

February 14, 2011

Rogers Waterworks and Sewer Commission

Minutes

The Rogers Waterworks and Sewer Commission held its regularly scheduled monthly meeting at 4:00 PM, Monday, February 14, 2011, in the Commission Room of the Rogers Water Utilities administration building. Commissioners present were Guy Cable, Jene Huffman-Gilreath, Travis Greene, and Roger Surly. Don Kendall was absent. Rogers Water Utilities (RWU) staff present were Tom McAlister, Mark Johnson, Joyce Johnson, William Evans, Johnny Lunsford, Earl Rausch, and Ken Daugherty. Others in attendance were Robert Frazier and Derrel Smith. Chairman Greene called the meeting to order at 4:04 PM.

There was a motion by Cable, second by Huffman-Gilreath, to approve the January minutes as submitted. All in favor, motion approved.

Greene recognized William Evans, Water Field Operations Supervisor. Evans presented a plaque and a gift to Ken Daugherty, Water Service Field Representative, to commemorate ten years of service to RWU and the citizens of Rogers.

Greene recognized Joyce Johnson, CPA, Utilities Controller. Johnson presented the Commission with financial reports for January 2011. She noted that water sales continued on a downward trend, as the Water Department booked a loss of \$43,000 for the month, but the loss was not as great for the same month a year ago. She said the Sewer Department continued to show a profit, despite the weak demand.

Continuing, Johnson said that the recent spate of inclement weather had forced the office staff to estimate many meter routes. She said that the actual water use might not be determined for a couple of months.

Greene asked if the “bad news” regarding low demand would continue for a couple more months. Johnson said that February and March were typically slow months for RWU, and that the overall fiscal picture for the water department would not be known accurately until the end of the fiscal year.

Greene recognized Mark Johnson, P. E., Utilities Engineer. Johnson presented the Commission with a spreadsheet depicting the status of the several capital projects in which the Commission

had a pecuniary interest. He noted that there had been little change in the spreadsheet over the past few months, owing to the cold weather, the sluggish economy, etc. There were no questions from the Commission regarding the report.

Continuing, Johnson presented the Commission with a detailed bid tabulation for the sludge dryer project bids opened earlier in the day. Four bids had been received, and the low bid was \$3,493,559.00 from Crossland Heavy Construction. Johnson said that the engineers' estimate three months ago was \$3.03 million. He said that since that estimate, a truck scale had been added (\$118,000), and that the cost of the dryer had escalated almost \$300,000. Johnson asked that the Commission approve the low bid, and that the engineering staff would continue to negotiate with Crossland Heavy in order to reduce the cost.

Huffman-Gilreath asked about the "alternative bid". Johnson said that the alternate bid was for a different dryer manufacturer, in order to keep the specified dryer manufacturer, ThermaFlite, honest. He noted that the alternate bids were higher than Crossland's bid.

Surly asked about the truck scales. Johnson said that the scales were added later in the design, so that the staff at the Rogers Pollution Control Facility (RPCF) would know exactly how much product was produced or sold. He said he thought the scales could be added later and installed by RPCF forces for less money.

There was a motion by Greene, second by Cable, to approve the low bid from Crossland Heavy Construction. All in favor, motion carried.

The meeting adjourned at 4:16 PM.

Respectfully submitted,

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

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