

March 24, 2008

Rogers Waterworks and Sewer Commission

Minutes

The Rogers Waterworks and Sewer Commission held its regularly scheduled meeting at 4:00 PM, Monday, March 24, 2008, in the Rogers City Hall. Commissioners present were Donnie Moore, Donna Warren, Lon Pepple, and Travis Green. Don Kendall was absent. Rogers Water Utilities staff present were Tom McAlister, Mark Johnson, Mike Lawrence, Johnny Lunsford, Joyce Johnson, Earl Rausch, Everett Balk, Dave Martin, and Tim House. Others in attendance were Tim Kirk, James Willett, Derrel Smith, Jeff Jech, Asa Hutchinson, Steve Batchelor, and Darryl Harris. Chairman Moore called the meeting to order at 4:00 PM.

There was a motion by Warren, second by Pepple, to approve the minutes of the meetings on February 25, February 28, and March 13, 2008. All in favor, motion carried.

Moore recognized Johnny Lunsford, temporary Field Operations Superintendent. Lunsford presented Dave Martin, RWU Warehouse Manager, with a plaque and a gift recognizing him for twenty years of service to the RWU.

Moore recognized Mark Johnson, Utilities Engineer. Johnson presented the Commission with a brief report on the status of the few projects in which the Commission had a pecuniary interest. Johnson noted that the Horsebarn Road Water project was nearing completion.

Johnson mentioned the Pleasant Grove Road utilities relocation project west of I540. He said that the City of Rogers was having difficulty obtaining the necessary right of way, and the water and sewer relocation contractor, GN Construction, was moving rather slowly, but in light of the status of the other utility companies, he said he was comfortable with GN's progress. Continuing about GN, Johnson said that the City of Rogers (Mayor Womack) had approached RWU staff about a water line to serve the proposed recycling center on Stave Mill Road. Johnson presented the Commission with a change order for \$97,168 to extend an eight-inch water main to the City's property on Stave Mill Road from N. Second St. He said that 455 Ft. of eight-inch water main had

been deleted from the Pleasant Grove Road project, and the additional water line to Stave Mill Road was about 1500 ft.

There was a motion by Warren, second by Greene, to approve the change order with GN Construction, for \$97,168. All in favor, motion carried.

Continuing, Johnson noted that the elevated water tank contractor, CBI, Inc., had delayed the start of the tower to be constructed at S. 23rd St at Lilac.

Moore asked about the Pauline Whitaker Parkway? Johnson said that the City was constructing the Parkway. He said that the water line had been finished for several months, and that the fire hydrants were “live”. Moore asked if the water line was adequately sized for the proposed Pinnacle District development? Johnson said that the water system should be adequately sized.

Moore recognized Everett Balk, Project Facilitation Engineer. Balk presented the Commission with a brief report on the activities of his section. He noted that the number of plans submitted for approval was steady for the past several months. He noted that his section had been working with the wastewater treatment plant to gain compliance with the City’s code regarding grease interceptors. Moore asked about the grease program. Balk said that that the RWU personnel were trying to educate the owners of food service establishments about the need to keep grease out of the sewer system.

Warren asked about the Engineering website. Balk said that the website was not pretty, but it was functional. He said he hoped to make it easier to use and more appealing when time permitted.

Moore recognized Tim Kirk of PB2, architects for the proposed expansion of the RWU Administration Building. Kirk said that the expansion project had been bid, and six builders submitted bids. The low bid was from Bossler Contracting, for \$1,328,000. Kirk said his firm had limited experience with Bossler. Moore asked the staff how they felt about the low bid. McAlister said that he had no experience with Bossler. He said the quality of any construction job depended mainly on the attitude of the job superintendent. McAlister said that staff had met with Bossler’s Operations Supervisor, and was impressed with the man’s experience. McAlister said he saw no reason not to select the low bid. There was a motion by Pepple, second by Warren, to approve the low bid from Bossler, for \$1,328,000. All in favor, motion carried.

Moore recognized Mark Johnson again. Johnson said that his in house engineers were starting to work on the easement acquisition project from the Rogers Water Utilities Pollution Control Facility to the proposed Northwest Arkansas Conservation Authority treatment plant west of Cave Springs, Arkansas. He said that the staff desired new, up-to-date aerial photography to design a proposed route and he had solicited proposals from three firms. He said the lowest proposal was from Aerial Metrics, Inc., of Tulsa. He said that time was of the essence, since the leaves would soon be on the trees, rendering aerial photography much less effective. Johnson presented the Commission with proposed

resolution No. 08-03, which waived the requirements of competitive bidding, and awarded a contract to Aerial Metrics, Inc., for \$61,865. There was a motion by Warren, second by Greene, to approve the resolution. All in favor, motion carried.

Continuing, Johnson presented the Commission with a proposed contract from Environmental Consulting Operations (ECO) for environmental services relating to the selection of a route for a proposed sewer transmission main to the NACA plant. He noted that ECO had been used in the large sewer rehabilitation project in 1996-97. Pepple asked if there was any local firm that might be used. Johnson said that EGIS, Inc., in Bentonville was the closest qualified firm. There was a motion by Pepple, second by Greene, to approve the contract with ECO for \$19,780. All in favor, motion carried.

Moore recognized Steve Batchelor of Farris Insurance Company of Springdale, the only bidder on the Utilities' property insurance. Batchelor noted that the rate had gone down slightly, even with an increase in the value of insured property. There was a motion by Pepple, second by Warren, to approve the bid of Farris for \$30,440. All in favor, motion carried.

Moore recognized Joyce Johnson, Utilities Controller. Johnson presented the Commission with financial reports for February. She noted that the Water Department showed a small loss for the month; however, the Water Department was well ahead of budget on annual revenue and net profit. The Sewer Department was in good shape financially, due to a recent rate increase. She also noted a sharp decrease to the Utilities' overall cash position, since bond proceeds were being spent on necessary construction projects.

McAlister announced that the next scheduled monthly meeting was set for April 21st. He said that the bond underwriter had asked for a special meeting earlier in April, so that the bond-refunding ordinance could go before the Council at its meeting on April 22.

Moore asked Asa Hutchinson, III, the Commission's attorney, about the status of the lawsuits in which the Utilities were involved. Hutchinson said that the state court case had been dismissed "with prejudice" for lack of standing. He said that the plaintiff's attorney had filed an appeal, and had till April 4 to "perfect" the appeal.

Hutchinson said that the federal court case had been thrown out because the hookup fees and access fees were considered a tax, and the federal court could not rule on local taxes.

As a side note, Hutchinson said that he thought that any action taken to waive competitive bids should go through the City Council.

Moore announced that NACA had borrowed the necessary funds to build a wastewater treatment facility. He said that the initial customers of NACA would be Bentonville and Tontitown.

The meeting adjourned at 4:35 PM.

Respectfully submitted,

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

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