

June 24, 2004

Rogers Waterworks and Sewer Commission

Minutes

The Rogers Waterworks and Sewer Commission held its regularly scheduled meeting at 4:00 PM, Thursday, June 24, 2004, in the Rogers Water Utilities Training Center. Commissioners Donnie Moore, Lon Pepple, and Fred Wanger were in attendance. Jerry Pittman and Dick McLelland were absent. Rogers Water Utilities staff in attendance were Tom McAlister, Joyce Johnson, Mark Johnson, Don Roberts, William Evans, Mike Lawrence, Earl Rausch, Dave Martin, and Everett Balk. Others in the audience were Jason Kelley, Glenn Kelley, Mike Pennington, Wayne Allen, John Keller, and Earl Jenkins. Chairman Moore called the meeting to order at 4:03 PM.

There was a motion by Pepple, second by Wanger, to approve the May minutes as submitted. All in favor, motion carried.

Moore recognized John Keller, P. E., Black and Veatch Engineering, project manager for the Commission's sewer master planning study. Keller reported with a Power Point presentation showing the work that had been accomplished to date. Keller said that the engineers had looked at population projections, sewer flow projections, and the impact on the pollution control facilities. Keller projected a population in Rogers in excess of 114,000 by 2025. He said that flow to the facility would more than double, to about 15 MGD by 2025. Keller said that the facilities might be rerated from 6.7 MGD to 8 MGD by adding more aeration capacity and a clarifier. Since the plant was near its nominal capacity at present, the work would need to be started soon, he said. Keller said that two additional treatment "trains" could be added in 4 MGD increments, raising capacity to 16 MGD by 2025.

Continuing, Keller said that improvements would be needed to help with possible odor problems. He said that the sludge handling and disposal methods would probably become outmoded due to recent regulations regarding the application of manures and commercial fertilizers to "nutrient rich" areas of the state. Keller said that the existing disinfection system using chlorine gas would need to be updated in the future, too. Moore asked if the population projects included "daytime" residents, or commuters that worked in town and lived elsewhere? Earl Jenkins, P. E., senior project manager, said that 123 gallons per capita per day for residential and commercial users was higher than national norms, allowing plenty of water for temporary users or visitors.

Tom McAlister, Utilities Manager, presented Don Roberts, retiring Field Operations Superintendent, with a plaque for sixteen years of dedicated service to the citizens of Rogers. Roberts thanked the Commission for their support, and noted that working for a Commission was much better than working for a Mayor/City Council form of government.

Moore recognized Mark Johnson, P. E., Utilities Engineer. Johnson also had a Power Point presentation prepared, showing the progress of the \$3.9 million ground storage tank/pump station project at S. 23rd St. at W. Lilac. The first slides showed the land as purchased from the Scudder family in 2000. His slides showed the tank subcontractor's progress, up from the floor to the poured concrete roof. His slides showed the intricate wooden truss forms and side panels. He said the tank was 165 ft in diameter, and fifty feet tall at the sidewalls, holding about 8 million gallons when finished. The pump station was enclosed in a 40 ft by 70 ft by 20 ft metal building. The pumps were capable of pumping 5500 gallons per minute. He said that a 600 KW generator was included in the project, in order to provide uninterrupted service. Johnson's final slide showed the process by which the concrete sidewalls were prestressed, adding the hoop strength necessary. Miles and miles of steel cable were wrapped around the tank. Then, the cable was covered by sprayed grout, he said.

Moore asked if the utility ever used the hydraulic software purchased in 2000? Johnson replied that Stephen Ponder, P. E., one of RWU's three design engineers, worked with it often, and kept it current, since new water lines were being added almost daily.

Continuing, Johnson presented the Commission with a spreadsheet showing the status of many of the projects in which the Commission had a monetary interest. He said that the Garrett Road regional sewer and lift station was close to completion. He said that the design for the 24-inch water main from Pleasant Grove Road to the proposed elementary school on Old Wire Road was progressing. Johnson said that the water and sewer lines to the new Elza Tucker School in Lowell were under construction. Johnson said that the Highway 71-B overlay project had been postponed until the fall.

Moore recognized Glenn Kelley, attorney for Benton County Rural Water District No. 1 (the District). Kelly explained that the old Stratton property at Highway 94 North at Little Flock Road, had been deannexed out of Little Flock and annexed to Rogers for the purpose of obtaining Rogers water and sewer facilities, unbeknownst to the District. Kelley said that the District had an exclusive contract to serve the City of Little Flock, and that the Stratton property, now owned by developer Mike Pennington, was the District's to serve, regardless in which City the property was located. Kelley cited U. S. Code 1926, which protects rural entities and others having federal loans from the interference with the ability to service the federal debt.

However, the District did not wish to unduly burden the development of Camden Way addition, since the developer had incurred much expense installing large water and

sewer facilities. In a good faith effort to avoid federal court, he said that his client, the District, was willing to accept the one-time sum of \$86,000, which represented the net loss to the District for 162 water customers for 10 years.

There ensued a lengthy discussion regarding the District's lawful service area and its right to serve the area. Kelley produce a map which, he said, depicted the District's service area. Moore wanted to know who set the service boundaries and when. Wayne Allen, Manger for the District, said the map conformed to the State Water Plan. McAlister pointed out that RWU had served water to the property since 1968, well before the formation of the district. Jason Kelley, Deputy City Attorney, said that the statute was unclear regarding the provision of service to an area. He said that the District might not claim the area unless it actually serviced the area. He questioned whether the District could provide service since it could not meet the City's fire code requirements. Mike Pennington, Camden Way developer, expressed dismay that the matter had not been settled, since he was told by the City that it would provide water and sewer service. Finally, Moore instructed the staff to negotiate with Kelley and the District, to resolve the situation.

Moore recognized William Evans, the incoming Supt. Of Field Operations. Evans gave the Commission an update on the sewer rehabilitation efforts of RWU for the proceeding 10-year period. Evans said that RWU had spent over \$6 million, and had saved RWU over \$7 million, compared to contract sewer rehab prices.

Moore recognized McAlister again. McAlister said that RWU reviewed large-scale plans submitted to the City for compliance with such things as backflow protection and grease traps. He said that several years ago, he began requiring new construction to redirect condensate lines from heating and air units to the storm water systems, away from the sanitary sewer system. McAlister said that the city code prohibited the purposeful introduction of storm water, groundwater, and surface water to the city sewer system. However, the code did not mention condensate water in particular. Therefore, he recommended the Commission approve Resolution No.04-05, which prohibited the introduction of condensate water into the sewer system in all new, proposed, commercial buildings. There was a motion by Pepple, second by Wanger, to approve Resolution No. 05-04. All in favor, motion carried.

Moore recognized Joyce Johnson, Utilities Controller. Johnson brought up the proposed FY '05 Budget. She asked if there were any questions? Pepple said that the water revenue projection was significantly more than last year. Johnson said that she projected an increase in demand of three percent, and a water rate increase of 12% effective next year. She noted that there was no provision in the budget for a rebate from Beaver Water District. Johnson said that RWU was now accounting for contributed capital from development, which caused the depreciation expense to increase. There was a motion by Pepple, second by Wanger, to approve the budget as proposed. All in favor, motion carried.

Continuing, Johnson presented the Commission with copies of the May financial sheets. She said the revenue for the fiscal year in the water department had exceeded the budget, mainly due to the unexpected Beaver Water District rebate.

The meeting adjourned at 5:50 PM.

Respectfully submitted,

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

File: RWWSC minutes, 6-24-04