

## **Rogers Waterworks and Sewer Commission**

**March 18, 2019**

### **Minutes**

The Rogers Waterworks and Sewer Commission held its scheduled meeting at 4:00 PM Monday, March 18, 2019, in the Rogers Water Utilities Administration Building located at 601 S 2<sup>nd</sup> St. Present were Commissioners Roger Surly, Kathy McClure, Don Kendall, and Mike Watkins. Commissioner Travis Greene was absent. Rogers Water Utilities staff present were Brent Dobler, Joyce Johnson, Jennifer Lattin, Todd Beaver, Johnny Lunsford, Brian Sartain, Stephen Ponder, Aaron Short, Jene' Huffman-Gilreath, Dana Daniel, Vera Hall, Debbie Putman, and Donna Wilson. Also in attendance was Robert Frazier of the Frazier Law Firm, and Lori Ericson from the City of Rogers. Chairperson Kathy McClure called the meeting to order at 4:00 PM.

A motion was made by Commissioner Roger Surly and second by Commissioner Don Kendall to approve the minutes of the February 19, 2019 meeting as submitted. All in favor, motion carried.

Chairperson McClure recognized Jennifer Lattin, Controller to present the February 28, 2019 financial reports. Lattin stated that Water consumption for the month of February 2019 was down .81% from February 2018. Billed revenue was down .27%. The Water Department reported income of \$34,000 for the month ending February 28, 2019, and a profit of \$51,000 for the month ending February 28, 2018. Collection of the access and impact fee revenues for F'Y' 19 are \$399,000 and are down from \$528,000 in F'Y' 18. Actual access and impact fee revenues are \$168,000 under budget in the Water Department for Fiscal Year 2019.

Sewer consumption for February 2019 was up .76% from February 2018. Billed revenue was up 1.27%. The Sewer Department reported a profit of \$250,000 for the month ending February 28, 2019, and a profit of \$165,000 for the month ending February 28, 2018. Collection of access and impact fee revenues for F'Y' 19 are \$937,000, and are down from \$1,045,000 in F'Y' 18. Actual access and impact fee revenues are \$296,000 under budget in the Sewer Department for Fiscal Year 2019.

Lost water is at 16% for the last twelve months, while being at 19% for calendar year 2019, and 15% for the month.

The Restricted and Unrestricted Funds Report show total funds are at \$37.7 million. \$8.7 million is restricted. The unrestricted funds are at \$12.2 million in Water and \$16.8 million in Sewer. Total funds on hand February 28, 2018 were \$34.8 million. The year to date profit in the Water Department is more than the prior year and ahead of budget. The year to date profit in the Sewer Department is also more than the prior year and ahead of budget. Year to date collections of access and impact fees are under budget in both the water and sewer departments. Commissioner Roger Surly asked what is largely included in the Meter Reader Expenses. Lattin replied it is primarily salaries and employee benefits as well as maintenance costs. There were no further questions.

Chairperson McClure recognized Brian Sartain, Utility Engineer for the presentation of the February engineering report. Sartain said it was another steady month in plan review with new project submittals including expansion of Westside Elementary School, Goddard School (a preschool in Southern Hills Business Park), a group Cheviot Properties water/sewer extensions, Culver's Restaurant, and Mill Creek Manor Retirement Facility. Commissioner Roger Surly asked if Savannah Estates were able to get their issues resolved. Sartain replied yes. Sartain reviewed and commented on the heavy growth locations indicating more development coming in the Pinnacle Hills Pkwy and Pauline Whitaker Pkwy areas. He said the Crafton Tull downstream sewer study reports the current (8) eight inch sewer line through Champion Estates will be nearing 80% capacity. This indicates a need for upsizing the sewer line. Sartain stated that RWU will be researching different options available with possible trenchless alternatives and plan to include a provision for this work in the next fiscal year budget. Continuing, Sartain said the 10<sup>th</sup> and Rozell Water and Sewer Project is complete and will be closing this month. The RPCF Solids Handling Project is progressing with most of the masonry work being completed. The contractor should be starting on the excavation for the silo foundation soon. Sartain said that the primary electrical loop at the RPCF has been identified as having an open circuit. According to drawings, there should be a closed circuit which would allow the remainder of the plant to continue operations, if one section is out of power. The electrical contractor is researching to find the issue.

Sartain reviewed a graph of the engineering departments past (6) six month analysis of time allocation from September 2018 thru February 2019. He noted several different plan review fee structures from other entities. Commissioner Roger Surly asked if the Commission were to implement charges for plan review fees, is it required to have City Council approval. Attorney Robert Frazier replied no those would be considered fees and these decisions can be made internally with the Commission's approval. After discussion, no action was taken. There were no further questions.

Chairperson McClure recognized Todd Beaver, RPCF Manager to present the February reports. The Discharge Monitoring Report had good results, with no permit violations. The Pretreatment Annual Report was completed and proved compliant with ADEQ. Beaver said the Industrial Pretreatment and FOG programs were making mutual site visits and cross training is going well. Commissioner Roger Surly questioned the various surcharges listed (those are based on the previous month's sampling data). Beaver explained the process of how the permit baseline is established from an EPA design. Commissioner Roger Surly asked if these fees are proportionate. Beaver said no he thought they were last calculated near 1998. Commissioner Surly suggested these fees should be re-evaluated. Beaver said this data was provided to HDR and included in the rate study. Also, part of this consideration is defensible and can actually be beneficial. You can have a surcharge without a violation but not incur a violation without resulting in a surcharge. Commissioner Surly questioned if there are increased costs to RWU in chemicals needed for the additional treatment. Beaver stated the only additional costs would be for electricity to the aerators and pumping (RPCF does not use chemicals due to a biological process). Beaver concurred that the current surcharges most likely do not vindicate the actual expenses and agree that these should be addressed. There were near 20 FSE inspections completed in February that does not include follow up inspections. Beaver shared more

details of the Phase 1 Solids Project that required relocation of one leg of the HV power loop. This 1320 volts three phase situation was a dangerous work environment. This means that if we lose a single transformer it could shutdown a significant portion of the plant as opposed to being able to continue operations until the transformer could be replaced. The electrical contractor is investigating what is actually in place as the documentation on file was not accurate. We expect a full report on the findings later in the week. For the past few weeks we have been trying a packaged biology solution to our foaming and FOG Program in our fermentation zone. We are seeing changes but have mixed results and will continue to monitor. Train II has been drained for cleaning and our engineering department will assess the needs for repair. 251 MG was treated in February with 60.6 MG additional flow. These flows included 2.36" of rain over 9 events. The historical average rainfall for February is 2.61". There were no further questions.

Chairperson McClure recognized Johnny Lunsford, Construction and Maintenance Manager for presentation of the February Operation Reports. Lunsford stated we have (4) four employees that are now NASCCO certified. Our sewer field personnel is still training with the new camera software and has completed (5) five surveys. There was (1) one overflow reported. We are still experiencing problems with the boring contractors and that has caused a shortage of personnel available for normal daily operations. The line locates are still proven busy. The valve exercising and valve locates will increase, because our initial employee for that was out is now returned so we will start to see an upward trend. There were no questions.

Chairperson McClure recognized Brian Sartain to present Resolution No. 19-04 authorizing an agreement permitting temporary encroachment within utility easement with PH Land Lease II, LLC and Chick-Fil-A, Inc. This is for the location on Pauline Whitaker Pkwy. Staff recommends approval of Resolution No. 19-04 and authorizes RWU staff to negotiate the final form of the agreement. Commissioner Don Kendall made a motion, second by Commissioner Roger Surly to approve Resolution No. 19-04 as submitted. All in favor, motion carried.

Brian Sartain continued with the bid results of the Pleasant Grove Rd Phase III 3A and 3B Water/Sewer held on March 12, 2019. The total low bid was Nabholz Construction for \$13.8 million. The utility portion of the bid is \$2,389,400.25. This will be a reimbursement to the City of Rogers for the water and sewer portions. This bid includes \$125,000 in owner's allowances for utility work. Commissioner Roger Surly made a motion, second by Commissioner Mike Watkins to award the bid to Nabholz Construction and to reimburse the City of Rogers in the amount of \$2,389,400.25 as submitted. All in favor, motion carried.

Aaron Short, Design Engineer presented the bid results of the Sun Bridge Ln and Price Alley Rd Waterline opened March 6, 2019. This is for a waterline to some property that the City annexed in 2017. Staff recommends the low bid go to Seven Valleys Construction in the amount of \$360,855.00. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to award the low bid to Seven Valleys Construction in the amount of \$360,855.00 as submitted. All in favor, motion carried.

Todd Beaver presented the bid results of the RPCF PLC Replacement and Scada Update from March 13, 2019. Commissioner Mike Watkins made a motion, second by Commissioner Don Kendall to approve the low bid of \$211,000 to Instrument Services Corporation as submitted. All in favor, motion carried.

Brian Sartain brought some preliminary data to the Commission from RJN Group regarding the Blossom Way pipe inspection report. Reviewing some video showed CCTV moving down the pipe as the laser scan shows a horizontal versus vertical diameter which calculates the ovality of the pipe. There were (3) three recommendations: 1) take no action 2) line with cured in place pipe or 3) remove and replace a portion of the pipe. RJN has indicated this represents the worst case scenario of replacing pipe where the most significant defects are located. Sartain said we are seeing more cracking in the pipe that is happening earlier in the deflection process and the material will yield when you don't have that much ovality. He said the worst area shown on the laser scan was not indicative of an immediate collapse. However, in some areas it's showing near 10% ovality. Anything below 7% we can typically shore up with cured in place pipe which cost less than half of a full replacement. The bad part of that is the pipe is failing early, however the good note is when looking at rehab, we haven't crossed the threshold when the pipe is too out-of-round to shore up with a liner. Commissioner Surly asked how long this pipe has been in place. Sartain said this has been in the ground since 2006 and lifespan of this pipe is approximately 80-100 years. He explained that the problem was this fiberglass pipe was not installed to the pipe manufacturer's recommendations with soil types and also groundwater conditions. We will look into all options available and continue to monitor. Sartain expects to have a formal update at the next meeting. There were no further questions.

Chairperson McClure recognized Brent Dobler, Utility Superintendent to discuss management of service requests outside the City of Rogers and RWU Service Boundary. Dobler said RWU primarily provides water and sewer services within the City limits of the City of Rogers. There is no general obligation to serve areas outside the corporate limits of the City of Rogers. Management does not favor extending RWU sewer service into areas outside RWU's water service area and will usually recommend to the Commission that service not be extended into such areas. RWU management has to make recommendations that are in the best interest of RWU and the City of Rogers and retains discretion to recommend extension of water and sewer services in cases in which extending service will be advantageous to RWU and the City of Rogers and its citizens.

Continuing Dobler presented Resolution No. 19-05 recommending certain amendments to the Code of Ordinances of the City of Rogers, Arkansas for purposes of preventing damage to public and private property. Dobler explained that RWU has been experiencing frequent damage to utility owned water and sewer lines and that RWU's ratepayers had experienced the same on their private service lines due to contractors utilizing directional drilling techniques. RWU is negatively impacted since our resources must be re-directed to these repairs that should not have occurred in the first place. This Resolution requires that drilling contractors expose all public and private utilities that are in the approximate location of their bore. Commissioner Roger Surly made a motion, second by

Commissioner Mike Watkins to approve Resolution No. 19-05 with exhibit as submitted. All in favor, motion carried.

Johnny Lunsford continued discussion with the Commission about RWU's new BMP's (Best Management Practices) for Directional Drilling/Boring Contractors. Lunsford has met with his field team and has provided some suggestions that have been approved and will be utilized in mandatory preconstruction meetings with boring contractors. He said the meetings with A T & T are going well as they are discussing and trying to address all the issues at hand. The Commission expressed their appreciation to all for their efforts.

With no further business, the meeting was adjourned at 5:23 PM.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Brent Dobler', with a long horizontal stroke extending to the right.

Brent Dobler, Acting Secretary/djw

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