

AGENDA

CABOT WATER AND WASTEWATER COMMISSION

MEETING 11/19/20– 6:30 PM

**CABOT WATERWORKS ADMINISTRATION OFFICE (Zoom Mtg)
#1 CITY PLAZA, SUITE B**

- OPENING PRAYER
- APPROVAL OF MINUTES OF PREVIOUS MEETING - (TAB A)
- GENERAL MANAGER'S REPORT- (TAB B)
 - INTERNAL FUNDED WATER PROJECTS
 - INTERNAL FUNDED WASTEWATER PROJECTS
- FINANCIAL REPORT – BROWN - (TAB C)

BUSINESS ITEMS:

- Extend COVID-19 Policy to December 31, 2020
- Engineering Services Agreement
- Revised Credit Card Policy
- 2021 Preliminary Budget

NON-AGENDA ITEMS

PUBLIC INPUT

ADJOURN

Cabot Water & Wastewater Commission Meeting
October 22, 2020 AT 6:30 P.M.
Conference via Zoom due to COVID-19

Attendees: Gary Walker, Jim Burk, Richard Gray, Bert Mayer, Jon Steelman, Baxter Drennon, Karen Ballard, Bruce Brown, and Tim Joyner

Gary Walker called the meeting to order at 6:30 P.M.

Jim Burk led the opening prayer.

Bert Mayer made a motion to approve the minutes from September 24, 2020, 2nd by Jim Burk. Motion Carried unanimously.

GENERAL MANAGER'S REPORT:

Water Projects:

Crews continue leak repairs, meter installations and meter changeouts.

Hwy 321 Project – preparing to start on this project next week

Wastewater Projects:

Clarifier drives are installed and running smoothly

Crews continue identifying I&I problems and correcting as they go.

Wastewater crews assisted with water leaks, mowing easements and maintenance at

Wastewater Treatment plant.

FINANCIAL REPORT:

Bruce presented the September Financial Report. Jon Steelman made a motion to approve the Financial Report, 2nd by Bert Mayer, Motion Carried Unanimously.

BUSINESS ITEMS:

Personnel Policy Manual update was reviewed. Bert Mayer made a motion to adopt the amended Personnel Policy Manual, 2nd by Jim Burk. Motion Carried Unanimously.

Engineering Services Agreement was reviewed. The agreement is tabled until November meeting for revisions.

Bert Mayer made a motion to extend the *Temporary Policy for Billing Office and Bill Due date during COVID-19 Emergency* through November 30, 2020, 2nd by Richard Gray. Motion Carried Unanimously.

2021 Preliminary Budget was reviewed.

NON-AGENDA ITEMS: NONE

November meeting is scheduled on November 19, 2020

December meeting is scheduled on December 17, 2020

PUBLIC INPUT: NONE

Gary Walker adjourned the meeting at 7:20pm

Minutes prepared by Karen Ballard



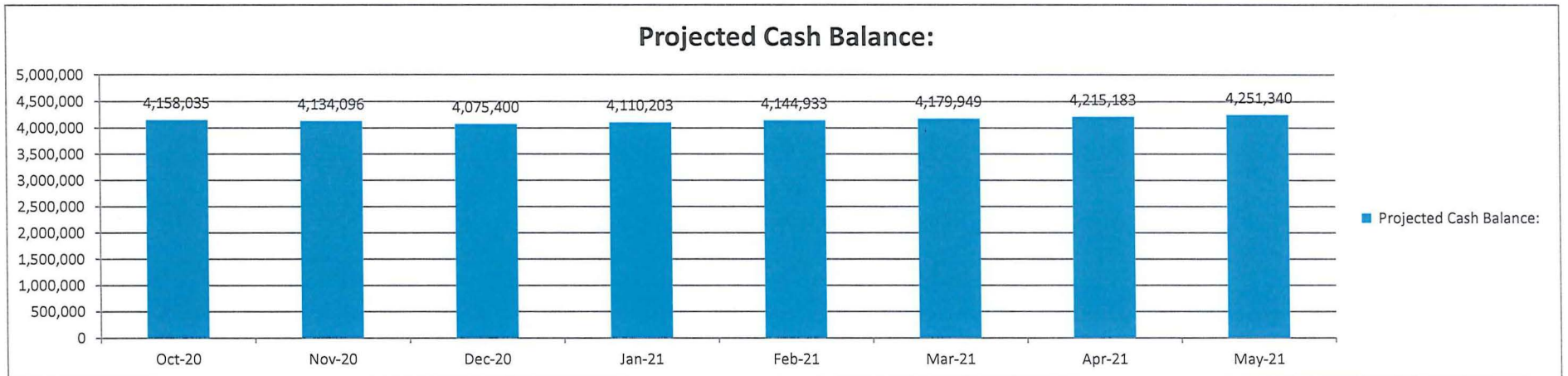
JIM BURK, COMMISSION SECRETARY



Water Capital Fund Balance

Project ID	Water Projects	Project Status	Total To Date:	Forecast Totals:	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
20D01	Repl Service Lines for 2019	In-Progress	296,523	500,000	61,000	61,000	61,000	41,667	41,667	41,667	41,667	41,667	41,667
20D02	Meter Change Outs (Labor)	In-Progress	26,936	40,000	3,800	3,800	3,800	3,333	3,333	3,333	3,333	3,333	3,333
20D03	Hard Sets (New Service)	In-Progress	5,051	42,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
19D04	Water Adjustments HWY 321	In-Progress	134,223	260,000		62,888	62,888						
17D02	Repl 1935ft 10in PVC Water Main on Lindulake Rd	2021 Budget		120,000				24,000	24,000	24,000	24,000	24,000	24,000
Water Capital Forecast													
	Administration - Office equipment	2020 Budget		30,000			10,000						
	Water Maintenance Facility	2020 Budget		400,000									
	Water, Wells, and Pumps	2020 Budget	7,740	57,422			24,841						
	Water - Vehicles and Machinery	2020 Budget	351,702	361,820									
	Salvage Value of vehicles and machinery	2020 Budget		(55,000)									
	Water - Meters	2020 Budget	145,188	145,000									
	Meter Boxes and Lids	2020 Budget	13,363	14,000									
Sub-Total					(68,300)	(131,188)	(166,029)	(72,500)	(72,500)	(72,500)	(72,500)	(72,500)	(72,500)

Balance in Capital Improvements: 1,648,755
 Balance in Cash Accounts and Investments: 2,557,243
 (Accounts Payable): -47,963
 2% Transfer for Capital Improvements: 6,619 6,703 6,673 6,600 6,886 7,104 8,027 9,339
 Other Income:
 Forecast increase in Cash: 100,630 100,630 100,630 100,630 100,630 100,630 100,630 100,630
 Balance: Projected Cash Balance: 4,158,035 4,134,096 4,075,400 4,110,203 4,144,933 4,179,949 4,215,183 4,251,340 4,288,809



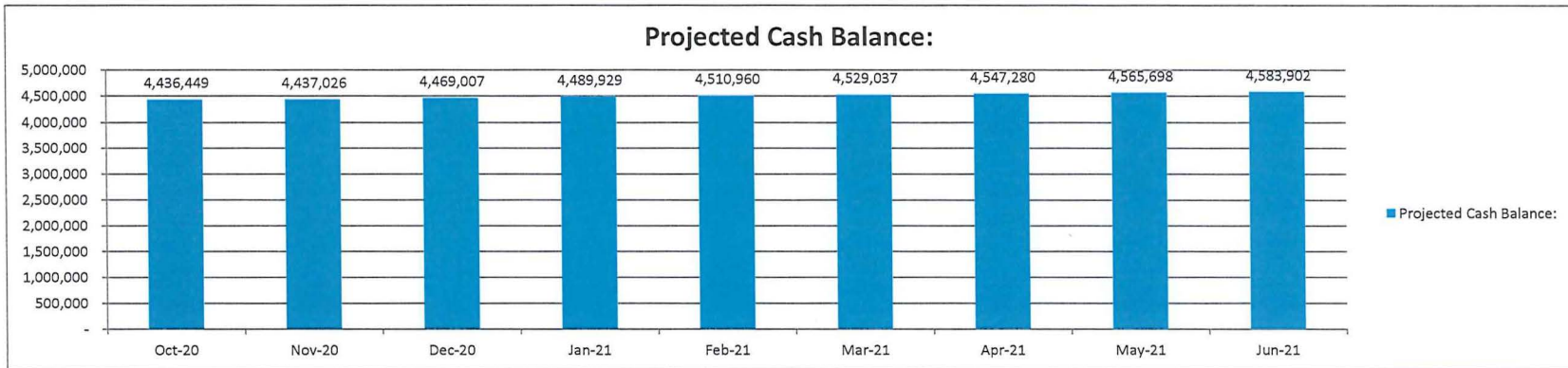


Wastewater Capital Fund Balance

Capital Expenditures	Projects	Status	Total To Date	Forecast Total	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21
	I&I (20N01)	In-Progress	37,213	62,809	7,650	5,000	5,000	5,000	5,000	5,000	5,000	5,000
	Grinder Pump Rebuild (20N02)	In-Progress	29,564	36,000	3,802	3,000	3,000	3,000	3,000	3,000	3,000	3,000
	Wastewater Adjustments HWY 321 (19N04)	In-Progress	43,622	43,622								
	WasteWater Treatment Plant (Repair of Auto-Transfer Switch)	2020 Budget	125,916	126,000	4,063	29,919		8,300	8,300	8,300	8,300	8,300
	WasteWater Lift Station/Pumps	2020 Budget	72,174	90,000		8,900	8,900	7,500	7,500	7,500	7,500	7,500
	WasteWater Grinder Pumps	2020 Budget	46,867	50,000		1,500		4,100	4,100	4,100	4,100	4,100
	Waste - Vehicles and Machinery	2020 Budget	116,387	116,387								
	Salvage Vehicles											
				Sub-Total	(15,515)	(48,319)	(16,900)	(27,900)	(27,900)	(27,900)	(27,900)	(27,900)

Capital Expenditures

Balance in Capital Improvements:	458,130											
Balance in Cash Accounts and Investments:	3,978,319											
Accounts Payable taken into account in above total:												
2% Transfer for Capital Improvements:		1,896	1,881	1,822	1,931	1,977	2,143	2,318				
Forecast increase in Cash:		47,000	47,000	47,000	47,000	44,000	44,000	44,000	44,000			
Projected Cash Balance:	4,436,449	4,437,026	4,469,007	4,489,929	4,510,960	4,529,037	4,547,280	4,565,698	4,583,902			



Cabot WaterWorks
Statement of Net Position
For the Ten Months Ending October 31, 2020

	<u>Total</u>	<u>Water</u>	<u>Wastewater</u>
ASSETS			
Current Assets			
Cash	\$6,535,562.33	\$2,557,243.22	\$3,978,319.11
Cash in Capital Improvement Accounts	2,106,884.21	1,648,754.65	458,129.56
Accounts Receivable, net of allowance for bad debts \$ 23,644	712,039.70	634,972.42	77,067.28
Receivable - FSA	9,247.57	7,353.09	1,894.48
Unbilled Revenue	406,473.98	325,179.18	81,294.80
Inventory	333,358.99	247,521.46	85,837.53
Prepaid Expenses	386,211.32	365,629.51	20,581.81
Total Current Assets	<u>10,489,778.10</u>	<u>5,786,653.53</u>	<u>4,703,124.57</u>
Property, Plant and Equipment			
Building	75,793.25	15,702.25	60,091.00
Administration	236,724.04	212,672.64	24,051.40
Administration - Land	203,265.00	170,742.60	32,522.40
Water	55,572,307.16	55,571,146.88	1,160.28
Wastewater	30,602,530.34		30,602,530.34
Construction Work in Progress	1,144,021.22	564,700.88	579,320.34
Storage Ponds	115,845.44		115,845.44
Developer Contributions	18,193,983.33	4,817,681.20	13,376,302.13
Accumulated Depreciation	<u>(32,926,708.63)</u>	<u>(19,109,083.93)</u>	<u>(13,817,624.70)</u>
Total Property, Plant and Equipment	<u>73,217,761.15</u>	<u>42,243,562.52</u>	<u>30,974,198.63</u>
Other Assets			
Deferred Outflows of Resources (Pensions)	<u>282,269.00</u>	<u>125,589.69</u>	<u>156,679.31</u>
Total Other Assets	<u>282,269.00</u>	<u>125,589.69</u>	<u>156,679.31</u>
Interdepartmental Adjustment	(2,769,916.00)	(2,793,057.66)	23,141.66
Total Assets	<u><u>\$81,219,892.25</u></u>	<u><u>\$45,362,748.08</u></u>	<u><u>\$35,857,144.17</u></u>

Cabot WaterWorks
Statement of Net Position
For the Ten Months Ending October 31, 2020

	<u>Total</u>	<u>Water</u>	<u>Wastewater</u>
LIABILITIES AND NET POSITION			
Current Liabilities			
Accounts Payable	\$74,130.66	\$47,963.28	\$26,167.38
Payable - Sanitation Fees	150,488.03	150,488.03	
Customer Refunds	56.49	56.49	
Sales Tax Payable	24,165.98	24,165.98	
Accrued expense	22,582.58	22,459.83	122.75
Payroll Taxes Payable	10,061.62	9,507.99	553.63
Withholdings Payable	8,334.72	9,199.52	(864.80)
Garnishments	(85.00)	(85.00)	
Accrued Payroll	46,697.05	34,344.16	12,352.89
Accrued PTO	148,798.70	111,145.39	37,653.31
Accrued Interest	50,112.43		50,112.43
Total Current Liabilities	<u>535,343.26</u>	<u>409,245.67</u>	<u>126,097.59</u>
Noncurrent Liabilities			
Note payable - ANRC #1	2,960,730.00	2,960,730.00	
Note payable - ANRC #2	4,161,096.81	4,161,096.81	
Bonds Payable	113,055.16	846.14	112,209.02
Accrued sludge removal	244,348.02		244,348.02
Customer Meter Deposits	830,575.67	830,575.67	
Net Pension Liability	1,892,096.00	1,137,663.19	754,432.81
Total Noncurrent Liabilities	<u>10,201,901.66</u>	<u>9,090,911.81</u>	<u>1,110,989.85</u>
Deferred Inflow of Resources			
Pensions	143,560.00	84,508.70	59,051.30
Net Position			
Developer Contributions	21,747,837.33	6,770,761.25	14,977,076.08
Contributed Capital	15,539,482.45	1,504,788.34	14,034,694.11
Net investment in capital assets	18,124,449.00	14,022,566.30	4,101,882.70
Restricted Net Position	1,256,525.00	1,091,638.16	164,886.84
Current Unrestricted Net Position	166,843.79	517,295.59	(350,451.80)
Unrestricted Net Position	13,503,949.76	11,871,032.26	1,632,917.50
Total Net Position	<u>70,339,087.33</u>	<u>35,778,081.90</u>	<u>34,561,005.43</u>
Total Liabilities and Net Position	<u>\$81,219,892.25</u>	<u>\$45,362,748.08</u>	<u>\$35,857,144.17</u>

Cabot WaterWorks
Supplementary Statement of Revenues, Expenses, and Statement of Net Position
For the Ten Months Ending October 31, 2020

	Consolidated		Water		Wastewater		Administrative	
	Current	YTD	Current	YTD	Current	YTD	Current	YTD
Revenue								
Water	\$394,713.69	\$3,885,886.88	\$394,713.69	\$3,885,886.88				
Wastewater	105,465.99	1,053,753.53			105,465.99	1,053,753.53		
Fees - service connection	2,575.00	24,225.00	2,375.00	18,900.00	200.00	5,325.00		
Fees - disconnection		4,745.00		3,796.00		949.00		
Fees - late charges	14,380.20	112,355.03	11,504.16	89,884.02	2,876.04	22,471.01		
Return checks & fees	320.00	3,160.00	256.00	2,528.00	64.00	632.00		
Miscellaneous	1,405.00	14,921.93	805.00	9,321.93	600.00	5,600.00		
EPAC fees billed	4,115.60	41,016.00	4,115.60	41,016.00				
EPAC fees paid	(4,112.00)	(39,670.75)	(4,112.00)	(39,670.75)				
Sanitation fees billed	155,743.37	1,547,705.94	155,743.37	1,547,705.94				
Sanitation fees paid	(154,373.97)	(1,535,502.18)	(154,373.97)	(1,535,502.18)				
Total Revenue	520,232.88	5,112,596.38	411,026.85	4,023,865.84	109,206.03	1,088,730.54		
Operations and Maintenance								
Power	38,324.82	260,812.05	14,395.28	125,636.01	23,929.54	135,176.04		
Labor	125,018.49	1,062,091.96	88,810.32	738,096.71	36,208.17	323,995.25		
Capitalized Labor Cost	(42,426.68)	(558,684.39)	(30,974.89)	(269,244.42)	(11,451.79)	(289,439.97)		
Payroll taxes	8,234.81	76,371.15	6,039.02	59,216.99	2,195.79	17,154.16		
Retirement	17,534.92	157,443.01	12,871.10	122,060.68	4,663.82	35,382.33		
Insurance - workers comp	2,097.00	20,956.54	952.58	10,106.50	1,144.42	10,850.04		
Insurance - health	12,893.70	116,139.59	8,907.20	86,256.68	3,986.50	29,882.91		
Outside labor	691.66	24,145.96	447.62	14,000.35	244.04	10,145.61		
Lab fees & supplies	2,985.00	27,868.37		6,558.37	2,985.00	21,310.00		
Chemicals	1,128.51	12,781.52	1,128.51	12,211.52		570.00		
Materials & supplies	17,049.08	115,223.44	8,305.65	61,399.03	8,743.43	53,824.41		
Grinder Pump Repairs	2,465.47	16,978.54			2,465.47	16,978.54		
Street repairs	8,510.00	13,670.00	6,970.00	10,990.00	1,540.00	2,680.00		
Small tools	507.97	18,124.18	288.73	9,433.48	219.24	8,690.70		
Safety supplies	863.34	4,730.08	515.68	3,811.35	347.66	918.73		
Equipment rental		605.14		107.50		497.64		
Purchased water	21,847.94	216,425.90	21,847.94	216,425.90				
Licenses/permits/fees	200.00	10,820.00	100.00	1,020.00	100.00	9,800.00		
R & M - plant	73.84	14,496.35		1,890.80	73.84	12,605.55		
R & M - field vehicles	14,134.88	81,868.10	4,906.57	42,463.19	9,228.31	39,404.91		
R & M - field equipment	1,715.10	18,288.64	816.31	5,939.87	898.79	12,348.77		
Fuel - field	4,716.71	46,561.48	3,500.28	32,603.63	1,216.43	13,957.85		
Insurance - vehicles & equ	1,133.22	18,350.42	290.69	9,814.32	842.53	8,536.10		
Insurance - property	2,785.30	28,203.00	1,413.02	14,480.20	1,372.28	13,722.80		
Public safety	22,553.39	222,213.56	22,553.39	222,213.56				
Total Operations and Maint	265,038.47	2,026,484.59	174,085.00	1,537,492.22	90,953.47	488,992.37		
General and Administrative								
Amortization		3,791.02				3,791.02		
Bad debt	24,291.57	24,291.57	19,433.26	19,433.26	4,858.31	4,858.31		
Contracted services		97.50						97.50
Dues & subscriptions	4,986.74	25,115.99	1,587.46	13,749.29			3,399.28	11,366.70
Education & seminars		1,193.55		50.00				1,143.55
Employee recognition	194.68	1,440.80		229.27	165.46	944.86	29.22	266.67
Fuel - admin	322.91	3,174.82					322.91	3,174.82
Insurance - admin vehicle	71.10	817.29					71.10	817.29
Interest expense	110,568.55	228,579.69	110,568.55	228,579.69				
Licenses & permits		334.00		334.00		(50.00)		50.00
Locator/One call expenses	460.10	4,859.16				460.10		4,859.16
Medical expenses	69.00	1,084.69				69.00		1,084.69
New hire expense	643.05	7,656.74				643.05		7,656.74
Office expense	631.75	19,411.60	209.45	5,014.60		257.68		14,139.32
Postage & delivery	4,986.26	35,286.90	4,929.66	33,711.07		123.58	56.60	1,452.25
Printing & reproduction	2,292.24	6,497.32	2,292.24	6,497.32				
Professional fees - audit		14,950.00						14,950.00
Professional fees - legal	2,393.77	22,903.90					2,393.77	22,903.90
Professional fees - computer		6,200.00		6,200.00				
Public relations	1,594.66	5,455.11	1,376.10	4,811.55	218.56	643.56		
Public notification		869.33						869.33
Rent - building	3,325.00	33,250.00	1,862.50	18,625.00			1,462.50	14,625.00
R & M - office	219.00	3,016.33		112.41			219.00	2,903.92
R & M - building	273.03	1,601.71	273.03	1,098.10		484.86		18.75
R & M - admin vehicles	22.70	1,584.34					22.70	1,584.34
Salaries - administration	47,495.40	412,739.03					47,495.40	412,739.03
Taxes - payroll	2,996.86	29,432.17					2,996.86	29,432.17
Retirement	6,234.30	59,237.00					6,234.30	59,237.00
Insurance - workers comp	48.50	492.93					48.50	492.93
Insurance - health	4,036.95	40,382.11					4,036.95	40,382.11
Insurance - life	1,138.02	12,520.83					1,138.02	12,520.83
Travel		389.87		338.50				51.37
Uniforms and PPE	1,285.74	13,306.96	155.44	6,096.58	1,130.30	7,023.06		187.32
Utilities - electric and gas	139.78	1,646.40	139.78	1,646.40				
Utilities - other		6,839.49		2,576.74		4,262.75		
Utilities - telephone	1,055.31	10,722.02	635.45	6,639.54	338.80	3,307.08	81.06	775.40
Utilities - cellular	943.55	11,708.96	605.42	7,471.10	84.78	1,238.12	253.35	2,999.74
Penalties & fines		58.20						58.20
G & A allocation			57,484.77	530,272.11	14,371.20	132,567.92	(71,855.97)	(662,840.03)

Cabot WaterWorks
 Supplementary Statement of Revenues, Expenses, and Statement of Net Position
 For the Ten Months Ending October 31, 2020

	Consolidated		Water		Wastewater		Administrative	
	Current	YTD	Current	YTD	Current	YTD	Current	YTD
Total General and Administr	\$222,720.52	\$1,052,939.33	\$201,553.11	\$893,486.53	\$21,167.41	\$159,452.80		
Other Income and Expense								
Interest income	3,752.50	67,001.81	2,707.57	43,700.37	1,044.93	23,301.44		
Antenna lease		59,976.51		59,976.51				
Other income	2,248.00	41,725.58	1,535.66	16,985.83	712.34	24,739.75		
Sales tax discounts	1,011.00	19,145.58	1,011.00	17,336.26		1,809.32		
Gain (loss) sale/disposition of assets		100,134.82		55,973.63		44,161.19		
Total Other Income and Exp	7,011.50	287,984.30	5,254.23	193,972.60	1,757.27	94,011.70		
Increase(decrease) in Net Ass	39,485.39	2,321,156.76	40,642.97	1,786,859.69	(1,157.58)	534,297.07		
Depreciation expense	229,194.85	2,154,312.97	137,463.94	1,269,564.10	91,730.91	884,748.87		
Increase(decrease) in Net Ass	(\$189,709.46)	\$166,843.79	(\$96,820.97)	\$517,295.59	(\$92,888.49)	(\$350,451.80)		

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Cabot Waterworks
Budget vs Actual - Water
For the Ten Months Ending October 31, 2020

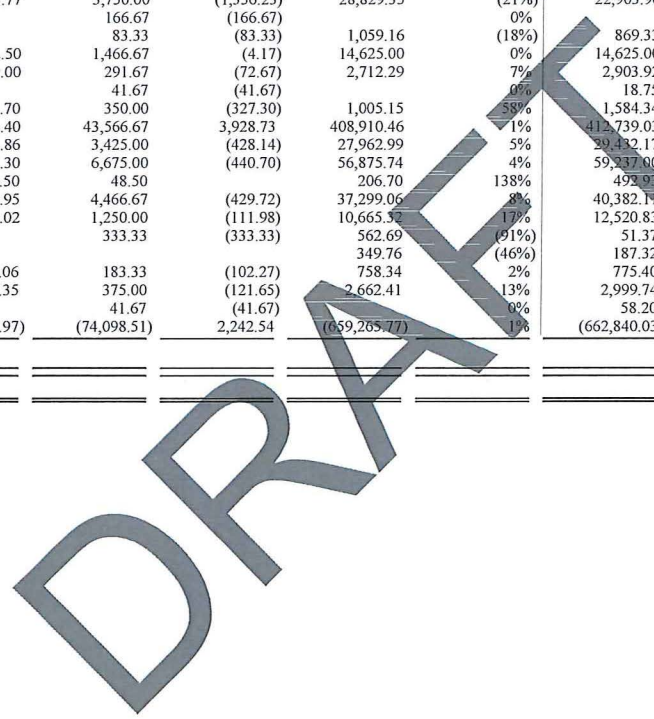
	Current Actual	Budget	Variance	Prior Year	Prior Year	Year to Date Actual	Budget	Variance	Variance %
				To Date	Variance				
Revenue									
Water	\$394,713.69	\$418,392.00	(\$23,678.31)	\$3,799,899.75	2%	\$3,885,886.88	\$3,904,992.00	(\$19,105.12)	0%
Fees - service connection	2,375.00	3,870.00	(1,495.00)	30,870.00	(39%)	18,900.00	36,120.00	(17,220.00)	(48%)
Fees - disconnection		1,953.00	(1,953.00)	17,383.75	(78%)	3,796.00	18,228.00	(14,432.00)	(79%)
Fees - late charges	11,504.16	9,441.00	2,063.16	87,091.67	3%	89,884.02	88,116.00	1,768.02	2%
Return checks & fees	256.00	450.00	(194.00)	3,976.17	(36%)	2,528.00	4,200.00	(1,672.00)	(40%)
Miscellaneous	805.00	1,629.00	(824.00)	10,274.72	(9%)	9,321.93	15,204.00	(5,882.07)	(39%)
EPAC fees billed	4,115.60	4,100.00	15.60	33,447.60	23%	41,016.00	41,000.00	16.00	0%
EPAC fees paid	(4,112.00)	(4,100.00)	(12.00)	(33,343.05)	19%	(39,670.75)	(41,000.00)	1,329.25	(3%)
Sanitation fees billed	155,743.37	154,050.00	1,693.37	1,523,231.46	2%	1,547,705.94	1,540,500.00	7,205.94	0%
Sanitation fees paid	(154,373.97)	(154,050.00)	(323.97)	(1,508,415.79)	2%	(1,535,502.18)	(1,540,500.00)	4,997.82	0%
Total Revenue	411,026.85	435,735.00	(24,708.15)	3,964,416.28	1%	4,023,865.84	4,066,860.00	(42,994.16)	(1%)
Operations and Maintenance									
Power	14,395.28	12,675.00	1,720.28	125,185.00	0%	125,636.01	126,750.00	(1,113.99)	(1%)
Labor	88,810.32	97,413.46	(8,603.14)	653,469.58	13%	738,096.71	857,238.52	(119,141.81)	(14%)
Capitalized Labor Cost	(30,974.89)	(29,166.66)	(1,808.23)	(271,359.46)	(1%)	(269,244.42)	(291,666.66)	22,422.18	(8%)
Payroll taxes	6,039.02	7,769.23	(1,730.21)	52,811.13	12%	59,216.99	68,369.26	(9,152.27)	(13%)
Retirement	12,871.10	12,875.00	(3.90)	108,320.48	13%	122,060.68	128,750.00	(6,689.32)	(5%)
Insurance - workers comp	952.58	1,216.66	(264.08)	11,655.00	(13%)	10,106.50	12,166.60	(2,060.10)	(17%)
Insurance - health	8,907.20	11,858.33	(2,951.13)	90,974.93	(5%)	86,256.68	118,583.30	(32,326.62)	(27%)
Outside labor	447.62	1,158.34	(710.72)	2,654.33	427%	14,000.35	11,583.40	2,416.95	21%
Lab fees & supplies		816.67	(816.67)	6,901.90	(5%)	6,558.37	8,166.70	(1,608.33)	(20%)
Chemicals	1,128.51	2,083.33	(954.82)	17,464.74	(30%)	12,211.52	20,833.30	(8,621.78)	(41%)
Materials & supplies	8,305.65	8,333.34	(27.69)	64,904.25	(5%)	61,399.03	83,333.40	(21,934.37)	(26%)
Street repairs	6,970.00	2,975.00	3,995.00	3,730.00	195%	10,990.00	29,750.00	(18,760.00)	(63%)
Small tools	288.73	1,466.66	(1,177.93)	11,010.21	(14%)	9,433.48	14,666.60	(5,233.12)	(36%)
Safety supplies	515.68	658.34	(142.66)	3,541.25	8%	3,811.35	6,583.40	(2,772.05)	(42%)
Equipment rental		516.67	(516.67)	53.75	100%	107.50	5,166.70	(5,059.20)	(98%)
Purchased water	21,847.94	24,000.00	(2,152.06)	227,863.08	(5%)	216,453.90	240,000.00	(23,546.10)	(10%)
Licenses/permits/fees	100.00	66.67	33.33	400.00	155%	1,020.00	666.70	353.30	53%
R & M - plant		166.67	(166.67)	864.34	115%	1,890.80	1,666.70	224.10	13%
R & M - field vehicles	4,906.57	3,183.34	1,723.23	33,461.67	37%	42,463.19	31,833.40	10,629.79	33%
R & M - field equipment	816.31	908.34	(92.03)	5,474.78	8%	5,939.87	9,083.40	(3,143.53)	(35%)
Fuel - field	3,500.28	4,175.01	(674.73)	33,943.56	(4%)	32,603.63	41,750.10	(9,146.47)	(22%)
Insurance - vehicles & equipment	290.69	1,350.00	(1,059.31)	9,294.84	6%	9,814.32	13,500.00	(3,685.68)	(27%)
Insurance - property	1,413.02	1,408.33	4.69	12,821.50	13%	14,480.20	14,083.30	396.90	3%
Public safety	22,553.39	21,083.33	1,470.06	217,903.76	2%	222,213.56	210,833.30	11,380.26	5%
Total Operations and maintenance	174,085.00	188,991.06	(14,906.06)	1,433,344.59	8%	1,537,492.22	1,763,691.48	(226,199.26)	(13%)
General and Administrative									
Bad debt	19,433.26	1,750.00	17,683.26	14,015.33	39%	19,433.26	17,500.00	1,933.26	11%
Dues & subscriptions	1,587.46	1,608.34	(20.88)	13,120.03	(9%)	13,749.29	16,083.40	(2,334.11)	(15%)
Education & seminars		158.34	(158.34)	483.99	(90%)	50.00	1,583.40	(1,533.40)	(97%)
Employee recognition		125.00	(125.00)	801.47	(71%)	229.27	1,250.00	(1,020.73)	(82%)
Interest expense	110,568.55	19,144.17	91,424.38	249,581.01	(8%)	228,579.69	191,441.70	37,137.99	19%
Licenses and permits		108.34	(108.34)	1,109.00	(70%)	334.00	1,083.40	(49.40)	(69%)
Office expenses	209.45	666.67	(457.22)	4,123.95	22%	5,014.60	6,666.70	(1,652.10)	(25%)
Postage & delivery	4,929.66	4,325.00	604.66	34,367.95	(2%)	33,711.07	43,250.00	(9,538.93)	(22%)
Printing & reproduction	2,292.24	500.00	1,792.24	4,696.80	38%	6,497.32	5,000.00	1,497.32	30%
Professional fees - well monitoring				1,500.00	313%	6,200.00	6,200.00	0.00	0%
Public relations (Customer Damage)	1,376.10	250.00	1,126.10	1,003.45	380%	4,811.55	2,500.00	2,311.55	92%
Public Notification		41.67	(41.67)	12.56	(100%)		416.70	(416.70)	(100%)
Rent - building	1,862.50	1,866.67	(4.17)	18,625.00	0%	18,625.00	18,666.70	(41.70)	0%
R & M - office		33.33	(33.33)		0%	112.41	333.30	(220.89)	(66%)
R & M - building	273.03	108.33	164.70	1,119.59	(2%)	1,098.10	1,083.30	14.80	1%
Salaries - administration		49.99	(49.99)	1,575.07	(100%)				0%
Travel				287.26	18%	338.50	499.90	(161.40)	(32%)
Uniforms and PPE	155.44	750.01	(594.57)	7,960.37	(23%)	6,096.58	7,500.10	(1,403.52)	(19%)
Utilities - electric and gas	139.78	183.33	(43.55)	1,938.06	(15%)	1,646.40	1,833.30	(186.90)	(10%)
Utilities - other		241.67	(241.67)	2,423.31	6%	2,576.74	2,416.70	160.04	7%
Utilities - telephone	635.45	758.33	(122.88)	6,837.55	(3%)	6,639.54	7,583.30	(943.76)	(12%)
Utilities - cellular	605.42	1,133.33	(527.91)	7,847.76	(5%)	7,471.10	11,333.30	(3,862.20)	(34%)
Purchase discounts				(1.92)	(100%)				0%
Penalties and fines		25.00	(25.00)		0%		250.00	(250.00)	(100%)
G & A allocations	57,484.77	59,278.81	(1,794.04)	527,412.59	1%	530,272.11	604,787.80	(74,515.69)	(12%)
Total General and Administrative	201,553.11	93,106.33	108,446.78	902,842.98	(1%)	893,486.53	949,263.00	(55,776.47)	(6%)
Other Income and Expense									
Interest Income	2,707.57	7,583.33	(4,875.76)	75,969.12	(42%)	43,700.37	75,833.30	(32,132.93)	(42%)
Antenna lease		912.53	(912.53)		0%	59,976.51	60,889.24	(912.73)	(1%)
Sales tax discounts	1,011.00	2,000.00	(989.00)	22,366.76	(22%)	17,336.26	20,000.00	(2,663.74)	(13%)
Other income	1,535.66	1,666.67	(131.01)	63,339.80	(73%)	16,985.83	16,666.70	319.13	2%
Gain (loss) sale/disposition of assets				11,438.31	389%	55,973.63		55,973.63	0%
Total Other Income and Expense	5,254.23	12,162.53	(6,908.30)	173,113.99	12%	193,972.60	173,389.24	20,583.36	12%
Increase (decrease) in Net Assets	40,642.97	165,800.14	(125,157.17)	1,811,342.70	(1%)	1,786,859.69	1,527,294.76	259,564.93	17%
Depreciation expense	137,463.94	126,666.67	10,797.27	1,266,333.00	0%	1,269,564.10	1,266,666.70	2,897.40	0%
Increase (decrease) in Net Assets	(96,820.97)	39,133.47	(135,954.44)	545,009.70	(5%)	517,295.59	260,628.06	256,667.53	98%

Cabot Waterworks
Budget vs Actual - Wastewater
For the Ten Months Ending October 31, 2020

	Current Actual	Budget	Variance	Prior Year	Prior Year	Year to Date Actual	Budget	Variance	Variance %
				To Date	Variance				
Revenue									
Wastewater	\$105,465.99	\$112,941.00	(\$7,475.01)	\$1,037,132.37	2%	\$1,053,753.53	\$1,054,116.00	(\$362.47)	0%
Fees - service connection	200.00	972.00	(772.00)	9,165.00	(42%)	5,325.00	9,072.00	(3,747.00)	(41%)
Fees - disconnection		486.00	(486.00)	4,341.25	(78%)	949.00	4,536.00	(3,587.00)	(79%)
Fees - late charges	2,876.04	2,358.00	518.04	21,772.89	3%	22,471.01	22,008.00	463.01	2%
Return checks & fees	64.00	108.00	(44.00)	994.04	(36%)	632.00	1,008.00	(376.00)	(37%)
Miscellaneous	600.00	864.00	(264.00)	9,000.00	(38%)	5,600.00	8,064.00	(2,464.00)	(31%)
Total Revenue	109,206.03	117,729.00	(8,522.97)	1,082,405.55	1%	1,088,730.54	1,098,804.00	(10,073.46)	(1%)
Operations and Maintenance									
Power	23,929.54	20,558.33	3,371.21	173,198.18	(22%)	135,176.04	205,583.30	(70,407.26)	(34%)
Labor	36,208.17	33,634.61	2,573.56	227,069.86	43%	323,995.25	295,984.58	28,010.67	9%
Capitalized Labor Cost	(11,451.79)	(12,500.00)	1,048.21	(128,220.40)	126%	(289,439.97)	(125,000.00)	(164,439.97)	132%
Payroll taxes	2,195.79	2,403.84	(208.05)	13,758.04	25%	17,154.16	21,153.78	(3,999.62)	(19%)
Retirement	4,663.82	4,466.67	197.15	27,858.58	27%	35,382.33	44,666.70	(9,284.37)	(21%)
Insurance - workers comp	1,144.42	1,144.42		4,063.32	167%	10,850.04	11,444.20	(594.16)	(5%)
Insurance - health	3,986.50	4,150.00	(163.50)	16,976.40	76%	29,882.91	41,500.00	(11,617.09)	(28%)
Outside labor	244.04	2,800.00	(2,555.96)	5,594.97	81%	10,145.61	28,000.00	(17,854.39)	(64%)
Lab fees & supplies	2,985.00	2,266.67	718.33	20,550.00	4%	21,310.00	22,666.70	(1,356.70)	(6%)
Chemicals		1,858.33	(1,858.33)	1,094.15	(48%)	570.00	570.00	(18,013.30)	(97%)
Materials & supplies	8,743.43	3,750.00	4,993.43	38,479.59	40%	53,824.41	37,500.00	16,324.41	44%
Grinder Pump Repairs	2,465.47	2,750.00	(284.53)	22,266.55	(24%)	16,978.54	27,500.00	(10,521.46)	(38%)
Street repairs	1,540.00	850.00	690.00	1,200.00	123%	2,680.00	8,500.00	(5,820.00)	(68%)
Small tools	219.24	791.67	(572.43)	9,063.90	(4%)	8,690.70	7,916.70	774.00	10%
Safety supplies	347.66	375.00	(27.34)	1,409.25	(35%)	918.73	3,750.00	(2,831.27)	(76%)
Equipment rental		83.33	(83.33)		0%	497.64	833.30	(335.66)	(40%)
Licenses/permits/fees	100.00	516.67	(416.67)	5,920.00	68%	9,800.00	5,166.70	4,633.30	90%
R & M - plant	73.84	791.67	(717.83)	2,976.56	323%	12,605.55	7,916.70	4,688.85	59%
R & M - field vehicles	9,228.31	3,025.00	6,203.31	16,009.70	146%	39,404.91	30,250.00	9,154.91	30%
R & M - field equipment	898.79	1,591.67	(692.88)	5,836.50	112%	12,348.77	15,916.70	(3,567.93)	(22%)
Fuel - field	1,216.43	1,958.33	(741.90)	14,587.27	(4%)	13,957.85	19,583.30	(5,625.45)	(29%)
Insurance - vehicles & equipment	842.53	1,083.34	(240.81)	8,689.10	(2%)	8,536.10	10,833.40	(2,297.30)	(21%)
Insurance - property	1,372.28	1,308.34	63.94	12,111.80	18%	13,722.80	13,083.40	639.40	5%
Total Operations and maintenance	90,953.47	79,657.89	11,295.58	500,493.32	(2%)	488,992.37	753,332.76	(264,340.39)	(35%)
General and Administrative									
Amortization				4,068.02	(7%)	3,791.02		3,791.02	0%
Bad debt	4,858.31	425.00	4,433.31	3,503.88	39%	4,858.31	4,250.00	608.31	14%
Dues & subscriptions		183.34	(183.34)		0%		1,833.40	(1,833.40)	(100%)
Education & seminars		133.34	(133.34)		0%		1,333.40	(1,333.40)	(100%)
Employee recognition	165.46	41.67	123.79	537.62	76%	944.86	416.70	528.16	127%
Interest expense		453.17	(453.17)		0%		4,531.70	(4,531.70)	(100%)
Licenses and permits		50.01	(50.01)	457.80	(111%)	(50.00)	500.10	(550.10)	(110%)
Medical expenses				200.00	(100%)				0%
Office expenses		191.66	(191.66)	185.91	39%	257.68	1,916.60	(1,658.92)	(87%)
Postage & delivery		58.34	(58.34)		0%	123.58	583.40	(459.82)	(79%)
Public relations (Customer Damage)	218.56	250.00	(31.44)	1,558.46	(59%)	643.56	2,500.00	(1,856.44)	(74%)
Public Notification		41.67	(41.67)		0%		416.70	(416.70)	(100%)
R & M - office		25.00	(25.00)	4.54	(100%)		250.00	(250.00)	(100%)
R & M - building		66.67	(66.67)	365.33	33%	484.86	666.70	(181.84)	(27%)
Travel		33.33	(33.33)	441.56	(100%)		333.30	(333.30)	(100%)
Uniforms and PPE	1,130.30	416.66	713.64	4,092.16	72%	7,023.06	4,166.60	2,856.46	69%
Utilities - other		333.33	(333.33)	3,339.54	28%	4,262.75	3,333.30	929.45	28%
Utilities - telephone	338.80	375.00	(36.20)	3,170.18	4%	3,307.08	3,750.00	(442.92)	(12%)
Utilities - cellular	84.78	450.00	(365.22)	3,080.87	(60%)	1,238.12	4,500.00	(3,261.88)	(72%)
Penalties and fines		25.00	(25.00)		0%		250.00	(250.00)	(100%)
G & A allocations	14,371.20	14,819.70	(448.50)	131,853.18	1%	132,567.92	151,198.50	(18,630.58)	(12%)
Total General and Administrative	21,167.41	18,372.89	2,794.52	156,859.05	2%	159,452.80	186,730.40	(27,277.60)	(15%)
Other Income and Expense									
Interest Income	1,044.93	5,083.33	(4,038.40)	51,117.44	(54%)	23,301.44	50,833.30	(27,531.86)	(54%)
Antenna lease				89,801.57	(100%)				0%
Sales tax discounts		270.42	(270.42)	3,247.97	(44%)	1,809.32	2,704.20	(894.88)	(33%)
Other income	712.34	1,000.00	(287.66)	28,725.99	(14%)	24,739.75	10,000.00	14,739.75	147%
Gain (loss) sale/disposition of assets				27,258.06	62%	44,161.19		44,161.19	0%
Total Other Income and Expense	1,757.27	6,353.75	(4,596.48)	200,151.03	(53%)	94,011.70	63,537.50	30,474.20	48%
Increase (decrease) in Net Assets	(1,157.58)	26,051.97	(27,209.55)	625,204.21	(15%)	534,297.07	222,278.34	312,018.73	140%
Depreciation expense	91,730.91	91,388.75	342.16	881,618.32	0%	884,748.87	913,887.50	(29,138.63)	(3%)
Increase (decrease) in Net Assets	(92,888.49)	(65,336.78)	(27,551.71)	(256,414.11)	37%	(350,451.80)	(691,609.16)	341,157.36	(49%)

Cabot Waterworks
Budget vs Actual - Admin
For the Ten Months Ending October 31, 2020

	Current Actual	Budget	Variance	Prior Year	Prior Year	Year to Date Actual	Budget	Variance	Variance %
				To Date	Variance				
Revenue									
Operations and Maintenance									
General and Administrative									
Contracted services		\$83.33	(\$83.33)	\$707.00	(86%)	\$97.50	\$833.30	(\$735.80)	(88%)
Dues & subscriptions	3,399.28	2,333.33	1,065.95	12,944.19	(12%)	11,366.70	23,333.30	(11,966.60)	(51%)
Education & seminars		458.33	(458.33)	230.40	396%	1,143.55	4,583.30	(3,439.75)	(75%)
Employee recognition	29.22	66.67	(37.45)	480.61	(45%)	266.67	666.70	(400.03)	(60%)
Fuel - admin	322.91	608.33	(285.42)	4,177.94	(24%)	3,174.82	6,083.30	(2,908.48)	(48%)
Insurance - admin vehicles	71.10	108.33	(37.23)	790.20	3%	817.29	1,083.30	(266.01)	(25%)
Licenses and permits		41.67	(41.67)	80.00	(38%)	50.00	416.70	(366.70)	(88%)
Locator expenses/One call expenses	460.10	616.67	(156.57)	5,387.48	(10%)	4,859.16	6,166.70	(1,307.54)	(21%)
Medical expenses	69.00	400.00	(331.00)	3,687.00	(71%)	1,084.69	4,000.00	(2,915.31)	(73%)
New Hire Expense	643.05	750.00	(106.95)	7,414.24	3%	7,656.74	7,500.00	156.74	2%
Office expenses	422.30	1,666.67	(1,244.37)	11,904.88	19%	14,139.32	16,666.70	(2,527.38)	(15%)
Postage & delivery	56.60	125.00	(68.40)	1,347.41	8%	1,452.25	1,250.00	202.25	16%
Printing & reproduction		75.00	(75.00)		0%		750.00	(750.00)	(100%)
Professional fees - audit				14,950.00	0%	14,950.00	15,000.00	(50.00)	0%
Professional fees - accounting		250.00	(250.00)	680.00	(100%)		2,500.00	(2,500.00)	(100%)
Professional fees - legal	2,393.77	3,750.00	(1,356.23)	28,829.35	(21%)	22,903.90	37,500.00	(14,596.10)	(39%)
Public relations (Customer Damages)		166.67	(166.67)		0%		1,666.70	(1,666.70)	(100%)
Public Notification		83.33	(83.33)	1,059.16	(18%)	869.33	833.30	36.03	4%
Rent - building	1,462.50	1,466.67	(4.17)	14,625.00	0%	14,625.00	14,666.70	(41.70)	0%
R & M - office	219.00	291.67	(72.67)	2,712.29	7%	2,903.92	2,916.70	(12.78)	0%
R & M - building		41.67	(41.67)		0%	18.75	416.70	(397.95)	(96%)
R & M - admin vehicles	22.70	350.00	(327.30)	1,005.15	58%	1,584.34	3,500.00	(1,915.66)	(55%)
Salaries - administration	47,495.40	43,566.67	3,928.73	408,910.46	1%	412,739.03	435,666.70	(22,927.67)	(5%)
Taxes - payroll	2,996.86	3,425.00	(428.14)	27,962.99	5%	29,432.17	34,250.00	(4,817.83)	(14%)
Retirement	6,234.30	6,675.00	(440.70)	56,875.74	4%	59,237.00	66,750.00	(7,513.00)	(11%)
Insurance - workers comp	48.50	48.50		206.70	138%	492.93	485.00	7.93	2%
Insurance - health	4,036.95	4,466.67	(429.72)	37,299.06	8%	40,382.14	44,666.70	(4,284.59)	(10%)
Insurance - life and disability	1,138.02	1,250.00	(111.98)	10,665.32	17%	12,520.83	12,500.00	20.83	0%
Travel		333.33	(333.33)	562.69	(91%)	51.37	3,333.30	(3,281.93)	(98%)
Uniforms and PPE				349.76	(46%)	187.32		187.32	0%
Utilities - telephone	81.06	183.33	(102.27)	758.34	2%	775.40	1,833.30	(1,057.90)	(58%)
Utilities - cellular	253.35	375.00	(121.65)	2,662.41	13%	2,999.74	3,750.00	(750.26)	(20%)
Penalties and fines		41.67	(41.67)		0%	58.20	416.70	(358.50)	(86%)
G & A allocations	(71,855.97)	(74,098.51)	2,242.54	(659,265.77)	1%	(662,840.03)	(755,985.10)	93,145.07	(12%)
Other Income and Expense									



**BASIC AGREEMENT TO FURNISH ENGINEERING SERVICES
FOR CABOT WATER AND WASTEWATER COMMISSION
CABOT, ARKANSAS**

This Agreement made this ____ day of November, 2020, between the firm of McClelland Consulting Engineers, Inc., hereinafter referred to as the ENGINEER, and Cabot Water and Wastewater Commission, Cabot, Arkansas, hereinafter referred to as the OWNER, wherein the ENGINEER agrees to provide certain services as defined in Article 1 and for the consideration defined in Article 2 herein.

ARTICLE 1

The OWNER has selected the ENGINEER to assist with certain Engineering Services and may select the ENGINEER for future services.

These services, when requested by the OWNER, will be described in specific Work Orders which become a part of this agreement upon execution. The ENGINEER agrees to perform the services described in the Work Orders after execution by both parties to the Agreement.

ARTICLE 2

The compensation for services to be provided will be negotiated and specified in each Work Order.

ARTICLE 3

Payment to the ENGINEER for services provided as described in Article 1 is to be made within 30 days after date of billing. The amount due will be for services rendered during the previous month based on the percentage of completion or actual costs, as appropriate.

ARTICLE 4

It is further mutually agreed by the parties hereto:

- 4.1 That the OWNER will designate a representative to direct and coordinate the efforts of the ENGINEER who will be the only source of instructions to the ENGINEER and who shall have the authority to interpret the OWNER's policy as necessary to maintain the ENGINEER'S work schedule, administer the Agreement, and certify the ENGINEER'S payment requests.
- 4.2 That the OWNER shall make available to the ENGINEER all technical data in the OWNER's possession, including laboratory tests, maps, surveys, borings, and other information required by the ENGINEER and relating to the ENGINEER'S work.
- 4.3 That the OWNER will provide staff assistance in locating and uncovering existing utilities when necessary in the project area.

4.4 That the estimates of cost for the Project provided herein are to be prepared by the ENGINEER through exercise of his experience and judgement in applying presently available cost data, but it is recognized that the ENGINEER has no control over cost of labor and materials conditions, so that he cannot warrant that the Project construction cost will not vary from his cost estimate. If OWNER wishes greater assurance as to probable construction cost, OWNER shall employ an independent cost estimator.

4.5 It is anticipated that most of the work orders will be completed on a Lump Sum basis or percent of construction cost, hourly rate basis or as set forth in the Work Orders.

That the ENGINEER's direct expenses are defined as the costs incurred on or directly for the Project, other than the Salary and General Overhead Costs, as defined hereinbefore. Such direct expenses shall be computed on the basis of actual purchase price for items obtained from commercial sources and on the basis of usual commercial charges for items provided by the ENGINEER.

Direct expenses shall include, but not be limited to, necessary transportation costs, including mileage at the ENGINEER'S current rate per mile when the ENGINEER's own automobiles are used; meals and lodging; laboratory tests and analyses; computer services; word processing services; telephone; and printing and binding charges.

4.6 That if payment of the amount due as prescribed in Article 2, or any portion thereof, is not made within the period specified in Article 3, interest on the unpaid balance thereof will accrue at the rate of 10% per annum and become due and payable at the time said overdue payments are made.

4.7 That the ENGINEER shall maintain a level of competency presently maintained by other practicing professional engineers in the same type of work for the professional and technical soundness and accuracy of all designs, drawings, specifications, and other work and materials furnished under this Agreement.

4.8 That either party may terminate this Agreement at any time by a notice in writing to the other party. If the Agreement is terminated as provided herein, the ENGINEER will be paid for services actually performed; the amount of said payment shall bear the same ratio to the total compensation specified as the services actually performed bear to the total services of the ENGINEER, less payments of compensation previously made.

4.9 That the OWNER may, from time to time, request changes in the scope of the services of the ENGINEER to be performed hereunder. Such changes, including any increase or decrease in the amount of the ENGINEER'S compensation, which are mutually agreed

upon by and between the OWNER and the ENGINEER, shall be incorporated in written amendments to this Agreement.

4.10 That the OWNER shall pay for all costs of publishing advertisements for bids, for obtaining drawing reviews, permits, and licenses that may be required by local, state, or federal authorities and shall pay for and secure the necessary land, easements, and rights-of-way as described by the ENGINEER or local surveyor.

4.11 That, in the event of any legal or other controversy requiring the services of the ENGINEER in providing expert testimony in connection with the Project, except suits or claims by third parties against the OWNER arising out of errors or omissions of the ENGINEER, the OWNER shall pay the ENGINEER for services rendered in regard to such legal or other controversy on a basis to be negotiated.

That the OWNER will pay the ENGINEER for labor and expenses incurred in satisfying the requirements and assisting in any audit required by the OWNER or any of their duly authorized representatives. The basis of payment will be specified in an Amendment to this Agreement.

4.12 That visits to a construction site and observations made by the ENGINEER as part of his services shall not relieve the construction contractor(s) of his obligation to conduct comprehensive inspections of this work sufficient to ensure conformance with the intent of the Contract Documents and shall not relieve the construction contractor(s) of his responsibility for all construction means, methods, techniques, sequences, and procedures necessary for coordinating and completing all work under the construction contract(s) and for all safety precautions incidental thereto.

4.13 That the ENGINEER shall provide partial on-site observation personnel as required and will make reasonable efforts to guard the OWNER against defects and deficiencies in the work of the contractor(s) and to help determine if the construction contract(s) has been fulfilled. Their day-to-day observation will not, however, cause the ENGINEER to be responsible for those duties and responsibilities which belong to the construction contractor(s) and which include, but are not limited to, full responsibility for the techniques and sequences of construction and the safety precautions incidental thereto and for performing the construction work in accordance with Contract Documents.

4.14 That the ENGINEER has the right to subcontract services; however, the OWNER has the right to approve subcontractors who perform work on the Project in excess of \$10,000.

4.15 All documents including drawings, specifications, estimates, field notes, and other data pertaining to the work or to the Project shall become the property of the OWNER. The OWNER shall not be restricted in the subsequent use of the design, design documents,

or ideas incorporated in the work. However, the ENGINEER shall bear no responsibility for such reuse of the design unless specifically agreed to in writing.

4.16 That this Agreement is to be binding on the heirs, successors, and assigns of the parties hereto and is not to be assigned by either party without first obtaining the written consent of the other.

ARTICLE 5

IN WITNESS WHEREOF, the parties hereto each herewith subscribe the same in duplicate.

FOR THE CABOT WATER AND WASTEWATER COMMISSION

By: _____
Gary Walker, Chairman

Dated this ____ day of _____, 2020

ATTEST: _____

FOR McCLELLAND CONSULTING ENGINEERS, INC.

By: Byron Hicks
Byron Hicks, CEO

Dated this 29 day of October, 2020

ATTEST: Paige Wetcher

WORK ORDER NO. 1

ENGINEERING DESIGN SERVICES FOR WATER SUPPLY STUDY FOR CABOT WATER AND WASTEWATER COMMISSION CABOT, ARKANSAS

This Work Order amends Articles 1, 2, and 5 of the Basic Agreement executed the ____ day of November, 2020 between **McClelland Consulting Engineers, Inc.**, hereinafter referred to as the ENGINEER and Cabot Water and Wastewater Commission, Cabot, Arkansas, hereinafter referred to as the OWNER on this the ____ day of November, 2020.

ARTICLE 1

The OWNER currently utilizes the alluvial aquifer as its municipal water supply via six water wells. Due to a declining water table and to meet the objectives of the State Water Plan, the Natural Resource Division of the Department of Agriculture requires OWNER to discontinue use of the wells by October 1, 2026. The OWNER therefore desires to develop a new water supply.

The ENGINEER will complete the following preliminary tasks under Work Order No. 1. Subsequent Work Orders for further development, final design and construction administration will be developed as the need arises.

In order to assist the OWNER with this objective, the ENGINEER will complete the following tasks under Work Order No. 1:

Task No 1 - Preliminary Source Water Investigation

- Review three (3) alternative sources as a water supply
 - Surface water intake above the fall line on the Little Red River
 - Collector well near Des Arc and along the White River
 - Infiltration well near Des Arc and along the White River
- Meet and coordinate with regulatory agencies to determine viability of each alternative as a permanent water supply from a preliminary standpoint and understand opportunities and obstacles associated with each alternative
 - Arkansas Department of Health
 - Corps of Engineers
 - Natural Resource Division of the Department of Agriculture
 - Arkansas Department of Environmental Quality (ADEQ)
- Meet with Searcy Waterworks to discuss options regarding possible use of and modification to its surface water intake and/or use of its sanitary buffer to supply raw water to Cabot
- Upon identification of a potential site(s), assist OWNER in assessing viability of obtaining land and required sanitary buffers as required by the Arkansas Department of Health

- Upon identification of a potential site for a collector well or infiltration gallery, provide geotechnical testing (one boring) to determine water table elevation and analyze soil samples for transmissivity
- Review readily available water quality data that may be available through ADEQ, USGS and/or Natural Resource Conservation Commission
- Perform cost estimates of each alternative deemed viable
- Prepare a written report of findings which will include recommendations and "next steps" associated with recommendations. Recommendations will be based on alternative determined to be most feasible considering both cost and likelihood of permitting
- Provide monthly progress reports to Owner on or before noon of the fourth Thursday of each month

Notes:

- **Task No. 1** services shall be complete by July 1, 2021 provided authorization to proceed is given on or before January 1, 2021
- Where applicable, findings and recommendations will be in accordance with Arkansas Department of Health Guidelines and/or 10 States Standards

ARTICLE 2

The compensation for services to be provided in Article 1 shall be as follows:

- **Task No 1 - Preliminary Source Water Investigation**
- Compensation for task one services shall be on an hourly rate plus direct expense basis. Total fee for task one services are anticipated not to exceed \$80,000. Hourly rates shall be those current at the time services are provided. Current standard hourly rates are attached hereto.

ARTICLE 5

IN WITNESS WHEREOF, the parties hereto each herewith subscribe the same in duplicate.

FOR THE CABOT WATER AND WASTEWATER COMMISSION

By: _____
Gary Walker, Chairman

Dated this _____ day of _____, 2020

ATTEST: _____

FOR McCLELLAND CONSULTING ENGINEERS, INC.

By: _____
Byron Hicks, CEO

Dated this _____ day of _____, 2020

ATTEST: _____

1.11 Credit Card Policy

1.11.1 Cabot WaterWorks Credit Card (Credit Card) is the preferred tool to purchase and pay for low cost materials and services. Use of Credit Cards enables authorized Cabot WaterWorks employees to purchase materials and services up to a pre-determined limit.

- a). Credit Cards reduce the number of credit accounts and provide greater flexibility to shop for the best price on purchases. Vendors benefit by typically receiving payment within two business days.
- b). Credit Cards simplify and reduce the number of invoices processed by the A/P Department; one monthly invoice is paid to the bank versus handling large volumes of low dollar invoices.
- c). Credit Card purchases include supplies for office and operations, materials, small tools, books, subscriptions, and other small items from local vendors or vendors not frequented on a regular basis.

1.11.2 The credit limit for each Credit Card will be set initially as follows:

Crew leaders	\$ 2,000 500.00
Plant Operators, Electrician	\$ 2,000 500.00
Administrative Assistant	\$ 2,000 500.00
Department Managers	\$ 2,000 1000.00
General Manager	\$ 2,000 1000.00

1.11.3 Credit Cards will be issued with the Employee's name and Cabot WaterWorks embossed on it.

1.11.4 ~~Cabot WaterWorks may preset MCC numbers (Merchant Category Code) to allow purchases from a designated type of vendor. For example, the Credit Card may be coded to permit purchases from hardware stores, plumbing and pipe suppliers and home improvement stores while excluding all other businesses such as restaurants, hotels, airlines~~

1.11.5 Employee Guidelines and Responsibilities

- a). Credit Cards are not to be used for employee personal expenses. Employees that accidentally use Cabot WaterWorks Credit Cards for personal expenses shall reimburse Cabot WaterWorks upon receipt of the monthly statement, except for travel expenses related to approved training.
- b). Employees shall, within seven (7) days of receipt of the monthly statement, attach all receipts and submit to the Finance Manager~~give to the General Manager~~ for approval.
- c). Employees shall code all purchases to the appropriate account on the statement.
- d). If a receipt cannot be obtained after a reasonable effort, you should note "No Receipt" on the statement next to the item.
- e). Upon approval by the General Manager, the statement will be forwarded to Accounts Payable.

1.11.6 Credit Cards remain the property of the issuing bank. It may not be transferred to, assigned to, or used by anyone other than the designated employee.

1.11.7 Employees will surrender the Credit Card immediately upon request to Cabot WaterWorks or any authorized agent of the issuing bank.

1.11.8 Employees are also required to return the Credit Card should he or she transfer to another location or department, retire, or their employment be terminated.

1.11.9 Cabot WaterWorks retains the right to cancel an employee's Credit Card privileges at any time for any reason, including but not limited to misuse or non-compliance of procedures.

1.11.10 When shipping to other Cabot WaterWorks locations the employee ordering items is responsible for obtaining the Credit Card receipt, packing list, and any other documentation.

1.11.12 Ensure that you receive all of the items in the quantities that are specified on Credit Card receipt. Do not allow the vendor to back order any balance not in stock at the time of order and charge you for the total quantity, with the back order to be picked-up or shipped to you at a later date.

1.11.13 Insist the vendor enclose a copy of the Credit Card receipt with each shipment.

1.11.14 The Employee shall settle any disputes, clear erroneous charges and request a credit for returned merchandise directly with the vendor or issuing bank.

1.11.15 Employees shall report a stolen, lost, or misplaced Credit Card immediately by phone to the issuing bank.

1.11.16 Employees may be subject to disciplinary action, which may include, depending upon the seriousness of the offense, reprimand, probation, suspension, or dismissal. Cabot WaterWorks reserves the right to seek recovery from the Cardholder for any unauthorized or personal use of the Credit Card.

1.11.17 Employees receiving Credit Cards are required to sign the following agreement. Adopted July 20, 2006

AGREEMENT TO ACCEPT A CABOT WATERWORKS CREDIT CARD

Cabot WaterWorks is pleased to issue to you a Cabot WaterWorks Credit Card (Credit Card). It represents trust in you as a responsible agent to safeguard and protect Company assets.

I, _____, hereby agree to accept a Cabot WaterWorks Credit. I acknowledge receipt of a copy of this Agreement, the Cabot WaterWorks Credit Card Policy, and the physical Credit Card.

Crd, number _____ Credit Limit _____

I confirm that I have read and understand the Employee Guidelines and Responsibilities in the Cabot WaterWorks Credit Card Policy. I agree to comply with the conditions of this Agreement and the procedures contained in the Cabot WaterWorks Credit Card Policy.

I agree to use the Cabot WaterWorks Credit Card for approved purchases only and will not use it for personal purchases. I understand that Cabot WaterWorks will audit the use of this Credit Card and I will maintain the required proof of all purchases.

I further understand that improper use of this Credit Card may result in disciplinary action, up to and including termination of employment. Should I fail to use this Credit Card properly, I authorize Cabot WaterWorks to deduct from my salary the amount equal to the total of such improper use.

I understand that Cabot WaterWorks may terminate my right to use this Credit Card at any time for any reason. I agree to return the Credit Card to Cabot WaterWorks immediately upon request or upon termination of employment.

Applicant Name: _____ SSN: _____

Dept.: _____ Birthdate: _____

Signature: _____ Date: _____

Supervisor:

Supervisor name – printed

Supervisor signature

Adopted July 20, 2006



2021 Preliminary Budget

Water Department

Waste Water Department

Administrative Department

Consolidated

GENERAL AND ADMINISTRATIVE	2021 Water Budget	2020 Forecast	Variance
Admin - Salaries (Mapping, Locators)			
Admin - payroll tax FICA & SUTA			
Admin - Retirement			
Admin - worker comp ins			
Admin - health insurance			
Life Insurance			
Bad debt allowance	21,000	18,500	2,500
Contracted Services			
Dues and subscriptions (Software)	19,660	15,200	4,460
Education and seminars	1,900	75	1,825
Employee Recognition	1,500	290	1,210
Fuel - administration vehicles			
Insurance - administration vehicles			
Licenses for employees (Water / WW / CDL)	1,300	400	900
Locator expenses / One Call Exp			
Medical			
New Employee Expense (Notification / Screening)			
Office expense	8,100	6,000	
Postage and delivery	51,900	34,000	17,900
Printing and reproduction	6,000	5,300	700
Professional fees - audit	-	-	-
Professional fees - accounting	-	-	-
Professional fees - legal	-	-	-
Professional fees - USGS Well Monitoring	6,200	6,200	0
Public Notification (Financial / CCR / Bids)	500	-	500
Public Relations (FOG / Damage Claims)	3,500	4,300	(800)
Rent (to CITY of CABOT)	22,400	21,000	1,400
Repairs and maintenance - office	440	140	300
Repairs and maintenance - building	1,300	1,000	300
Repairs and maintenance - vehicles	-	-	-
Travel Expenses	600	400	200
Uniforms (PPE)	9,500	7,400	2,100
Utilities - electric	2,400	1,900	500
Utilities - waste (Dumpsters)	3,000	3,200	(200)
Telephone	8,200	7,500	700
Cellular	12,160	8,600	3,560
Penalties Fines	300	-	300
Total General and Administrative	181,860	141,405	38,355
Reallocate Admin Cost	742,911	617,116	
Total after Allocation of Admin	924,771	758,521	

2021 Waste Water Budget	2020 Forecast	Variance
5,100	4,600	500
2,200		2,200
1,600		1,600
600	1,000	(400)
600	100	500
-		
2,300	350	
700	150	550
-		
-		
3,000	530	2,470
-		
300	-	300
800	600	200
-		
400	-	400
6,400	7,400	(1,000)
-		
5,000	5,300	(300)
4,500	3,700	800
4,125	1,500	2,625
300	-	300
38,425	25,230	10,745
185,728	154,279	
224,153	179,509	

2021 Admin Budget	2020 Forecast	Variance
536,589	457,000	79,589
42,141	33,000	9,141
82,205	66,300	15,905
598	555	43
53,775	45,400	8,375
20,831	14,200	6,631
1,000	150	850
28,000	16,000	12,000
5,500	1,400	4,100
800	300	500
7,300	3,600	3,700
1,000	900	100
500	100	400
7,400	5,500	1,900
4,800	1,300	3,500
10,000	8,800	1,200
20,000	17,100	2,900
1,500	1,700	(200)
900	-	900
15,000	14,950	50
3,000	-	3,000
45,000	55,000	(10,000)
-		
2,000	1,100	900
2,000	0	2,000
17,600	16,500	1,100
3,500	3,400	100
500	50	450
4,200	2,000	2,200
4,000	100	3,900
500	250	250
-		
-		
1,500	870	630
4,500	3,400	1,100
500	470	30
928,639	771,395	157,244
(928,639)	(771,395)	
-	-	

2021 Total Budget	2020 Forecast Total	2020 Budget	Variance Budget Years
536,589	457,000	522,800	13,789
42,141	33,000	41,100	1,041
82,205	66,300	80,100	2,105
598	555	300	298
53,775	45,400	53,600	175
20,831	14,200	15,000	5,831
26,100	23,100	26,100	-
1,000	150	1,000	-
49,860	31,200	49,500	360
9,000	1,475	9,000	-
2,900	1,590	2,800	100
7,300	3,600	7,300	-
1,000	900	1,300	(300)
2,400	600	2,400	-
7,400	5,500	7,400	-
4,800	1,300	4,800	-
10,000	8,800	9,000	1,000
30,400	23,450	30,300	100
54,100	35,850	54,100	-
6,900	5,300	6,900	-
15,000	14,950	15,000	-
3,000	-	3,000	-
45,000	55,000	45,000	-
6,200	6,200	6,200	-
3,000	1,100	2,000	1,000
8,500	4,830	8,000	500
40,000	37,500	40,000	-
4,240	3,540	4,200	40
2,600	1,650	2,600	-
4,200	2,000	4,200	-
5,000	500	5,000	-
16,400	15,050	14,000	2,400
2,400	1,900	2,200	200
8,000	8,500	6,900	1,100
14,200	12,070	15,800	(1,600)
20,785	13,500	23,500	(2,715)
1,100	470	1,100	-
1,148,924	938,030	1,123,500	25,424
-	-	-	
1,148,924	938,030	1,123,500	25,424



2021 Preliminary Budget

Water Department

Waste Water Department

Administrative Department

Consolidated

OTHER INCOME	2021 Water Budget	2020 Forecast	Variance
Antenna lease	104,600	97,000	7,600
Other income	20,000	19,300	700
Sales tax discounts	24,000	20,400	3,600
Interest income	33,200	49,400	(16,200)
Total other income	181,800	186,100	(4,300)

2021 Waste Water Budget	2020 Forecast	Variance
12,000	30,000	(18,000)
3,245	2,300	945
12,600	25,400	(12,800)
27,845	57,700	(29,855)

2021 Admin Budget	2020 Forecast	Variance

2021 Total Budget	2020 Forecast Total	2020 Budget	Variance Budget Years
104,600	97,000	91,500	13,100
32,000	49,300	32,000	-
27,245	22,700	27,245	-
45,800	74,800	152,000	(106,200)
209,645	243,800	302,745	(93,100)

Increase (decrease) in Assets before debt

service, and capital additions

1,932,471 2,433,346

251,003 668,972

2,183,474 3,102,318 2,340,345 (156,871)

DEBT SERVICE

2007 Revenue Bond Principle, interest, and fees	460,200	525,052	(64,852)
2005 Revenue Bond Principal, interest, and fees	509,600	547,101	(37,501)
2001 Revenue Bond P & I Regions			
Interest - bonds			
Total debt service	969,800	1,072,153	(102,353)

18,326	18,326	
18,326	18,326	

460,200	525,052	525,052	(64,852)
509,600	547,101	547,101	(37,501)
18,326	18,326	18,326	-
-	-	-	-
988,126	1,090,479	1,090,479	(102,353)

Net after Debt Service 962,671 1,361,193

(Before Capital Expenditures & Depreciation)

232,677 650,646

1,195,349 2,011,840 1,249,866 (54,517)

