

# **Rogers Waterworks and Sewer Commission**

**June 28, 2010**

## **Minutes**

The Rogers Waterworks and Sewer Commission held its regularly scheduled monthly meeting at 4:00 PM, Monday, June 28, 2010, in the Rogers Water Utilities Administration Building. Present for the meeting were Commissioners Don Kendall, Travis Greene, Jene` Huffman-Gilreath, and Guy Cable. Rogers Water Utilities staffers present were Tom McAlister, Robert Moore, Mike Lawrence, Earl Rausch, Mark Johnson, Joyce Johnson, Johnny Lunsford, Cary Roth, and William Evans. Others at the meeting were Garry Smith, Robert Frazier, and Derrel Smith. Chairman Greene called the meeting to order at 4:05 PM.

Chairman Greene began the meeting by expressing his empathy with family of Lon Pepple, his fellow Commission, who passed away June 19, 2010. Greene said that Lon would surely be missed by the Commission and the Utilities.

Greene recognized Tom McAlister, Utilities Manager. McAlister praised Johnny Lunsford for five years of service as the Supervisor of the Sewer Collection System. Next, McAlister recognized Mike Lawrence, Rogers Pollution Control Facility, for 22 years of service to Rogers Water Utilities. Lawrence was to set to retire at the end of the month.

There was a motion by Kendall, second by Huffman-Gilreath, to approve the minutes as submitted. All in favor, motion carried.

Greene recognized Joyce Johnson, Utilities Controller. Johnson presented the Commission with financial sheets for May 2010. She noted that water consumption was up slightly over the same period in 2009. As a result, the net loss in the water department was less than expected. Johnson said that the next monthly statements (June 2010) would be twelve months statements, since the RWU fiscal year ended on June 30. Then the auditors would come in and perform the annual audit, she said.

Turning to the FY 2011 Budget proposal, Johnson said that three changes had been made since the Commission saw the first version. Per the request of the Commission, she had budgeted access/impact fee revenue projections of \$250,000 for the Water Department, and \$500,000 for the Sewer Department. Both changes had a positive effect on the "bottom lines" for both departments, Johnson said. She also noted that Beaver Water District had notified the Utilities of

a planned \$0.02/per thousand gallons increase effective October 1, 2010. She said that the original budget assumed the increase would be effective January 1, 2011. The rate increase would have a negative effect on the Water Department's bottom line, she said. Johnson said that the revised budget indicated a net loss for the water department in FY 2011 of \$172,000, and a net profit for the sewer department of about \$1.6 million. No rate increases were assumed in FY 2011, she said.

Greene wanted to know how long Beaver Water District had delayed the planned rate increase. Johnson said that the original increase was set for January of 2010, so BWD had delayed about nine months.

Kendall asked if how Johnson had estimated the impact/access fee revenue projects. Johnson said that she had estimated about twenty percent less than the current fiscal year's experience. Cable said that the assumptions were reasonable, as new construction continued to increase slowly.

There was a motion by Kendall, second by Cable, to approve the FY 2011 Budget. All in favor, motion carried.

Greene recognized Garry Smith, 523 Bellview, Lowell, Arkansas. Smith said that his water well had gone bad, and he needed water for his home and small farm. Smith had contacted the City of Lowell, and was told that that city had no immediate plans to extend water to his property. Rogers, on the other hand, had an eight inch water main across the street. The problem was that his farm was in the Lowell/Springdale service area, and he could not be served by Rogers unless all the cities agreed, Smith said.

McAlister said that he had contacted Springdale Water Utilities and there was no objection to moving the service boundary to include the Smith property in the Rogers service area. He presented the Commission with Resolution No. 10-05, which expressed the Commission's desire to serve Smith, assuming all the other Cities agreed. There was a motion by Kendall, second by Cable to approve the resolution. All in favor, motion carried.

Continuing, McAlister said that since Lon Pepple's untimely death, he wanted to recognize Pepple for his service to RWU and the Commission, so he drafted a Resolution No. 10-06, which would express sympathy for Lon's passing and gratitude for his service. The Commission agreed, and passed the resolution unanimously.

In regard to finding someone to serve out Lon's unexpired term (ending 2-1-2012), Greene said that he had been in contact with officials from Tyson's corporate headquarters, and they were pleased at the prospect of putting forth a good nominee or two for consideration. Greene said that he thought it was important to seat another representative of industrial water users in Rogers on the Commission. Kendall suggested that that the public be notified of the opening, with the hope

that the Commission might have a choice of qualified candidates. McAlister said he would contact the press for a public service announcement.

The meeting adjourned at 4:35 PM.

Respectfully submitted,

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

File” RWWSC minutes, 6-28-10