

Northwest Arkansas Conservation Authority
Meeting Minutes
March 18, 2010

A board meeting of the Northwest Arkansas Conservation Authority (the Authority) was held at 3:00 p.m. on Thursday, March 18, 2010. The meeting was conducted at the Lowell office of the Rogers-Lowell Chamber of Commerce at 503 Enterprise Street, Lowell, Arkansas. Board members attending were Chairman Mick Wagner, Vice Chairman George Spence, Treasurer Bruce McElroy, Secretary Jack McHaney, Larry Fletcher, Frank Holzkamper, Robert Hukill, Fred Jack, Bob McCaslin, John Ratzki and Chris Weiser.

Also attending were John Sampier, the Authority's executive director, Steve Yonker with Burns and McDonnell, Britt Vance with USI Engineering, Charles Harwell with Cypert, Crouch, Clark and Harwell, Philip Moore with Congressman John Boozman's office, Mike Roberts with the city of Bentonville, and Michael Lindsey with Morgan Keegan. News media were duly notified of the meeting according to Freedom of Information Act regulations.

Chairman Mick Wagner opened the floor for consideration of the January meeting minutes. Mayor Fred Jack made a motion to approve the minutes as submitted. Larry Fletcher seconded the motion, which was approved without dissent.

Michael Lindsey presented the financial statements through February 2010. Total assets were \$79.3 million and total liabilities were \$79.9 million. The Authority received total revenue of \$199,052 through February. Operating expenses totaled \$28,371. The Authority has incurred non-operating expenses of \$16,053. The net change in total assets through February was \$154,628. Mayor Jack made a motion to accept the financial report as presented. George Spence seconded the motion, which was approved by the board without dissent.

Mr. Lindsey provided copies of the 2009 audit. The only material change made by the auditors from financial statements the board has seen previously was the addition of a liability for construction retainage. Retainage represents materials purchased by the firms constructing the conveyance lines and treatment facility, but haven't been billed to the Authority. Mr. Spence made a motion to accept the audit. Mayor Jack seconded the motion, which was approved by the board without dissent.

Mr. Spence provided an update from the Personnel Committee. He reported that the Committee conducted an annual review of the executive director and made a motion that due to the current economic environment the Authority maintain Mr. Sampier's current pay and benefit levels for 2010. Mayor Bob McCaslin seconded the motion, which was approved by the board without dissent. The board thanked Mr. Sampier for his hard work and leadership over the past five years as executive director.

Mr. Spence stated that the Personnel Committee met in February and reviewed insurance brokerage proposals from Walker Brothers, Regions Insurance, and McNair and Associates. The Committee recommended that the Authority select Walker Brothers. Mayor Jack made a motion to accept the Committee's recommendation. Mayor McCaslin seconded the motion, which was approved by the board without dissent.

Mr. Sampier provided a report from the executive director. He informed the board that he had recently had an onsite meeting with United States Fish and Wildlife, Arkansas Natural Resource Commission, United States Corp of Engineers, and the Arkansas Highway and Transportation Department to investigate the possibility of constructing a wetlands on the Authority's property. They group found that the soil and rock were suitable for a wetlands and that several locations on the Authority's property were currently under consideration. The Highway Department or Natural Resource Commission would be the most likely source of funds for constructing any wetlands on the Authority's property.

Steve Yonker gave a construction update on the treatment facility. He noted that construction remained on schedule and within budget.

Britt Vance provided a construction update on the conveyance lines. He said that Crossland is 73% completed and 72% of the contract time has expired. Rosetta is 79% completed and 85% of the contract time has expired.

Chris Weiser made a motion to elect Mick Wagner as Chairman, George Spence as Vice Chairman, Bruce McElroy as Treasurer, and Jack McHaney as Secretary for 2010. Mayor Jack seconded the motion, which was approved by the board without dissent.

There being no further business, the meeting was adjourned at 4:15.

Respectfully submitted,

Jack McHaney