

January 20, 2003

Rogers Waterworks and Sewer Commission

Minutes

The Rogers Waterworks and Sewer Commission held its regularly scheduled meeting at 4:00 PM, Monday, January 20, 2003, in the Rogers Water Utilities Training Center. Commissioners in attendance were Donnie Moore, Jerry Pittman, and Fred Wanger. Dick McLelland and Lon Pepple were absent. Rogers Water Utilities staff in attendance were Tom McAlister, Mark Johnson, Joyce Johnson, Don Roberts, Mike Lawrence, Earl Rausch, and Stephen Ponder. Others in the audience were Ben Lipscomb, Jim Clark, Jason Kelley, Andy Cozart, JoEllen Garrett, Dan Downing, Michael Rowe, Ken Boothe, Stephen Lisle, and John Moore. Chairman Moore called the meeting to order at 4:00 PM.

There was a motion by Pittman, second by Wanger, to approve the November 2002 minutes (there was no December Commission meeting). All in favor, motion carried.

Moore recognized Ben Lipscomb, Rogers City Attorney. Lipscomb announced that Jim Clark, Deputy City Attorney, was retiring, and that Jason Kelley, an attorney with the Benton County prosecutor's office, would take Jim's position.

Moore recognized Mark Johnson, RWU Engineer. Johnson presented the Commission with a report that depicted the status of several projects in which the Commission had a monetary interest. He said that the 1998 Sewer bond projects were almost complete, with a few homeowners still to connect to the new sewers. Johnson said that the sewer project along S. 8th St. was nearly complete, as was the sewer trunk line in the area of I 540 at Pleasant Grove Road.

Continuing, Johnson said that the contract to build a regional lift station and force main for Cooper Homes had been signed, and that the design work had started. How much was Cooper going to pay? Pittman asked. Johnson said that he could not remember specifically, but it was set up on a developed lot basis or an acreage basis, which ever yielded more to the City.

Continuing, Johnson reported that the ground storage/pump station at S. 24th St. had been advertised for bid, and that bids would be opened on February 13. He commented that there had been a lot of interest in the project from contractors. Johnson said that there would be only one contract, so that the general contractor would be responsible for coordinating all his subs.

Johnson said that the sewer rehabilitation project was slowly getting under way. He said that the contractor was still cleaning and televising the sewers in preparation for the cured in place liner. Johnson said that the S. 17th St. sewer lift station, off-line since the construction of the Blossomway sewer outfall in 1998, was going to be rehabilitated and put back in service, in order to delay the obsolescence of the Blossomway sewer.

Moore recognized Ben Lipscomb again. Lipscomb stated that the proposed sewer service contract with the City of Lowell was the “last nail in the coffin” of the Rogers vs. Lowell lawsuit that sprang up after the Act 779 deannexation/annexations of recent years. He recounted that the two city councils had agreed to establish boundaries between the cities, and that Rogers would agree to accept Lowell as a municipal sewer customer. The draft of the sewer agreement had what Lipscomb termed “superfluous” language, that should probably be deleted. He also questioned the provision that Lowell had veto authority over sewer projects in Lowell.

Moore recognized Stephen Lisle, Lowell City Attorney. Lisle said that the contract was approved under the previous administration in Lowell. Now, a new mayor was in charge, and he personally had taken some heat for “giving up too much” to the city of Rogers. He also said that changes to the contract would be difficult to administer, since the change in administrations. Lisle said that the contract called for a limit of a “30% surcharge”, over and above the sewer rate that Rogers residents had to pay. He pleaded that the Commission “do the right thing” and levy as little surcharge as possible.

Moore said that the Commission needed at least thirty days to review the agreement proposal, and that the full Commission would be needed to act. Lipscomb asked that all proposed changes go through his office, and that he would be in communication with Lisle, so that negotiations could proceed apace.

Moore recognized Tom McAlister, RWU Superintendent. McAlister presented the Commission with a draft agreement with the City of Bentonville. The agreement called for Rogers to purchase Bentonville’s interest in the two existing transmission mains from Beaver Water District. The lines are co-owned by Rogers and Bentonville at the present time. McAlister presented the Commission with a spreadsheet showing the derivation of the \$7.418 million buy-out. McAlister said that the costs were reasonable; however, the agreement called for Rogers and Bentonville to split the cost of a new pump station at Beaver Water District, assuming the District refused to pay for it. There was no estimate of the cost of the pump station, McAlister said, and until that item was nailed down, there was no reason to sign such an agreement.

Moore asked if there was a projected time for the completion of the new Bentonville water transmission main? McAlister said that the news media reported that construction would start sometime in 2004 and be complete by 2005. Jim Clark, Deputy City Attorney, said that there was no time provision in the proposed agreement. There was no action on the agreement.

Moore recognized Don Roberts, Superintendent of Field Operations. Roberts brought the Commission up to date on the status of the on-going effort to reduce the unaccounted-for water rate. Roberts said that RWU was doing a better job of keeping track of the water used for fire protection and leaks. He said that several people in the Utilities were looking at large meter consumption every month to try to identify dead or dying water meters.

The largest impact on unaccounted-for water was the purchase of data loggers and integrator equipment. Roberts said that, since the purchase of the equipment in 2001, RWU had been able to find and repair many more leaks than previously. He estimated that the equipment had paid for itself several times in the cost of water saved.

Moore praised the staff for its hard work, and also noted that the Pollution Control Facility had received a national award from EPA. Mike Lawrence, Pollution Control Facility Manager, said that the award was for communities that did a little extra, in order to protect the nation's waterways. Lawrence was quick to praise his staff for all the work that they do for the citizens and the environment.

Moore recognized JoEllen Garrett from the Morgan Nick Foundation. Garrett presented the Commission with some information regarding the work of the Foundation. She said that the Foundation had been given a building at 2303 S. 8th St. At the time the property was conveyed, the building had "all utilities", she said. Now, they were told that they would have to build water and sewer lines to S. 8th St. Garrett said she had a cost estimate of \$19,000, and she asked the Commission for help.

Moore asked the staff about the situation. Mark Johnson said that the building in question was the back building of the old Ichiban Sport Complex. He said that the buildings were originally all on common water, sewer, gas, and electric meters. At some point, the complex was split into three ownerships. Johnson said that the state plumbing code required a separate service for every building. He said that the Commission built a sewer line to the property to replace a failing, privately-owned pump station, at the cost of \$420,000. He said that the plumber of the defunct Eli's Club had done extensive plumbing remodeling that probably effectively cut the service to the subject property.

Pittman praised the Foundation for its good work, but expressed concern that the Commission might set a precedent if it contributed to a charity organization. He commented that there might be others who would be able to help the foundation get water and sewer service to the building, such as United Way. Wanger suggested Garrett get in touch with the Walton Foundation. Moore said that he would get Garrett some names to contact for help. No formal action was taken on the request.

Moore recognized Ken Boothe of Sand Creek Engineering. Boothe represented a business called Servpro, which desired to build a commercial building in a commercial subdivision near N. Dixieland and Hwy 102/62. Part of the proposed building would be in the City of Little Flock, Boothe said, making it necessary to go the Rogers City Council for permission to connect to Rogers water and sewer. There was a motion by

Pittman, second by Wanger, to recommend the provision of water and sewer service to the building, provided the Council approved. All in favor, motion carried.

Moore recognized Joyce Johnson, Utilities Controller. Johnson presented the Commission with financial sheets for November and December 2002. She noted that the rebate from Beaver Water District was received, and that the amount (\$396,000) was less than amount budgeted (\$480,000), so that the accrual for the remainder of FY '03 would be less. She also noted that the Commission's donation to NACA (\$46,000) was expensed last month.

The meeting adjourned at 5:07 PM.

Respectfully submitted,

Tom S. McAlister, Acting Secretary
Rogers Waterworks and Sewer Commission

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