

Rogers Waterworks and Sewer Commission

April 20, 2015

Minutes

The Rogers Waterworks and Sewer Commission held its regular scheduled meeting at 4:00 PM Monday, April 20, 2015 in the Rogers Water Administration Building. Present were Commissioners Kathy McClure, Travis Greene, Roger Surly, and Don Kendall arrived at 4:37 PM. Jene' Huffman-Gilreath was not present. Rogers Water Utilities staff in attendance was Earl Rausch, Brent Dobler, Joyce Johnson, Jennifer Lattin, William Evans, Johnny Lunsford, Robert Moore, Stephen Ponder, Randy Watson, Vera Hall, Chris P Sharp, and Michelle Williams. Others in attendance were Robert Frazier of the Frazier Law Firm, Gordon Wilbourn of Kutak Rock LLP, Shep Russell of Friday, Eldredge & Clark LLP, Stephen A Hester of Williams & Anderson PLC, and Jill Grimsley Drewyor of Mitchell Williams Law Firm. Chairman Surly called the meeting to order at 4:04 PM.

There was a motion by Commissioner Kathy McClure, second by Commissioner Travis Greene to approve the minutes of the March 16, 2015 meeting as submitted. All in favor, motion carried.

Chairman Surly recognized Joyce Johnson, Utilities Controller for the presentation of the March 2015 financial reports. Johnson reported that water consumption was down 12.45% from March 2014. Billed revenue also was down 7.28%. The Water Department reported a loss of \$76,000 for the month ending March 31, 2015, compared to a loss of \$108,000 for the month ending March 31, 2014. Collections of access and impact fee revenue for F'Y' 2015 are \$396,000 up from \$370,000 in 2014. Actual access and impact fee revenues are \$53,000 over budget in the water Department for fiscal year 2015.

Sewer consumption for March 2015 was down 11.52% from March 2014. Billed revenue was down 6.76%. The Sewer Department reported a profit of \$168,000 for the month ending March 31, 2015, and \$140,000 profit for the month ending March 31, 2014. Collections of access and impact fee revenues for F'Y' 2015 are \$859,000 up from \$742,000 in 2014. Actual access and impact fee revenues are \$149,000 over budget in the Sewer Department for fiscal year 2015. Year to date collections of access and impact fees are over budget in both the water and sewer departments. The result of cool, wet weather appears to be sluggish operating results.

As indicated on the Lost Water Report the unaccounted for water is 20% for the calendar year and 32% for the month. March's average daily water usage was 6.8 MGD with a single daily use high of 7.6 MGD.

The Restricted and Unrestricted Funds Report show total funds are at \$30.8 million. \$9.8 million is restricted. The unrestricted funds are at \$9.7 million in Water and \$11.4 million in Sewer. Total funds on hand at March 31, 2014 were \$27.1 million.

Chairman Surly recognized Earl Rausch, Utility Superintendent for the March staff reports. Rausch asked if there were any questions on the reports provided. Chairman Surly asked Rausch to highlight the engineering report. He gave a briefing on the various active engineering projects. The commission gave

Brent Dobler a warm welcome as Rausch introduced him as the new Operations Manager starting April 30, 2015.

Chairman Surly recognized Jennifer Lattin, Senior Accountant to present the bid results for property insurance held on April 14, 2015, which includes the administration location as well as the Rogers Pollution Control Facility. One bid was received from Rogers Insurance Agency with a \$10,000 deductible in the amount of \$43,489 including earthquake coverage. This amount represents a decrease of \$46 from the previous year. A motion was made by Commissioner Travis Greene, second by Commissioner Kathy McClure to accept the property insurance bid from Rogers Insurance Agency with a \$10,000 deductible in the amount of \$43,489. All in favor, motion carried.

Chairman Surly recognized Michelle Williams, Office Manager to present the Annual Report for the RWU Identity Theft Prevention Program (Red Flag Policy). Having no exceptions with identity theft, the Annual Report was approved. A motion was made by Commissioner Kathy McClure, second by Commissioner Travis Greene. All in favor, motion carried.

Chairman Surly proceeded with selection of legal counsel asking the non presenter to leave the meeting temporarily. Jill Grimsley Drewyor of Mitchell Williams Law Firm was asked to give a five (5) minute presentation of statement of qualifications to represent Rogers Water Utilities. After completion of each interview, the presenter was asked to leave the meeting. Robert Frazier of Frazier Law Firm was then brought into the meeting to provide a five (5) minute presentation of statement of qualification to represent Rogers Water Utilities. After tabulation by the commissioners was completed, Robert Frazier of Frazier Law Firm was selected to provide legal counsel for Rogers Water Utilities. The applicants returned to the meeting where the Commission congratulated Robert Frazier and thanked Jill Grimsley Drewyor for her interests.

Chairman Surly proceeded with selection of bond counsel. Jill Grimsley Drewyor of Mitchell Williams gave a briefing on reasons why her firm was a qualified applicant for bond counsel. All applicants were asked to leave the meeting temporarily after each interview. Gordon Wilbourn of Kutak Rock LLP then gave his presentation. Wilbourn left the meeting and Shep Russell of Friday, Eldredge & Clark LLP completed his report. Russell left the meeting and Stephen A Hester of Williams & Anderson PLC presented a report. All applicants left the meeting room while the Commissioners completed the tabulation sheets. Everyone returned to the meeting for the announcement that Jill Grimsley Drewyor of Mitchell Williams Law Firm was selected to represent Rogers Water Utilities for Bond Counsel. Chairman Surly expressed appreciation to all applicants for their participation. With no further business, Chairman Surly adjourned the meeting at 5:08 PM.

Respectfully submitted,



Earl Rausch, Acting Secretary

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