CAW. Mr. Bohannon said that CAW has proposed to release this option if Mr. DeHaven agrees to develop the property in a way that follows the Watershed Management Plan. He added that this agreement would be made part of the property records filed with Pulaski County.

Mr. Chris Demming, Senior Program Manager, Trust for Public Land, spoke on the process used for appraisal of the property. He said that TPL works with appraisers that are familiar with the Yellow Book Standard (a government auditing standard of government organizations, programs, and activities) of appraisals. He said that bids were solicited for MAI (Members, Appraisal Institute, a professional designate by the American Institute of Real Estate Appraisers) appraisals and interviews were conducted by TPL, CAW staff, and representatives of the owners of Winrock Grass Farm.

Upon a motion duly made by Mr. Eddie Powell, Commissioner, and seconded by Ms. Adrienne Bradley, Commissioner, staff is authorized to enter into a lend/lease agreement with TPL for the Winrock Grass Farm.

**PUBLIC COMMENTS**

Arkansas State Senator, Bob Johnson, commended the CAW Board and staff for their efforts to purchase the property.

In response to a question by Dr. Roby Robertson, Commissioner, Mr. Rich stated that the purchase of this land would have no effect on water rates.

**ADJOURNMENT**

With there being no further business, Chair Hartman adjourned the meeting.

  
Francille Turbyfill, Secretary/Treasurer

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

November 12, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, November 12, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Jay Hartman, Chair  
Mr. Anthony Kendall, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. Adrienne Bradley, Commissioner  
Mr. Eddie Powell, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Mr. Stan Benton, Director of Distribution  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Martin Maner, P.E., Director of Watershed Management  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Darrell Boggs, Assistant Distribution Director  
Mr. Vince Guillet, GIS Manager  
Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source  
Ms. Stephanie Hymel, Stewardship Coordinator  
Ms. Deena Coston, C.P.A., Controller  
Mr. Jeff Mascagni, C.P.A., Controller  
Mr. Dennis Yarbrow, P.E., Supervisor of Water Sources  
Mr. Chris Owen, PAgis Technical Manager  
Mr. Joe Uekman, Foreman  
Ms. Teresa Uekman, Engineering Aide  
Ms. Samantha J. Williams, Communications Assistant  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Mr. John Brayman, President, The Oaks Property Owners' Association  
Ms. Erin Brogdan, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Mr. Jay Chesshir, President, Little Rock Regional Chamber of Commerce  
Mr. Joey Dean, Vice President for Economic Development, Little Rock Regional Chamber of Commerce  
Mr. Barry Haas, Representative, Citizens Protecting Maumelle Watershed

Ms. Kristin Netterstrom, Reporter for the *Arkansas Democrat Gazette*  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Ms. Marita Steele, Account Executive, Advantage Communications, Inc.  
Mr. Paul Strickland, P.E., Project Manager, Garver Engineers, L.L.C.

### **CALL MEETING TO ORDER**

Mr. Jay Hartman, Chair, called to order the November 12, 2009 meeting of the Board of Commissioners.

### **INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, P.E., Chief Executive Officer, introduced guests.

### **NEW BUSINESS**

#### **Employee Recognition**

Mr. Allen Vincent said that the Pulaski Area Geographic Information System (PAgis) agency, which CAW is a member of as well as the management agency for, had received an award from the Arkansas GIS Users Forum for outstanding application of geospatial technology. Mr. Vincent introduced Mr. Vince Guillet, CAW GIS Manager and PAgis Manager, who spoke briefly on the functions of PAgis.

Mr. Guillet recognized Mr. Chris Owen, PAgis Technical Manager, who received an award from the Arkansas GIS Users Forum for his leadership, initiative and thorough knowledge of GIS concepts and technology. Mr. Guillet said that in his current position, Chris' expertise and leadership skills over the past several years have contributed to developing PAgis into the effective organization it is today.

Mr. Darrell Boggs, Assistant Director of Distribution, introduced Mr. Joe Uekman, Foreman. Mr. Boggs said that while driving to work one morning, Mr. Uekman came upon a vehicle overturned in a culvert. He said that Mr. Uekman called for emergency services and assisted the lone person in the vehicle until emergency services arrived at the scene. Mr. Boggs added that the vehicle had been in the culvert for approximately two hours before Mr. Uekman came to their aid.

Chair Hartman commended Mr. Uekman for his actions.

### **APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the October 8, 2009 minutes were approved.

### **OLD BUSINESS**

#### **Request to Amend Demand Management Surcharge**

Mr. John Brayman, President of The Oaks Property Owners' Association, spoke to the Board concerning his request for CAW to implement a new rate class for single sprinkler systems that provide water to multiple home sites, such as condominiums.

Mr. Rich said that CAW has adopted an inclining rate block structure, which is the most common type of rate structure in the water industry. He added that it is illegal to charge different rates to customers within the same rate class.

Mr. Thomas Rimmer, Commissioner, noted that public hearings are held before any rate changes are made.

Upon recommendation from CAW staff, Chair Hartman said that no changes to rates would be made.

#### 2010 Financial Plan

Mr. Gary Pittman, Chief Financial Officer, reviewed the draft 2010 Financial Plan that had been sent to the Commissioners in October for their review. Mr. Pittman said that the 2010 Financial Plan includes a 2% pay plan adjustment and a proposed bond issue.

Upon a motion made by Mr. Anthony Kendall, Vice Chair, and seconded by Ms. Adrienne Bradley, Commissioner, the 2010 Financial Plan was approved as presented.

Mr. Eddie Powell, Commissioner, commended staff on the depth of information provided in the financial plan and the effort that went into producing the document.

#### Retiree Insurance Plan

Ms. Becky Wahlgreen, Director of Human Resources, presented to the Board two options regarding changes to CAW Retiree Health Insurance coverage for future retirees. Ms. Wahlgreen answered questions from the Board regarding those options, and staff asked the Board to approve one of the options presented.

Upon a motion duly made by Commissioner Bradley and seconded by Commissioner Powell, the Board approved the following changes to CAW Retiree's Health Insurance for future retirees, in a vote of 5 yeas and 1 nay. Coverage provisions outlined below are subject to eligibility requirements as outlined under the Retiree Benefits policy, which include at least 20 years of continuous service with CAW and retirement from CAW under APERS at the time of termination of employment.

- Existing Retirees & Current Employees with **20** Years of Service as of January 1, 2010 - No change to current benefit.
- Current employees with **15-19** years of service as of January 1, 2010 - CAW will provide a Medicare supplement at age 65 (not employee group health plan), to be selected by CAW. No changes to other benefit provisions.
- Current employees with **10-14** years of service as of January 1, 2010 - CAW will provide a Medicare supplement at age 65 (not employee group health plan), to be selected by CAW, with a reduced benefit prior to age 65 as follows:
  - 20 years of continuous service will be provided up to 3 years of medical coverage, 2 years paid 100% by CAW and 1 year paid 50% by CAW
  - 25 years of continuous service will be provided up to 4 years of medical coverage, 3 years paid 100% by CAW and 1 year paid 50% by CAW
  - 30 years of continuous service will be provided up to 5 years of medical coverage, 4 years paid 100% by CAW and 1 year paid 50% by CAW

- Current employees with **less than 10** years of service as of January 1, 2010 - CAW will provide a Medicare supplement at age 65 (not employee group health plan), to be selected by CAW, with a reduced benefit prior to age 65 as follows:
  - 20 years of continuous service will be provided up to 2 years of medical coverage, 1 year paid 100% by CAW and 1 year paid 50% by CAW
  - 25 years of continuous service will be provided up to 3 years of medical coverage, 2 years paid 100% by CAW and 1 year paid 50% by CAW
  - 30 years of continuous service will be provided up to 4 years of medical coverage, 3 years paid 100% by CAW and 1 year paid 50% by CAW
- **New Hires** January 1, 2010 and thereafter - Retiree health care coverage will not be provided.

**The changes outlined above will save the utility approximately \$85,000 next year alone and \$5,200,000 over the next thirty years.**

### **NEW BUSINESS**

Mr. Jay Chesshir, President of the Little Rock Regional Chamber of Commerce, thanked the Board for the opportunity to speak and introduced Mr. Joey Dean, Vice President for Economic Development with the Little Rock Regional Chamber of Commerce.

Mr. Dean said that the Chamber is asking CAW to partner with them on a four-year, \$25,000.00 per year marketing plan that would focus on workforce development, research park initiatives, business retention and expansion, small business development, project management, and long-term economic development funding.

Mr. Dean said that he and Mr. Chesshir were there to present the request and answer any questions the Board may have on this marketing plan.

Mr. Rich said that the Board will be asked to consider the chamber's marketing plan request at the December Board Meeting.

### **CONTRACTS/PURCHASES**

Upon motions duly made and seconded, the following contracts were approved:

- The approval of a supplement to the current contract with Arkansas Utility Protection Services, Inc., (ArkUps) in the amount of \$400,964.00 for the marking of various utilities in preparation for pavement cuts and excavations required to repair utility services and mains.
- Award an annual security and access control system maintenance contract to Advent Systems, Inc., in the amount of \$64,670.00. These services are required to maintain security system software and hardware located at the James T. Harvey Administration Building, Clearwater Operations Facility, Maryland Avenue Facility, Wilson WTP, Ozark WTP, Jackson Reservoir, Crystal Hill Pump Station, and Lake Maumelle.



## DEPARTMENT UPDATES

### Watershed

Mr. Martin Maner, P.E., Director of Watershed Management, provided an update on watershed issues:

- Comprehensive Land Use Plan - The first kick-off meeting was held on November 3 with the consultants, Wallace, Roberts, & Todd, L.L.C., in attendance. They then toured the Pulaski County portion of the watershed that afternoon. The next day, the consultants held meetings with watershed stakeholders.
- Third party rulemaking Regulation 6 –Efforts to prohibit the surface discharge of wastewater via the third party rulemaking by modification of the Arkansas Pollution Control and Ecology's Regulation 6. The proposed rulemaking went before the Legislative Rules and Regulations Committee for review on October 14<sup>th</sup> and before the Legislative Public Health Committee on October 27. The next and final step will be the proposed change coming before the Arkansas Pollution and Control Commission Board meeting. The next meeting is scheduled for December 4.
- Proposed rules and regulation changes for Lake Maumelle – Public hearings were held on November 10 at Joe T. Robinson High School and November 12 at 10:00 at the James T. Harvey Administration Building to hear comments and answer questions from the public.
- Wildlife Management Area – CAW has entered into a Memorandum of Agreement with the Arkansas Game & Fish Commission (AG&FC) to establish a wildlife management area in the Lake Maumelle Watershed. Ms. Stephanie Hymel, Stewardship Coordinator, will be working with AG&FC staff to develop the operations plans. It has been decided to have separate plans for the hunting, fisheries and education portions of the wildlife area.

### Regionalism

Mr. Dale Kimbrow, Manager of Planning, Regionalism, and Future Water Source, provided an update on regionalism and planning activities.

### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

## BOARD BRIEFING

Mr. Rich provided that the North Little Rock 911 Center has expressed an interest in using a portion of the Maryland Facility for office space.

**ADJOURNMENT**

With there being no further business, Chair Hartman adjourned the meeting.

  
Francille Turbyfill, Secretary/Treasurer

## RESOLUTION 2009-08

**A RESOLUTION APPROVING REGULATIONS FOR LAKE MAUMELLE AREA, AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO IMPLEMENT THOSE REGULATIONS AT AN APPROPRIATE TIME IN CONJUNCTION WITH THE ESTABLISHMENT OF A WILDLIFE MANAGEMENT AREA AROUND LAKE MAUMELLE, AND PROSCRIBING OTHER MATTERS RELATED THERETO.**

**WHEREAS**, Central Arkansas Water, an Arkansas public body politic and corporate created under the Consolidated Waterworks Authorization Act, Act 982 of the 83<sup>rd</sup> General Assembly of the State of Arkansas ("CAW"), operates the state's largest water treatment and distribution system which serves, directly or indirectly, citizens in portions of Pulaski, Saline, and Lonoke counties; and

**WHEREAS**, the Arkansas Game and Fish Commission ("AGFC") is vested with the control, management, restoration, conservation and regulation of the birds, fish, game and wildlife resources of the State of Arkansas; and

**WHEREAS**, CAW and AGFC entered into a Memorandum of Agreement in June 2009 (the "Agreement") memorializing their mutual desire to cooperate for the common purposes of managing and conserving fish and wildlife and their habitats, and ensuring a reliable, safe and high quality water supply for CAW's customers; and

**WHEREAS**, the Agreement provides that CAW staff and AGFC staff shall work together to develop a plan or plans (collectively, the "Plan"), including the development of any applicable wildlife management area and fishing regulations deemed necessary for implementation of the Plan, for the management of fish and wildlife and their habitats on CAW's property in the Lake Maumelle Area; and

**WHEREAS**, the Agreement provides that the Plan shall be presented to and approved by the Board of Commissioners, Central Arkansas Water (the "Board"), prior to its implementation; and

**WHEREAS**, CAW staff and AGFC staff have determined that it is in the best interest of CAW to develop the Plan in stages, rather than develop a single comprehensive plan for the management of the fish and wildlife and their habitats on CAW's property in the Lake Maumelle Area; and

**WHEREAS**, one of the steps necessary for the development of the Plan is the revision of CAW's current Rules and Regulations for use of Lake Maumelle; and

**WHEREAS**, following the option of CAW's *Regulations for Public Use of Lake Maumelle and Surrounding Property*, AGFC staff will complete a draft of AGFC's

proposed regulations for the Wildlife Management Area (“AGFC’s Regulations”) and present them to the Board for approval at a future scheduled meeting of the Board.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT:**

1. The *Regulations for Public Use of Lake Maumelle and Surrounding Property* (the “New Regulations”), in substantially the form presented at the meeting at which this Resolution is addressed, are hereby approved.

2. The Chief Executive Officer (the “CEO”) is authorized to implement the New Regulations and cause them to become effective at such time as the CEO determines is proper for the effective management of CAW’s property in and around Lake Maumelle in accordance with the Agreement after the Board has approved AGFC’s Regulations.

3. CAW staff shall continue to abide by the Agreement and present to the Board all parts of the Plan for the proper management of fish and wildlife and their habitats on CAW’s property in and around Lake Maumelle prior to their implementation.

ADOPTED this 10th day of December 2009.

  
\_\_\_\_\_  
Anthony Kendall, Vice Chair

**CERTIFICATE**

I, Francille Turbyfill, Secretary of the Board of Commissioners, Central Arkansas Water, certify that the foregoing pages is a correct copy of Resolution 2009-08 adopted by said Board of Commissioners at a meeting held on the 10th day of December 2009.

GIVEN under my hand and seal on this 10th day of December 2009.

  
Francille Turbyfill, Secretary

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

December 10, 2009

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, December 10, 2009, in the Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Mr. Anthony Kendall, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Mr. Eddie Powell, Commissioner  
Mr. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

Present by Telephone:

Mr. Jay Hartman, Chair

Absent:

Ms. Adrienne Bradley, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, P.E., Chief Executive Officer  
Mr. Thad Luther, P.E., Chief Operating Officer  
Mr. Gary P. Pittman, Chief Financial Officer  
Ms. Marie A. Crawford, Director of Communications  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Martin Maner, P.E., Director of Watershed Management  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Darrell Boggs, Assistant Distribution Director  
Mr. Dale Kimbrow, Manager of Planning, Regionalism and Future Water Source  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Dennis Yarbro, P.E., Supervisor of Water Sources  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Mr. Mike Armstrong, Deputy Director, Arkansas Game & Fish Commission  
Mr. Ricky Chastain, Assistant Chief, Wildlife Division, Arkansas Game & Fish Commission  
Mr. Bryan Day, Citizen  
Mr. Joey Dean, Vice President for Economic Development with the Little Rock Regional

Chamber of Commerce

- Mr. Lucien Gillham, P.E., Secretary of the Arkansas Wildlife Federation
- Mr. Barry Haas, Representative, Citizens Protecting Maumelle Watershed
- Mr. Clifton Jackson, Urban Fishery Biologist, Arkansas Game & Fish Commission
- Mr. Roger Nesuda, Owner, Jolly Roger's Marina
- Ms. Kathleen Oleson, League of Women Voters of Pulaski County
- Mr. J. A. Penney, Property Owner in Lake Maumelle Watershed
- Mr. Dan Scheiman, Conservation Manager, Audubon Arkansas
- Mr. Bill Shepherd, Member of the Audubon Society of Central Arkansas
- Ms. Marita Steele, Account Executive, Advantage Communications, Inc.
- Mr. Paul Strickland, P.E., Project Manager, Garver Engineers

**CALL MEETING TO ORDER**

Mr. Anthony Kendall, Vice Chair, called to order the December 10, 2009 meeting of the Board of Commissioners.

**INTRODUCTION OF GUESTS**

Mr. Graham W. Rich, P.E., Chief Executive Officer, introduced guests.

**SERVICE RECOGNITION**

Vice Chair Kendall presented a five-year service pin to Dr. Roby Robertson, Commissioner, and thanked him for his service to the utility.

**APPROVAL OF BOARD MINUTES**

Upon a motion duly made and seconded, the minutes of the November 4 Special Called Meeting and the November 12, 2009 Regular Meeting were approved.

**OLD BUSINESS**

Fire Hydrant Program

Mr. Darrell Boggs, Assistant Director of Distribution, made a presentation regarding CAW's fire hydrant program.

Mr. Boggs said that in the CAW service area, there are over 14,000 hydrants and that the areas of priority of the hydrant program are: dependable service, design and installation criteria, inspection and maintenance, and taking a proactive stance on assisting public safety officials.

Mr. Boggs said that CAW's design and installation criteria exceed those recommended by the National Fire Protection Association and the American Water Works Association. He added that because of the hydrant program exceeding these recommendations, CAW maintains an excellent ISO (Insurance Services Office) rating.

Lake Maumelle Rules and Regulations

Ms. Stephanie Hymel, Stewardship Coordinator, discussed proposed changes to the Lake Maumelle Rules and Regulations.

Ms. Hymel said that the changes in the rules and regulations are in conjunction with an agreement with the Arkansas Game & Fish Commission (AG&FC) to partner on limited recreational and educational activities within designated areas of the Lake Maumelle Watershed. Ms. Hymel noted that the limited activities include kayaking, canoeing, camping, hunting, archery, boating, and prescribed burnings. She added and that AGF&C personnel will enforce the rules and regulations.

In a response to a question by Vice Chair Kendall, Ms. Hymel said that AG&FC and CAW had held two public hearings to receive public comments on these changes. She added that the proposed changes have also been posted on the CAW website for public viewing.

### Public Comments

Mr. Butch Penney, property owner in the Lake Maumelle Watershed, said he is opposed to changes in the Lake Maumelle Rules & Regulations that would allow hunting on the North side of the lake. He also said that over the years he has routinely removed debris, fallen trees, etc. from the Ouachita Walking Trail and would like special permission to use his four-wheel all-terrain vehicle to transport equipment and tools to the site.

Mr. Rich said that special permission could be granted to Mr. Penny for use of his all-terrain vehicle in the watershed.

Mr. Lucien Gillham, Secretary of the Arkansas Wildlife Federation, said they officially support the proposed changes to the rules and regulations.

Mr. Bill Shepherd, member of the Audubon Society of Central Arkansas, said they also support the proposed changes to the rules and regulations.

Ms. Kathleen Oleson, representative of the League of Women Voters of Pulaski County, said the League is concerned that CAW is relinquishing authority regarding hunting in the watershed. She asked if the AG&FC could make changes in the rules and regulations without CAW's approval. Mr. Tad Bohannon, legal counsel for CAW, said the agreement states that any proposed changes to the rules and regulations must be presented to the CAW Board for approval.

Mr. Bryan Day said that he is a citizen volunteer who enjoys recreation in the watershed. He added that bringing more activities in the watershed will help promote preservation of the excellent water quality that already exists and build future advocates.

Mr. Martin Maner spoke on behalf of Mr. McDaniel, a property owner in the watershed, who had called in to voice his concerns about safety issues regarding gun hunting in the watershed. Mr. Maner said that the AG&FC maintains a 450-foot buffer around residential areas in regards to gun hunting.

Mr. Dan Scheiman, Conservation Director of Audubon Arkansas, asked that the Board approve the changes.

Upon a motion duly made by Mr. Eddie Powell, Commissioner, and seconded by Mr. Jay Hartman, Chair, the changes to the Lake Maumelle Rules and Regulations were approved.



Agreement with Little Rock Regional Chamber of Commerce

Mr. Thad Luther, Chief Operating Officer said that staff is asking for Board approval on a 4-year marketing agreement with the Little Rock Regional Chamber of Commerce.

Mr. Thomas W. Rimmer, Commissioner, asked that language be added to the agreement that will allow CAW to terminate the Agreement "at any time, for any reason".

Also, at the request of the Board, paragraph five of the agreement was deleted and the language in the final paragraph was changed to reflect Commissioner Rimmer's recommended language change.

Public Comments

Mr. Barry Haas, speaking as an interested citizen said he is very opposed to taking ratepayer money and giving it to the Chamber.

Vice Chair Kendall asked for a review of the enabling legislation that allows contributions to civic organizations.

Chair Hartman said that the benefits received from working with the Chamber out-weigh the cost of providing financial support to the Chamber.

Upon a motion made by Commissioner Rimmer and seconded by Commissioner Powell, to approve the agreement with the Little Rock Regional Chamber of Commerce with the above changes, the motion was approved in a 4-2 decision. Vice Chair Kendall and Commissioner Robertson voted against the motion.

Strategic Plan Update

Ms. Becky Wahlgreen, Director of Human Resources, provided an update on the Strategic Plan.

**NEW BUSINESS**

**PROPOSED RATE CHANGES FOR JOLLY ROGER'S MARINA**

Mr. Martin Maner said that Mr. Roger Nesuda, owner, Jolly Roger's Marina, has requested a change in rates for boat storage at the marina. He added that the current rates were approved by the Board in November 2005.

Upon a motion duly made by Commissioner Robertson and seconded by Commissioner Powell, the motion was approved.

**CONTRACTS/PURCHASES**

Upon motions duly made and seconded, the following contracts were approved:

- Annual chemical contracts with the following companies:

Arkansas Lime Company	Quicklime	\$102,817.50
Brenntag Mid-South	Potassium Permanganate	\$124,800.00
Harcros Chemical	Powdered Activated Carbon	\$ 15,900.00*

General Chemical	Liquid Aluminum Sulfate	\$453,390.00
Solvay Fluorides, LLC	Hydrofluosilicic Acid	\$177,480.00
Arkansas Lime Company	Hydrated Lime	\$ 19,457.63
Brenntag Mid-South	Liquid Chlorine	\$151,470.00
Carus Corporation	Bimetallic Glassy Phosphate	\$310,400.00
Harcros Chemical	Sodium Silicoflouride	\$ 31,160.00*

\*Low bid based on six (6) month contract

- Award an annual contract for \$80,680.00 to Cinergi Contractors for concrete surface repair.
- Award an annual contract for \$436,915.70 to Redstone Construction Group for asphalt surface repair

## **DEPARTMENT UPDATES**

### Watershed

Mr. Martin Maner, P.E., Director of Watershed Management, provided an update on watershed issues:

- Tetra Tech is proceeding on the Manual and Site Evaluation Tools (SET) and submitted a Best Management Practices Performance Measures Memo for the Stormwater Manual and SETs on November 30 to CAW and Pulaski County officials.
- At their December 3, 2009 meeting, the Pollution Control & Ecology Commission (PC&EC) considered CAW's request to change the PC&EC regulations on wastewater discharge. Since they are state-wide regulations, the PC&EC Commission asked that we provide information as to the uniqueness of Lake Maumelle and the lake modeling. We will provide this information to them before their February 3, 2010 Commission Meeting.
- Ms. Hymel is pursuing grants for restoration work on the stream banks on the Winrock Grass Farm.

### Regionalism

Mr. Dale Kimbrow, Manager of Planning, Regionalism, and Future Water Source, provided an update on regionalism and planning activities.

- Mid-Arkansas Water Alliance — the Annual General Membership meeting will be held on Tuesday, December 15 at CAW's Maryland Avenue Complex
- Water Shortage Agreement — currently waiting on the Corps of Engineers in Washington, DC to finalize the agreement
- Lake Ouachita – The Corps of Engineers continues to look at a study to take water from the "power pool".
- Lonoke-White Water Authority continues to work on the contracts for debt reconfiguration with the 11 utilities that are part of the authority. The biggest obstacle

they face for financing through the Arkansas Natural Resources Commission is that they do not have a current need for the water but are planning for future water needs.

- Wye Mountain has received permitting approval from the Arkansas State Highway and Transportation Department. They are now working on funding for the project.

#### Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized year-to-date Financial Report on utility operations.

#### BOARD BRIEFING

Mr. Rich provided an update on the following items:

- Purchase of the Winrock Grass Farm has been completed. Various civic and state organizations will be invited to attend a retreat in February to plan the future of the property
- CAW's Master Plan has been completed and will be brought to the Board in January or February
- Work on the Strategic Plan is winding down and a workshop will be planned to go over what has been accomplished.
- The Effective Utility Management audit has been completed and will be presented to the Board in the near future.
- Thanks to CAW employees who so generously donated to the 2009 United Way Campaign, the goal of \$14,000 was exceeded for a total of \$20,000 raised.
- Each year during the holiday season, CAW employees adopt families in need. This year, employees have raised over \$2,300 for those families.

#### ADJOURNMENT

With there being no further business, Chair Hartman adjourned the meeting.

  
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Francille Turbyfill, Secretary/Treasurer