

**COMPTON WATER ASSOCIATION**  
Board of Directors and Business Meeting  
Held at Compton School, Compton Arkansas  
August 9, 2016 - 7:00 p.m.

Mitch Jones called meeting of August 9, 2016 Compton Water Association to order. John Henderson called roll to determine if a Quorum is present. Members present: Mitch Jones, John Henderson and Wayne Hartlerode. Quorum established.

**REPORTS:**

MINUTES: Katrina Davidson  
DIRECTORS REPORT: Katrina Davidson  
BOOKKEEPER REPORT: Board Member  
WATER OPERATOR REPORT: Wayne Hartlerode  
METER READER REPORT: none

Motion was made by John Henderson to accept reports as read, second by Wayne Hartlerode. All in favor, motion carries.

Mitch Jones asked Wayne Hartlerode, water operator, for any report.

Wayne- We had a couple of leaks, put in BOC RV Park meter, the water line was not where it was supposed to be. Been called for a lot of Arkansas One Call locates. Everything is up to snuff with the Health Department Sanitary Survey, we are in the clear, got a certified inspection on the Firetower Tank. Compton Tank is the one needing an inspection.

Veronica Clark- By December? Do we drain the tank and lose all the water or send a robot down?

Josh Freeman- I would drain the tank.

Veronica- That is fine but what about relationship between the 2 tanks?

Josh Freeman- Firetower should feed it.

Wayne Hartlerode- I talked to Doug Ford about it, if we replace the altitude valve, which needs done, that adds to our water loss. Once every month or two that valve sticks, so there is part of our water loss.

Veronica- We need to replace that.

Wayne- Two problems. Those valves may not work. If we can not shut that tank off we will have to drain the tank in order to replace the altitude valve. If we drain the tank in order to inspect I don't think we can shut the valve off.

Josh- Try the altitude valve and see. You might have to open a hydrant.

Veronica- Is that a boil order?

Josh- No, that tank is off.

Wayne- So we need to get the altitude valve taken care of and go from there.

Veronica- Labor to install says \$1,000. Valve itself is \$4,300.

Wayne- The tank has to be inspected by December, end of year. It's a scheduling nightmare.

Josh- December is best time to do it, your not using as much water. I believe you can turn that off and feed everyone with Firetower.

Veronica- Tank Inspection by end of year. Schedule it and get the altitude valve fixed by the end of September?

Wayne- Tank inspection will be another \$1,500.

MOTION MADE BY John Henderson to change out the altitude valve as soon as possible, Wayne Hartlerode seconded that motion; all in favor, motion carries.

#### OLD/UNFINISHED BUSINESS:

1.

#### NEW BUSINESS:

1. Mitch Jones states that he would like to appoint Veronica Clark to sit on the Board to replace Clint Wilt. She will continue to train and oversee the Bookkeeper position. MOTION MADE BY John Henderson to appoint Veronica Clark to the Board to replace Clint Wilt and continue to train and oversee Bookkeeper position, Wayne Hartlerode seconded; all in favor, motion carries.
2. Mitch Jones- Next item on new business, Josh Freeman is here to let us know where we are at with Arkansas Rural Water.

#### DISCUSSION WAS HAD ON RATE SURVEY

Josh Freeman- ARW did a rate study a couple months ago. Your rates right now are \$35 for the first 1000 gal at \$9.50 per 1000 gallons thereafter. We also talked about adding a full time employee, a new truck and meter change out program. By doing this that will bring the bill to \$47.00 which includes the first 1,000 gallons and \$11.95 per 1000 gallons after that. You may ask what if we don't do the (full time Water Operator) employee; that is going to bring it (the minimum bill) down \$2.00 the per 1000 is the same.

John- I agree, we need backup and help.

Wayne- We talked before about the meters.

Veronica- There are 5 all together, 3 more need to be added. Approximately \$750.00 each. He (Josh Freeman) is going to work with you to locate those.

John- We need to knock these leaks down; they add up quickly.

Josh- Any questions? The back page shows the answers. \$315,776.00 a year to float it.

Veronica- So to be clear your printed numbers here are just to break even? You gave us a little cushion?. So from \$11.85 you went to \$11.95 per 1,000 gal. And \$45.00 to \$47.00 on minimum rate and that gives us around \$5-6,000 a year to cover, I don't know, valves or whatever.

Josh- We are hoping by doing some of these things will decrease operation and maintenance costs.

Veronica- And in this rate survey, in the budget, there is an estimate of \$500.00 a month truck payment because we do need a new truck, \$40,000.00 for a full time water operator and \$500.00 for backup water operator.

Josh- A total of \$40,000.00. Most important was on that recommendation is to go up 5% a year. If you had increased by 5% each year, you wouldn't be far off right now.

Veronica- If we had gone back and applied that percentage each year we would be landing about where we are right here?

Josh- Except for hiring a new water operator....

John- What's killing us is these water leaks. Throwing a lot of money on that.

Josh- I think if you had a full time water operator they could read those meters on a daily basis so instead of catching a leak in a month you may can catch it in a day.

Veronica- Historically its taken several days to realize you have one. The computer messes up at the well house; you have to physically go restart the camera. I had to do that a couple times while Wayne was gone.

Wayne- We had 2 leaks this month, still had 37% water loss, we are losing water we don't even know about.

Josh- By putting these meters in, it will help with that.

John- It's well worth while.

Josh- I tell people, you don't go find the leak, its process of elimination.

Wayne- We need technology to help us do that.

Josh- And that is what a full time water operator can do, is check these and pressure valves.

Veronica- Communication has also helped a lot. Okay.... That is your rate survey suggestion. The Board needs to discuss, ask questions and vote.

John- I think if we are going to make improvements, we are going to have to.

Wayne- That is what other systems do, I think we should get on board with what makes logical sense.

Veronica- You're against the wall, your out of money.

Josh- And don't forget too, when South West Boone increases theirs, you are going to have to get in front of them on that.

Veronica- Right, and we didn't.

Josh- How did yall increase that?

Veronica- We didn't.

Josh- How much did it go up?

Veronica- 40 cents? I'm not for sure. I would have to check.

Josh- You can't just go up 40 cents. They go up 40 cents you have to go up quite a bit more than that. With water loss you're not selling the exact amount coming through there. Think about that when they go up, you're going to have to go up.

John- How often do they raise their rates?

Veronica- Just depends on their cost.

Josh- You have high water rates, no doubt about it. You have a lot of line in the ground. There isn't a lot of choice there. What I tell water companies, what you buy water for, by the time it's to the customer it will be doubled.

John- Maintaining the system, I can see the double right there. I think we have to do it. Just for efficiency.

Mitch Jones- Can I have a motion to go with the rate increase? MOTION MADE BY John Henderson to accept the presented rate increase; Wayne Hartlerode seconded; all in favor, motion carries.

Veronica- So you're voting on \$11.95 per 1000 gallons of water and \$47.00 for the base rate which includes 1000 gallons of water?

Mitch- Correct

Veronica- Effective date?

Wayne- It would be nice to send a letter.

John- A month? 2 months?

Veronica- Communication needs to go out right away, maybe make effective November or December?

Josh- When you get hammered on this say, he we haven't went up since 2012.

Veronica- Yes, in the newsletter add that. So, 60 days' notice is really respectful. Send out a letter to explain that to them.

Wayne- Do we have a public meeting before or after?

Veronica- Now is a public meeting.

Wayne- Meeting before this goes into effect?

Veronica- September, October and November.

Wayne- So there will be time for discussion?

Veronica- There will be time for ranting, the Board discusses. You discussed and voted.

Wayne- Do we need 60 days or 30?

John- I say 60 and explain a little better.

Katrina Davidson- So are you saying effective date is November 1? November billing?

Veronica- Yes

Wayne- Can we afford that?

Veronica- You will be tight; it will hurt a bit.

Josh- You also want this built up a little before hiring you full time water operator, after the first of the year.

Veronica- If you have to pay a 10% late fee to South West Boone, you just do. They will understand.

Wayne- That valve, where is that money coming from?

Veronica- We will find it. The pressure is on you to get it inspected by end of month, emptying out tank, cost of water altitude valve and having it inspected by the end of the year.

John- So eventually we will have the funds to improve our system to where we can not lose so much water.

Veronica- So now we need to vote on the date. What do you think Mitch?

Mitch Jones- November 1. John Henderson made motion that rate increase will take affect November 1, 2016 billing, Veronica Clark seconded, all in favor, motion carries.

Mitch Jones- It will be in effect November 1, 2016 billing.

**DISCUSSION WAS HAD ON WAYNE HARTLERODE AS BOARD MEMBER AND WATER OPERATOR:**

Mitch Jones- Next item of business. Wayne Hartlerode is going to continue to be a Board Member and serve a water operator simultaneously. Wayne will receive \$2000 a month and Water Operator. I would like a motion for him to serve as Director and Water Operator. Veronica Clark makes a motion for Wayne to continue as Board Member simultaneously with Water Operator position, John Henderson seconded motion, all in favor; motion carries.

**DISCUSSION WAS HAD ON INCREASING FEES FOR RECONNECTS, DEPOSITS AND METER SETS:**

Mitch- Wayne Hartlerode will serve as voting Board Member and serve as water operator. Along with rate increase so we will be consistent, I would like a motion that our water deposit increase to \$200, reconnect fee to \$75 and meter set for new account to \$1,000, effective immediately. Veronica Clark makes a motion to accept these increases effective immediately, Wayne Hartlerode seconded; all in favor, motion carries.

Mitch- Those increases will go into effect immediately.

Veronica- However anything pending will be the old rate.

John- What is the \$1,000.00-meter fee?

Veronica- To set a new meter. South West Boone charges \$1,250.

John- We go a certain length, right?

Veronica- 15 feet

Wayne- We are obligated to go to the property.

Veronica- Yes, then 15'. Did you guys vote on billing dates last time?

**DISCUSSION WAS HAD ON DISCONNECTS, BILLING DATES AND LATE FEES AS A MATTER OF OLD BUSINESS:**

Wayne- I don't think we voted.

Veronica- Okay, it takes 55 days to pay a bill, Josh Freeman suggested we have 2 ½ months set aside for water loss. Right now deposit is \$100.00, it's usually \$200.00 to \$300.00 before you figure out they are gone. You get stiffed for the rest. One of the things you brought up at the last meeting, you discussed now you need to vote on how you want to bill. You are giving them 55 days to pay now. South West Boone gives them....

John- 55 day until they get a shut off notice?

Veronica- Yes

John- That's a 2-month water bill, so we are already behind there.

Veronica- That's what the increase to water deposit is, helps cover that.

Billy Clark- I have a question about going 15' inside the property with a new line. Can the customer put that line in and CWA maintain it?

Wayne- We are responsible for going to the meter and stopping.

Veronica- Maximum of 15' inside the property.

Billy Clark- If I had a property a quarter mile away, do you run line to that?

Wayne- We ran into that before. We get Board approval and discussion. Especially if it a 2" line, and engineer may have to step in.

Josh Freeman- Price and also you have to get right of ways. Most of the time the customer is responsible for line being laid.

Veronica- Then we maintain after that.

John- Alright, why don't we send shut off notices at 30 days? To prevent us getting stuck....

Veronica- Right, you would have to write that change in. Land their bill in their post office box by the 1<sup>st</sup> instead of mailing it on the 1<sup>st</sup> which means back up our billing. That's possible. That means sending the bills out by the 25<sup>th</sup>, its due on the 10<sup>th</sup> of the current month or continue to keep it on the 15<sup>th</sup>. If they don't pay by the 25<sup>th</sup> of the month, instead of the 25<sup>th</sup> of the next month. You can make your policy the way you want it.

John- I like 15 days.

Wayne- We talked about that, some people get paid on the 1<sup>st</sup> and the 15<sup>th</sup>.

Veronica- That's reasonable. But this giving them another 20 days....

Wayne- That needs to be done away with.

Veronica- We need to be doing what the electric and phone companies are doing, they have zero tolerance.

Josh- You are billing for what they used last month.

Veronica- So you are already 15 days behind. If we had it in their box on the 1<sup>st</sup>, they have until the 15<sup>th</sup> to pay, delinquent and disconnectable on the 25<sup>th</sup>, unannounced...The issue is when do you disconnect them?

John- We are going to have to quit absorbing all these.

Veronica- You do. That is what puts you in arrears. You can't believe the number of people that pay after the 15<sup>th</sup>, it's significant.

Wayne- That's what is scaring me.

Veronica- It's up to you. Leave it like it is or move disconnect date up to the same month.

John- I would feel comfortable with 20 days maybe.

Veronica- Wayne? Mitch what do you think?

Mitch- I think 15 probably would be a minimum, depending on when they get it. If they have it on the 1<sup>st</sup> then they have 15 days. I don't want to get where they get it on the 3<sup>rd</sup>, gone on vacation for 10 days, get back and they have 1 day.

Veronica- In your newsletter you can put the date the billing cycle ends of like the 28<sup>th</sup>; bills are mailed on the 28<sup>th</sup>, that gives them more time than they currently have to pay within the 15 days. That's doable. New disconnect notice is the 25<sup>th</sup>, disconnectable the 25<sup>th</sup>.

Wayne- Seems like from a bookkeeping standpoint that would be easier to keep up with, it's all in the same month.

Veronica- It would. It's very challenging. Delinquent notice sent on the 25<sup>th</sup>, you are delinquent therefore you will be disconnected on the 25<sup>th</sup>. It helps him (Water Operator) to know that between the 25<sup>th</sup>-30<sup>th</sup> he is disconnecting people.

Mitch Jones- (To Josh Freeman) From outside looking in does that sound more than fair? As long as we are reasonable.

Josh- That sounds more than fair. MOTION MADE BY Veronica Clark that the new billing cycle ends not on the 31<sup>st</sup> but on the 27<sup>th</sup> – 28<sup>th</sup>; bills are prepared and mailed same day and hopefully received by the 1<sup>st</sup>; bills are due by the 15<sup>th</sup> with a 10% penalty if not paid by then. Delinquent and able to be disconnected on the 25<sup>th</sup>; John Henderson seconded; all in favor, motion carries.

Mitch- That will be in the minutes, which will be effective November 1, 2016.

#### **DISCUSSION WAS HAD ON WATER OPERATOR POSITION:**

Mitch Jones- Next item, Justin our Meter Reader is beginning his apprenticeship, it's my understanding that what he is planning on doing. He is going to work toward getting his license.

Veronica- I think before you vote on Justin or anybody doing that, you need to let them know what the new future plan is. And it's not such a part time thing, its more of a full time thing, and what the greater commitment is before you put someone in. I think he needs to say either yes or no. The other thing is we do have another inquiry about it and he is here listening because he is interested in this position. I would suggest letting them know what the parameters are so they can say yes, its not just when you feel like it. You have a full time water operator and a part time water operator to step up to help them. We have been stuck a lot with not having someone behind us to be able to step up. This man that has applied has a right to know full what .....

John- We need to make sure he fully understands everything he is responsible for.

Veronica- We do have an applicant here, Bobby Howell's his name, and he did submit a letter.

- Robert Howell spoke on being willing to train with Wayne and learning, should he get hired.

Wayne- The Health Department requires a certain amount of training and experience and will substitute experience for education. There is also a time period you have to go through with an experienced, licensed water operator and has to be documented.

- Josh Freeman explained the time and requirements that was needed (mostly inaudible on tape). He told trainings are in Mt. Home, Springdale, some are held in Jonesboro and some are online.....

Veronica- How hard is the test to pass?

Josh- The rate is probably 70-80%

Veronica- Robert's application has been submitted.

**DISCUSSION WAS HAD ON PURCHASE OF NEW COMPUTER FOR WATER OPERATOR:**

Mitch- Next, I would like to have a vote to get Wayne Hartlerode a computer for operations. MOTION MADE BY Veronica Clark that the funds be spent to get laptop for Water Operator, John Henderson seconded; all in favor, motion carries.

**DISCUSSION WAS HAD ON PURCHASE OF RADIOS FOR WATER OPERATOR:**

Mitch- I would like to get a motion that we get radios for the water operator. MOTION MADE BY John Henderson to get radios for Water Operator use, Veronica Clark seconded; all in favor, motion carries.

**DISCUSSION WAS HAD ON NEWSLETTER:**

Veronica- I request that Katrina draft this newsletter and email the Board for their approval, as soon as possible, so she can get it out in the mail about the rate increase, billing and election. Everyone needs to have their nomination letter.

John- That will be nice to get that done. MOTION WAS MADE by Veronica Clark, to draft newsletter, send to Board for approval; John Henderson Seconded; all in favor, motion carries.

**DISCUSSION WAS HAD TO ASK FOR SECURITY AT THE NEXT 3 MEETINGS:**

It was discussed and agreed, to ask that J. W. Sailer be asked to attend meetings, Katrina will contact him.

**REQUEST TO BE ON AGENDA**

1. none

Motion was made by John Henderson to adjourn, second by Wayne Hartlerode; all in favor, motion carries.

  
\_\_\_\_\_  
Mitch Jones, President

August 9, 2016

  
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Roger Jones, Treasurer

August 9, 2016





# Compton Water Association, Inc.

## DIRECTOR'S REPORT

June 2016 Billing cycle

800-227-5128

Printed Thursday, June 30, 2016 @ 13:5

### DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	2,138,920	100.0%
Water Sold to Customers	1,437,000	67.2%
Utility Use (fire, flushing)	26,500	1.2%
Water Lost	675,420	31.6%
Average Use Per Account	4,635	
Accounts Using Water	310	

### SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	22,571.50	0.00	0.00	101.70	54.00	0.00	1,811.38
Count	339	0	0	339	54	0	338
Average	66.58	0.00	0.00	0.30	1.00	0.00	5.36

### ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on June 2016 Bills	25,981.50	346
Credit Balances	-461.85	5
Debit Balances	26,443.35	341
Payments	-22,506.96	327
Adjustments	-3.81	1
Balance after Payments and Adj	3,470.73	37
Current	815.64	20
30 to 60 Days Old	587.49	4
60 to 90 Days Old	287.91	4
Over 90 Days Old	1,779.69	9
Penalty Charges	390.51	58
Charges for Services	24,538.58	339
Balance Due	28,399.82	



# Compton Water Association, Inc.

## DIRECTOR'S REPORT

July 2016 Billing cycle

800-227-5128

Printed Tuesday, August 2, 2016 @ 8:31

### DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	2,317,060	100.0%
Water Sold to Customers	1,422,000	61.4%
Utility Use (fire, flushing)	20,750	0.9%
Water Lost	874,310	37.7%
Average Use Per Account	4,558	
Accounts Using Water	312	

### SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	22,410.00	0.00	0.00	101.70	54.00	0.00	1,801.42
Count	339	0	0	339	54	0	338
Average	66.11	0.00	0.00	0.30	1.00	0.00	5.33

### ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on July 2016 Bills	28,468.70	348
Credit Balances	-357.76	4
Debit Balances	28,826.46	344
Payments	-22,674.13	316
Adjustments	-1,213.27	7
Balance after Payments and Adj	4,581.30	46
Current	1,395.69	21
30 to 60 Days Old	747.40	11
60 to 90 Days Old	444.62	2
Over 90 Days Old	1,993.59	12
Penalty Charges	450.51	49
Charges for Services	24,367.12	339
Balance Due	29,398.93	

**Compton Water Association, Inc.**  
**Profit & Loss**  
 January 1 through August 9, 2016

	Jan 1 - Aug 9, 16
Ordinary Income/Expense	
Income	
<b>FEES CHARGED</b>	
Water Meter Sets	2,800.00
Reconnect Fees	810.00
<b>Total FEES CHARGED</b>	3,610.00
<b>Water Revenue</b>	
Misc Fees	407.96
Penalty	3,191.47
Safe Water	558.48
Sales Tax	11,499.49
Water Sales	149,867.13
Water Revenue - Other	250.00
<b>Total Water Revenue</b>	165,774.53
<b>Total Income</b>	169,384.53
<b>Gross Profit</b>	169,384.53
Expense	
Reconciliation Discrepancies	0.14
<b>Business Expenses</b>	
Bank Charges	8.00
Banking NSF	59.62
<b>Total Business Expenses</b>	67.62
<b>CONTRACT LABOR</b>	
Katrina Davidson	7,800.00
Bobby Hudson Backhoe	1,725.00
Justin Robinson Meter Reader	3,150.00
Wayne Hartlerode Water Operator	4,000.00
Wayne Hartlerode Backhoe	250.00
Bobby Hudson	10,000.00
Veronica Clark	4,800.00
CONTRACT LABOR - Other	700.00
<b>Total CONTRACT LABOR</b>	32,425.00
<b>Contract Services</b>	
Accounting Fees	400.00
Arkansas Dept of Health	621.00
Arkansas One Call	148.20
Legal Fees	660.00
Outside Contract Services	1,650.00
<b>Total Contract Services</b>	3,479.20
<b>EQUIPMENT</b>	
Equipment Purchase	77.06
Misc. Equip for Repairs	800.50
Leak Repairs	4,355.12
Other Repairs	170.69
<b>Total EQUIPMENT</b>	5,403.37
<b>Facilities and Equipment</b>	
Building Rent	265.44
Storage Unit	150.00
<b>Total Facilities and Equipment</b>	415.44
Interest Expense	7,988.01
<b>Operations</b>	
Books, Subscriptions, Reference	775.00
Postage, Mailing Service	1,326.77
Printing and Copying	336.00
Supplies	1,697.66
Telephone, Telecommunications	1,319.99
Utilities, Electric, Gas	1,872.21

**Compton Water Association, Inc.**  
**Profit & Loss**  
 January 1 through August 9, 2016

	Jan 1 - Aug 9, 16
Total Operations	7,327.63
Other Types of Expenses	
Insurance Hartford Workmans Com	2,014.00
Other Types of Expenses - Other	160.00
Total Other Types of Expenses	2,174.00
S W BOONE Water	120,480.05
SALES TAX	
Arkansas State Tax	10,539.55
Boone County	8.31
Carroll County	45.89
Madison County	617.12
Newton County	1,817.54
Total SALES TAX	13,028.41
VEHICLE	
Fuel	982.35
Insurance	1,566.00
Maintenance	1,037.99
Total VEHICLE	3,586.34
Total Expense	196,375.21
Net Ordinary Income	-26,990.68
Net Income	-26,990.68

**Compton Water Association, Inc.**

**Balance Sheet**

As of August 9, 2016

	<u>Aug 9, 16</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
CFB 72245 Depreciation Checking	7,940.97
CFB 8350 Checking	-8,395.58
CFB 72187 Meter Dep Checking	14,016.05
CFB 72161 Loan Res. Checking	6,344.87
Total Checking/Savings	<u>19,906.31</u>
Accounts Receivable	
Accounts Receivable	658.20
Total Accounts Receivable	<u>658.20</u>
Total Current Assets	<u>20,564.51</u>
<b>TOTAL ASSETS</b>	<b><u>20,564.51</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Water Meter Acct Deposit	14,565.00
Total Other Current Liabilities	<u>14,565.00</u>
Total Current Liabilities	14,565.00
Long Term Liabilities	
ARKANSAS NATURAL RESOURCES	
Arkansas Natural Resources 1	51,231.00
Arkansas Natural Resources 2	18,986.00
Total ARKANSAS NATURAL RESOURCES	70,217.00
USDA Rural Development 01	40,619.15
USDA Rural Development 04	1,419.73
USDA Rural Development Loan 05	17,991.45
USDA Rural Development Debt 09	107,609.81
Total Long Term Liabilities	<u>237,857.14</u>
Total Liabilities	252,422.14
Equity	
Opening Balance Equity	-401,833.02
Unrestricted Net Assets	196,966.07
Net Income	-26,990.68
Total Equity	<u>-231,857.63</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>20,564.51</u></b>



# Compton Water Association, Inc.

## Usage Summary Report

December 2015 Billing cycle

Printed 8/9/2016 @ 16:44

		Gallons	WaterChg
0	Gallons & up to next level, Count = 29	0	1,015.00
1	Gallons & up to next level, Count = 72	30,630	2,520.00
1,000	Gallons & up to next level, Count = 196	517,330	10,926.00
5,000	Gallons & up to next level, Count = 34	213,760	3,061.50
10,000	Gallons & up to next level, Count = 5	111,850	1,210.50
	Grand Count 336	873,570	18,733.00

\* Note: Totals do not include accounts excluded from Report.

#47 -  
# 1195 / 1,000



# Arkansas Rural Water Association

August 9, 2016

To: Compton Water Association

Re: Rate Study

Below is the recommended rate increase on Compton Water Association . The rate study are based on the information provided to Arkansas Rural Water by the Compton Water Association and are only as accurate as the figures represented.

The rates below includes increases such as hiring and full time and back operator, purchase of a new truck, and funding a meter change out program.

\$47.00 minimum w/1000 gallons water included

\$11.95 per 1000 gallons thereafter

I also recommended a 3% to 5% increase yearly to cover the raising operation and maintenance cost on the system.

Thank you for the opportunity to work with you. I hope that this information will be helpful in your decision making process for the Water Department. Please feel free to contact me if you have any further questions or need assistance.

Sincerely,

Josh Freeman  
ARWA Circuit Rider

RIVER VALLEY WINWATER WORKS  
 PO BOX 176  
 RUSSELLVILLE, AR 72811-3242

PHONE (479) 967-0553  
 FAX (479) 967-0603

Job Name  
 OPINION OF PROBABLE COST

Quote No.	Date	Page
0005249	7/25/16	1
Expiration Date		8/17/16
Revised Date		7/25/16
Bid Due Date		7/18/16

Quoted To Customer  
 COMPTON WATER ASSOCIATION  
 PO BOX 825  
 COMPTON, AR 72624-0825  
  
 Phone (870) 365-6790  
 Fax (870) 420-3930

Quoted By  
 DOUG FORD  
 (479) 858-2272

Customer	Payment Terms	Quoted To	Salesperson	FOB
001936	NET 25TH PROX	Wayne Harlterode	MICHAEL CARTER	S

Line	Qty.	Description	Unit Price	UOM	Extended Price
2.0	1	ALTITUDE VALVE VAULT 4" WATTS 127-1 1WAY ALTITUDE VALVE	4314.6700		4314.67
3.0	2	4" FLG RS VALVE OL W/HANDWHEEL	537.2700	EA	1074.54
4.0	5	4" 1/8 FFRR FLG PACK	7.3600	EA	36.80
5.0	1	4" FILLER FLANGE	200.0000		200.00
6.0	1	LABOR CHARGE TO INSTALL LABOR BASED ON 6 HOURS IF SHUT OFF VALVES DON'T WORK THAT COULD DELAY INSTALLION AND WOULD BE \$95 PER HOUR UNTIL COMPLETED SUBTOTAL	1000.0000		1000.00
					6626.01
14.0	3	REBUILD 3 OLD MEULLER FIRE HYDRANTS PARTS AND LABOR ESTIMATE DO NOT KNOW EXACTLY WHAT IS WRONG WITH THE HYDRANT SUBTOTAL	1250.0000		3750.00
		REPAIR CLOW FIRE HYDRANT NO CHARGE FOR HYDRANT AT PLANT			3750.00
24.0	1	PUMP STATION REPIPING 3" WATTS #113-46 PUMP CONTROL VALVE START-UP INCLUDED ELECTRICAL CONNECTION BY OTHER	3073.3400		3073.34
25.0	40	3" CL54 DIP TJ PIPE	38.5200	EA	1540.80
26.0	1	3" FLG TEE	167.7500	EA	167.75
27.0	4	3" FLG 90 DEG ELL	96.6300	EA	386.52
28.0	14	3" UNIFLANGE	49.6800	EA	695.52
29.0	1	3" OCTAVE METER W/4-20MA MODULE	1777.6300		1777.63
30.0	1	3" DI STANDARD BLIND FLANGE	17.7700	EA	17.77
31.0	6	3" 1/8 FFRR FLG PACK	5.9500	EA	35.70

← Compton tank  
 +  
 \$1500 inspect



<i>Job Name</i>
<i>OPINION OF PROBABLE COST</i>

<i>Quote No.</i>	<i>Date</i>	<i>Page</i>
0005249	7/25/16	2
<i>Expiration Date</i>	8/17/16	
<i>Revised Date</i>	7/25/16	
<i>Bid Due Date</i>	7/18/16	

<i>Line</i>	<i>Qty.</i>	<i>Description</i>	<i>Unit Price</i>	<i>UOM</i>	<i>Extended Price</i>
32.0	1	LABOR TO REPIPE PUMP STATION	17500.0000		17500.00
		<b>SUBTOTAL</b>			<b>25195.03</b>
36.0	8	HOURLY RATE TO INSPECT AND ADJUST PRESSURE REDUCING VALVE AND AIR RELEASE VALVES	95.0000		760.00
		<b>SUBTOTAL</b>			<b>760.00</b>
41.0	1	SPARE OR REPLACEMENT PUMPS 15HP GRUNDOS BOOSTER PUMP CRN32	6880.1800		6880.18
		<b>SUBTOTAL</b>			<b>6880.18</b>

<i>Tax Area Id</i>	<i>Net Sales</i>	43,211.22
041010000	<i>Freight</i>	.00
	<i>Tax</i>	3,456.90
	<i>Quotation Total</i>	46,668.12

# ARKANSAS RURAL WATER ASSN.

WATER:

FACILITY NAME: Compton Water Association

DATE: 8/8/2016

SEWER:

\*\*\*\* Use of this form and/or database, must be authorized by the Arkansas Rural Water Association (ARWA) or one of its state affiliates, with express consent of the ARWA. The purpose of this rate study form is to derive the needed amounts for "User's Fee's" or "Minimum Charge", and the set rate charge above either of those. It's intent is to ONLY MEET THE MINIMUM FINANCIAL OBLIGATIONS OF THE UTILITY. This study only determines rates based on each 1000 gallons used, and is reflective of a constant flat rate charge per each unit used by the customers.

YEARLY PAYMENT OF LOAN(S) PRINCIPLE: (Indicate the total yearly amount paid by the facility to meet any loan(s) principle in regard to water and/or sewer debts. This should include the total of all loans, if any, relative to each)

\$121,662.00

YEARLY PAYMENT OF LOAN(S) INTEREST: (Indicate the total yearly amount paid by the facility to meet any interest associated with any loans per year for water and/or sewer. This should include the total of all loans, if any, relative to each.)

\$0.00

TOTAL AMOUNT OF GALLONS OF WATER SOLD PER YEAR / OR (FOR SEWER) SHOW 80 PERCENT OF THE TOTAL AMOUNT OF GALLONS OF WATER PUMPED (NEXT FIELD): (Enter the total amount based on metered usage only. Show the figure in 1,000's. Example: 9,765,000 gallons would be shown as 9,765 in the blank provided.)

15,366

TOTAL AMOUNT OF GALLONS OF WATER PUMPED PER YEAR: (Show the total gallons of water pumped by the facility in the last year, in 1,000's)

22,519

TOTAL NUMBER OF ACTIVE CUSTOMERS: (List the total number of all active customers served by the facility.)

336

TOTAL REVENUE FROM METERED SALES: (Show the total monetary amount taken in by the facility through metered sales. Do not include bulk or non-metered sales, deposits, etc.)

\$270,430.00

TOTAL OPERATING EXPENSES PER YEAR: (List the total for ALL costs for water and/or sewer, that are expended to operate the particular system for a one year period. These may include salaries, insurance, utility costs, maintenance and repair costs, capital costs, chemical costs, rent fees, equipment costs, taxes, purchase of water (if applicable), office supply costs, miscellaneous, engineering and legal fees, etc.)

\$170,114.00

PAYMENT TO RESERVE ACCOUNT PER YEAR: (Show the yearly amount invested into a reserve account, each year, that is required by any loan documentation, if the facility has a debt service requirement referring to such. If the required minimum level has been attained, and the facility no longer funds such an account, leave this field blank.)

\$12,000.00

PAYMENT TO FUNDED DEPRECIATION ACCOUNT PER YEAR: (This yearly amount should reflect any actual total that is really deposited into a specific depreciation fund account for the facility, if such an account is actually funded. If not, leave this field blank.)

\$12,000.00

RATE STUDY FORM RESULTS PAGE

CALCULATED TOTAL YEARLY CASH REQUIREMENT: (This figure represents the total cash needed to just meet the financial obligations of the water and/or sewer utility for a one year period, based on information supplied by the facility personnel.)

\$315,776.00

CALCULATED DEBT SERVICE PER CUSTOMER PER MONTH: (This figure represents an equal debt obligation per customer, and can be used as a monthly "User's Fee".)

\$33.15

CALCULATED OPERATING COST PER 1000 GALLONS FUNDING DEPRECIATION: (This figure represents the lowest amount needed for each 1000 gallons above the minimum charge.)

\$11.85

CALCULATED OPERATING COST PER 1000 GALLONS NOT FUNDING DEPRECIATION: (This figure represents the lowest amount needed for each 1000 gallons above the minimum charge.)

\$11.07

CALCULATED SHORTAGE OF REVENUE: (Indicates the shortage of money, if any, that is needed to cover all costs / A negative figure indicates a positive surplus.)

\$45,346.00

CALCULATED AVERAGE BILL PER CUSTOMER PER MONTH: (This figure indicates an average amount needed per customer to meet all debt service and operational expenses.)

\$78.32

CALCULATED MINIMUM RATE ALLOWING 1000 GALLONS and FUNDING DEPRECIATION: (This figure can be used as a "Minimum Charge" per customer for the first 1000 gallons each month.)

\$45.00

CALCULATED MINIMUM RATE ALLOWING 1000 GALLONS and NOT FUNDING DEPRECIATION: (This figure can be used as a "Minimum Charge" per customer for the first 1000 gallons each month.)

\$44.22

CALCULATED YEARLY AVERAGE PERCENT OF WATER LOSS: (System water loss is considered to be excessive, if above 15 percent. / On a sewer rate calculation, this will indicate the amount NOT accounted for in total gallons of water pumped a year.)

31.76%