

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

January 10, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, January 10, 2008, in the Third Floor Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Dr. Roby Robertson, Chair  
Mr. Jay Hartman, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. M. Jane Dickey, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Eddie Powell, Commissioner  
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  
Mr. Steve Morgan, Director of Regionalism  
Ms. Marie A. Crawford, Director of Communications  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Darrell Boggs, Assistant Director of Distribution  
Ms. Deena Coston, C.P.A., Controller  
Mr. Jeff Mascagni, C.P.A., Controller  
Mr. Gabor Kovats, General Accountant  
Mr. Jonathan Long, P.E., Watershed Administrator  
Mr. Joe O'Hara, 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, League of Women Voters of Pulaski County  
Mr. Lee Bodenhamer, Property Owner in Lake Maumelle Watershed  
Mr. Dee Brown, P.E., Principal of Brown Engineers  
Mr. William Faulkner, former Commissioner for Little Rock Municipal Water Works  
Mr. Joel Galloway, Hydrologist, Arkansas Water Science Center, U.S. Geological Survey  
Mr. Reed Green, Ph.D., Hydrologist with the U.S. Geological Survey  
Mr. James T. Harvey, retiree  
Mr. Gary Heathcott, President, Heathcott Associates  
Mr. John Major, grandson of Jack H. Wilson, P.E., former Manager-Engineer of Little Rock Municipal Water Works  
Mr. Mike Marlar, P.E., President, Marlar Engineers  
Mr. Andrew Marsh, grandson of Jack H. Wilson, P.E., former Manager-Engineer of Little Rock Municipal Water Works  
Mr. Jim Marsh, son-in-law of Jack H. Wilson, P.E., former Manager-Engineer of Little Rock

- Municipal Water Works
- Ms. Susie Marsh, daughter of Jack H. Wilson, P.E., former Manager-Engineer of Little Rock Municipal Water Works
  - Ms. Becky Moore, granddaughter of Jack H. Wilson, P.E., former Manager-Engineer of Little Rock Municipal Water Works
  - Ms. Carson Moore, great-grandson of Jack H. Wilson, P.E., former Manager-Engineer of Little Rock Municipal Water Works
  - Ms. Mackenzie Moore, great-granddaughter of Jack H. Wilson, P.E., former Manager-Engineer of Little Rock Municipal Water Works
  - Ms. Madison Moore, great-granddaughter of Jack H. Wilson, P.E., former Manager-Engineer of Little Rock Municipal Water Works
  - Mr. Tony Moore, grandson of Jack H. Wilson, P.E., former Manager-Engineer of Little Rock Municipal Water Works
  - Mr. Don Morrow, former manager of Little Rock Municipal Water Works
  - Ms. Kristen Netterstrom, Reporter for the *Arkansas Democrat-Gazette*
  - Mr. Trent Parton, C.P.A., Senior Manager, BKD Auditors
  - Mr. Norvell Plowman, Attorney for Mr. Bodenheimer
  - Mr. Dale Russom, retiree
  - Mr. Kirby Rowland, P.E., Vice President, Garver Engineers
  - Mr. Bill Saunders, Sierra Club
  - Ms. Lynn Senn, daughter of Jack H. Wilson, P.E., former Manager-Engineer of Little Rock Municipal Water Works
  - Mr. Robert Taylor, former Commissioner for Little Rock Municipal Water Works
  - Mrs. Mary Wilson, wife of the late Jack H. Wilson, P.E., former Manager-Engineer of Little Rock Municipal Water Works

### **Introduction of Guests**

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

### **Call to Order of January 10, 2008, Meeting**

Dr. Roby Robertson, Chair, called to order the January 10, 2008 meeting of the Board of Commissioners.

### **Presentation to Family of Jack H. Wilson**

Chair Robertson noted that the Board adopted a resolution honoring Mr. Jack H. Wilson, former Manager-Engineer of Little Rocks Municipal Water Works (LRMWW), at the November 2007 Board Meeting.

Chair Robertson introduced Mrs. Jack Wilson and family and said they were here to accept the framed resolution which would be presented by Mr. Robert Taylor, a former Chair of the LRMWW Board of Commissioners.

Mr. Taylor said that he had great respect for and appreciation of Mr. Wilson and thanked the Board for the honor of presenting the plaque to Mrs. Wilson. He added that Mr. Wilson was a man of great integrity who felt a deep loyalty to the utility, its customers, and its employees.

Mr. Taylor asked Mr. Winston Falkner, former LRMWW Commissioner, to join him in presenting the plaque to Mrs. Wilson.

Mrs. Wilson thanked the Board and staff for honoring Mr. Wilson's dedication to the utility.

Chair Robertson said that the Board would take a short break in order to speak to the Wilson family on a more personal basis.

Ms. Francille Turbyfill, Secretary/Treasurer, arrived at the meeting.

The meeting reconvened.

### **Approval of Board Minutes**

Chair Robertson called for a motion to approve the minutes from the December 13, 2007 meeting. Upon a motion duly made by Ms. Jane Dickey, Commissioner and seconded by Mr. Eddie Powell, Commissioner, the minutes were approved.

### **NEW BUSINESS**

#### **Auditing Standards**

Mr. Gary Pittman, Chief Financial Officer, introduced Mr. Trent Parton, C.P.A., Senior Manager, BKD Auditors. He said that Mr. Parton was here to discuss and answer any questions regarding the document that was sent to them, "Statement on Auditing Standards No. 114" (SAS) containing communications required under SAS, *The Auditor's Communication with Those Charged with Governance*.

Mr. Parton reviewed the information the Board had received and briefly explained how the changes would affect CAW.

Mr. Tony Kendall, Commissioner, asked Mr. Parton questions as to how audits are conducted.

Mr. Parton said that, as part of regular auditing procedures, they are required to conduct unpredictable audit tests annually. He added that the area tested is determined by the project auditor but if the Board has a certain area of concern, it can be tested.

Commissioner Dickey said that the Board has a genuine concern for the financial integrity of the decisions they make and their responsibility to the public. She added that the Board strives to be responsible stewards of the funds entrusted to them.

Commissioner Dickey said that a previous audit had recommended the creation of an Audit Committee. She stated that since no single Commissioner felt they had adequate training to serve individually on an audit committee, it was decided that the Board would serve as the audit committee.

Ms. Dickey asked Mr. Parton if a training session for the Board would be advisable. Mr. Parton said that a training session could be held to provide the Board with the necessary tools that would allow them to oversee the utility's funds.

Mr. Parton said that the Audit Management Letter would be provided to the Board for their review prior to the March Board Meeting.

### Presentation on Unaccounted-For Water

Mr. Darrell Boggs, Assistant Director of Distribution, explained the audit and leak detection program used by CAW in order to locate and minimize Unaccounted-for Water. He said that CAW's current Unaccounted-for Water is eight percent while the water industry average is 10 per cent.

Chair Robertson thanked Mr. Boggs for a very informative presentation.

### CONTRACTS

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

- A joint agreement between CAW and the U.S. Geological Survey (USGS) for the 2008 Work Plan Water Quality Assessment and Monitoring Program for the drinking water supply reservoirs, Lake Maumelle and Lake Winona. This work plan is a renewal of a joint agreement between CAW and USGS for the water quality assessment and monitoring program for the drinking water supply reservoirs, Lake Maumelle and Lake Winona. Because of increased monitoring required by the Lake Maumelle Watershed Management Plan, CAW's cost has increased from \$84,000 in 2005 to \$410,680 in 2008.
- A contract with Cinergi Contractors for \$94,027 for repair of pavement damaged because of repairs to water mains and services. This is a one-year renewable contract for repair of concrete pavement only.
- A contract with HD Supply Waterworks for \$91,440.25 for the purchase of 85 fire hydrants in various sizes.
- Contracts with the following vendors for the annual purchase of copper pipe and various brass fittings:

— Little Rock Winwater Works	\$305,645.00
— H.D. Supply Waterworks	658.00
— Arkansas Water Products	30,856.50
— Allied Supply, Inc.	<u>58,200.00</u>
Total	\$395,359.50
- A renewal of a contract with S&S for \$371,829.34 for the annual maintenance contract that covers licensing fees and support services for the S&S software applications used by CAW.

### DEPARTMENT UPDATES:

#### Regionalism

Mr. Steve Morgan, Director of Regionalism & Future Water Source, updated the Board on the following regionalism issues:

- Regarding a request we received from representatives of the Paron-Owensville Water Authority, we have told them that we are not interested in selling raw water to customers at this time.

## Watershed

Mr. Martin Maner, Director of Watershed Management, introduced Mr. Jonathan Long, P.E., CAW's new Watershed Administrator.

Mr. Maner updated the Board on the following watershed activities:

- Proposed changes in the Pulaski County Planning Commission's Subdivision Rules and Regulations – Mr. Maner continues to work with county staff, watershed stakeholders, and citizens groups on this issue.

At their December 18 meeting, the Pulaski County Planning Board voted to put into effect a moratorium prohibiting development in the watershed. The moratorium will be in effect for four months.

- Third party rule-making request to the Arkansas Pollution Control and Ecology - At the February 22 meeting of the Arkansas Pollution Control and Ecology Commission, CAW legal counsel will request a modification to the Commission's Regulation No. 6. This requested modification would prohibit surface discharges in the Lake Maumelle Watershed. Representatives for Deltic Timber and Waterview Estates, the two largest landowners in the Pulaski County portion of the watershed, have indicated they are in agreement with this concept. Once the request has been made of the Commission, they will conduct a public hearing and then the issue will return to the Commission for a decision at their June meeting.
- Perry County Quorum Court - Mr. Maner will speak to the Perry County Quorum Court next week concerning the Lake Maumelle Watershed Management Implementation Plan.

## Finance

Mr. Gary Pittman, Chief Financial Officer, provided a summarized Financial Report on utility operations for the year ended December 31, 2007.

Mr. Pittman said that two new items would be considered in the upcoming 2008 rate review process:

- A separate rate for low income and elderly water customers
- An inverted rate for sprinkler use during peak usage periods

Commissioner Kendall asked when these would possibly occur.

Mr. Pittman said that these rates would need to go through a public hearing and be presented to the cities of Little Rock and North Little Rock for approval. He said that he thought these rates could be presented to the CAW Board of Commissioners at their July 2008 Board Meeting and become effective on January 1, 2009..

Chair Robertson thanked Mr. Pittman for his report.



## **BOARD BRIEFING**

Mr. Rich asked Mr. Tad Bohannon, CAW legal counsel to address the Board on pending legal issues.

Mr. Bohannon said there are two pending legal issues:

- The lawsuit brought by Citizens Protection Maumelle Watershed to intervene in the settlement signed between Waterview Estates and CAW.

Mr. Bohannon said that the court granted the motion to intervene then denied the motion to set aside the settlement.

- Wright, Lindsey & Jennings will replace the McMath Law Firm in the litigation involving Canterbury Estates.

Mr. Rich congratulated Mr. Joe O'Hara, P.E., Engineer for CAW, on attaining his Master's Degree in Civil Engineering from the University of Arkansas.

Mr. Rich asked the Board to consider attending a retreat in the near future to discuss CAW's future direction. He asked the Commissioners to check their schedules and let staff know when they would be available.

## **ADJOURNMENT**

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

A handwritten signature in black ink, appearing to be 'Jay Hartman', written over a horizontal line.

Jay Hartman, Vice Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

February 14, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, February 14, 2008, in the Third Floor Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Dr. Roby Robertson, Chair  
Mr. Jay Hartman, Vice Chair  
Ms. M. Jane Dickey, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Thomas W. Rimmer, Commissioner

Absent:

Mr. Eddie Powell, Commissioner  
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  
Ms. Marie A. Crawford, Director of Communications  
Mr. Steve Morgan, Director of Regionalism  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Vince Guillet, GIS Mnager  
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. Kate Althoff, Citizens Protecting Maumelle Watershed  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Lee Bodenhamer, Property Owner in Lake Maumelle Watershed  
Mr. Gary Heathcott, President, Heathcott Associates  
Mr. Mike Marlar, P.E., President, Marlar Engineers  
Mr. Charles Nestrud, Attorney for Deltic Timber Corporation  
Ms. Kristen Netterstrom, Reporter for the *Arkansas Democrat-Gazette*  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Norvell Plowman, Attorney for Mr. Bodenheimer  
Mr. Kirby Rowland, P.E., Vice President, Garver Engineers

## **CALL TO ORDER OF FEBRUARY 14, 2008, MEETING**

Dr. Roby Robertson, Chair, called to order the February 14, 2008 meeting of the Board of Commissioners.

## **INTRODUCTION OF GUESTS**

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

## **APPROVAL OF BOARD MINUTES**

Chair Robertson called for a motion to approve the minutes from the January 10, 2007 meeting. Upon a motion duly made by Ms. Jane Dickey, Commissioner and seconded by Mr. Tony Kendall, Commissioner, the minutes were approved.

## **NEW BUSINESS**

### **Pulaski Area Geographic Information System (PAgis)**

Mr. Rich introduced Mr. Vince Guillet, GIS Manager.

Mr. Guillet provided a brief history of PAgis, how it works, and the benefits of PAgis membership to CAW.

Chair Robertson thanked Mr. Guillet for the information.

Mr. Jay Hartman, Commissioner, arrived.

Mr. Rich told the Board that it has come to his attention that the inter-local agreement between PAgis and CAW was never formally approved by the Board. He said that this agreement states CAW will pay a yearly fee to PAgis.

Upon a motion duly made by Ms. Jane Dickey, Commissioner, and seconded by Commissioner Hartman, the inter-local agreement with PAgis was approved.

## **PUBLIC COMMENTS**

Ms. Kate Althoff, representative for Citizens Protection Maumelle Watershed (CPMW), read a letter from CPMW stating their concerns on procedures followed by the Pulaski County Planning Commission in the consideration of ordinances.

Ms. Althoff requested that a representative from CPMW be included in discussions and meetings regarding ordinances in Pulaski County.

In response, Mr. Rich stated that a public hearing will be held for public input on any changes made to Pulaski County ordinances.

Mr. Rich suggested periodic meetings between CAW, Pulaski County Planning Commission officials, and interested citizen groups could be arranged to discuss concerns.

## **CONTRACTS**



Upon a motion duly made by Mr. Tony Kendall, Commissioner, and seconded by Mr. Thomas Rimmer, Commissioner, the following contracts were approved:

- Contracts with Neptune Meter Company, Hughes Supply, Badger Meter, Inc., and Hersey Meters in a total amount not to exceed \$552,361.43 for the purchase of various sizes and quantities of water meters. (Listed quantities are base bid amounts that roughly equate to one year's supply. Meters are purchased throughout the year as needed at unit cost.)

### **DEPARTMENT UPDATES:**

#### Regionalism

Mr. Steve Morgan, Director of Regionalism & Future Water Source, updated the Board on the following regionalism issues:

- A meeting with Master-metered customers is set for March 18, 2008
- The annual payment of \$154,426.20 to the Ouachita River Water District is due March 2008. The payment guarantees CAW the right of first refusal to take 120 million gpd from Lake DeGray.

#### Watershed

Mr. Martin Maner, Director of Watershed Management, updated the Board on watershed issues:

- Continuing to work with Ms. Becky Wahlgreen, Director of Human Resources, to fill the position of Stewardship Coordinator.
- Working with Mr. Ray Cox, attorney with Wright, Lindsey & Jennings, on the prohibition of surface wastewater discharge. Mr. Cox has filed a petition with the Arkansas Pollution Control and Ecology (APC&E) Commission to initiate third party rulemaking regarding surface discharge of wastewater in the Lake Maumelle Watershed. The intent of the petition is to modify the Commission's Regulation No. 6 regarding surface discharges of wastewater. This petition will be brought before the APC&E Commission at their monthly meeting on February 22nd. Representatives for Deltic Timber Corporation and Mr. Rick Ferguson, owners of the two largest parcels of land in the Pulaski County portion of the watershed, have indicated they are in agreement with this concept.
- Mr. Jonathan Long, Watershed Administrator, has begun work on expanding CAW's existing plan for handling hazardous material spills risk to include the possibility of contamination with the watershed.
- Talking with the Arkansas Department of Environmental Quality regarding their assistance in water quality analysis on an "as needed" basis.
- Have had several meetings with Pulaski County officials and owners of large land parcels located in the Lake Maumelle Watershed to discuss implementation of the Lake Maumelle Watershed Management Plan (Watershed Plan).

Mr. Maner said that Pulaski County officials have concerns about the implementation and enforcement of the Watershed Plan by county officials. He added that they believe a document that is more concise and clear is needed for enforcement.

Mr. Maner said he is working with TetraTech, Inc., the consulting firm on the Watershed Plan, and legal counsel to devise a draft of the type of document Pulaski County officials are requesting. He added that his intent, if possible, is to have this document ready for review by the Board at the March Board Meeting.

- Spoke before the Perryville Lions Club on February 4 regarding the Watershed Plan and what type of impact, if any, it would have on property owners in Perry County.

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

Mr. Pittman said that auditors will present the 2007 Audit at the March Board Meeting.

Chair Robertson thanked Mr. Pittman for his report.

### **BOARD BRIEFING**

Mr. Rich briefed the Board on the following matters:

- The Board will hold a retreat on March 25
- Requests for Proposal for consulting services to develop a long-term Strategic Planning Initiative have been advertised and mailed out to several consulting firms
- The utility and several employees and their families have provided various types of assistance to areas devastated by the tornadoes of February 12

### **ADJOURNMENT**

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



Jay Hartman, Vice Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

March 13, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, March 13, 2008, in the Third Floor Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Dr. Roby Robertson, Chair  
Mr. Jay Hartman, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. M. Jane Dickey, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Eddie Powell, Commissioner  
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. Steve Morgan, Director of Regionalism  
Mr. Stan Benton, Director of Distribution  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Deena Coston, C.P.A., Controller  
Mr. Jeff Mascagni, C.P.A., Controller  
Mr. Buck Lewis, Special Project Manager  
Mr. Jonathan Long, P.E., Watershed Administrator  
Ms. Sharon Sweeney, Water Quality Specialist  
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. Kate Althoff, Representative of Citizens Protecting Maumelle Watershed  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Lee Bodenhamer, Property Owner in Lake Maumelle Watershed  
Mr. Bob DiAntonio, Priority Performance Group  
Mr. Herb Dicker, President, Little Rock Neighborhood Connections and Policy Advisory Council Member  
Ms. Pat Dicker, Pulaski County Quorum Court and Policy Advisory Council Member  
Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed  
Mr. Gary Heathcott, President, Heathcott Associates

Mr. Kevin Kemp, C.P.A., BKD Auditors  
Mr. Mike Marlar, P.E., President, Marlar Engineers  
Mr. Carl Meuer, Blaylock Threet Engineers  
Mr. Brode Morgan, P.E., Garver Engineers  
Ms. Kristen Netterstrom, Reporter for the *Arkansas Democrat-Gazette*  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Trent Parten, C.P.A., BKD Auditors  
Mr. Norvell Plowman, Attorney for Mr. Bodenheimer  
Ms. Sharma Young, Sharma Young Consulting

### **CALL TO ORDER OF MARCH 13, 2008, MEETING**

Dr. Roby Robertson, Chair, called to order the March 13, 2008 meeting of the Board of Commissioners.

### **INTRODUCTION OF GUESTS**

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

### **APPROVAL OF BOARD MINUTES**

Chair Robertson called for a motion to approve the minutes from the February 14, 2007 meeting. Upon a motion duly made by Mr. Eddie Powell, Commissioner and seconded by Mr. Thomas W. Rimmer, Commissioner, the minutes were approved.

### **2007 ANNUAL AUDIT**

Mr. Kevin Kemp, C.P.A., and Mr. Trent Parten, C.P.A., both with BKD Auditors presented the 2007 CAW Audit.

One of the items covered by Mr. Kemp was the main function of the Audit Committee. He said that the Audit Committee's main purpose is to hire and meet with independent auditors to discuss concerns they may have regarding CAW's finances and what approach the auditors will take towards the annual audit.

Mr. Kemp said that the Management Letter had been distributed to the Board and that no deficiencies were found in the 2007 Audit.

After a brief discussion, Mr. Anthony Kendall, Commissioner, commended Mr. Gary Pittman, Chief Financial Officer, and his staff for their excellent work.

### **WYE MOUNTAIN WATER USERS ASSOCIATION**

Mr. Steve Morgan said that at the request of Commissioners of the Wye Mountain Water Users Association, he discussed with them the possibility of CAW providing water to their customers. He said that this is strictly at the talking stage and he would keep the Board informed of any further progress.

### **REQUEST FOR UTILITY EASEMENT**

Mr. Thad Luther, P.E., Chief Operating Officer, said that Maumelle Water Company (Roland) has asked CAW to grant them a 20-foot wide utility easement to be located on the west side of Highway 300 below the Lake Maumelle Dam. He said that Maumelle Water needs the

easement to replace an existing line located in the Highway Right-of-Way. Mr. Luther added that the proposed work will require relocating the existing security fence; easement price will pay for the relocation.

Upon a motion duly made by Commissioner Powell and Mr. Jay Hartman, Secretary/Treasurer, the easement was approved.

### **REQUEST FOR ASSISTANCE IN EXTENDING WATER SERVICE**

Mr. Rich said that CAW has received a request from the City of Little Rock, the Little Rock Chamber of Commerce, and the Little Rock Port Authority to extend a waterline on Zeuber Road in the Little Rock Port Authority area in order to provide water service to a prospective industrial client.

Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed, asked why CAW is willing to pay for the installation of a water main when their policy has required developers to pay for the installation of water mains.

Mr. Rich said that the Consolidation Agreement allows the utility to pay for the installation of water mains, at its discretion.

Commissioner Kendall reminded everyone that this request is for property that is currently in CAW's service area, as opposed to installing water mains to areas that are not in CAW's distribution system.

Upon a motion duly made by Commissioner Powell and seconded by Mr. Anthony Kendall, Commissioner, the Board authorized an expenditure of no more than \$345,000 to extend water service in the Port Authority area, provided a firm commitment to locate there was received by a company.

### **PURCHASE OF PROPERTY IN THE LAKE MAUMELLE WATERSHED**

Mr. Rich reminded the Board that over the past several years, CAW staff has negotiated with Mr. Lee Bodenhamer to purchase approximately 115+/- acres located in Critical Zone A in the Lake Maumelle Watershed.

Mr. Rich said that CAW has had two appraisals of the property and the results range from approximately \$10,000/acre to \$23,000/acre. He said that Mr. Bodenhamer has indicated he is willing to sell his property for \$27,000/acre along with the provision that he be allowed to purchase the property back should CAW deem it not necessary for protection of Lake Maumelle's water quality (same provision as with Deltic's settlement).

Mr. Rich said that CAW will require a detailed survey of the property before a purchase agreement can be finalized.

Mr. Rich said that CAW has a management agreement with Mr. Bodenhamer that Mr. Bodenhamer not clear-cut the property before the property purchase can be finalized. He said that Mr. Bodenhamer would do minimal trimming of timber on the property in order to diminish a fire hazard risk.



Mr. Rich said that this brings up the issue of timber management of CAW property. He said that he has some concern about the potential fire hazard on CAW forested property due to a lack of timber and underbrush management.

Upon a motion duly made and seconded, the Board authorized staff to acquire a detailed survey of the Bodenhamer property and to move forward with a purchase agreement.

### **CONTRACTS**

Upon a motion duly made by and seconded the following contracts were approved:

- a. A Service Agreement with Woolpert, Inc., for \$469,789.70 to install and implement a GIS-based Work Management System
- b. A contract with Garver Engineers, LLC, for an amount not to exceed \$121,150 for the design and construction of a high capacity raw water pump at Lake Maumelle.
- c. A contract with Mountain Pure Water Company for \$63,900 for the purchase of bottled water.

### **DEPARTMENT UPDATES:**

Ms. Sharon Sweeney, Water Quality Specialist, talked on the issue of pharmaceuticals in drinking water, an issue that has been in recent national news reports.

Ms. Sweeney told of CAW's comprehensive water quality monitoring program, which involves water from the source to the tap.

The Board thanked Ms. Sweeney for her informative presentation.

Mr. Kendall said that the Board appreciated the excellent efforts of Ms. Marie Crawford, Director of Communications, in getting a significant amount of valuable information out to the media on the matter of pharmaceuticals in drinking water.

### **Regionalism**

Mr. Steve Morgan, Director of Regionalism & Future Water Source, updated the Board on the following regionalism issues:

- MAWA has request conditional approval from the Corps of Engineers to take water from Lake Ouachita. There is an anticipated delay of three to five years in taking water from the lake due to required monitoring and repair of the Blakely Mountain Dam. (MAWA's request for discretionary storage water in Greers Ferry Lake and Lake Ouachita has been delayed due to seepage around the edges of Blakely Mountain Dam at Lake Ouachita. The construction and monitoring required to determine the extent of the problem will cause a delay in granting water use requests for approximately 18 to 24 months. MAWA has asked that the Corps grant conditional approval based on the understanding that MAWA would not draw water out of the lake until the leakage problem is resolved.)

Mr. Morgan said that another option would be to request to take water from Lake Ouachita from the conservation pull. He said that a response to this request would take about 18 months. Mr. Morgan added that this option would cost about \$100,000 and could possibly be funded by the Corps.

- The Saline Watershed Alliance is considering constructing a lake to serve as a water source.
- The City of Perryville is considering whether to use CAW for a source of supply during emergencies.

### Watershed

Mr. Martin Maner, Director of Watershed Management, updated the Board on watershed issues:

- At CAW's direction, U.S. Geological Survey (USGS) sampled Lake Maumelle water for pharmaceuticals on February 11 and 13. The cost of analyzing these samples is very expensive, \$28,000 per site. It takes about six weeks to receive the test results.
- Currently interviewing applicants for the position of Stewardship Coordinator
- Continue to work with Pulaski County staff on revisions to the Subdivision Rules and Regulations

Pulaski County has scheduled a public hearing on March 24 for public comments on the proposed revisions. After the public hearing, the revisions will go to the Pulaski County Planning Board and then the Pulaski County Quorum Court on April 22.

Moratorium placed by the Quorum Court expires on April 16.

Chair Robertson said that Mr. Maner's efforts are not only valuable but greatly appreciated. He said that the Board is especially appreciative of Mr. Maner's willingness to keep open the lines of communication.

### Finance

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

Chair Robertson thanked Mr. Pittman for his report.

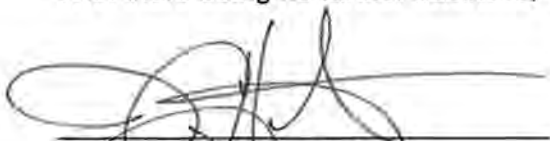
### **BOARD BRIEFING**

Mr. Rich briefed the Board on the following matters:

- The Board will hold a retreat on March 25
- The American Water Works Association's Annual Conference will be held in Atlanta, Georgia June 8-12.
- Hosted visitors from Tajikistan who toured the Jack H. Wilson Water Treatment Plant.

### **ADJOURNMENT**

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



Jay Hartman, Vice Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

April 10, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, April 10, 2008, in the Third Floor Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

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

Absent

Mr. Jay Hartman, Vice Chair

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. Steve Morgan, Director of Regionalism  
Mr. Stan Benton, Director of Distribution  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Deena Coston, C.P.A., Controller  
Mr. Jeff Mascagni, C.P.A., Controller  
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. Kate Althoff, Representative of Citizens Protecting Maumelle Watershed  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Lee Bodenhamer, Property Owner in Lake Maumelle Watershed  
Mr. Herb Dicker, President, Little Rock Neighborhood Connections  
Ms. Pat Dicker, Pulaski County Quorum Court  
Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed  
Mr. Gary Heathcott, President, Heathcott Associates  
Mr. Mike Marlar, P.E., President, Marlar Engineers  
Ms. Kristen Netterstrom, Reporter for the *Arkansas Democrat-Gazette*  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Norvell Plowman, Attorney for Mr. Bodenheimer  
Mr. Kirby Rowland, Vice President, Garver Engineers

Mr. Adam Trich, P.E., McClellan Engineers

**CALL TO ORDER OF APRIL 10, 2008, MEETING**

Dr. Roby Robertson, Chair, called to order the April 10, 2008 meeting of the Board of Commissioners.

**INTRODUCTION OF GUESTS**

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

**APPROVAL OF BOARD MINUTES**

Chair Robertson called for a motion to approve the minutes from the April 10, 2008 meeting. Upon a motion duly made by Ms. Jane Dickey, Commissioner and seconded by Mr. Anthony Kendall, Commissioner, the minutes were approved.

**PURCHASE OF PROPERTY IN MAUMELLE WATERSHED**

Commissioner Dickey recused herself from the discussion and left the room.

Mr. Rich said that over the past several years, CAW staff has negotiated with Mr. Lee Bodenhamer of J.H. Land Inc./Athabasca, Inc., to purchase approximately 115 acres located in Critical Zone A in the Lake Maumelle Watershed. He said that the approximate 115 acres is divided among various owners within the corporation and that CAW will have a contract with each owner.

Mr. Rich said that CAW has had two appraisals of the property and that Mr. Bodenhamer has indicated he is willing to sell his property for \$27,000/acre, along with two provisions: 1) that he be allowed to re-purchase the property at the original purchase price should CAW deem it not necessary for protection of Lake Maumelle's water quality; and, 2) that CAW establish a forestry management policy for this property by August 1, 2008 that is acceptable to the sellers, or the sellers may re-enter the property and harvest the timber.

Mr. Rich said that CAW will be granted an ingress/egress through the remaining property owned by J.H. Land Inc./Athabasca, Inc., until the property is developed. This would not be the only access to the approximate 115 acres but would be an additional point of access.

He added that staff is requesting approval by Board to purchase the property.

Ms. Kate Althoff, and Mr. Barry Haas, both representatives of Citizens Protecting Maumelle Watershed, cautioned against setting a precedent on acreage costs and Contract of Sale provisions.

Ms. Pat Dicker, Pulaski County Quorum Court Member, asked the Board to not enter into an agreement with Mr. Bodenhamer that is similar to the one CAW has with Deltic Timber. She noted that this property is in a critical area and has unique attributes that make it different from the property owned by Deltic Timber and, therefore, requires different contract provisions.

After some discussion by the Board on language contained in the proposed contract, Chair Robertson said that a vote to approve purchase would be deferred until the May meeting in order to allow both legal counsels time to clarify the contract language.

Chair Robertson called for a 5 minute break.



Upon reconvening, Commissioner Dickey rejoined the meeting.

### **WATERSHED IMPLEMENTATION UPDATE**

#### **Prohibition of Surface Discharge in Lake Maumelle Watershed**

Mr. Martin Maner, Director of Watershed Management, provided an update on Lake Maumelle Watershed Implementation activities.

Mr. Maner said that CAW's legal counsel filed a motion with the Arkansas Pollution Control and Ecology (APC&E) Commission to modify Regulation No. 6 in order to prohibit surface discharges of wastewater into the Lake Maumelle Watershed. He said that the APC&E Commission said that they thought the issue should be handled first at the county level. He also said that the APC&E Commission said that they would take up this matter only if the county has not done so by January 2009.

Mr. Maner said that notice has been made regarding a hearing on May 27 at 2 p.m. and in Perryville on June 2.

#### **Modifications to Pulaski County Subdivision Rules**

Mr. Maner said that Pulaski County Planning held a public hearing on March 24 to take comments on the proposed subdivision revisions. He said that the revisions will go before the Pulaski County Planning Commission.

Mr. Rich said that public concern has been raised as to the expense the county could incur to enforce the proposed changes to the subdivision rules. He said that the county has been assured that CAW is willing to provide the resources, training, and staff needed to enforce the modified subdivision rules. Mr. Rich added that a resolution has been prepared that will provide a commitment from Central Arkansas Water to provide the necessary funding for administrative and technical staff positions for Pulaski County to implement the Lake Maumelle Watershed Management Plan.

Upon a motion duly made by Mr. Eddie Powell, Commissioner and seconded by Commissioner Dickey, the resolution was approved unanimously by the Board of Commissioners.

Ms. Kathleen Oleson, League of Women Voters of Pulaski County, said that Pulaski County Judge F.G. "Buddy" Villines has developed a comparison of the Lake Maumelle Watershed Management Plan and the Pulaski County Subdivision Rules. Ms. Oleson asked if CAW staff or legal counsel had seen this comparison.

CAW management and Commissioners indicated that they had not seen this comparison. Commissioner Dickey said she believes it is important for staff to see and analyze this document.

Commissioner Dickey left the meeting for another appointment.

### **PURCHASE OF PROPERTY IN MAUMELLE WATERSHED (Reconsideration)**

Chair Robertson stated Mr. Bohannon has worked with Mr. Bodenhamer and his attorney, Mr. Norvell Plowman, during this meeting and they have agreed to revised language in the contract.



Upon a motion duly made by Mr. Thomas Rimmer, Commissioner and seconded by Mr. Anthony Kendall, Commissioner, purchase of the Bodenhamer property under conditions as defined in the agreement was approved. Commissioner Dickey was absent from the vote.

### **CONTRACTS**

Upon a motion duly made by Commissioner Powell, and seconded by Commissioner Kendall, the following contract was approved:

- a. A contract with Kajacs Contractors, Inc., in the amount of \$433,100 to replace approximately 3,000 linear feet of 6-inch diameter asbestos cement pipe with new 12-inch diameter ductile iron pipe along Lynch Drive between Pollock Street and Graham Avenue in North Little Rock.

### **DEPARTMENT UPDATES:**

#### Regionalism

Mr. Steve Morgan, Director of Regionalism & Future Water Source, updated the Board on the following regionalism issues:

- Mid-Arkansas Water Alliance (MAWA) – Because of the possibility of delays in receiving water from Lake Ouachita due to a water seepage problem, MAWA has asked the U.S. Corps of Engineers for approval to take water from the conservation pool at Lake Ouachita. A response to this request should be available in approximately 18 months.
- Saline Watershed Alliance (SWA) – Saline County Judge Lanny Fite is proposing a 3/8 cents sales tax to build a water reservoir that would be near Lake Winona in Saline County
- Lonoke/White Public Water Authority – they are proposing the building of a pipeline to Greers Ferry Lake within the next three to five years. The projected cost of this project is \$60 - \$100 million.
- Wye Mountain Water System – discussion with Wye Mountain Water System as to the possibility of merging water systems.

#### Communications

Ms. Marie Crawford, Director of Communications, updated the Board on the following activities in Communications:

- Tornadoes occurred in the Little Rock area last week and caused minor roof damage to a building at the Maryland Avenue Complex and destroyed approximately 10 mature trees

As a result of the tornadoes, many customers in The Heights area of Little Rock suffered damage to their homes and trees. Consequently, the uprooting of trees during the storm caused damage to many of the water service lines in the area. According to neighborhood association leaders, CAW crews were one of the first utilities to respond to storm damage in the area.

CAW provided bottled water to the American Red Cross to assist them in their emergency response to the victims of the tornado damage

- Request for Qualifications were sent out to advertising agencies for Public Relations, Marketing, and Advertising Services. Eight highly competitive proposals were received and reviewed by the Review Committee which was composed of Mr. Rich; Ms. Becky Wahlgreen, Director of Human Resources; and Ms. Crawford. The Review Committee is currently interviewing the four finalists.

Ms. Crawford said that the interview process should be completed before the May Board Meeting and the Review Committee will present a recommendation to the Board at that time.

- Preparations are underway to air television advertisements concerning the 2007 Annual Water Quality report, water conservation, and watershed management. The advertisements will feature a well-known celebrity to speak on behalf of CAW and its programs.

Mr. Gary Heathcott, President of Heathcott Associates, said that the goal of the television advertisements are to define what CAW is, to inform the public of the presence of the 2007 Annual Water Quality Report, and a way of informing the public as to the information that can be found on the CAW website.

Ms. Crawford said that the television advertisements will air from mid-May to June 2008.

#### Finance

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

Chair Robertson thanked Mr. Pittman for his report.

#### **BOARD BRIEFING**

- I-430 River Bridge Fatality Accident

Mr. Rich asked Mr. Thad Luther, P.E., Chief Operating Officer, to update the Board on the fatal accident that occurred on the I-430 River Bridge.

Mr. Luther said that a contractor's crew was working on preparations for attaching a water main to the underside of the I-430 River Bridge as part of the Northbelt Water Transmission Main project. During the work, the platform on which the crew was working became unattached from the bridge and fell into the Arkansas River. The three workers fell with the platform and only one worker was recovered that day.

Mr. Luther said that the Occupational and Safety Hazard Administration (OSHA) is investigating the accident.

Mr. Luther said that due to the accident, the contractor, Oscar Renda, Inc., of Texas has suspended construction work on this project.

- Mr. Rich said that the Commission retreat that was held on March 25 went very well. He said that the CAW Department Directors met the next day to make plans on implementing ideas that were presented at the retreat.

Mr. Rich said that he will forward to the Board information that will outline the process that will be taken to achieve the goals that were set at the retreat.

### **ADJOURNMENT**

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



Francille Turbyfill, Secretary/Treasurer

**RESOLUTION NO. 2008-01**

**A RESOLUTION OF COMMITMENT FOR CENTRAL ARKANSAS WATER TO PROVIDE THE NECESSARY FUNDING FOR ADMINISTRATIVE AND TECHNICAL STAFF POSITIONS FOR PULASKI COUNTY GOVERNMENT TO IMPLEMENT THE LAKE MAUMELLE WATERSHED MANAGEMENT PLAN**

WHEREAS, the Board of Commissioners, Central Arkansas Water ("CAW"), adopted the Lake Maumelle Watershed Management Plan ("Plan") in February 2007; and

WHEREAS, implementation of the Plan requires that Pulaski County adopt Ordinances that incorporate the provisions of the Plan; and

WHEREAS, CAW recognizes that the County may incur additional costs for implementation of the Plan; and

WHEREAS, CAW also recognizes that, should the County provide for the protection of the Lake Maumelle Watershed, CAW will provide the necessary funding for administrative and technical staff positions to ensure the proper review of subdivision plans and the proper inspection of future developments; and

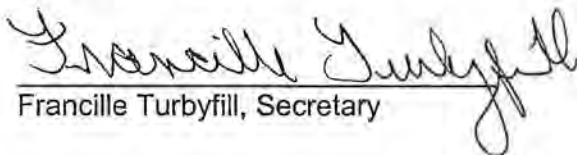
WHEREAS, Lake Maumelle is the primary drinking water supply for approximately 400,000 people in Central Arkansas; and

WHEREAS, the long-term protection of the lake's water quality is dependent upon the implementation of the Plan.

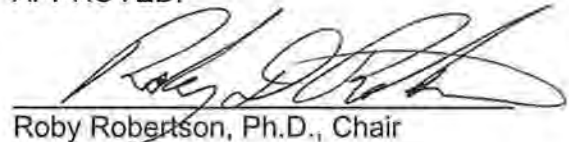
NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of Central Arkansas Water, hereby, does, commit to providing the necessary funding for Pulaski County to implement the Lake Maumelle Watershed Plan.

ADOPTED: April 10, 2008

ATTEST:

  
Francille Turbyfill, Secretary

APPROVED:

  
Roby Robertson, Ph.D., Chair

RESOLUTION NO. 2008-01

**A RESOLUTION OF COMMITMENT FOR CENTRAL ARKANSAS WATER TO PROVIDE THE NECESSARY FUNDING FOR ADMINISTRATIVE AND TECHNICAL STAFF POSITIONS FOR PULASKI COUNTY GOVERNMENT TO IMPLEMENT THE LAKE MAUMELLE WATERSHED MANAGEMENT PLAN**

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WHEREAS, implementation of the Plan requires that Pulaski County adopt Ordinances that incorporate the provisions of the Plan; and

WHEREAS, CAW recognizes that the County may incur additional costs for implementation of the Plan; and

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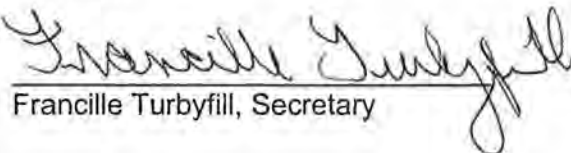
WHEREAS, Lake Maumelle is the primary drinking water supply for approximately 400,000 people in Central Arkansas; and

WHEREAS, the long-term protection of the lake's water quality is dependent upon the implementation of the Plan.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of Central Arkansas Water, hereby, does, commit to providing the necessary funding for Pulaski County to implement the Lake Maumelle Watershed Plan.

ADOPTED: April 10, 2008

ATTEST:

  
Francille Turbyfill, Secretary

APPROVED:

  
Roby Robertson, Ph.D., Chair



Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

May 8, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, May 8, 2008, in the Third Floor Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

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

Absent:

Ms. M. Jane Dickey, 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. Steve Morgan, Director of Regionalism  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Martin Maner, Director of Watershed Management  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Jonathan Long, P.E., Watershed Administrator  
Ms. Stephanie Hymel, Stewardship Coordinator for Lake Maumelle Watershed  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Kate Althoff, Representative of Citizens Protecting Maumelle Watershed  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Lee Bodenhamer, Property Owner in Lake Maumelle Watershed  
Mr. Dee Brown, P.E., Principal with Brown Engineers  
Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed  
Mr. Nigel Hall, Senior Account Executive for Advantage Communications, Inc.  
Mr. Gary Heathcott, President, Heathcott Associates  
Mr. Jordan Johnson, Director of Public Policy for Cranford, Johnson, Robinson, Wood Agency  
Ms. Kristen Netterstrom, Reporter for the *Arkansas Democrat-Gazette*  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Larry Page, Chairman of the Wye Mountain Public Facilities Board  
Mr. Butch Penney, Board Member for Wye Mountain Public Facilities Board  
Mr. Norvell Plowman, Attorney for Mr. Bodenheimer  
Mr. Kirby Rowland, Vice President, Garver Engineers  
Mr. Michael Steele, President of Advantage Communications, Inc.

Mr. Danny Yarbrough, Board Member for Wye Mountain Public Facilities Board

### **CALL TO ORDER OF MAY 8, 2008, MEETING**

Dr. Roby Robertson, Chair, called to order the May 8, 2008 meeting of the Board of Commissioners.

### **INTRODUCTION OF GUESTS**

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

### **APPROVAL OF BOARD MINUTES**

Chair Robertson called for a motion to approve the minutes from the April 10, 2008 meeting. Upon a motion duly made by Mr. Eddie Powell, Commissioner and seconded by Mr. Thomas Rimmer, Commissioner, the minutes were approved.

### **RESOLUTION OF INTENT**

Mr. Morgan presented a Resolution of Intent authorizing CAW staff to continue with discussions concerning the transfer of assets and customers from the Wye Mountain Public Facilities Board to CAW.

In response to a question by Mr. Anthony Kendall, Commissioner, Mr. Gary Pittman, Chief Financial Officer, said that a portion of these expenditures had been included in the 2008 Budget and the remainder would be addressed in the 2009 Budget.

Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed, asked if this area would be required to meet the requirements of the Maumelle Watershed Management Plan.

Mr. Rich reminded Mr. Haas that not all the property in question is located in Pulaski County but that the property that is in Pulaski County would be regulated through the their Subdivision Rules and Regulations.

Mr. Morgan said that the portion of the land that is located in Perry County is not in the Lake Maumelle Watershed.

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

### **APPOINTMENT/REAPPOINTMENT OF OFFICERS/COMMISSIONERS**

Chair Robertson stated that a Nominating Committee is needed to consider selection of officers of the CAW Board of Commissioners. He further stated that the committee would also consider the appointment/reappointment of Ms. Jane Dickey's position as commissioner. (Commissioner Dickey's commission position expires on June 30, 2008.)

Chair Robertson asked Mr. Jay Hartman, Vice Chair, and Commissioner Kendall, to serve as the nominating committee, with Vice Chair Hartman serving as the Nominating Committee Chair.

Chair Robertson asked the Nominating Committee to be prepared at the next meeting to nominate officers for the 2008-2009 term and an appointment/reappointment for the upcoming commission vacancy.

## **CONTRACTS**

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

- a. A contract with Warrior of Arkansas for the purchase/repurchase of 22 backhoes. (CAW will purchase the backhoes from Warrior of Arkansas for \$903,210 and, after one-year of use, will sell the backhoes back to the vendor for \$877,228, resulting in a net cost to CAW of \$39,842.)
- b. A contract with RedStone Construction Group, Inc., in the amount of \$924,374.30 for the replacement of approximately 10,665 L.F. of 8-inch diameter asbestos cement pipe with 8,615 L.F. of new 8-inch and 2,050 L.F. of new 12-inch diameter ductile iron pipe along MacArthur Drive (Highway 365) between High Street and Kelly Crossing in North Little Rock. (This project will increase the hydraulic capacity according to CAW's master plan and will replace a portion of asbestos cement pipe which has required frequent maintenance.)

Commissioner Powell, recusing himself from voting on the following contract, left the room.

Upon a motion duly made by Commissioner Kendall, and seconded by Commissioner Rimmer, the following contracts were approved:

- c. A one-year contract with Advantage Communications, Inc., with options for two, one-year renewals and a \$4,000 monthly retainer fee. This contract will take effect immediately.

Commissioner Powell returned to the meeting.

## **DEPARTMENT UPDATES:**

### Watershed Management Plan Implementation

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

- Ms. Stephanie Hymel was hired April 21 as Stewardship Coordinator to work with CAW and property owners in the Lake Maumelle Watershed;
- Work continues on revisions to Chapter 8 of the Pulaski County Subdivision Rules & Regulations. The March 20 draft version is scheduled to go before the Pulaski County Planning Board on May 27, 2008 for their consideration and, if approved, before the Pulaski County Quorum Court in June.
- Hearings on proposed language changes regarding prohibition of wastewater discharge in the watershed will be held at the ADEQ Headquarters in North Little Rock at 2 p.m. on May 27, 2008 and at the Perryville High School at 6 p.m. on June 2, 2008. Over 700 pieces of mail were sent to mail recipients in the watershed, per the Arkansas Pollution Control and Ecology Commissions instructions.
- Staff is working on development of a Forest Management Plan for CAW's Lake Maumelle properties. We are currently working to determine if the utility qualifies for the Forest Stewardship Program or the Forest Legacy Program. Ms. Hymel is researching possible

forestry consultants to aid in the development of the Forest Management Plan (this was one of the recommendations in the Lake Maumelle Watershed Management Plan).

#### Finance

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

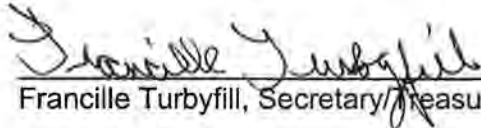
Chair Robertson thanked Mr. Pittman for his report.

#### **BOARD BRIEFING**

- Staff continues to meet to further implementation of the Strategic Planning Initiative.

#### **ADJOURNMENT**

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

  
Francille Turbyfill, Secretary/Treasurer



RESOLUTION 2008 - 02

**RESOLUTION OF INTENT TO PROCEED WITH  
DISCUSSIONS REGARDING AND PLANNING FOR  
THE TRANSFER OF ASSETS AND CUSTOMERS FROM  
THE WYE MOUNTAIN PUBLIC FACILITIES BOARD  
TO CENTRAL ARKANSAS WATER**

WHEREAS, the Wye Mountain Public Facilities Board (“Wye Mountain”) owns and operates certain water system improvements (the “Water System”); and

WHEREAS, the Board of Directors of Wye Mountain (the “Directors”) desires to continue discussions with Central Arkansas Water (“CAW”) staff regarding and planning for the transfer of the Water System to CAW (the “Transfer”); and

WHEREAS, the staff of CAW and the Directors recognize that Wye Mountain and CAW will incur substantial engineering and other costs in order for Wye Mountain and CAW to discuss the Transfer in a meaningful manner; and

WHEREAS, Wye Mountain desires for the Board of Commissioners, Central Arkansas Water (the “Commission”) to express its desire to explore the possibility of the Transfer prior to incurring such costs.

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

Section 1. Provided the Commission and the Directors can agree on mutually acceptable terms and conditions for the Transfer, the Commission would be in favor of the Transfer.

Section 2. Accordingly, the staff of CAW is hereby authorized and directed to do any and all things necessary to effect the purpose of this Resolution, including, but not limited to the preparation and conducting of necessary engineering studies and planning needed to determine the terms and conditions upon which the staff believes the Transfer could take place without negatively affecting the operation and performance of CAW’s existing water distribution system.

Section 3. If the staff of CAW determines that the Transfer is feasible and they desire to recommend approval of the Transfer to the Commission, then the staff of CAW shall prepare a Memorandum of Understanding acceptable to Wye Mountain and then bring the Memorandum of Understanding detailing the terms and conditions of the Transfer to this Commission for consideration and possible approval.




Section 4. While this Commission has expressed its desire to continue discussions regarding the possibility of the Transfer and its approval of the concept of the Transfer, nothing herein shall obligate the Commission to approve the Memorandum of Understanding or the Transfer unless the terms and conditions of the Transfer and the effect of the Transfer on CAW's current facilities are acceptable to the Commission.

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

The foregoing resolution has been duly adopted by the Board of Commissioners, Central Arkansas Water at a meeting of the Board of Commissioners, Central Arkansas Water held on May 8, 2008.

Attest:

APPROVED:

  
Francille Turbyfill, Secretary

  
Dr. Roby Robertson, Chair

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

June 12, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, June 12, 2008, in the Third Floor Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

Present:

Dr. Roby Robertson, Chair  
Mr. Jay Hartman, Vice Chair  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. M. Jane Dickey, Commissioner  
Mr. Anthony Kendall, Commissioner  
Mr. Eddie Powell, Commissioner  
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. Steve Morgan, Director of Regionalism  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Martin Maner, Director of Watershed Management  
Ms. Becky Wahlgreen, Director of Human Resources  
Mr. Darrell Boggs, Assistant Director of Distribution  
Ms. Stephanie Hymel, Stewardship Coordinator for Lake Maumelle Watershed  
Mr. Jeff Mascagni, Controller  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Kate Althoff, Representative of Citizens Protecting Maumelle Watershed  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Lee Bodenhamer, Property Owner in Lake Maumelle Watershed  
Ms. Olivia Dedner, Advantage Communications, Inc.  
Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed  
Mr. Craig Johnson, CDM Engineers  
Mr. Mike Marlar, P.E., Principal, Marlar Engineers  
Ms. Kristen Netterstrom, Reporter for the *Arkansas Democrat-Gazette*  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Kirby Rowland, Vice President, Garver Engineers  
Mr. Michael Steele, President of Advantage Communications, Inc.  
Mr. Danny Yarbrough, Board Member for Wye Mountain Public Facilities Board

**CALL TO ORDER OF JUNE 12, 2008, MEETING**

Dr. Roby Robertson, Chair, called to order the June 12, 2008 meeting of the Board of

Commissioners.

### **INTRODUCTION OF GUESTS**

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

### **APPROVAL OF BOARD MINUTES**

Chair Robertson called for a motion to approve the minutes from the May 8, 2008 meeting. Upon a motion duly made by Mr. Jay Hartman, Vice Chair and seconded by Mr. Anthony Kendall, Commissioner, the minutes were approved.

### **APPOINTMENT OF COMMISSIONER**

Chair Robertson said that the term of Ms. M. Jane Dickey, Commissioner, will expire on June 30, 2008. He asked that Mr. Jay Hartman, Vice Chair, acting as the Nominating Committee chair, make a recommendation for an appointment/reappointment to the Board of Commissioners.

Commissioner Hartman made a motion to reappoint Commissioner Dickey to CAW's Board of Commissioners.

Upon a motion duly made and seconded, the reappointment of Commissioner Dickey was approved.

Chair Robertson asked that the recommendation be forwarded to the cities of Little Rock and North Little Rock for their approval.

### **ELECTION OF BOARD OFFICERS**

Chair Robertson asked Vice Chair Hartman, acting as the Nominating Committee chair, make report on the Nominating Committee's recommendation as to the appointment of officers for 2007-2008.

Vice Chair Hartman said the Nominating Committee recommends the following officer nominations:

Mr. Eddie Powell – Chair  
Mr. Jay Hartman – Vice Chair  
Ms. Francille Turbyfill – Secretary/Treasurer

These positions will expire on June 30, 2009.

Upon a motion duly made and seconded by, the Board Officers were approved.

Commissioner Kendall said that the Nominating Committee researched the procedure used to appoint/reappoint Commissioners. He said that the process to be used was outlined in the Board Minutes from September 2004, and that this process was followed to reappointment Ms. Dickey.

### **LAKE MAUMELLE WATERSHED UPDATE**

Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P., addressed the legal assumptions made by the Maumelle Watershed Plan (MWP).

Mr. Bohannon explained case law as to the application of zoning, ordinances and land condemnation.

Mr. Martin Maner, Director of Watershed Management, discussed the major differences between the Maumelle Watershed Plan (WMP) and the proposed revised Pulaski County Rules and Regulations.

Commissioner Dickey said she had received a letter from Ms. Carla Burnett, Pulaski County Prosecuting Attorney, stating that lot size was not a concern of theirs because the lots could contain multi-family dwellings.

Commissioner Dickey asked if the WMP contained a limit on building height within the watershed. Mr. Maner said that the plan does not state a building height limit but that it does refer to a household per lot.

Public comments were received on this issue.

### **PRESENTATION ON FUEL COSTS**

Mr. Darrell Boggs, Assistant Director of Distribution, reported to the board on a program that began as a pilot project in 2006 that was started to *research, design and implement a company-wide "Fossil Fuel Usage/Reduction Program" that will measurably reduce the utilities dependence on fossil fuels.*

Mr. Boggs said that an action team was formed to research fuel usage and make recommendations as to various types of fuel and how to manage fuel use more efficiently.

Mr. Boggs said that there has been a 6% increase in usage of CAW vehicles with a 47% increase in cost, mostly due to rising fuel costs.

### **CONTRACTS**

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

- a. A contract with Insurance Center, Inc., in the amount of \$216,945 for business insurance covering property, crime, auto, excess liability, employment practices and liability for directors and officers
- b. A professional service contract with Camp Dresser McKee, Inc., (CDM) in an amount not to exceed \$900,000 to prepare a utility master plan that would identify capital needs for planning intervals of 10, 25, and 50 years
- c. A contract with Bradley Construction, Inc., in the amount of \$80,300 for the construction of a formed-in-place concrete settling basin at the Jack H. Wilson Water Treatment Plant

### **DEPARTMENT UPDATES**

#### **Finance**

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

Chair Robertson thanked Mr. Pittman for his report.

### **Stewardship Council**

Ms. Stephanie Hymel, Stewardship Coordinator, said that Metroplan and representatives from Saline County have accepted position on the Stewardship Council. She added that Perry County declined participation in the council. She said she is still waiting to hear from other invited participants.

Ms. Hymel said that she is working with the conservation service to develop a management plan for the forested areas of the Maumelle Watershed to thin forested areas and remove diseased trees. She added that CAW's Geographic Information Services (GIS) is working on a map of the watershed area that will be used by the conservation service to aid them in developing a forestry management plan.

Ms. Hymel said that once the forestry management plan is developed, CAW will apply the plan to a small area and invite landowners within the watershed to take a look at what CAW is planning to do with the forested land.

Ms. Hymel said that a forestry management plan for the recently purchased Bodenhamer property should be ready to present to the Board at the July meeting.

Ms. Hymel reported that a lunch was held on May 20 to foster partnerships with various organizations to acquire property in the Maumelle Watershed that is owned by Mr. Jay DeHaven, developer. She said that the intent is to develop long-range plans for the land in ways that would be beneficial to the public.

#### **EMPLOYEE FUEL COSTS OPTIONS**

Ms. Becky Wahlgreen, Director of Human Resources, said that 58% of CAW employees live within the City of Little Rock. She said that she has been researching options to ease the burden rising fuel costs place on CAW employees in their travel to and from work.

Ms. Wahlgreen said that meetings with employees have been scheduled to discuss travel options available to employees.

#### **STRATEGIC PLANNING**

Ms. Wahlgreen said that staff has put a lot of time and effort into completing the Strategic Planning Worksheets and the results should be ready for presentation at the July meeting.

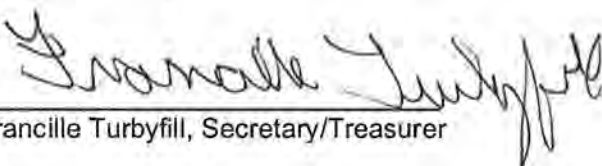
#### **EXECUTIVE SESSION**

The Board adjourned to meet in Executive Session.

Upon reconvening, Chair Robertson said no action will be taken.

#### **ADJOURNMENT**

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

  
Francille Turbyfill, Secretary/Treasurer



**RESOLUTION 2008-03**

A RESOLUTION RE-APPOINTING MS. M. JANE DICKEY TO THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, AND FOR OTHER PURPOSES

WHEREAS, the term of Ms. Jane Dickey, a member of the Board of Commissioners, Central Arkansas Water ("CAW Board"), expires on June 30, 2008; 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 approval 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 re-appoint Ms. Dickey to a seven-year term, subject to approval 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 will be July 1, 2008, through June 30, 2015.

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 approve this appointment.

\*\*\*\*\*

**CERTIFICATE**

I, Ms. 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 its regular meeting held June 12, 2008.

  
Ms. Francille Turbyfill, Secretary

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

July 10, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, July 10, 2008, in the Third Floor 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  
Ms. Francille Turbyfill, Secretary/Treasurer  
Ms. M. Jane Dickey, Commissioner  
Mr. Anthony Kendall, Commissioner  
Dr. Roby Robertson, Commissioner  
Mr. Thomas W. Rimmer, Commissioner

Present Via Telephone Conference Call:

Mr. Jay Hartman, Vice Chair

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. Steve Morgan, Director of Regionalism  
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, Director of Watershed Management  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Deena Coston, C.P.A., Controller  
Ms. Stephanie Hymel, Stewardship Coordinator for Lake Maumelle Watershed  
Mr. Jeff Mascagni, C.P.A., Controller  
Ms. Sharon Sweeney, Water Quality Specialist  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Kate Althoff, Representative of Citizens Protecting Maumelle Watershed  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Lee Bodenhamer, Property Owner in Lake Maumelle Watershed  
Mr. Tim Daters, P.E., White-Daters Engineers  
Mr. Herb Dicker, President, Little Rock Neighborhood Connections  
Ms. Pat Dicker, Pulaski County Quorum Court  
Mr. Joel Galloway, Hydrologist, U.S. Geological Survey  
Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed  
Mr. Nigel Hall, Senior Account Executive with Advantage Communications, Inc.

Ms. Michelle Hillen, Reporter for the *Arkansas Democrat-Gazette*  
Mr. Hal Kemp, Attorney  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Norvell Plowman, Attorney for Mr. Lee Bodenhamer  
Mr. Kirby Rowland, Vice President, Garver Engineers  
Ms. Kristie Williams, Account Executive, Advantage Communications, Inc.

#### **CALL TO ORDER OF JULY 10, 2008, MEETING**

Mr. Eddie Powell, Chair, called to order the July 10, 2008 meeting of the Board of Commissioners.

#### **INTRODUCTION OF GUESTS**

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

#### **PRESENTATION TO PAST CHAIR**

Chair Powell presented to Dr. Roby Robertson, Past Chair, a plaque honoring his service as Chair.

Chair Powell said that the Board appreciates Commissioner Robertson's time, energy, and dedication to the Board and the issues brought before the Board during his time as Chair. He added that Commissioner Robertson provided excellent leadership while serving as Chair.

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

Chair Powell called for a motion to approve the minutes from the June 12, 2008 meeting. Upon a motion duly made by Commissioner Robertson, and seconded by Ms. Jane Dickey, Commissioner, the minutes were approved.

#### **PRESENTATION OF STRATEGIC PLAN**

Mr. Rich reminded everyone that a Commission Retreat was held in March 2008 to discuss elements that would be an integral part of a Strategic Plan (Plan) for CAW.

Mr. Rich said that since that March meeting, CAW Management staff has been working on development of projects, goals and timelines to carry out implementation of the Plan. A timeline of 18 months for meeting the goals set forth in the Plan was established.

Mr. Rich said that staff will continually review the Plan and make any necessary refinements. He added that the Plan will be an ever-changing document with additions and deletions occurring as required.

Each Department Director then made a brief presentation to the Board on the key strategic areas that make up the Plan, which include Integrated Financial Management; Watershed Management; Long-Term Regional Water Planning Issues; Comprehensive Water Management (Resource Sustainability); Organizational Sustainability; Disaster Recovery.

Mr. Rich said that the Board will be updated regularly on progress towards completion of the projects within the Plan.

## **TESTING FOR PHARMACEUTICALS IN LAKE MAUMELLE**

Mr. Martin Maner, Director of Watershed Management, said that CAW, in conjunction with the U.S. Geological Survey (USGS), in February 2008 added testing for pharmaceuticals/emerging contaminants to its comprehensive water quality monitoring program. He said that the expanded sampling was in response to a national concern about the potential contamination of surface water supplies by household wastewater.

Mr. Maner said that samplings from Lake Maumelle for pharmaceuticals/emerging contaminants did not detect any levels of such compounds at or above the laboratory reporting limits. He added that the analyses show no contamination of the lake by household sewage and specifically no contamination by pharmaceuticals and personal-care products.

Mr. Mainer introduced Mr. Joel Galloway, hydrologist with USGS to discuss the results of the water sample tests.

Mr. Galloway said that the USGS had conducted tests in February 2008 to determine whether pharmaceuticals/emerging contaminants are getting into the drinking water reservoir by way of wastewater. He added that lower levels of contaminants in water sources are being detected due to advances in technology. He said it has yet to be determined what effect these lower levels of contaminants have on water quality.

Mr. Rich reiterated CAW's commitment to providing Central Arkansas with clean, safe, high quality drinking water.

## **2009-2011 RATE ANALYSIS**

Mr. Gary Pittman, Chief Financial Officer, presented preliminary results of a rate study that is currently being conducted and covers rate revenue for the next three years.

Mr. Pittman said that the study should be concluded soon and that he will make a recommendation on a rate adjustment at the August Board Meeting.

## **WILSON TREATMENT PLANT RATED CAPACITY INCREASE**

Mr. Gary Hum, Director of Source & Treatment, told the Board that CAW has received a conditional letter of approval from the Arkansas Department of Health (ADH) to operate the Jack H. Wilson Water Treatment Plant at a maximum flow rate of 133 million gallons per day (MGD) from a previous rating of 100 MGD. He said the 33 percent increase will provide the needed buffer capacity to meet future demands.

## **REQUEST FOR ASSISTANCE**

Mr. Rich said that the City of North Little Rock has requested that CAW extend water service to the new Burns Park baseball facility.

Mr. Rich said that the request is for the installation of approximately 1,500-linear feet of 6-inch-diameter ductile iron pipe. He said that if CAW installs the waterline, the cost of installation is estimated to be approximately \$15,000 as opposed to the cost of contracting-out the installation, which would bring the cost to approximately \$34,600.

Mr. Rich reminded the Board that the Consolidation Agreement does allow for requests for assistance from the cities.

Upon a motion made by Ms. Jane Dickey, Commissioner and seconded by Mr. Anthony

Kendall, Commissioner, the request for assistance was approved.

### **RESOLUTION FOR SIGNATURE AUTHORIZATION**

Mr. Rich reminded everyone that a Commission Retreat was held in March 2008 to discuss elements that would be an integral part of a Strategic Plan (Plan) for CAW.

Mr. Rich said that since that March meeting, CAW Management staff has been working on development of projects, goals and timelines to carry out implementation of the Plan. A timeline of 18 months for meeting the goals set forth in the Plan was established.

Mr. Rich said that staff will continually review the Plan and make any necessary refinements. He added that the Plan will be an ever-changing document with additions and deletions occurring as required.

Each Department Director then made a brief presentation to the Board on the key strategic areas that make up the Plan, which include Integrated Financial Management; Watershed Management; Long-Term Regional Water Planning Issues; Comprehensive Water Management (Resource Sustainability); Organizational Sustainability; Disaster Recovery.

Mr. Rich said that the Board will be updated regularly on progress towards completion of the projects within the Plan.

### **DEPARTMENT UPDATES**

#### **Pulaski County Subdivision Rules and Regulations**

Mr. Martin Maner, Director of Watershed Management, said that the Pulaski County Planning Commission voted to forward the draft Subdivision Rules and Regulations to the Pulaski County Quorum Court for their approval.

Mr. Maner said that Pulaski County Judge F. G. "Buddy" Villines, has said he would like to have a Memorandum of Understanding between Pulaski County and CAW detailing CAW's financial commitment to the implementation of the Subdivision Rules and Regulations signed before the Quorum Court votes on the rules and regulations.

Mr. Maner said that the staff from the City of Little Rock plan to meet with representatives from CAW and Pulaski County to discuss the differences between the Subdivision Rules and Regulations and the Watershed Management Plan.

Mr. Maner said that public comments have been received on the possibility of state legislation addressing prohibition of wastewater discharge in the watershed. He added that this issue will go before a legislative committee in September.

#### **Waterview Estates**

Mr. Maner said that as a result of rain over the previous weekend and then yesterday, 75 feet of the ditch and silt fence built to restrict soil erosion in the area of Waterview Estates currently under construction was compromised.

Mr. Maner said that Mr. Jonathan Long, P.E., Watershed Administrator, has been inspecting the construction site on a regular basis and is working with the developer to make appropriate repairs to ensure the silt fence and ditch are working to prevent soil erosion from entering into Lake Maumelle. He added that no soil had actually reached the lake as a result of the fence



and ditch compromise.

### Public Comments

Mr. Barry Haas, representative of Citizens Protecting Maumelle Watershed, distributed copies of a document he had distributed to the City of Little Rock, Board of Directors at their meeting the previous Tuesday.

Mr. Haas said that the information contained in the document came from a memo written on April 2, 2008 to CAW from Tetra Tech, Inc., CAW's consultant for the Watershed Management Plan. He said that the memo analyzed deficiencies between the draft of the proposed Pulaski County Subdivision Rules and Regulations that pertain to land within the watershed and CAW's WMP.

### Regionalism

Mr. Steve Morgan reported on the following regionalism activities:

- Mid-Arkansas Water Alliance (MAWA) – the request for discretionary storage in Greers Ferry Lake received final local approval prior to submittal to the U.S. Corps of Engineers (Corps) national headquarters in Washington, DC.
- Request to take water from Lake Ouachita – Due to safety issues concerning Blakely Mountain Dam on Lake Ouachita, a revised conservation pool request should be immediately funded by the Corps Vicksburg District at a cost of \$100,000 and should be completed in approximately nine months.
- Lonoke/White Public Water Authority – The proposed pipeline to Greers Ferry Lake has received an updated project cost of \$62.5 million in order to deliver 5 mgd (million gallons per day) to the Lonoke County area. The updated cost, along with commitments of 3 mgd, makes the project cost prohibitive.
- City of Bryant – A revised contract has been developed to replace the original contract that was signed in 1988 to supply water. The revised contract is expected to be presented to the City of Bryant for their approval within the next 30-60 days.
- Wye Mountain Public Water Authority – The engineering firm for Wye Mountain has submitted information to the Arkansas Natural Resources Commission for a grant to continue with the proposed water main that would connect to CAW's water main in order to obtain water service from CAW.

### Human Resources

Ms. Becky Wahlgreen, Director of Human Resources, presented the options CAW is investigating to assist employees with the high cost of fuel.

### Finance

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

### **BRIEFING**

- Mr. Rich expressed condolences to the family of Tommy Rhoads, a CAW employee, who recently passed away as the result of a vehicle accident.

Mr. Rich said that Tommy Rhoads worked for the utility for 25 years and had recently held the position of Distribution Supervisor. Mr. Rich said that Tommy will be greatly missed.

- The 2007 Water Quality Report has been mailed out to CAW customers. We have received positive responses.

### **SELECTION OF COMMISSIONER**

Chair Powell distributed portions of the minutes from the September 2004 Board Meeting and a memo dated January 22, 2008 from CAW legal counsel addressing the procedure to be used to fill Board vacancies.

Chair Powell said that the following dates would apply in filling the Board vacancy:

- July 14 – August 4 — Board to receive Letters of Interest and résumés
- August 7 — Special Called Board Meeting to review résumés received — 2:00 p.m.
- August 12 — Conduct interviews and vote to select new Board member (time of meeting to be determined)

### **EXECUTIVE SESSION**

The Board adjourned to meet in Executive Session.

Upon reconvening, Chair Powell asked Commissioner Robertson to report on the actions taken by the Board in Executive Session.

Commissioner Robertson said that the Board had met in Executive Session at the June meeting to conduct a job evaluation of Mr. Rich.

Commissioner Robertson said that the evaluation of Mr. Rich emphasized the important and valued role he fills at CAW. Commissioner Robertson said that the Board gives a unanimous and strong recommendation of Mr. Rich and his unique role at CAW. He added that Mr. Rich has accepted the evaluation.

### **ADJOURNMENT**

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

  
Francille Turbyfill, Secretary/Treasurer

**RESOLUTION NO. 2008-04**

**A RESOLUTION AUTHORIZING CENTRAL ARKANSAS WATER STAFF TO APPLY TO PARTICIPATE IN THE UNITED STATES DEPARTMENT OF AGRICULTURE NATURAL RESOURCES CONSERVATION SERVICES WILDLIFE HABITAT INCENTIVES PROGRAM, DESIGNATING AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER, THE CHIEF OPERATING OFFICER, AND THE CHIEF FINANCIAL OFFICER OF CENTRAL ARKANSAS WATER TO EXECUTE CERTAIN DOCUMENTS IN CONNECTION WITH THE APPLICATION, AND AUTHORIZING OTHER STAFF MEMBERS TO PROVIDE INFORMATION AND TAKE OTHER MEASURES TO FACILITATE THE APPLICATION PROCESS AND FUTURE PROGRAM PARTICIPATION**

WHEREAS, Central Arkansas Water ("CAW") owns and operates a water collection, storage, treatment and distribution system (the "System"), including specifically Lake Winona and Lake Maumelle (the "Lakes"), in order to provide potable water service to the citizens of the Cities of Little Rock and North Little Rock and the surrounding communities; and

WHEREAS, the Board of Commissioners of CAW (the "Commission") has determined that it is in the best interest of the customers of the System to take appropriate measures to protect the watersheds surrounding the Lakes, as necessary; and

WHEREAS, the Commission has determined that is in the best interest of the customers of the System to apply to participate in the Wildlife Habitat Incentives Program (the "Program" or "WHIP") administered by the United States Department of Agriculture Natural Resources Conservation Services ("NRCS");

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

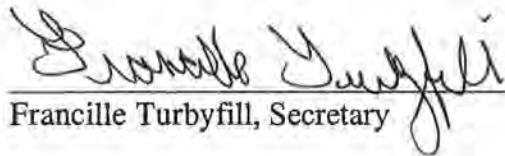
- Section 1. That Graham Rich, as Chief Executive Officer, Thad Luther, as Chief Operating Officer, and Gary Pittman, as Chief Financial Officer (collectively, the "Officers"), are hereby authorized and directed to make application to participate in the Program administered by NRCS.
  
- Section 2 That Martin Maner, as Director of Watershed Management, and Stephanie Hymel, as Stewardship Coordinator (the "Watershed Staff"), are hereby authorized to provide NRCS with whatever information is needed and take whatever actions the Officers and the Watershed Staff deem necessary to assure the proper and timely consideration of CAW's application for participation in WHIP.

Section 3. That the Officers are hereby authorized to execute, for and on behalf of CAW, the "Conservation Program Application" and such other documents and certificates as may be required by NRCS to (i) completely process CAW's application for participation in the Program, and (ii) place land owned by CAW within the Lakes' watersheds into the Program.

Section 4. This Resolution shall be in effect from and after the date of its adoption.

ADOPTED: July 10, 2008

ATTEST:

  
Francille Turbyfill, Secretary

APPROVED:

  
Eddie Powell, Chair





Minutes of a Special Called Meeting  
Board of Commissioners  
Central Arkansas Water

August 7, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a Special Called meeting at 2 p.m. Thursday, August 7, 2008, in the third floor 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. M. Jane Dickey, Commissioner  
Mr. Anthony Kendall, Commissioner  
Dr. Roby Robertson, Commissioner  
Mr. Thomas W. Rimmer, Commissioner

CAW staff in attendance:

Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Connie Horn, Management Secretary

Also in attendance:

Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed  
Ms. Michelle Hillen, Reporter for the *Arkansas Democrat-Gazette*  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County

**CALL TO ORDER OF AUGUST 7, 2008, MEETING**

Mr. Eddie Powell, Chair, called to order the August 7, 2008 meeting of the Board of Commissioners.

Chair Powell said the purpose of the meeting is to review the 17 applications received to fill the upcoming Board vacancy.

Chair Powell said that the Board would meet in Executive Session to determine which applicants they would like to interview for the Commission position.

Chair Powell said that another Special Called Meeting will be held on Tuesday, August 12 to interview those they have selected as finalists for the Commission position.

**EXECUTIVE SESSION**

Upon a motion duly made and seconded, the Board voted to meet in Executive Session.

**OPEN SESSION**

Upon a motion duly made by Mr. Thomas W. Rimmer, Commissioner, and seconded by Mr. Jay Hartman, Vice Chair, a motion was made to interview three applicants:

Ms. Marie-Bernarde Miller  
Ms. Adrienne Bradley  
Mr. Jeff Hildebrand

Chair Powell said that the Tuesday, August 12 interviews would be open to the public and would be held at 1:00 p.m. in the third floor Board Room of the James T. Harvey Administration Building. The building location is 221 East Capitol Avenue in Little Rock, Arkansas.

**ADJOURNMENT**

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



Francille Turbyfill, Secretary/Treasurer

Minutes of a Special Called Meeting  
Board of Commissioners  
Central Arkansas Water

August 12, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a Special Called meeting at 2 p.m. Tuesday, August 12, 2008, in the third floor 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. M. Jane Dickey, Commissioner  
Mr. Anthony Kendall, Commissioner  
Dr. Roby Robertson, Commissioner  
Mr. Thomas W. Rimmer, Commissioner

CAW staff in attendance:

Mr. Graham W. Rich, Chief Executive Officer  
Ms. Marie Crawford, Director of Communications  
Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Connie Horn, Management Secretary  
Ms. Shemika Green, Communications Assistant

Also in attendance:

Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Lee Bodenhamer, Property Owner in Maumelle Watershed  
Ms. Adrienne Bradley, Candidate for Board Vacancy  
Mr. Dennis Burrow, Vice President for Planning for Coalition of Little Rock Neighborhoods  
Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed  
Mr. Jeff Hildebrand, Candidate for Board Vacancy  
Ms. Kristen Netterstrom, Reporter for the Arkansas Democrat-Gazette  
Ms. Marie-Bernard Miller, Candidate for Board Vacancy  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Norvell Plowman, Attorney for Lee Bodenhamer  
Mr. Ken Richardson, Little Rock Board of Directors  
Mr. Bill Saunders, Sierra Club  
Ms. Kathy Wells, President of the Coalition of Little Rock Neighborhoods

**CALL TO ORDER OF AUGUST 12, 2008, MEETING**

Mr. Eddie Powell, Chair, called to order the August 12, 2008 meeting of the Board of Commissioners.

Chair Powell said the purpose of the meeting is to interview the three finalist candidates to fill the Board vacancy.

The Board interviewed each candidate individually. Chair Powell informed each candidate that

they would each receive identical questions from the Board. Chair Powell noted that there might also be follow-up questions a Commissioner might have in response to the candidates' comments.

The candidates were interviewed in the following order:

Ms. Adrienne Bradley  
Mr. Jeff Hildebrand  
Ms. Marie-Bernard Miller

### **EXECUTIVE SESSION**

Following the interviews, Chair Powell said that the Board would meet in Executive Session to make a decision on the Board vacancy.

### **OPEN SESSION**

Ms. M. Jane Dickey, Commissioner, said that the 17 resumes received showed varied backgrounds and remarkable talents and commitment on the part of the applicants to their community. She further stated that the Board had narrowed down the 17 applicants to three excellent choices for interviews. Commissioner Dickey said that the three candidates were very impressive in their interviews and that the Board could not have made a mistake in choosing any of the finalists.

Upon a motion duly made by Commissioner Dickey and seconded by Ms. Francille Turbyfill, Commissioner, the Board voted unanimously for Ms. Bradley to fill the position on the Board of Commissioners.

Chair Powell noted that Ms. Bradley's position as Commissioner is subject to approval by the governing bodies of the cities of Little Rock and North Little Rock.

### **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

August 14, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, August 14, 2008, in the Third Floor 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. M. Jane Dickey, Commissioner  
Mr. Anthony Kendall, 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  
Mr. Stan Benton, Director of Distribution  
Ms. Marie A. Crawford, Director of Communications  
Mr. Steve Morgan, Director of Regionalism  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Jonathan Long, Watershed Administrator  
Mr. Martin Maner, Director of Watershed Management  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
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. Kate Althoff, Representative of Citizens Protecting Maumelle Watershed  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Ms. Kristen Netterstrom, Reporter for the *Arkansas Democrat-Gazette*  
Mr. Craig Johnson, P.E., CDM (engineering firm)  
Mr. Brode Morgan, P.E. Vice President Garver Engineers  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County

**CALL TO ORDER OF AUGUST 14, 2008, MEETING**

Mr. Eddie Powell, Chair, called to order the August 14, 2008 meeting of the Board of Commissioners.



## **INTRODUCTION OF GUESTS**

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

## **APPROVAL OF BOARD MINUTES**

Chair Powell called for a motion to approve the minutes from the July 10, August 7, and August 12, 2008 meeting. Upon a motion duly made by Mr. Anthony Kendall, Commissioner, and seconded by Ms. Jane Dickey, Commissioner, the minutes were approved.

## **REVIEW OF COMMISSION MEETING ATTENDANCE POLICY**

Mr. Rich said that questions have been raised as to the clarity of the Commission Meeting Attendance Policy.

Mr. Rich said that there was uncertainty if meeting participation by telephone allowed the phone participant to vote on issues before the Board at that meeting. He added that there was also confusion as to the requirements for meeting attendance in person and by telephone conference call.

After some discussion, the Board decided to leave the Meeting Attendance policy as is currently stated in the Commission By-Laws.

## **PURCHASE OF PROPERTY IN LAKE MAUMELLE WATERSHED**

Mr. Martin Maner, Director of Watershed Management, said that CAW has the opportunity to purchase approximately 6 acres in Zone B in the Lake Maumelle Watershed. He said that this property is located south of Highway 10 and adjacent to the Winrock Sod Farm. Richard A. Stephens & Associates have appraised the value of the property at \$77,000; the owner has verbally agreed to sell the property for \$75,000 plus closing costs to be paid by CAW.

Upon a motion duly made by Commissioner Kendall and seconded by Dr. Roby Robertson, Commissioner, the purchase of property was approved for an amount not to exceed \$75,000 plus closing costs.

## **RESOLUTIONS**

### **Appointment of Commissioner**

Upon a motion duly made by Ms. Jane Dickey, Commissioner, and seconded by Mr. Jay Hartman, Commissioner, a resolution was approved to formally appoint Ms. Adrienne Bradley to the CAW Board of Commissioners.

### **Water Rate Changes**

Mr. Gary Pittman, Chief Financial Officer, said that a draft resolution of proposed water rate changes has been provided to the Board and asked that the Board approve the proposed rate changes.

Mr. Pittman discussed some of the rate changes which include a Conservation Rate Discount which is designed to encourage conservation and assist low-use customers; a Demand Management Surcharge which is designed to encourage conservation and to collect additional revenues from customers who place the highest demands upon our system; and, a Watershed Protection Fee which would apply to all meters and is designed to assist in the purchase and

protection of land within the watershed.

Mr. Pittman said that the proposed water rate changes would be presented to the North Little Rock City Council on September 8 and to the Little Rock Board of Directors on September 9. He added that a public hearing would be held on September 3 at 5:30 p.m. for public comments regarding water rate changes. He said that the hearing will be held at the Metroplan offices in the Jeffrey Hawkins Conference Room in Little Rock.

Mr. Pittman said that if the cities governing entities approve the rate changes, the new rates would become effective on January 1, 2009.

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

#### Capital Improvements

Mr. Thad Luther told the Board that a draft resolution has been presented to them that will increase the loan amount requested from the Arkansas Natural Resources Commission (ANRC) that was approved by them in a previous resolution. The previous resolution approved funding for capital improvements at CAW's two water treatment plants. This resolution increases the amount from \$14 million to \$15.5 million. The increased amount is to cover the cost of capital improvements planned at the water treatment facilities.

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

#### CONTRACTS/PURCHASES

Upon motions duly made by Commissioner Kendall and seconded by Commissioner Dickey, the following contracts were approved:

- a. The purchase of six (6) dry hypochlorite feed systems from Hammond Technical Services, Inc., in the amount of \$57,340 to replace the remote chlorine gas injection systems currently in use with much safer dry calcium hypochlorite feed systems.
- b. The purchase of hardware and software in the amount of \$129,767 to provide an off-site Disaster Recovery/Back-up Customer Information System to reduce our system recovery time from two (2) weeks to one (1) day.

#### DEPARTMENT UPDATES

##### Watershed Issues

Mr. Martin Maner, Director of Watershed Management, reported that on July 29 Ms. Karla Burnett, Pulaski County Prosecuting Attorney, and Mr. Rich spoke to the Little Rock Board of Directors on the proposed changes to the Pulaski County Subdivision Rules and Regulations.

Mr. Maner said that following the presentations, City Director Erma Hendrix made a motion to hold a joint meeting among the Little Rock Board of Directors, the North Little Rock City Council, the Pulaski County Quorum Court, and the CAW Board of Commissioners and staff to discuss watershed issues and the proposed Pulaski County Subdivision Rules and Regulations. He added that plans are underway for this joint meeting.

### Prohibition of Point Source Discharge

Mr. Maner said that he continues to work with the Pollution Control & Ecology Commission (PC&E) on moving forward with prohibition of point source discharge. The PC&E requires public meetings and comments and that we respond to those comments made by the public.

Mr. Ray Cox, attorney with Lindsey, Wright & Jennings, has sent a response summary to the PC&E.

### Waterview Estates

Mr. Maner said that Mr. Jonathan Long, P.E., Watershed Administrator, has been inspecting the construction site at least once a week and that the erosion control structures are performing satisfactorily. He added that the work currently in progress in Phase I is soil backfilling from construction of the water conservation ditch and the installation of soil control structures for Phase II.

### Saline County Ordinance for Watershed Protection

Mr. Maner said that last week Graham Rich, Jonathan Long, and he met with Saline County Judge Lanny Fite to discuss the possible ordinances for watershed protection in Saline County. He added that Judge Fite seemed receptive to the idea and that we are preparing a draft ordinance for his review.

### Winrock Sod Farm Property

Mr. Maner said that Ms. Stephanie Hymel, Stewardship Coordinator, has been working with the Trust for Public Lands on financing options to acquire the Winrock Sod Farm. He said that representatives from the Land Trust were in Little Rock last week to meet with Mr. Jay DeHaven, owner of Winrock Sod Farm property, and CAW staff. Mr. Maner said that the representatives from the Land Trust had a positive attitude towards acquiring the land and said they would forward the proposal to their Atlanta office. Mr. Maner explained that the Trust for Public Lands purchases land and retains ownership until entities interested in land preservation purchase the land from them.

Mr. Maner said that one option in financing the purchase of Winrock Sod Farm property is to apply for a grant through a program that the U.S. Department of Agriculture Forest Service has to preserve or replant forested land. He added that the Trust for Public Lands provides assistance in lobbying for government grants for this purpose.

Mr. Maner also said that another option to purchase the land is to work with the Arkansas Games and Fish Commission. He said that they had expressed interest in helping to acquire the sod farm if some of the land could be used for youth wildlife education and activities. He said that they mentioned they would be willing to provide personnel and resources for these types of activities and that they also expressed an interest in helping us to manage land.

### Regionalism

Mr. Steve Morgan reported on the following regionalism activities:

- Meet with Congressional representatives while the U.S. Congress is in recess
- Meet with wholesale water customers on September 3



## Finance

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

## BRIEFING

Mr. Rich update the Board on the following:

- He will go before the cities to discuss the proposed rate changes:
  - North Little Rock City Council on September 8
  - Little Rock Board of Directors on September 9
- We are coordinating a joint meeting with the Little Rock Board of Directors, North Little Rock, City Council, the Pulaski County Quorum Court, and CAW staff to discuss watershed issues. The date and location have not been determined.
- In order to provide economic relief to CAW employees as a result of high fuel costs, employees will have a one-time opportunity sell unused PTO down to 180 hours in September. This buy back opportunity is in addition to the regular buy back program in December.

## COMMISSIONER RECOGNITION

Chair Powell said that he would like to thank Commissioner Dickey for her dedication and exemplary leadership to the water utility over the years. He wished her well in the future and said that she would be greatly missed.

Commissioner Dickey said that the assurance of safe drinking water is vital to our community and that she has enjoyed serving on the Board of Commissioners. She said she found it an interesting and fulfilling experience.

Commissioner Dickey complimented CAW staff on their dedication in providing the community with safe drinking water in an efficient manner.

Commissioner Dickey stated that Mr. Rich has taken what she believes to be an exemplary staff and encouraged them to do things that even they didn't know they could accomplish. She added that the leadership provided by Mr. Rich has been excellent and that the utility and the community are very lucky to have him.

Commissioner Dickey also said that she is confident that Ms. Adrienne Bradley will find serving on the Board to be very rewarding.

Commissioner Dickey added that one of the things she is most proud of is the existence of CAW. She said that the merger of Little Rock Municipal Water Works and the North Little Rock Water Department is the result of countless hours of work by many people, herself included, and she believes she will not achieve anything of this magnitude again in her life.

## ADJOURNMENT

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

  
Francille Turbyfill, Secretary/Treasurer

## RESOLUTION 2008-05

A RESOLUTION TO ESTABLISH A SCHEDULE OF RATES FOR CENTRAL ARKANSAS WATER; TO FIX THE EFFECTIVE DATE FOR THESE RATES; AND FOR OTHER PURPOSES

WHEREAS, on July 1, 2001 the City of Little Rock and the City of North Little Rock created Central Arkansas Water ("CAW") as a public body corporate and politic under the Consolidated Waterworks Authorization Act, Act 982 of the 83<sup>rd</sup> Arkansas General Assembly, and consolidated the ownership and operation of their municipal water utilities into CAW, and

WHEREAS, the Consolidation Agreement between the City of Little Rock and the City of North Little Rock vested the authority to establish water rates in the Board of Commissioners of Central Arkansas Water, and

WHEREAS, the Consolidation Agreement further directed that the Commission shall propose an equalizing schedule of water rates, to take effect beginning January 1, 2002, or as soon thereafter as practicable, which shall be based on Rate Studies; shall equalize water rates among similarly-situated classes of customers throughout the City of Little Rock and the City of North Little Rock over a reasonable period of time not to exceed ten (10) years; and shall provide sufficient funds for the accomplishment of the Improvement Agendas, and

WHEREAS, Carter-Burgess, Inc. and Pros Consulting, LLC., CAW's rate consultants, completed the Rate Studies and made recommendations on the equalizing schedule of rates recommended in the Rate Studies, and

WHEREAS, the Board of Commissioners, by Resolutions 2001-09, 2003-08, and 2005-09 accepted the findings of the Rate Studies and adopted the equalizing schedule of rates recommended by the Rate Studies, and

WHEREAS, the Board of Commissioners finds that the rates established herein are adequate to meet the revenue requirements that include the cost of operating and maintaining the system, as well as funding for needed capital improvements,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER THAT RATE SCHEDULE NO. 1 OF CENTRAL ARKANSAS WATER SHALL BE AMENDED AND RESTATED, AS FOLLOWS:

### RATE SCHEDULE NO. 1 OF CENTRAL ARKANSAS WATER

**Section 1.** The following schedule of rates is hereby established by Central Arkansas Water for Domestic, Commercial, Industrial, and Sprinkler customer classes inside and outside of the corporate limits of the City of Little Rock ("LR"), Arkansas, and the City of North Little Rock ("NLR"), Arkansas, and whose water service meters are located both south (LR) and north (NLR) of the Arkansas River.

#### Effective Dates

This schedule shall become effective for water billed on or after January 1, 2009, January 1, 2010, and January 1, 2011, as hereinafter set forth unless otherwise noted.

#### Meter Measurement

Except for public and private fire services, all water used shall be measured through meters. The size of each meter shall be determined by Central Arkansas Water commensurate with its estimate of the amount of water to be used for the premises. One cubic foot of water is equal to 7.48 gallons weighing 62.5 pounds avoirdupois.



Minimum Monthly Charge

The Minimum Monthly Charge for all customers, except public and private fire service, includes payment for the first 200 cubic feet (cf) of water used.

METER SIZE (diameter)	MINIMUM MONTHLY CHARGE	
	EFFECTIVE JANUARY 1, 2009	
	INSIDE	OUTSIDE
5/8"	\$ 4.77	\$ 6.39
3/4"	\$ 6.15	\$ 8.24
1"	\$ 8.75	\$ 11.72
1 1/2"	\$ 14.79	\$ 19.81
2"	\$ 23.98	\$ 32.14
3"	\$ 44.36	\$ 59.44
4"	\$ 72.15	\$ 96.68
6"	\$ 142.70	\$ 191.22
8"	\$ 241.36	\$ 323.42
10"	\$ 347.50	\$ 465.65
12"	\$ 632.88	\$ 848.06

METER SIZE (diameter)	MINIMUM MONTHLY CHARGE	
	EFFECTIVE JANUARY 1, 2010	
	INSIDE	OUTSIDE
5/8"	\$ 5.35	\$ 7.00
3/4"	\$ 6.90	\$ 9.03
1"	\$ 9.81	\$ 12.84
1 1/2"	\$ 16.59	\$ 21.70
2"	\$ 26.90	\$ 35.21
3"	\$ 49.75	\$ 65.11
4"	\$ 80.92	\$ 105.91
6"	\$ 160.05	\$ 209.47
8"	\$ 270.71	\$ 354.29
10"	\$ 389.75	\$ 510.10
12"	\$ 709.83	\$ 929.02

Additional Monthly Charge

In addition to the Minimum Monthly Charge, the first table of rates shall apply to the amount of water used in excess of 200 cubic feet per month for customers inside the City of Little Rock ("LR"), Arkansas, followed by the second table for outside city customers located south of the Arkansas River.

CUSTOMER CLASS	RATES		
	EFFECTIVE 1/1/2009	EFFECTIVE 1/1/2010	EFFECTIVE 1/1/2011
	INSIDE LR CHARGES \$ PER 100 CF	INSIDE LR CHARGES \$ PER 100 CF	INSIDE LR CHARGES \$ PER 100 CF
DOMESTIC	\$ 1.36	\$ 1.39	\$ 1.51
COMMERCIAL	\$ 1.27	\$ 1.35	\$ 1.41
INDUSTRIAL	\$ 1.07	\$ 1.10	\$ 1.15
SPRINKLER	\$ 1.36	\$ 1.39	\$ 1.51

CUSTOMER CLASS	RATES		
	EFFECTIVE 1/1/2009	EFFECTIVE 1/1/2010	EFFECTIVE 1/1/2011
	OUTSIDE LR CHARGES \$ PER 100 CF	OUTSIDE LR CHARGES \$ PER 100 CF	OUTSIDE LR CHARGES \$ PER 100 CF
DOMESTIC	\$ 2.18	\$ 2.22	\$ 2.42
COMMERCIAL	\$ 2.03	\$ 2.16	\$ 2.26
INDUSTRIAL	\$ 1.71	\$ 1.76	\$ 1.84
SPRINKLER	\$ 2.18	\$ 2.22	\$ 2.42

In addition to the Minimum Monthly Charge, the first table of rates shall apply to the amount of water used in excess of 200 cubic feet per month for customers inside the City of North Little Rock ("NLR"), Arkansas, followed by the second table for outside city customers located north of the Arkansas River.

CUSTOMER CLASS	RATES		
	EFFECTIVE 1/1/2009	EFFECTIVE 1/1/2010	EFFECTIVE 1/1/2011
	INSIDE NLR CHARGES \$ PER 100 CF	INSIDE NLR CHARGES \$ PER 100 CF	INSIDE NLR CHARGES \$ PER 100 CF
DOMESTIC	\$ 1.39	\$ 1.39	\$ 1.51
COMMERCIAL	\$ 1.35	\$ 1.35	\$ 1.41
INDUSTRIAL	\$ 1.07	\$ 1.10	\$ 1.15
SPRINKLER	\$ 1.39	\$ 1.39	\$ 1.51

CUSTOMER CLASS	RATES		
	EFFECTIVE 1/1/2009	EFFECTIVE 1/1/2010	EFFECTIVE 1/1/2011
	OUTSIDE NLR CHARGES \$ PER 100 CF	OUTSIDE NLR CHARGES \$ PER 100 CF	OUTSIDE NLR CHARGES \$ PER 100 CF
DOMESTIC	\$ 2.22	\$ 2.22	\$ 2.42
COMMERCIAL	\$ 2.03	\$ 2.16	\$ 2.26
INDUSTRIAL	\$ 1.71	\$ 1.76	\$ 1.84
SPRINKLER	\$ 2.22	\$ 2.22	\$ 2.42

Nonresident Consumers

The term "outside city" used in the foregoing rates refers to any consumer receiving service outside the municipal boundaries of the City of Little Rock and the City of North Little Rock and to nonresident consumers and Wholesale-metered Customers who purchase water within the municipal boundaries for transport to a point outside the municipal boundaries for use or resale.

Private Fire Services

Private fire service connections for private premises in both the City of Little Rock, Arkansas and the City of North Little Rock, Arkansas and consumers outside the municipal boundaries of each city both north and south of the Arkansas River shall pay the following annual fire service charges.

	RATES	
	EFFECTIVE JANUARY 1, 2009	
	INSIDE	OUTSIDE
FIRE HYDRANTS	\$ 64.76	\$ 93.68
FIRE CONNECTION MINIMUM CHARGE	\$ 75.10	\$ 108.64
AUTOMATIC SPRINKLER SYSTEM MINIMUM CHARGE (1,000 HEADS)	\$ 75.10	\$ 108.64
ADDITIONAL HEADS, EACH	\$ 0.07	\$ 0.12
STANDPIPE 1 1/4" (OR SMALLER) DIAMETER, EACH	\$ 14.69	\$ 21.25
1 1/2" DIAMETER, EACH AT	\$ 22.86	\$ 33.06
2" DIAMETER, EACH	\$ 37.56	\$ 54.32
2 1/2" DIAMETER, EACH	\$ 75.10	\$ 108.64

**Section 2.** Effective with water billed on or after May 1, 2009, Inside City Domestic accounts with a single house meter (no sprinkler meter) using 300 cubic feet or less of monthly usage shall be given a **Conservation Rate Discount** of 15%.

**Section 3.** Effective with water billed on or after May 1, 2009, all Inside City and Outside City Domestic and Sprinkler accounts shall be given a **Demand Management Surcharge** of 30% on monthly usage in excess of 3300 cubic feet per meter.

**Section 4.** A **Watershed Protection Fee** of \$0.45 per month per 5/8" or 3/4" equivalent meter will be added to the monthly bill for all customers effective with water billed on or after May 1, 2009. The fee will accumulate to establish a fund that may be used for small land purchases, to service the debt on larger land purchases, and/or fund the administration of the Watershed Protection Program. If debt is incurred the fee will continue as necessary throughout the life of the loan to service debt repayment. Once the fund balance has exceeded \$3,000,000, the fee will stop billing until the fund has fallen below \$2,000,000. The fee may also be suspended should CAW deem it no longer necessary for the Watershed Protection Program.

METER SIZE (diameter)	WATERSHED PROTECTION FEE EFFECTIVE May 1, 2009
5/8"	\$ .45

3/4"	\$ .45
1"	\$ .68
1 1/2"	\$ 1.13
2"	\$ 2.25
3"	\$ 3.60
4"	\$ 6.75
6"	\$ 11.25
8"	\$ 22.50
10"	\$ 36.00

**Section 5.** The following schedule of rates is established by Central Arkansas Water for Wholesale-metered Customers.

Wholesale-metered Customers

All outside Central Arkansas Water customers purchasing water through a wholesale meter contract shall pay a Minimum Monthly Charge in accordance with Section 1 for the first 200 cubic feet of water used and an additional amount determined by the following rates for all water used in excess of 200 cubic feet per month, effective the dates stated.

TIME WATER IS TAKEN	RATES		
	EFFECTIVE 1/1/2009	EFFECTIVE 1/1/2010	EFFECTIVE 1/1/2011
	\$ PER 100 CF	\$ PER 100 CF	\$ PER 100 CF
ON PEAK Customers taking any water from: 4:01am to 8:59am and/or 5:01pm to 9:59pm	\$ 0.948	\$ 1.028	\$ 1.108
OFF PEAK Customers taking all water from: 10pm to 4am and/or 9am to 5pm	\$ 0.814	\$ 0.884	\$ 0.964

The **Watershed Protection Fee**, pursuant to Section 4 herein, shall not apply to the Wholesale meter but instead shall be passed through on the same basis of meter size to the individually metered customers of the Wholesaler as well as those of any subsequent Wholesaler. Wholesalers obtaining less than 100% of their total supply from CAW will pay only a proportional share of the fee based on the percentage supplied by CAW. Wholesalers shall report each month the total metered consumption and number of active meters by size. Wholesalers may pass the fee through directly or include it in their rates.

**Section 6.** The following schedule of rates is hereby established by Central Arkansas Water for Raw Water Customers.

All Central Arkansas Water customers purchasing raw water shall pay a Minimum Monthly Charge in accordance with Section 1 for the first 200 cubic feet of water used and an additional amount determined by the following rates for all water in excess of 200 cubic feet per month, effective the dates stated.



	RATES		
	EFFECTIVE 1/1/2009	EFFECTIVE 1/1/2010	EFFECTIVE 1/1/2011
	\$ PER 100 CF	\$ PER 100 CF	\$ PER 100 CF
	Raw Water Customer	\$ 0.470	\$ 0.510

**Section 7.** Bills for service shall be rendered and paid monthly, with the exception of payments for private fire service. Payments for private fire service shall be due in semi-annual installments in advance of the first (1<sup>st</sup>) day of January and July of each year.

**Section 8.** A penalty of ten percent (10%) shall be added to a customer bill not paid before the 20<sup>th</sup> day following the billing date. If a bill is not paid within 30 days after the billing date, service for the affected premise, or customer, may be disconnected. In such event, CAW may levy a reconnection charge.

**Section 9. Repealer.** All previous rate schedule resolutions are hereby repealed, as of the effective date of the schedule herein established.

**Section 10. Severability.** The provisions of this resolution are separable, and if any portion, section, provision, or phrase of this resolution shall be declared invalid or unconstitutional, such action shall not affect the validity of the remainder of this resolution.

**Section 11. Definitions.** The customer classes described in the Additional Monthly Charge subsection of Section 1 of Rate Schedule No. 1 shall be defined as follows:

"Domestic" shall mean all customers receiving water service at a single building or building unit that is owned, leased, or rented by one party, separately metered, and occupied as a residence.

"Commercial" shall mean all customers receiving water service at (i) a building containing two or more apartments or family units that are rented or leased to tenants as residences and are not separately metered; (ii) a building occupied by a retail or service business; (iii) a building owned or occupied by a public utility, a department of a municipality, or a state or federal governmental agency; or (iv) a non-domestic customer that does not fit the definition of an Industrial Class customer.

"Industrial" shall mean any commercial customer (i) who uses at least 1,500,000 cubic feet of water per meter during the 12-month period from September 1 to August 31; or (ii) who agrees to take or pay for a minimum of 125,000 cubic feet of water per meter per month on an annual basis. Customers who qualify for industrial service described in (i) above shall be assigned to the Industrial Class for the calendar year beginning the following January.

"Sprinkler" shall mean all customers receiving separately-metered water service used exclusively for irrigation sprinkler systems or other outdoor purposes.

**CERTIFICATE**

I, Jay Hartman, Vice Chair of the Board of Commissioners, Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2008-05 of the Resolutions of Central Arkansas Water, entitled: **A RESOLUTION TO ESTABLISH A SCHEDULE OF RATES FOR CENTRAL ARKANSAS WATER; TO FIX THE EFFECTIVE DATE FOR THESE RATES; AND FOR OTHER PURPOSES;** passed by the Board of Commissioners at its regular meeting held August 14, 2008.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office on this 14th day of August 2008.



Jay Hartman  
Vice Chair



**RESOLUTION NO. 2008-06**

**A RESOLUTION APPROVING THE FACILITY PLANS FOR WATER TREATMENT PLANTS AND AMENDING THE DECLARATION OF INTENT OF CENTRAL ARKANSAS WATER TO MAKE CERTAIN EXPENDITURES TOWARD CAPITAL IMPROVEMENTS AND TO REIMBURSE ITSELF FOR SUCH EXPENDITURES FROM THE PROCEEDS OF BONDS; AND PRESCRIBING OTHER MATTERS RELATING THERETO.**

WHEREAS, Central Arkansas Water ("CAW") owns and operates two separate water treatment plants: the Ozark Point Treatment Plant and the Jack H. Wilson Treatment Plant (the "Plants");

WHEREAS, CAW staff has determined that the existing chlorine gas disinfection systems at the Plants are aging, and that in the face of increasingly stringent regulations and concerns about public safety, transporting, storing, and handling large quantities of chlorine gas the existing chlorine gas disinfection systems should be replaced;

WHEREAS, replacement of the existing chlorine gas disinfection systems will require other changes to the Plants as more specifically set forth in the "facility plans" presented to the Board of Commissioners at this meeting (the "Facility Plans");

WHEREAS, CAW has determined that it is in the best interest of CAW and the public to acquire, design, construct and equip improvements to its water treatment and distribution system (the "Improvements"), more particularly described as (i) new sodium hypochlorite storage and feed systems at Wilson and Ozark to discontinue use of use gaseous chlorine and support the increased capacity rating at Wilson; (ii) additional feed system improvements at both plants to replace older equipment, provide needed hydrofluorosilicic acid storage, and support increased Wilson capacity; (ii) 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.

WHEREAS, CAW does not have funds on hand to pay the costs of the Improvements and the expenses related thereto; and

WHEREAS, CAW proposes to obtain funds to accomplish the Improvements and to pay expenses from issuing tax-exempt bonds; and

WHEREAS, in May 2007 CAW previously declared its "official intent," within the meaning of United States Treasury Regulation §1.150-2, to issue tax-exempt bonds to pay for the Improvements; and

WHEREAS, CAW desires to amend its declaration of "official intent" to issue tax-exempt bonds and to reimbursement itself for expenses from the proceeds of such bonds.

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

Section 1. CAW hereby adopts the Facility Plans and directs the staff to make the necessary Improvements to the Plants to assure that the Plants are built and operated in conformance with the Facility Plans.

Section 2. CAW hereby amends and re-declares its official intent and reasonable expectation to reimburse itself for original expenditures paid from its general or operating funds that are used in acquiring, designing, constructing and equipping the Improvements between the date that is sixty (60) days prior to the date of Resolution 2007-07 dated May 10, 2007, and the date the Bonds (as hereinafter defined) are issued, plus a de minimis amount and preliminary expenditures, with the proceeds of tax-exempt bonds in the principal amount of not to exceed Fifteen Million Five Hundred Thousand Dollars (\$15,500,000) (the "Bonds").

Section 3. CAW shall reimburse itself for the original expenditures from proceeds of the Bonds within eighteen (18) months after the later of:

- (a) the date the original expenditure is paid, or
- (b) the date the project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid.

Section 4. The appointment of Wright, Lindsey & Jennings LLP, as Bond Counsel, is hereby approved and ratified.

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

Section 6. A copy of this Resolution shall be filed with Secretary of CAW where it will be available for public inspection.

Section 7. A copy of this Resolution with original signatures shall be furnished by the Chief Financial Officer of CAW to the Executive Director of the Arkansas Natural Resources Commission.

ADOPTED: August 14, 2008.

ATTEST:

  
Francille Turbyfill, Secretary

APPROVED:

  
Eddie Powell, Chair

CERTIFICATE

STATE OF ARKANSAS    )  
                                  )  
COUNTY OF PULASKI    )

I, Francille Turbyfill, Secretary of the Board of Commissioners, Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2008-06 of the Resolutions of Central Arkansas Water, entitled: A RESOLUTION APPROVING THE FACILITY PLANS FOR WATER TREATMENT PLANTS AND AMENDING THE DECLARATION OF INTENT OF CENTRAL ARKANSAS WATER TO MAKE CERTAIN EXPENDITURES TOWARD CAPITAL IMPROVEMENTS AND TO REIMBURSE ITSELF FOR SUCH EXPENDITURES FROM THE PROCEEDS OF BONDS; AND PRESCRIBING OTHER MATTERS RELATING THERETO, adopted August 14, 2008.

IN WITNESS WHEREOF, I have hereunto set my hand this 14<sup>th</sup> day of August, 2008.

  
\_\_\_\_\_  
Francille Turbyfill, Secretary of Board of  
Commissioners, Central Arkansas Water

**RESOLUTION 2008-07**

A RESOLUTION APPOINTING MS. ADRIENNE BRADLEY TO THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, AND FOR OTHER PURPOSES

WHEREAS, the term of Ms. M. Jane Dickey, a member of the Board of Commissioners, Central Arkansas Water ("CAW Board"), expired on June 30, 2008; 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 Ms. Bradley 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 her term of office shall be through June 30, 2015.

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 August 14, 2008.

  
Francille Turbyfill, Secretary

Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

September 11, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, September 11, 2008, in the Third Floor 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

Absent:

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. Steve Morgan, Director of Regionalism  
Mr. Jim Ferguson, P.E., Director of Engineering  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Jonathan Long, Watershed Administrator  
Mr. Martin Maner, Director of Watershed Management  
Mr. Allen Vincent, Director of Information Services  
Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Kate Althoff, Representative of Citizens Protecting Maumelle Watershed  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Herb Dicker, President of Little Rock Neighborhood Connections  
Ms. Patricia Dicker, Member, Pulaski County Quorum Court  
Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed  
Mr. Nigel Hall, Senior Account Executive with Advantage Communication, Inc.  
Ms. Kristen Netterstrom, Reporter for the *Arkansas Democrat-Gazette*  
Mr. Norvell Plowman, attorney for Lake Maumelle Watershed property owner  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Kirby Rowland, Vice President, Garver Engineers

**CALL TO ORDER OF SEPTEMBER 11, 2008, MEETING**

Mr. Eddie Powell, Chair, called to order the September 11, 2008 meeting of the Board of Commissioners.



### **INTRODUCTION OF GUESTS**

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

### **APPROVAL OF BOARD MINUTES**

Chair Powell called for a motion to approve the minutes from the August 14, 2008 meeting. Upon a motion duly made by Dr. Roby Robertson, Commissioner, and seconded by Mr. Jay Hartman, Vice Chair, the minutes were approved.

### **EMPLOYEE SERVICE RECOGNITION**

Mr. Rich presented to Mr. Steve Morgan, Director of Regionalism, a 40-year service pin. Mr. Rich thanked Mr. Morgan for his many years of dedicated service to the utility.

### **REQUEST FOR LAND FROM CITY OF LITTLE ROCK**

Mr. Rich said that the City of Little Rock has requested that CAW convey to them a section of land that lies immediately east of Lake Maumelle Dam for use as a park. He said that staff is only seeking authorization to pursue discussions with the city on this conveyance. He added that staff would come back to the Board for approval once an agreement has been reached with the city on land use, traffic, parking, and lake security.

Mayor Mark Stodola said that the city has a need for recreational area for youth activities and feels that this land is ideal for the purpose.

Members of the public voiced their concerns for security and watershed protection if the land is conveyed to the city.

Chair Powell said that the Board would not take action on the city's request but directed staff to continue discussion with the city on the concerns raised.

### **MANGANESE WATER QUALITY CONCERNS**

Ms. Sharon Sweeney, Water Quality Specialist, reported on the recent incident of discolored water as a result of manganese in the water received from Lake Maumelle.

Ms. Sweeney noted that manganese is a naturally occurring element. She said that it is an essential trace element for human growth and development. Ms. Sweeney added that there are no known adverse affects from the manganese levels that were found in Lake Maumelle.

Ms. Sweeney said that the manganese levels were a result of uncommonly high winds that stirred up the bed of Lake Maumelle. The high winds experienced in Central Arkansas were a result of Hurricane Gustav which landed in Galveston, Texas.

Ms. Sweeney explained how weather affects the water in the lake, the health concerns resulting from this occurrence, and the various treatment alternatives.

### **RESOLUTIONS**

Mr. Tad Bohannon, legal counsel with Wright, Lindsey and Jennings, for CAW, discussed the financing of improvements associated with the Consolidation Agreement between CAW and Wye Mountain Public Water Authority.

Mr. Bohannon presented two draft resolutions associated with specific costs, financing, necessary capital improvements, and all other information necessary for the merger.

Ms. Kate Althoff, representative of Citizens Protecting Maumelle Watershed, addressed the Board with concerns as to specifics contained in the agreement.

Upon a motion duly made and seconded, the resolutions were approved.

### **CONTRACTS/PURCHASES**

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

- a. A contract with Mobley Contractors, Inc., in the amount \$2,586,000 for the installation of a new high capacity raw water pump (Pump #7) at Lake Maumelle
- b. A contract with Building & Utility Contractors, Inc., in the amount of \$123,500 for the installation of approximately 225 linear feet of 36-inch-diameter ductile iron pipe in the 4300 block of West Seventh Street (Veteran's Administration Hospital) in Little Rock. The total cost will be reimbursed by the Veteran's Administration.

### **DEPARTMENT UPDATES**

#### Watershed Issues

Mr. Martin Maner, Director of Watershed Management, reported on the following watershed activities:

- Watershed Stewardship Council - A meeting was held for those interested in serving on a watershed stewardship council in order to gather input on concerns and issues. Entities represented were watershed land owners, Pulaski County, Perry County, City of Little Rock, the U.S. Forest Service, Metroplan, citizen action groups, etc.
- Canterbury Estates - A letter of intent to purchase has been secured between Trust for Public Land and Mr. Jay DeHaven. The next step is to obtain an appraisal of the property. The appraisal normally takes about six months to complete.

#### Regionalism

Mr. Steve Morgan reported on the following regionalism activities:

- Greers Ferry - The potential pipeline to Greers Ferry Lake has recently received an updated project cost of \$62.5 million to deliver 5 million gallons per day (mgd) to the Lonoke County area. The 3 mgd in water commitments Lonoke/White has received would make the project cost prohibitive.
- Wholesale customers – CAW held a meeting to bring them up-to-date on proposed rate changes and the Master Plan Study which is currently in progress.
- Assistance to Water Utilities – Due to severe weather caused by the effects of Hurricane Gustav in Central Arkansas, the City of Clinton and the Community Water System operated under boil orders mandated by the Arkansas Department of Health. CAW's laboratory employees ran water quality tests over the weekend for these water utilities in

order to enable them to remove their boil orders as soon as possible.

#### Finance

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


#### **BRIEFING**

Mr. Rich update the Board on the following:

- Offered condolences to the family of Andre Moore, Foreman, who recently passed away. Mr. Moore worked for the utility for over 15 years.
- A public hearing on proposed rate changes was held on September 3. Public comments were made in favor of the Watershed Protection Fee that would be a new charge added to the water bills.
- The proposed 2009 Budget will be presented for review at the Board at the October Board Meeting.

#### **ADJOURNMENT**

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

  
Francille Turbyfill, Secretary/Treasurer



# In of Honor and Appreciation

## Commissioner M. Jane Dickey

### Resolution 2008-08

WHEREAS, Ms. M. Jane Dickey served on the Board of Commissioners, Central Arkansas Water, since the Board's formation in 2001 and prior to that time served with the Board of Commissioners, Little Rock Municipal Water Works, from 1997-2001; and

WHEREAS, during her tenure she provided exemplary vision and leadership for the Board and our utility; and

WHEREAS, her extensive background in business, municipal finance, law, and civic affairs have been integral to the Board in its public-policy decisions and governance of the water utility; and

WHEREAS, Ms. Dickey led in the historic merger of the Little Rock and North Little Rock water systems and was instrumental in the success of this extraordinary initiative by steering efforts and fostering unprecedented support in the public and private sectors and among elected officials; and

WHEREAS, as Chair of the inaugural CAW Board, she worked tirelessly to ensure the success of the merger and the realization of the cities' objectives of inter-local cooperation, regionalism, and economic efficiency for customers; and

WHEREAS, she also committed more than a decade to addressing and formulating sound public policy on the challenging issues of watershed management and future source to assure that we continue to meet the water supply needs of the 16 cities and communities that CAW serves; and

WHEREAS, the utility's world-class standing in water quality, affordability, service, and system integrity is directly attributable to her commitment to excellence; and

WHEREAS, Ms. Dickey has served for eleven years, seven years on the CAW Board and four years on the LRMWW Board, and retires with a legacy of distinction and accomplished leadership.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Board of Commissioners, Central Arkansas Water, hereby does express sincere appreciation to Ms. Dickey for her distinguished service to CAW and its customers and honor her for her contributions to the Board and utility.

**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 Ms. Dickey.

\* \* \* \* \*

We, Eddie Powell, Jay Hartman, Francille Turbyfill, Adrienne Bradley, Anthony Kendall, Thomas Rimmer, and Dr. Roby Robertson, as members of the Board of Commissioners, Central Arkansas Water, hereby do certify that the above and foregoing is a correct copy of the resolution adopted on this 9th day of October 2008.

\_\_\_\_\_  
Eddie Powell, Chair

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

\_\_\_\_\_  
Francille Turbyfill, Secretary

\_\_\_\_\_  
Adrienne Bradley, Commissioner

\_\_\_\_\_  
Anthony Kendall, Commissioner

\_\_\_\_\_  
Thomas W. Rimmer, Commissioner

\_\_\_\_\_  
Dr. Roby Robertson, Commissioner

**RESOLUTION NO. 2008-09**

**A RESOLUTION DECLARING THE INTENT OF CENTRAL ARKANSAS WATER TO MAKE CERTAIN EXPENDITURES TOWARD CAPITAL IMPROVEMENTS NOT TO EXCEED \$5,000,000 AND TO REIMBURSE ITSELF FOR SUCH EXPENDITURES FROM THE PROCEEDS OF BONDS OF THE UTILITY; AND PRESCRIBING OTHER MATTERS RELATING THERETO.**

WHEREAS, Central Arkansas Water (“CAW”) proposes to acquire, design, construct and equip capital improvements to its water distribution system and water treatment facilities (the “Improvements”); and

WHEREAS, it is appropriate that CAW assure that its power to issue capital improvement bonds to finance the costs of the Improvements, the interest on which is exempt from federal income tax, will, under applicable sections of the Internal Revenue Code and the Treasury Regulations promulgated thereunder, be preserved, and adoption of this Resolution serves that purpose.

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

Section 1. Pursuant to United States Treasury Regulation §1.150-2, CAW hereby declares its official intent and reasonable expectation to reimburse itself for original expenditures paid from its general or operating funds that are used in acquiring, constructing and equipping the Improvements between the date that is sixty (60) days prior to the date of this Resolution and the date the bonds are issued, plus a de minimis amount and preliminary expenditures, with the proceeds of one or more series of tax-exempt bonds in the principal amount of not to exceed \$5,000,000 (the “Bonds”).

Section 2. CAW shall reimburse itself for the original expenditures from proceeds of the Bonds within 18 months after the later of:

- (a) the date of the original expenditure is paid, or
- (b) the date the project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid.

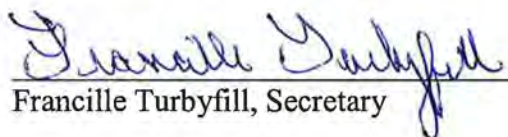
Section 3. This Resolution shall be in effect upon its adoption and approval.

Section 4. A copy of this Resolution shall be furnished to the Arkansas Natural Resources Commission and filed with Secretary of CAW where it will be available for public inspection.



ADOPTED: 9-11-08


ATTEST:

  
Francille Turbyfill, Secretary

APPROVED:

  
Eddie Powell, Chair

APPROVED AS TO FORM:

  
C. Tad Bohannon,  
Counsel for Central Arkansas Water

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 2008-09 of the Resolutions of Central Arkansas Water, entitle: A RESOLUTION DECLARING THE INTENT OF CENTRAL ARKANSAS WATER TO MAKE CERTAIN EXPENDITURES TOWARD CAPITAL IMPROVEMENTS FOR THE UTILITY AND TO REIMBURSE ITSELF FOR SUCH EXPENDITURES FROM THE PROCEEDS OF BONDS OF THE UTILITY; AND PRESCRIBING OTHER MATTERS RELATING THERETO, adopted September 11, 2008.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of September, 2008.

  
Francille Turbyfill, Secretary of  
Central Arkansas Water

**RESOLUTION NO. 2008-10**

**A RESOLUTION DESIGNATING AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER, THE CHIEF OPERATING OFFICER, AND THE CHIEF FINANCIAL OFFICER OF CENTRAL ARKANSAS WATER TO EXECUTE CERTAIN DOCUMENTS IN CONNECTION WITH THE DRINKING WATER SRF LOAN PROGRAM ADMINISTERED BY THE ARKANSAS NATURAL RESOURCES COMMISSION, AUTHORIZING THE HIRING OF BOND COUNSEL AND PRESCRIBING OTHER MATTERS RELATING THERETO.**

WHEREAS, Central Arkansas Water owns and operates a water treatment and distribution system (the "System") in order to provide potable water service to the citizens of the Cities of Little Rock and North Little Rock and the surrounding communities; and

WHEREAS, the Board of Commissioners of Central Arkansas Water (the "Commission") has determined that it is in the best interest of the customers of the System to apply for loan assistance from the Arkansas Natural Resources Commission (the "ANRC") under the Drinking Water SRF Loan Program (the "Program"), in order to make certain improvements to the System by extending a 16-inch transmission main approximately 9 miles west along Highway 10 to the intersection with Highway 113 to provide a reliable water supply to the existing Wye Mountain Water distribution system and other water users in western Pulaski County.

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

- Section 1. That Graham Rich, as Chief Executive Officer, Thad Luther, as Chief Operating Officer, or Gary Pittman, as Chief Financial Officer (the "Signatories"), when the application is completed and ready for submission, are, individually or collectively, hereby authorized and directed to make application for assistance under the Program administered by the ANRC.
- Section 2. That Graham Rich, as Chief Executive Officer, is hereby authorized to execute, when approved by the Commission, a bond purchase agreement with ANRC for and on behalf of Central Arkansas Water.
- Section 3. That in the event Graham W. Rich is unavailable, Thad Luther, as Chief Operating Officer, is hereby authorized to execute, when approved by the Commission, a bond purchase agreement with ANRC for and on behalf of Central Arkansas Water.
- Section 4. That any of the Signatories is hereby authorized to execute, for and on behalf of Central Arkansas Water, such other documents and certificates as may be required by ANRC (i) for participation in the Program, or (ii) to satisfy CAW's obligations under the bond purchase agreement with ANRC, once such agreement is approved by the Commission.

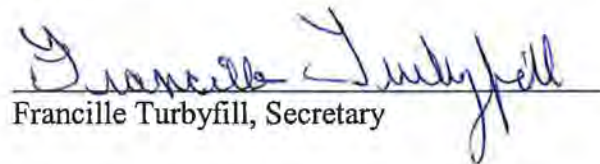
Section 5. The appointment of Wright, Lindsey & Jennings LLP, as Bond Counsel, is hereby approved and ratified.

Section 6. This Resolution shall be in effect from and after the date of its adoption.

Section 7. A copy of this Resolution with original signatures shall be furnished to the Arkansas Natural Resources Commission and filed in the offices of CAW where it will be available for public inspection.

ADOPTED:

ATTEST:

  
Francille Turbyfill, Secretary

APPROVED:

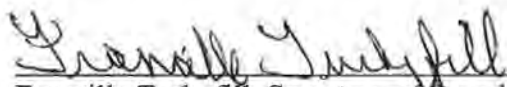
  
Eddie Powell, Chair

CERTIFICATE

STATE OF ARKANSAS    )  
  )  
COUNTY OF PULASKI    )

I, Francille Turbyfill, Secretary of the Board of Commissioners, Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2008-10 of the Resolutions of Central Arkansas Water, entitled: A RESOLUTION DESIGNATING AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER, THE CHIEF OPERATING OFFICER, AND THE CHIEF FINANCIAL OFFICER OF CENTRAL ARKANSAS WATER TO EXECUTE CERTAIN DOCUMENTS IN CONNECTION WITH THE DRINKING WATER SRF LOAN PROGRAM ADMINISTERED BY THE ARKANSAS NATURAL RESOURCES COMMISSION, AUTHORIZING THE HIRING OF BOND COUNSEL AND PRESCRIBING OTHER MATTERS RELATING THERETO adopted September 11, 2008.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of September 2008.

  
\_\_\_\_\_  
Francille Turbyfill, Secretary of Board of  
Commissioners, Central Arkansas Water



Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

October 9, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, October 9, 2008, in the Third Floor 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. 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. Steve Morgan, Director of Regionalism  
Mr. Jim Ferguson, P.E., Director of Engineering  
Mr. Gary Hum, Director of Source & Treatment  
Mr. Jonathan Long, Watershed Administrator  
Mr. Martin Maner, Director of Watershed Management  
Ms. Becky Wahlgreen, Director of Human Resources  
Ms. Stephanie Hymel, Stewardship Coordinator  
Ms. Deena Coston, P.E., Controller  
Mr. Jeff Mascagni, P.E., Controller  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Kate Althoff, Representative of Citizens Protecting Maumelle Watershed  
Ms. Ruth Bell, League of Women Voters of Pulaski County  
Mr. Dennis Burrow, M.D., Coalition of Greater Little Rock Neighborhoods  
Mr. Rick Chastain, Assistant of Wildlife Management, Arkansas Game & Fish Commission  
Ms. Olivia Dedner, Director of Public Relations, Advantage Communications  
Mr. Barry Haas, Representative of Citizens Protecting Maumelle Watershed  
Mr. Mike Marlar, P.E., President, Marlar Engineering  
Mr. Brode Morgan, P.E., Vice President, Garver Engineers  
Ms. Jaimie Mullins, Manager, Paron-Owensville Water Authority  
Ms. Kristen Netterstrom, Reporter for the *Arkansas Democrat-Gazette*  
Mr. Norvell Plowman, attorney for Lake Maumelle Watershed property owner  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Ms. Kathy Wells, President of the Coalition of Little Rock Neighborhoods

### **CALL TO ORDER OF OCTOBER 9, 2008, MEETING**

Mr. Eddie Powell, Chair, called to order the October 9, 2008 meeting of the Board of Commissioners.

### **INTRODUCTION OF GUESTS**

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

### **APPROVAL OF BOARD MINUTES**

Chair Powell called for a motion to approve the minutes from the September 11, 2008 meeting. Upon a motion duly made and seconded, the minutes were approved.

### **REQUEST FOR RAW WATER FROM PARON-OWENSVILLE WATER AUTHORITY**

Mr. Steve Morgan, Director of Regionalism & Future Water Source reported on renewed negotiations with the Paron-Owensville Water Authority (Paron) concerning their request to purchase raw water from CAW.

Mr. Morgan said that Paron is facing two challenges: inadequate water capacity and water quality. He said that their daily water use already exceeds their maximum capacity received from North Garland County.

Upon a motion duly made and seconded, the Board unanimously approved staff to research the effects on CAW of selling raw water to Paron and to bring back a recommendation to this Commission.

### **EMPLOYEE SERVICE RECOGNITION**

Mr. Rich presented to Ms Marie Crawford, Director of Communications, a 20-year service pin.

Mr. Rich thanked Ms. Crawford for her many years of dedicated service to the utility and said that she continues to make a very important and valuable contribution to the utility. Mr. Rich added that CAW is very fortunate to have an employee with the credentials that she brings to her job.

### **PARTNERSHIP WITH ARKANSAS GAMES & FISH COMMISSION**

Ms. Stephanie Hymel, Stewardship Coordinator, introduced Mr. Rick Chastain, Assistant of Wildlife Management for the Arkansas Game & Fish Commission.

Ms. Hymel gave a brief overview of a potential partnership between CAW and the Arkansas Game & Fish Commission. She explained that this partnership would relate to possible acquisition of the former Winrock Sod Farm (owned by Mr. Jay DeHaven) and located in the Lake Maumelle Watershed. She said that the proposed partnership would include opportunities for public education and youth wildlife activities. Ms. Hymel said that increasing public awareness of the attributes of lands contained in the Lake Maumelle Watershed will allow the public to see what a great resource they have in the watershed and, hopefully, encourage protection of this resource.

Mr. Chastain said that he spent a day with Mr. Dennis Yarbro, Supervisor of Water Sources,

touring the Lake Maumelle Watershed. He said that this gave him the opportunity to discover what a great resource CAW has in the watershed and he urged CAW to protect this natural resource by instituting a wildlife management and forest management plan.

Mr. Chastain said that he is here today to find out if the Board is interested in developing a partnership program with the Games & Fish Commission. He said that possible partnership opportunities could include limited hunting, fishing, public education and awareness.

In response to a question asked by Chair Powell about proposed plans the Game & Fish Commission has for the former sod farm, Mr. Chastain said that the Game & Fish Commission would like to convert it to native grasses which would help re-populate wildlife to the area.

Mr. Rich said that staff does support this partnership. He said that this will provide a great opportunity for the public to learn where their water comes from, the relationship between the watershed and high quality drinking water, and the importance of protecting the watershed.

Chair Powell asked if the Game & Fish Commission would provide management of traffic (both human and vehicular) and trash. Mr. Chastain said that if land becomes a wildlife management area, wildlife officers would have the authority to enforce regulations.

Chair Powell asked that the record show that the Board directed CAW staff to proceed with talks concerning a partnership with the Arkansas Games & Fish Commission.

**Public Comments:**

- Ms. Ruth Bell, Pulaski County League of Women Voters, asked if CAW has in place guidelines to evaluate requests to use CAW land or to evaluate opportunities to work with other programs.

Mr. Rich stated that CAW has no formal guidelines at this time but will address that when a Forest Management Plan is developed. He added that CAW is looking at the benefits to all of enhancements of the watershed.

- Ms. Kate Althoff, Citizens to Protect Maumelle Watershed, asked if there would be a public hearing concerning a wildlife management and forest management plan. Mr. Chastain said that a public hearing would be held before any formal decision is made.

**ANNUAL RENEWAL OF HEALTH INSURANCE POLICY**

Ms. Becky Wahlgreen, Director of Human Resources, reported on the 2009 renewal of CAW employees' health insurance policy. Ms. Wahlgreen said that staff has received the health insurance renewal quote from Health Advantage which calls for a 7.6% increase to premiums. She said that staff has worked with Health Advantage representatives to make changes to CAW's Health Insurance Plan that would lower the premium increase to 3%.

Upon a motion duly made by Commissioner Turbyfill and seconded by Mr. Thomas Rimmer, Commissioner, renewal of the employees' health insurance policy was approved.

Mr. Anthony Kendall, Commissioner, left the meeting at this time.

## **2009 FINANCIAL PLAN**

Mr. Gary Pittman, Chief Financial Officer, reviewed the draft of the 2009 Financial Plan. He said that Commissioners had been sent the plan last week to give them time to review it before this meeting.

Mr. Pittman said that the final version of the 2009 Financial Plan would be presented to them at the November Board meeting for their approval.

## **RESOLUTIONS**

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

- a. A resolution commending M. Jane Dickey for her service to the Board of Commissioners
- b. A resolution amending CAW's Section 125 Cafeteria Plan to reflect recent interpretations by the Internal Revenue Service.

## **CONTRACTS/PURCHASES**

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

- The purchase of 40,000 pounds of bimetallic glassy phosphate from Carus Chemicals in the amount of \$66,000.

## **DEPARTMENT UPDATES**

### **Watershed Issues**

Mr. Martin Maner, Director of Watershed Management, said that at their September 30 meeting the Pulaski County Planning Board denied approval of the plans for the three phases of development of Canterbury Estates.

Public Comments: Several public comments were made as to an opinion given by Mr. Maner at the September 30 Planning Board Meeting. Mr. Maner said his opinion was based on 30 years of experience in the field of water/wastewater quality.

- Ms Althoff said she would like to emphasize the need to establish guidelines when making exceptions to the watershed plan. She said that she believes zoning regulations would be a good way to handle exceptions.
- Ms. Kathy Wells, President of the Little Rock Coalition of Neighborhoods, asked the Board if the Watershed Plan was still in effect and, if it is, to instruct CAW staff to follow the plan.

Chair Powell said that the plan was still in effect, had not been changed since it was approved, and believed that staff is following the plan. He added that staff is highly experienced and knowledgeable of the plan, watershed management, and maintaining water quality.

Mr. Rich said that language in the Watershed Plan allows staff to make decisions based on the plan and the situation as presented.

- Mr. Barry Haas, Citizens Protecting Maumelle Watershed, supported the belief that CAW staff should not voice their professional opinion to other legislating entities regarding development within the Lake Maumelle Watershed.

Ms. Hymel reminded everyone that she was a member of the Technical Advisory Council and an alternate on the Policy Advisory Council. She said that Lake Maumelle Watershed Plan was adopted as a plan and not CAW policy. She reminded everyone that the original intention of the plan was that it be a continually evolving document.

Ms. Hymel, who is working on the creation of a Stewardship Council, says that the changes that have been mentioned can be handled through the Stewardship Council.

### Regionalism

Mr. Steve Morgan reported on the following regionalism activities:

- City of Bryant — staff is working with the City of Bryant to finalize a contract replacing the original 1988 contract to supply them with water. We will bring the revised contract to the CAW Board for approval once it has been approved by the City of Bryant.
- MAWA — the U.S. Corps of Engineers (Corps) has confirmed in writing that they expect to receive final approval for MAWA to take 15 MGD from Greers Ferry on May 22, 2009. Thanks to Senator Blanche Lincoln, Senator Mark Pryor, and Representative Vic Snyder for their efforts in helping MAWA to obtain this approval.
- Saline Watershed Alliance — they have received a report on the possibility of constructing a water reservoir on land south of Lake Winona. They will present this report to the Saline County Quorum Court on October 21.

### Finance

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

### BRIEFING

Mr. Rich updated the Board on the following:

- CAW is spearheading a community project to remove litter from the watershed around Lake Maumelle.

Mr. Rich asked Ms. Hymel to inform the Board on activities planned for the clean-up around the lake.

Ms. Hymel said that on October 25th CAW is conducting a "Southshore Sweep" to clean litter and debris from public-use areas in the watershed.



Ms. Hymel said that CAW employees, neighborhood associations, local businesses, and the public in general have been invited to participate in the clean-up. She added that the Bass Club at the University of Arkansas at Little Rock will participate in clean-up on the lake itself.

**ADJOURNMENT**

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

  
Francille Turbyfill, Secretary/Treasurer

**RESOLUTION 2008-11**

**RESOLUTION APPROVING AMENDMENT AND RESTATEMENT OF  
THE CENTRAL ARKANSAS WATER SECTION 125 CAFETERIA PLAN  
TO COMPLY WITH IRS REGULATORY CHANGES APPLICABLE TO  
THE PLAN**

WHEREAS, Central Arkansas Water maintains the Central Arkansas Water Section 125 Cafeteria Plan (the "Plan") for the benefit of its employees; and

WHEREAS, Central Arkansas Water desires to amend the Plan to comply with regulations recently issued by the IRS;

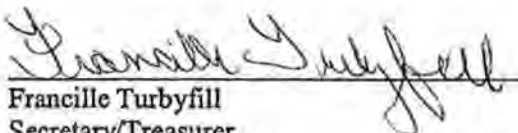
BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CENTRAL ARKANSAS WATER THAT:

1. Central Arkansas Water amends and restates its Central Arkansas Water Section 125 Cafeteria Plan, to remove certain optional insurance premium payments/reimbursements from the Plan and for the purpose of making technical amendments to the Plan to assure the Plan's continued compliance with applicable regulations, all as set forth in the Central Arkansas Water Section 125 Cafeteria 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 October 9, 2008.

Attest:

  
Francille Turbyfill  
Secretary/Treasurer

APPROVED:

  
Eddie Powell  
Chair

**RESOLUTION NO. 2008-12**

**RESOLUTION APPROVING NEW WATER SUPPLY CONTRACT  
BETWEEN CENTRAL ARKANSAS WATER AND THE CITY OF BRYANT;  
AUTHORIZING THE CHAIRPERSON TO EXECUTE SUCH CONTRACT;  
AND PRESCRIBING OTHER MATTERS RELATING THERETO**

WHEREAS, the City of Little Rock ("Little Rock") and the City of Bryant ("Bryant") previously entered into an Agreement (the "Agreement") dated July 11, 1998, for the Little Rock Municipal Water Works to provide water to Bryant; and

WHEREAS, Central Arkansas Water ("CAW") is the successor in interest to Little Rock in the Agreement;

WHEREAS the Agreement has been amended from time to time; and

WHEREAS, CAW and Bryant desire to enter into a new agreement pursuant to which CAW shall sell, and Bryant shall buy, surplus potable water.

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

Section 1. The Water Supply Contract by and between CAW and Bryant, in the form presented to this Board, for the sale of water by CAW to Bryant, and other matters related thereto (the "Contract"), is hereby approved.

Section 2. CAW is authorized to enter into the Contract, and Eddie Powell, as Chair of the Board of Commissioners, Central Arkansas Water, is authorized to execute the Contract on behalf of CAW.

Section 3. Each or any of the Chair, Secretary, Chief Executive Officer or Chief Operations Officers 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 3. This Resolution shall be in effect upon its adoption and approval.

ADOPTED: 11/13/08

ATTEST:

APPROVED:

Sharonville Smileyfill

Eddie Powell





**RESOLUTION NO. 2008-13**

**RESOLUTION APPROVING SURPLUS RAW WATER AGREEMENT  
CONTRACT BETWEEN CENTRAL ARKANSAS WATER AND THE  
PARON-OWENSVILLE WATER AUTHORITY OF THE STATE OF  
ARKANSAS; AUTHORIZING THE CHAIRPERSON TO EXECUTE SUCH  
AGREEMENT; AND PRESCRIBING OTHER MATTERS RELATING  
THERETO**

WHEREAS, the Paron-Owensville Water Authority of the State of Arkansas ("Paron") desires to purchase surplus raw water from Central Arkansas Water ("CAW"); and

WHEREAS, CAW will agree to sell surplus raw water to Paron due to the unique nature of the circumstances pursuant to which raw water can be delivered to Paron from Lake Winona and under the very strict terms and conditions set forth in the Surplus Raw Water Agreement; and

WHEREAS, CAW and Paron desire to memorialize the terms and conditions of their agreement to sell and buy surplus raw water in an agreement submitted to this Board at this meeting for approval.

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

Section 1. The Surplus Raw Water Agreement by and between CAW and Paron, in the form presented to this Board, for the sale of surplus raw water by CAW to Paron, and other matters related thereto (the "Agreement"), is hereby approved.

Section 2. CAW is authorized to enter into the Agreement, and Eddie Powell, as Chair of the Board of Commissioners, Central Arkansas Water, is authorized to execute the Agreement on behalf of CAW.

Section 3. Each or any of the Chair, Secretary, Chief Executive Officer or Chief Operations Officers 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 3. This Resolution shall be in effect upon its adoption and approval.

ADOPTED: 11/13/08





Minutes of a Regular Meeting  
Board of Commissioners  
Central Arkansas Water

November 13, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, November 13, 2008, in the Third Floor 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. Thomas W. Rimmer, Commissioner  
Dr. Roby Robertson, Commissioner

Present via Telephone Conference Call:

Mr. Anthony Kendall, 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. Steve Morgan, Director of Regionalism  
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. Jonathan Long, P.E., Watershed Administrator  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Dale Kimbrow, Planning Manager  
Ms. Deena Coston, P.E., Controller  
Mr. Jeff Mascagni, P.E., Controller  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Kate Althoff, Representative of Citizens Protecting Maumelle Watershed  
Mr. Erin Brogdan, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Ms. Olivia Dedner, Director of Public Relations, Advantage Communications  
Mr. Herb Dicker, President of Little Rock Neighborhood Connections  
Ms. Patricia Dicker, Member, Pulaski County Quorum Court  
Mr. Jim Jolley, Forest Management Coordinator with the Arkansas Forestry Commission  
Mr. Pete Lancaster, Vice President of Paron-Owensville Water Authority Board of Directors  
Mr. Monty Ledbetter, General Manager for City of Bryant Water Utility  
Mr. Mike Marlar, P.E., President, Marlar Engineering  
Mr. Brode Morgan, P.E., Vice President, Garver Engineers  
Ms. Jaimie Mullins, Manager, Paron-Owensville Water Authority

## **CALL TO ORDER OF NOVEMBER 13, 2008, MEETING**

Mr. Eddie Powell, Chair, called to order the November 13, 2008 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 by Dr. Roby Robertson, Commissioner, and seconded Mr. Thomas W. Rimmer, Commissioner, the minutes were approved.

## **2009 FINANCIAL PLAN**

Mr. Gary Pittman, Chief Financial Officer, reviewed the proposed 2009 Financial Plan that had been given to the Board for their review at the October Board Meeting.

Upon a motion duly made by Ms. Adrienne Bradley, Commissioner, and seconded by Ms. Francille Turbyfill, Secretary/Treasurer, the 2009 Financial Plan was approved.

## **FOREST LEGACY GRANT PROPOSAL**

Ms. Stephanie Hymel, Watershed Stewardship Coordinator, said that she has been exploring options for funding the purchase of property located in the Maumelle Watershed. She said that she is pursuing a grant from the U.S. Forestry Service through their Forest Legacy Project to purchase the property formerly known as the Winrock Sod Farm, now owned by Mr. Jay DeHaven.

Ms. Hymel introduced Mr. Jim Jolley, Forest Management Coordinator with the Arkansas Forestry Commission, who updated the Board on the progress of the CAW's grant application and provided an overview of the Forest Legacy Project.

The Forest Legacy Project, according to Mr. Jolley, was created to protect forests from conversion to non-forest uses.

Mr. Jolley said that the property owned by Mr. DeHaven is priced at \$7.155 million which breaks down to approximately \$18,000 per acre. He said that one of the requirements of the forestry grant is that 25 per cent of the total cost comes from non-federal sources, i.e., private, state, or other entities. Mr. Jolley said that the non-federal cost share would be \$2.86 million and would likely come from CAW and the Arkansas Game & Fish Commission.

Mr. Jolley said that a state stewardship committee reviewed the grant prospectus in September 2008 to determine if it would be appropriate to send on to the national level. He said that the committee is comprised of representatives from natural resources management agencies, the timber and logging industry, and private organizations such as The Nature Conservancy.

Mr. Jolley added that the decision to send the grant request to the national level is based on Arkansas State Assessment League criteria that delineate the Forest Legacy areas on which the state wants to focus.

Mr. Jolly said that the State of Arkansas has seven Forest Legacy Areas with each area having a conservation priority designation. The DeHaven property is located in one of these Forest Legacy Areas and has water quality designated as its conservation priority.

Mr. Jolley said that a decision on funding approval would be made around June of 2010.

Commissioner Robertson asked Mr. Jolley if there is anything else that staff needs to do to fulfill all requirements of a grant application.

Mr. Jolley said that CAW has met four of the five requirements for grant approval and needs to create a Forest Stewardship Plan for the DeHaven property to meet all the requirements.

## **RESOLUTIONS**

### **Paron-Owensville Water Authority**

Mr. Steve Morgan, Director of Regionalism and Future Water Source presented a draft resolution authorizing CAW to enter into a contract to sell surplus raw water to Paron-Owensville Water Authority.

Mr. Morgan said that representatives of the Paron-Owensville Water Authority (POWA) are requesting to connect to CAW's Lake Winona raw water line in order to serve as their primary source of water.

In response to a question by Commissioner Robertson, Mr. Morgan stated that the contract contains several provisions that make this agreement to sell raw water an exclusive agreement and does not obligate our utility to supply raw water for other possible future requests. Tad Bohannon, CAW's legal counsel, also confirmed that a contract with Paron would not set a precedent for additional raw water sales.

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

### **City of Bryant**

Mr. Morgan presented a draft resolution authorizing a renewed water supply contract between CAW and the City of Bryant.

Mr. Morgan said that CAW has sold water to the City of Bryant since 1988 and that this renewed contract updates language, conditions and specifications that are standardized for other wholesale contracts that are in effect.

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

## **CONTRACTS/PURCHASES**

Upon a motion duly made by Commissioner Rimmer and seconded by Commissioner Robertson, the following was approved:

- a. a contract with Henley Construction, Inc., in the amount \$115,400.00 to auger, bore, and



simultaneously place steel encasement pipe at three locations for two separate projects. The first bore and encasement will be for a 16-inch main extension in the Little Rock Industrial Park for Man Industries. The second and third bore and encasement locations will be for an 8-inch extension in North Little Rock along US Highway 70.

## **DEPARTMENT UPDATES**

### Watershed Issues

Mr. Martin Maner P.E., Director of Watershed Management, along with Mr. Jonathan Long, P.E., Watershed Administrator, and Ms. Hymel, provided an update on watershed issues:

- work continues with Pulaski County staff on the modification of Subdivision Rules and Regulations.
- it is anticipated that the Arkansas Pollution Control & Ecology Commission will address the prohibition of wastewater discharge within the watershed early next year but they are waiting on a decision by the Pulaski County Quorum Court.
- request for U.S. Geological Survey to update the science on the models used in the Lake Maumelle Watershed Plan. CAW Staff will meet with on November 19 to discuss plans.

At this time, Mr. Anthony Kendall, Commissioner, left the meeting.

- will interview potential property appraisers next week for the DeHaven property
- an "Option to Purchase" agreement has been signed between Mr. DeHaven and the Trust for Public Land
- the Arkansas Game & Fish Commission has agreed to partner with CAW on development of property within the Maumelle Watershed. Staff will meet with them on November 19 to discuss plans.

Commissioner Robertson voiced the opinion that CAW will need to purchase more property than called for in the Watershed Management Plan. In response, Mr. Maner suggested that CAW may want to consider conservation easements as an option to land purchases. He said that this is a more economical option to land purchases.

### Regionalism

Mr. Steve Morgan reported on the following regionalism activities:

- North Pulaski Water Authority has requested to renegotiate their water contract that was signed in 1984 with an expiration date of 2024.
- Wye Mountain Water Association should have their funding from the Arkansas Natural Resources Commission by the end of 2009.
- The City of Hot Springs has reached a tentative agreement with Entergy that will allow the city to take more water from Lake Hamilton.

- The City of Cabot sent a check for \$201,000 to Mid-Arkansas Water Alliance for payment to the U.S. Corps of Engineers for storage in Greers Ferry Lake. MAWA is anticipating final approval of their request for water from the lake in late spring of 2009.

#### Finance

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

#### BRIEFING

Mr. Rich updated the Board on the following:

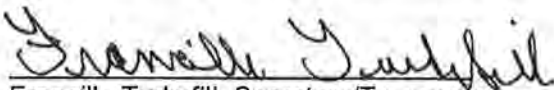
- Staff will be meeting with representatives of Arkansas Department of Environmental Quality (ADEQ) regarding a "fish kill" that occurred on October 13. On that day, a CAW distribution crew was flushing a fire hydrant with the water draining into a small creek. This resulted in a small amount of "fish kill" resulting from the chlorine in the treated water. It will be our suggestion to ADEQ that, in lieu of a fine, we participate in an environmental project. Also, adjustments to procedures have taken place as a result of this incident.

Ms. Marie Crawford, Director of Communications, said that CAW received an award from Watershed Human and Community Development Agency (Watershed) for the Help To Others Program created by CAW.

Ms. Crawford said that the Help To Others Program made its first funding in 2004 and, since that time, has provided approximately \$195,000 in assistance to customers in need through the Watershed in Little Rock and River City Ministry in North Little Rock.

#### 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

December 11, 2008

The Board of Commissioners, Central Arkansas Water (CAW), convened in a regular meeting at 2 p.m. Thursday, December 11, 2008, 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. Steve Morgan, Director of Regionalism  
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. Jonathan Long, P.E., Watershed Administrator  
Ms. Stephanie Hymel, Stewardship Coordinator  
Mr. Dale Kimbrow, Planning Manager  
Ms. Deena Coston, C.P.A., Controller  
Mr. Jeff Mascagni, CP.A., Controller  
Ms. Connie Horn, Management Secretary  
Mr. Tad Bohannon, Attorney for CAW with Wright, Lindsey & Jennings, L.L.P.

Also in attendance:

Ms. Kate Althoff, Representative of Citizens Protecting Maumelle Watershed  
Mr. Lee Bodenhamer, Lake Maumelle Watershed property owner  
Mr. Bo Brister, Investment Consultant with Stephens Financial, Inc.  
Ms. Erin Brogdan, Attorney with Wright, Lindsey, & Jennings, L.L.P.  
Ms. Olivia Dedner, Director of Public Relations, Advantage Communications  
Mr. Herb Dicker, President of Little Rock Neighborhood Connections  
Ms. Patricia Dicker, Member, Pulaski County Quorum Court  
Mr. Mike Marlar, P.E., President, Marlar Engineering  
Mr. Larry Middleton, Senior Vice President & Managing Director, Stephens Financial, Inc.  
Mr. Brode Morgan, P.E., Vice President, Garver Engineers  
Ms. Kathleen Oleson, League of Women Voters of Pulaski County  
Mr. Norvell Plowman, Attorney for Lake Maumelle Watershed property owner

## **CALL TO ORDER OF DECEMBER 11, 2008, MEETING**

Mr. Eddie Powell, Chair, called to order the December 11, 2008 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 minutes were approved.

## **MESSAGE FROM FORMER COMMISSIONER DICKEY**

Chair Powell read a message from Ms. Jane Dickey, former Commissioner for CAW. He said that Ms. Dickey thanked the Board for the opportunity to learn about the water industry and to guide the utility.

## **RESOLUTIONS**

### **Membership in the Municipal League's Other Post Employment Benefit Trust**

Mr. Jeff Mascagni, P.E., Controller, presented two draft resolutions: 1) to authorize CAW to become a member of the Municipal League's Other Post Employment Benefit (OPEB) trust, and 2) to amend CAW's Investment Policy to allow investment of a larger percentage of funds in fully insured or fully collateralized investments other than Treasury Bills, Treasury Notes, and Money Market Funds.

Mr. Mascagni explained the draft resolution to authorize membership in the Municipal League's OPEB. He said that under rules established by GASB 45, CAW accumulates and invests funds to offset future expenses associated with post employment benefits, the largest being health insurance benefits to retirees. He added that staff recommends CAW become a member of the Municipal League's OPEB Trust rather than establishing their own separate trust to manage these funds.

Mr. Tad Bohannon, attorney for CAW, noted that the managing entity for this trust is Stephens, Inc. Mr. Bohannon said that there were some legal questions related to the resolutions between Stephens, Inc. and CAW but he thought they were minor issues that could be resolved.

Dr. Roby Robertson, Commissioner, made a motion to approve the resolution contingent upon reaching an agreement on the legal questions remaining. The motion, seconded by Mr. Thomas W. Rimmer, Commissioner, was approved.

### **Revision of CAW Investment Policy**

Mr. Mascagni discussed the draft resolution to amend paragraph 8(b) of CAW's Investment Policy to include paragraph 8(a) (vi) as an additional exception. He said that the amendment will allow the Municipal OPEB Trust and CAW to invest a larger percentage of funds in fully insured or fully collateralized investments other than Treasury Bills, Treasury Notes, and Money Market Funds.

Upon a motion duly made by Commissioner Rimmer and Mr. Jay Hartman, Vice Chair, the resolution was approved.



## **CONTRACTS/PURCHASES**

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

- i. Annual chemical contracts with the following companies:

<b><u>Company</u></b>	<b><u>Chemical</u></b>	<b><u>Bid Amount</u></b>
Shannon Chemical	Phosphate	\$253,920.00
Arkansas Lime Company	Hydrated Lime	\$20,713.00
Solvay Fluorides, LLC	Hydrofluorosilicic Acid	\$175,015.00
General Chemical Perf. Prod.	Liquid Aluminum Sulfate	\$594,150.00
Brenntag Mid-South	Liquid Chlorine	\$149,328.00
G.S. Robins	Potassium Permanganate	\$116,000.00
Brenntag Mid South	Powdered Activated Carbon	\$15,200.00
Arkansas Lime Company	Quicklime	\$91,485.00
Harcros Chemical, Inc.	Sodium Silicofluoride	\$31,320.00

- ii. A contract with Redstone Construction for \$424,190.00 for the repair of asphalt pavement
- iii. A contract with Burkhalter Technologies, Inc., for \$86,845.00 for the repair of concrete in streets as a result of repairs to water lines and services
- iv. A supplement to the current contract with Arkansas Utility Protection Services, Inc., (ArkUps) for \$400,964 for the marking of various utilities in preparation for pavement cuts and excavations required to repair utility services and mains.
- v. The annual software support and maintenance agreement payment with Advent Systems, Inc., in the amount of \$65,344.00. (This the third and final year of a "Software Upgrade and Maintenance Agreement" provided in the original contract specifications.)
- vi. A contract with First Data Government Solutions in the amount of \$75,359.00 to replace CAW's Interactive Voice Response (IVR) Software & Hardware.

## **DEPARTMENT UPDATES**

### **Watershed Issues**

Mr. Martin Maner P.E., Director of Watershed Management, along with Mr. Jonathan Long, P.E., Watershed Administrator, and Ms. Hymel, Stewardship Coordinator, provided an update on watershed issues:

- The start-up of a water quality monitoring program to sample tributaries to Lake Maumelle that may be high in Total Organic Carbon (TOC) (a precursor to the formation of Disinfection By Products), which are compounds that have regulatory limits.
- Staff continues to monitor construction of the erosion control ditch in Waterview Estates.
- Mr. Burney Lightle and Mr. Marty Howard were hired as appraiser and review appraiser, respectively, for the proposed purchase of the former Winrock Sod Farm. CAW Staff will present land use options for the Winrock Grass Farm to the Arkansas Game & Fish

(AG&F) Commission Board on December 17. Based on these options, the AG&F Board will decide on a monetary value to contribute to support the purchase of the grass farm.

### Regionalism

Mr. Steve Morgan reported on the following regionalism activities:

- Mid-Arkansas Water Alliance - Anticipating a late spring 2009 approval of MAWA's request to take 15 million gallons/day of water from Greers Ferry
- Wye Mountain - Engineering for Wye Mountain's capital improvements and those required by CAW are being geared toward a late 2009/early 2010 project completion date

### Finance

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

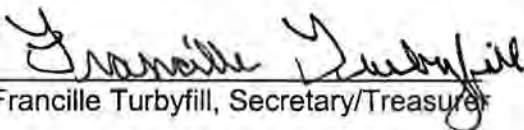
### BRIEFING

Mr. Rich updated the Board on the following:

- Plans to provide a "State of the Utility" presentation at the February meeting. He said that some of the information in the presentation will cover:
  - the profound impact weather had on utility revenues in 2008 - Central Arkansas experienced an extremely wet summer, two tornadoes, and the effects of a hurricane
  - significant progress in watershed issues with Pulaski County regarding subdivision rules and regulations that would affect property within the Maumelle Watershed
  - the initiation of additional monitoring of tributaries of the Maumelle River
  - the start of a Strategic Planning process
  - a new innovative rate structure for 2009

### ADJOURNMENT

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

  
Francille Turbyfill, Secretary/Treasurer