

Rogers Waterworks and Sewer Commission

June 15, 2015

Minutes

The Rogers Waterworks and Sewer Commission held its regular scheduled meeting at 4:00 PM Monday June 15, 2015 in the Rogers Water Administration Building. Present were Commissioners Roger Surly, Kathy McClure, Travis Greene, and Jene' Huffman-Gilreath arrived at 4:15 PM. Commissioner Don Kendall 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, Brian Sartain, Randy Watson, Peter Ussery, Vera Hall, Buddy Shook and Donna Wilson. Others in attendance were Robert Frazier of the Frazier Law Firm and Brad Hammond of McGoodwin, William, and Yates. Chairman Surly called the meeting to order at 4:00 PM.

Chairman Surly recognized William Evans, Water Field Manager to present a certificate and gift of appreciation to Buddy Shook for twenty (20) years of service to Rogers Water Utilities. Also Brent Dobler, RWU Operations Manager presented a certificate and gift to Johnny Lunsford, Sewer Collection System Manager, for ten (10) years of service. The commission expressed appreciation to both recipients. Randy Watson introduced Peter Ussery as our new IT Tech starting with us today. The Commission gave him a warm welcome.

There was a motion by Commissioner Travis Greene, second by Commissioner Kathy McClure to approve the minutes of the May 18, 2015 meeting as submitted. All in favor, motion carried.

Chairman Surly recognized Joyce Johnson, Utilities Controller for the presentation of the May 2015 financial reports. Johnson announced that the water rate increase was approved by the City Council. She stated that a budget amendment would be presented to the Commission next month to reflect the water rate increase. She also recommended delaying the decision on the optional bond call to get better information on future capital outlay needs. The affects on the budget of delaying that decision would be included in the budget amendment as well. Johnson said that Jill Drewyor, Bond Counsel, advised her that since the 2008-B water bonds would be paid in full by the call, RWU would be able to call the bonds anytime on or after October 1st, 2015.

Water consumption for the month of May 2015 was down 8.90% from May 2014. Billed revenue was down 6.03%. The Water Department reported a loss of \$57,000 for the month ending May 31, 2015, and a loss of \$39,000 for the month ending May 31, 2014. Collections

of access and impact fee revenue for Fiscal Year 2015 are \$464,000 down from \$505,000 in 2014. Actual access and impact fee revenues are \$45,000 over budget in the Water Department for Fiscal Year 2015.

Sewer Consumption for May 2015 was down 4.39% from May 2014. Billed revenue was down 2.76%. The Sewer Department reported a profit of \$175,000 for the month ending May 31, 2015, and \$253,000 profit for the month ending May 31, 2014. Collections of access and impact fee revenue for Fiscal Year 2015 are \$1,004,000 up from \$967,000 in 2014. Actual access and impact fee revenues are \$135,000 over budget in the Sewer Department for Fiscal Year 2015.

Lost water is at 13% for the last twelve months, while being at 20% for calendar 2015 and 21% for the month as indicated on the Lost Water Report.

The Restricted and Unrestricted Funds Report show total funds are at \$30.6 million. \$8.3 million is restricted. The unrestricted funds are at \$9.6 million in Water and \$12.8 million in Sewer. Total funds on hand at May 31, 2014 were \$27.8 million.

Johnson asked if there were any questions. Commissioner Greene asked what kind of financial impact could be expected from the rate increase. Johnson said the financial impact would be approximately one (1) million dollars. Greene asked if RWU is likely to have negative monthly deficits in the future with the rate increase in place. Johnson stated it is still possible. There were no further questions.

Chairman Surly recognized Earl Rausch, Utility Superintendent for the May staff reports. He gave a brief report on the various active engineering projects. Rausch stated there are currently five (5) city street projects under construction. We are receiving plans for review in both commercial and remodels. The Price Lane project is now complete but waiting for the city to build the road.

Rausch pointed out on the RPCF Discharge Monitoring Report that the numbers are significantly higher due to the increased amount of rainfall received last month. The Osage Creek Monitoring Report also reflects the large amount of rainfall recently received. Moore said that the peak flow was 20.2 MGD. The sludge drier had some gaskets replaced and seems to be working well. Rausch noted that some much needed repair was just completed on the water main at Highway 12 Bridge on June 3, 2015.

Chairman Surly recognized Brian Sartain, Design Engineer for the results of the bid opening held on May 21, 2015 at the City of Rogers. Crossland Heavy Contractors was the low bidder for the widening of Bellview Rd North – Pleasant Grove to Ajax Ave for a total city project bid of \$11,576,033. Staff recommends reimbursement to the City of Rogers for the relocation of

approximately 1800 feet of waterline and a small amount of sanitary sewer line in the amount of \$220,243. A motion was made by Commissioner Travis Greene, second by Jene' Huffman-Gilreath to reimburse \$220,243 to the City of Rogers for relocation of water and sewer as presented. All in favor, motion carried.

Sartain continued with a request for an engineer amendment #5 to the City Agreement for North Monte Ne Rd. The realignment design by McGoodwin, Williams, and Yates is from Gum St to Cherry St. This proposal includes sewer design work necessary for the relocation of water and sewer facilities including the extension of the twelve (12) inch waterline as part of the Monte Ne South Project. Staff recommends reimbursement to the City of Rogers in the amount of \$63,700. A motion was made by Commissioner Jene' Huffman-Gilreath and second by Commissioner Kathy McClure to reimburse the City of Rogers \$63,700 as presented. All in favor, motion carried. Commissioner Travis Greene asked when the design will be completed. Brad Hammond from McGoodwin, Williams, and Yates said approximately three (3) months and construction could start possibly in late fall.

Sartain presented bid results held on June 10, 2015 for CIPP Sanitary Sewer Bid. This bid represents rehabilitation of 9,200 linear feet of sanitary sewer by using the Cured in Place Pipe Method. The low bidder was Insituform Technologies, LLC for \$253,472.29. Staff recommends approval to award the bid in the amount of \$253,472.29. Chairman Surly asked what area will be affected. Sartain said Garrett Rd, Hudson Rd, and various areas downtown were identified as having high rates of infiltration and inflow. Commissioner Greene asked if we had used Insituform Technologies in the past and Sartain said yes they have done work previously. Commissioner Jene' Huffman-Gilreath made a motion, second by Commissioner Travis Greene to award the bid in the amount of \$253,472.29 as presented. All in favor, motion carried.

Chairman Surly recognized Robert Moore, RPCF Manager to present the bid results held on June 1st, 2015 for Chlorine Gas, Sulfur Dioxide Gas, and Liquid Polymer. Brenntag-Mid South which is our current supplier was the low bidder of Chlorine Gas (CL2) at .33/lb and Sulfur Dioxide Gas (SO2) at .44/lb. These prices take effect on July 1st, 2015. Chairman Surly questioned the annual costs. Moore stated the estimated costs for CL2 is approximately \$17,160 and the cost for SO2 is \$14,080. A motion was made by Commissioner Travis Greene, second by Kathy McClure to approve bids from Brenntag-Mid South as presented. All in favor, motion carried. Moore continued with the bid results for Liquid Polymer. Polydyne our current supplier was the low bidder at .99/lb. Prices will be effective July 1st, 2015 for the current fiscal year. Moore said \$109,600 is the approximate annual costs for Liquid Polymer. Commissioner Huffman-Gilreath asked how Liquid Polymer is used. Moore explained this chemical is used to de-water the biosolids in the drying process. A motion was made by

Commissioner Jene' Huffman-Gilreath, second by Commissioner Kathy McClure to approve the bid from Polydyne at .99/lb for Liquid Polymer as presented. All in favor, motion carried.

With no further business, Chairman Surly adjourned the meeting at 4:32 PM.

Respectfully submitted,

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

Earl Rausch, Acting Secretary/djw

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