

Rogers Waterworks and Sewer Commission

Minutes

May 22, 2006

The Rogers Waterworks and Sewer Commission held its regularly scheduled monthly meeting at 4:00 PM, Monday, May 22, 2006, in the Rogers City Administration Building. Commissioners in attendance were Lon Pepple, Jerry Pittman, Donna Warren, and Don Kendall. Donnie Moore was absent. Others in attendance were Rogers Water Utilities staff Tom McAlister, Mark Johnson, Mike Lawrence, Everett Balk, Joyce Johnson, Bob Anderson, Earl Rausch, Ken Wooden, and William Evans. In the audience were Chris Griffin, Lori H. Stone, Derrel Smith, and Jason Ingalls. Chairman Pro-Tem Pepple called the meeting to order at 4:03 PM.

There was a motion by Warren, second by Pittman, to approve the April minutes as submitted. All in favor, motion carried.

Pepple recognized Mark Johnson, Utilities Engineer. Johnson presented the Commission with a brief report detailing the status of the on-going projects in which the Commission had a pecuniary interest. He said that the 24-inch water line project on Mt. Hebron Road was almost finished. Johnson said that the sewer relocation project at Perry Road and Interstate 540 was a few weeks from completion. Pittman asked if the project would be finished in time for the highway interchange project? Johnson said that all the sewer relocations affecting the interchange would be done in time. He said that the water/sewer relocation project on S. First St. was waiting action from the City of Rogers. Johnson said that the sewer line on Honeysuckle Road was complete.

Continuing, Johnson said that Rick Buck, DBA Garner Developments, desired to develop about twenty acres off of Village Road in Benton County. Johnson said that Buck's engineer had submitted a plan for ten building lots. He said that the City Council would have to approve the water line extension. There was a motion by Pittman, second by Kendall, to approve the water extension, subject to a maximum of ten, 5/8-inch meters, and council approval. All in favor, motion carried.

Continuing, Johnson said that the developer of Biltmore Addition had paid to construct additional 12-inch water main and a much larger sewer lift station than required for its subdivision, at the behest of the RWU staff. Johnson said that the lift station could serve an additional 200 acres by gravity. Now, the developer was requesting to be reimbursed \$390,138.20 for additional costs relating thereto.

“How much would it cost if we (RWU) came back and did the work later?” someone asked. Johnson said that the cost related to construction have gone up dramatically in recent years, to say nothing of the added cost and bother of building large facilities in a developed area. There was a motion by Pittman, second by Warren, to pay the developer of Biltmore addition \$390,138.20, upon completion and acceptance of the all the required work, All in favor, motion carried.

Pepple recognized Bob Anderson, Engineering Tech with RWU, who spoke about a proposed new program, Help to Others (H2O). Anderson said that the program had been instituted successfully in Little Rock and Memphis. Basically, Central Arkansas Water (CAW), in response to a growing population that could not pay its water bill, had hired an ad agency to sell coupons to be included in the monthly water statements. That revenue was pledged to help those who were truly needy pay their water bills. Anderson presented the Commission with a sample request for proposal (RFP) for an ad agency and an agency that would administer the program (determine need). Anderson described the program as “win-win-win”, because businesses could gain additional customers, the needy would have the water bills paid for, and RWU could get paid for services rendered.

There were several questions relating to how the program would work. Some opined that the coupons would not be well received. Chris Griffin, Assistant City Attorney, asked if RWU would have any control over the content of the coupons. Anderson said that the program was well received in Little Rock, and that about 54% of the ad sales were available to use for the needy. Finally, there was a motion by Pittman, second by Kendall, to allow staff to send out RFP's, provided the Commission approved the final proposals. All in favor, motion carried.

Pepple recognized Everett Balk, RWU Project Facilitation Engineer. Balk presented the Commission with a short report detailing the activities of his section. He said that all plans submitted to RWU for approval were receiving a response within ten working days. He said that his section received an average of 4.5 sets of plans per day to review and approve.

Pepple recognized Joyce Johnson, Utilities Controller. Johnson presented the Commission with a draft budget proposal for Fiscal Year 2007 (beginning July 1). Johnson spent some time going over the high points of the budget. Impacting the budget were the proposed debt issues, increased depreciation expense from booking contributed main lines, additional sludge dewatering and disposal fees, and additional employees. On the plus side, the new hookup fees were in place, and could yield over \$2 million in additional revenue. Pepple said that the revenue from hookup fees could have a potential downside, since RWU could only guess at the actual revenue, and since there was no historical data to use. There was no action taken on the proposed budget.

Continuing, Joyce Johnson said that April had been a good month, with large water demand due to the ongoing drought. She also noted that RWU customers could now pay their bills online with a credit card or a bank account number.

The meeting adjourned at 4:56 PM.

Respectfully submitted,

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

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