

Rogers Waterworks and Sewer Commission

May 20, 2019

Minutes

The Rogers Waterworks and Sewer Commission held its scheduled meeting at 4:00 PM Monday, May 20, 2019, in the Rogers Water Utilities Administration Building located at 601 S 2nd St. Present were Commissioners Travis Greene, Kathy McClure, and Mike Watkins. Roger Surly and Don Kendall were absent. Present was Rogers Water Utilities staff Brent Dobler, Johnny Lunsford, Brian Sartain, Aaron Short, Todd Beaver, Joyce Johnson, Jennifer Lattin, Debbie Putman, Jerry Roegner, Dana Daniel, Vera Hall, and Donna Wilson. Also in attendance was Lori Ericson from the City of Rogers, and Robert Frazier of the Frazier Law Firm. Chairman Kathy McClure called the meeting to order at 4:00 PM.

A motion was made by Commissioner Travis Greene and second by Commissioner Mike Watkins to approve the minutes of the April 15, 2019 meeting as submitted. All in favor, motion carried.

Chairman Kathy McClure recognized Jennifer Lattin, Controller to present the April 30, 2019 financial reports. Lattin stated that water consumption for the month of April was up 2.89% from April 2018. Billed revenue was up 2.80%. The Water Department reported a profit of \$25,000 for the month ending April 30, 2019, and a profit of \$2,000 for the month ending April 30, 2018. Collection of access and impact fee revenue for F'Y' 19 are \$488,000, and are down from \$609,000 in F'Y' 18. Actual access and impact fee revenues are \$220,000 under budget in the Water Department for Fiscal Year 2019.

Sewer consumption for April 2019 was up 2.08% from April 2018. Billed revenue was up 2.65%. The Sewer Department reported a profit of \$291,000 for the month ending April 30, 2019, and a profit of \$221,000 for the month ending April 30, 2018. Collection of access and impact fee revenue for F'Y' 19 are \$1,126,000, and are down from \$1,215,000 in F'Y' 18. Actual access and impact fee revenues are \$416,000 under budget in the Sewer Department for Fiscal Year 2019.

Lost water is at 16% for the last twelve (12) months, while being at 22% for calendar 2019 and 24% for the month.

The Restricted and Unrestricted Funds Report show total funds are at \$38.1 million. \$9.0 million is restricted. The unrestricted funds are at \$12.4 million in Water and \$16.7 million in Sewer. Total funds on hand at April 30, 2018 were \$35.7 million. The year to date profit in the Water Department is ahead of the prior year and budget. The year to date profit in the Sewer Department is also ahead of the prior year and budget. Year to date collections of access and impact fees are under budget in both the Water and Sewer Departments. There were no questions.

Chairman McClure recognized Brian Sartain, Utility Engineer for the presentation of the April engineering report. Sartain noted that plan reviews still shows to be very busy. Again, there are new projects being located along the I-49 corridor. Sartain said the City Planning Department has provided a map of the active projects within the city, estimating approximately 75 projects on the list. The RPCF Solids Handling Facility is still ongoing and the Sunbridge and Price Alley Waterline extensions are on hold until easement issues are resolved. Our field operations team is installing a waterline and currently working with the City on the 1st Street (Walnut to Chestnut St) Project. The final report from RJN on the Blossom Way FRP Sewer Rehab Project is expected to be completed within the next month. Sartain

reviewed a graph showing the projected Water and Sewer Capital Expenditures expected over the next five (5) years. He noted the increase costs for waterline relocations and extensions are mainly due to the street projects related to the bond program. Capital project costs for sanitary sewer collection and treatment systems are also expected to increase due to new street projects and continued rehabilitation and solids handling improvement projects at the Pollution Control Facility. There were no questions.

Chairman McClure recognized Todd Beaver, RPCF Manager to present the April reports. The Discharge Monitoring Report had no permit violations. Beaver said the ammonia is still showing an increase despite the research efforts within industrial users to identify the increased discharge. Beaver did say that since the data was submitted for the report, a decrease in ammonia has been clearly defined after the start of the investigation. The FOG summary completed near (25) twenty five FSE'S visits with routine and a few follow-up inspections. There were (5) five pumping frequencies that were adjusted in April. The FOG program and Industrial Pre-Treatment cross training is continuing well. Instrument Supply are on site and working on the PLC updates. There was (5) five RPCF employees attend the State AWWA/WEA Conference in Hot Springs. The ADEQ inspection report indicated (2) two violations and those are currently being addressed. 272 MG was treated in April with 68.7 MG additional flow treated with an average flow of 9.1 MGD including 5.34" of rain over (9) nine events. There were no questions.

Chairman McClure recognized Johnny Lunsford, Construction and Maintenance Manager for presentation of the April Operation Reports. Lunsford stated that the crews have been able to perform more of their routine duties, now that the problems with the boring contractors has lessened. There were several employees from the field that also attended the State Conference in Hot Springs. There were no questions.

Chairman McClure recognized Todd Beaver to request approval of Resolution No. 19-09 renewing a contract with Jason Hickman d/b/a Hickman Hay and Cattle for purchase and removal of Biosolids from the Rogers Pollution Control Facility. Commissioner Travis Greene made a motion, second by Commissioner Mike Watkins to approve Resolution No. 19-09 authorizing renewal of the RPCF Biosolids purchase and removal contract with Hickman Hay and Cattle. All in favor, motion carried.

Brian Sartain presented the May 15th, 2019 bid results for the removal of underground fuel storage facilities at 601 S 2nd St. The low bidder was Akin Environmental, LLC for the base bid amount of \$10,300 for the removal of the underground tanks and backfill, plus unit costs to remove any contaminated soil or groundwater that is discovered. Commissioner Mike Watkins made a motion, second by Commissioner Travis Greene to award the bid to Akin Environmental, LLC for removal and disposal of underground storage tanks in the amount of \$10,300 plus unit costs. All in favor, motion carried.

Chairman McClure recognized Aaron Short, Design Engineer for the bid results for the Manhole Rehabilitation Services. The low bid is Corgill Construction in the amount of \$138,880. Commissioner Travis Greene made a motion, second by Commissioner Mike Watkins to award the bid to Corgill Construction in the amount of \$138,880.00. All in favor, motion carried.

Chairman McClure recognized Brent Dobler, Utility Superintendent to present the bid results of May 15th, 2019 for Janitorial Services. Staff recommends the bid is awarded to Bravo Group in the amount of \$40,765.72. Commissioner Mike Watkins made a motion, second by Commissioner Travis Greene to

approve the bid proposal in the amount of \$40,765.72 from Bravo Group including the administration offices, training center and RPCF. All in favor, motion carried.

Chairman McClure addressed Jennifer Lattin, Utilities Controller, to present the Fiscal Year 2020 Budget. Lattin presented the proposed capital budgets for the water department and discussed the capital, cash flow, salary, accrual basis revenue, expenditure budgets, and reported the total effect of the proposed budget on water department reserves. Total capital requests of \$9,895,000 is slightly higher than the previous year due to an increase in City Street Project costs. If all revenue and spending occur as budgeted, she indicated reserves at June 30, 2020 in the water department are expected to be at \$13.0 million which is in excess of minimum reserves required by the RWU Investment Policy. One additional staff field position is included in the budget. Lattin noted a budgeted reduction in industrial water revenue, which is the result of Tyson's continued planned water conservation program. The operating expense increase is mainly due to the Beaver Water District increase of .02/thousand gallons effective October 1, 2019.

Lattin continued by presenting the sewer department capital, cash flow, salary, accrual basis revenue, expenditure budgets, and reported the total effect of the proposed budget on sewer department reserves. Lattin stated the total capital requests of \$13,985,000 for FY 20 is slightly higher than the previous year mostly related to the City Street Projects and Phase I of the Biosolids Handling Project. Two additional staff field positions are included in the budget, one of which is a departmental transfer from the meter reading department. She indicated that if all revenue and spending occur as budgeted in the sewer budget, reserves at June 30, 2020 in the sewer department are expected to be \$ 13.8 million. This is in excess of the minimum reserves required by the RWU Investment Policy. She also noted the decrease in interest income relates to having less funds on hand.

With no further business, the meeting was adjourned at 4:55 PM.

Respectfully submitted,



Brent Dobler, Acting Secretary/djw

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