

Rogers Waterworks and Sewer Commission

March 19, 2018

Minutes

The Rogers Waterworks and Sewer Commission held its regular scheduled March meeting at 4:00 PM Monday, March 19, 2018, in the Rogers Administrative Building located at 601 S 2nd St. Present were Commissioners Kathy McClure, Travis Greene, Roger Surly, and Don Kendall. Commissioner Mike Watkins was absent. Present was Rogers Water Utilities staff Earl Rausch, Johnny Lunsford, Joyce Johnson, Jennifer Lattin, Brian Sartain, Aaron Short, Stephen Ponder, Jene' Huffman-Gilreath, Todd Beaver, Brad Ball, Vera Hall, Randy Watson, and Donna Wilson. Others in attendance were Kara King from the City of Rogers Community Development and Robert Frazier of the Frazier Law Firm. Chairman Roger Surly called the meeting to order at 4:01 PM.

Chairman Surly recognized Johnny Lunsford, Construction & Maintenance Manager to present Brad Ball a five (5) year service award and a gift of appreciation. The Commission expressed their appreciation.

A motion was made by Commissioner Travis Greene, second by Commissioner Don Kendall to approve the minutes from the February 20, 2018 meeting as submitted. All in favor, motion carried.

Chairman Surly recognized Jennifer Lattin, Utilities Controller for the presentation of the February 2018 Financial Reports. Lattin stated water consumption for the month of February 2018 was up 4.57% from February 2017. Billed revenue was up 4.34%. The Water Department reported income of \$51,000 for the month ending February 28, 2018 and a profit of \$75,000 for the month ending February 28, 2017. Collection of access and impact fee revenues for F'Y' 18 is \$528,000 and down from \$532,000 in F'Y' 17. Actual access and impact fee revenues are \$55,000 over budget in the Water Department for Fiscal Year 2018.

Sewer consumption for February 2018 was up 3.22% from February 2017. Billed revenue was up 2.95%. The Sewer Department reported a profit of \$165,000 for the month ending February 28, 2018, and a profit of \$236,000 for the month ending February 28, 2017. Collections of access and impact fee revenues for F'Y' 18 are \$1,045,000, and are down from \$1,058,000 in F'Y' 17. Actual access and impact fee revenues are \$91,000 over budget in the Sewer Department for Fiscal Year 2018.

The Restricted and Unrestricted Funds Report show total funds are at \$34.8 million. \$9.5 million is restricted. The unrestricted funds are at \$9.8 million in Water and \$15.4 million in Sewer. Total funds on hand at February 28, 2017 were \$30.8 million. Year to date profit in the Water Department is more than the prior year and ahead of budget. Year to date profit in the Sewer Department is also more than prior year and ahead of budget. Year to date collections of access and impact fees are over budget in both the water and sewer departments. Chairman Surly asked what was included in office expenses. Lattin stated personnel salary costs, postage, office supplies, and provided a detailed listing. There were no further questions.

Chairman Surly recognized Brian Sartain, Utility Engineer for the presentation of the February Engineering Report. Sartain said plan reviews again showing strong activity. Shadowbrooke at the Peaks Ph III is a new apartment complex developing along with some new restaurants including Local Lime and Smoothie King. The Pleasant Grove Rd Ph III city project has been included in the review summary. By adding these city projects, we feel this will better track the number of reviews and simplify the process with large city projects. Cadence Place is a (10) ten acre residential subdivision that is located between Olrich and Lilac Streets east of Elmwood Middle School. The water/sewer construction project on Bellview Rd-Pleasant Grove has recently started. The Stream Stabilization Waterline Project is planning to get underway next week. The recoating of the Prairie Creek Elevated Storage Tank is near completion as the tank has been filled and will be taking samples making preparation to get the tank back in service. Sartain provided some before and after photos of the Prairie Creek Elevated Storage Tank. The Commission was pleased with the results. The RPCF Train I Rehab with Crossland Heavy and Concrete Speciality Services are on schedule and running smoothly. Garver is expected to provide the 30% plans for the Solids Handling Facility Project later in the week and then Crossland will start feasibility reviews. There were no questions.

Chairman Surly recognized Todd Beaver, RPCF Manager to present the February Reports. The Discharge Monitoring Report is showing some elevated total loading results for the monthly average. The FOG Inspection Report continues to promote a better understanding with the FSE owner/manager and help provide data that can be collected to better answer questions during inspection and improve the process. There were (24) twenty-four FSE visits/actions in February with (10) ten percent yearly inspection completion reported. The Industrial Pretreatment Program is doing well. There has been no permit violations since October 2016. SEP continues to stay within permit limits during the post construction phase. They have been compiling the data needed for the sewer rate study. The Osage Creek Monitoring Report results should be available next month. The sludge dryer continues to have maintenance problems. After making a temporary repair, the dryer is operating again. We are currently working with a local fabricating shop to get the OEM seals replaced. We will continue to address the other maintenance problems with the pumps and other failed equipment. The heavy rainfall events during February resulted in an overflow at the Equalization Basin. In February, a total of 305.5 MG was treated with approximately 102.5 MG extra throughout (9) nine rain events.

Chairman Surly recognized Johnny Lunsford, Construction and Maintenance Manager for presentation of the February Operation Reports. Lunsford gave a brief overview of activity from the various departments. The Sewer Department reported (3) three overflows to the State. The cost to repair the sewer damages at 717 Woodlawn was approximately \$10,000. The remaining (2) two were related to our mini lift stations. There were 1,260 service calls which were down for the month. We had 260 shutoffs and 754 locates. CCTV inspection is doing well after changes have been implemented, and covered around 11,350 feet. The Vac-con flush truck decreased in performance this past month to 39,025 ft due to some maintenance issues. There were (2) two water breaks reported, one from a Contractor and the other one was a natural break. Water construction remains steady with (6) six new water services, (9) nine service lines were replaced and (12) twelve water services were rebuilt.

There were (62) sixty-two valves exercised. The Lost Water Report is at 15% for the last (12) twelve months, and 10% for the month. The February 2018 average daily water usage was 7.48 MGD with a single daily use high of 8.12 MGD. Lunsford also noted that (3) three employees have received their Class II Sewer Collection Certification and (1) one employee has passed the Class IV Water Test. There were no questions.

Chairman Surly recognized Jennifer Lattin, Utilities Controller to present the request for approval to open (2) two Money Market accounts as recommended by the Depository and Investment Committee at the February 20, 2018 meeting. Of the two money market accounts, one of the accounts would be for the water department and the other account would be for the sewer department. Lattin stated that Arvest Bank is one of the Financial Institutions approved by the Depository and Investment Committee. Lattin also added that RWU has other operating accounts currently with Arvest Bank, and as such, opening the money market with Arvest Bank would allow for timelier fund transfers. Commissioner Kathy McClure made a motion, second by Commissioner Don Kendall to approve staff to open the new money markets at Arvest Bank for the water and the sewer department as submitted. All in favor, motion carried.

Chairman Surly recognized Jene' Huffman-Gilreath, Shared Services Manager to present Resolution No. 18-03 requesting approval to amend the Legal Services Agreement for The Northwest Arkansas Nutrient Trading Research and Advisory Group (NANTRAG) and Mitchell Williams Law Firm. The RWWSC had previously authorized appropriation of (\$10,000) Ten Thousand Dollars as its share of the cost (total budget \$80,000) to perform legal services necessary to pursue adoption of the Group's proposed nutrient water quality trading regulation by the Arkansas Pollution Control and Ecology Commission. The Mitchell Williams Law Firm has requested its Agreement for Legal Services with the Group be amended to increase the budget by an additional (\$60,000) Sixty Thousand Dollars. This amount is to be split equally between the four city members. The RWWSC's share of the proposed increase will be (\$7,500) Seven Thousand Five Hundred Dollars making the Amendment to Agreement for Legal Services with Mitchell Williams an additional sum up to and including, but not to exceed, (\$7,500) Seven Thousand Five Hundred Dollars. The Rogers amended portion of (\$15,000) was split equally between the City of Rogers (\$7,500) and RWU (\$7,500). This authorization will make RWWSC's total share to be (\$17,500) Seventeen Thousand Five Hundred Dollars. After discussion, Commissioner Don Kendall made a motion, second by Commissioner Kathy McClure to approve Resolution No. 18-03 appropriating (\$7,500) Seven Thousand Five Hundred Dollars as submitted. All in favor, motion carried.

With no further business, Chairman Roger Surly adjourned the meeting at 4:45 PM.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Earl Rausch".

Earl Rausch, Acting Secretary/djw

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