

**July 18, 2011**

## **Rogers Waterworks and Sewer Commission**

### **Minutes**

The Rogers Waterworks and Sewer Commission held its regularly scheduled monthly meeting at 4:00 PM, Monday, July 18, 2011. Commissioners in attendance were Jene` Huffman-Gilreath, Guy Cable, and Roger Surly. Don Kendall and Travis Greene were absent. Rogers Water Utilities staffers in attendance were Tom McAlister, Mark Johnson, Joyce Johnson, Earl Rausch, William Evans, Johnny Lunsford, and Andy Robinson. Others at the meeting were City Attorney Ben Lipscomb and Deputy City Attorney Jim Clark. Acting Chairman Cable called the meeting to order at 4:07 PM.

Cable recognized William Evans, Water Field Team Leader. Evans presented Andy Robinson, Water Field Technician II, with a plaque and a gift for five years of loyal service to the customers of Rogers Water Utilities and the citizens of Rogers. Cable said that Andy had helped First National Bank of Rogers when he discovered a leak inside the building.

There was a motion by Huffman-Gilreath, second by Surly, to approve the June and May Commission minutes as submitted. All in favor, motion carried.

Cable recognized Mark Johnson, P. E., Utilities Engineer. Johnson presented the Commission with a short report regarding the status of the several capital projects in which the Commission had a pecuniary interest. There were no questions from the Commission.

Continuing, Johnson presented the Commission with a memo, a proposed change order with DECCO Contractors, Inc., for \$70,118.37, and an aerial photo showing proposed water and sewer extensions to the City's park property on W. Pine Street, between S. 15<sup>th</sup> Street and S. Dixieland Road. He said that the City planned to build restrooms on the property, but there was no water or sewer service to the property. He said that the Rogers Street Department would repair the necessary street cuts, as well as install underground drainage.

Huffman-Gilreath asked if the project was budgeted. Johnson said that the Utilities budgeted capital improvement funds for street improvement projects every year, but the amounts were not

specific to any particular project, since it was difficult to guess the City's priorities and time frames.

Is this sort of project cost-sharing typical? Huffman-Gilreath asked. Johnson said that, in the past, the City of Rogers had developed property with the help of the Commission (building water and sewer mains), such as the City's new recycling center on Stavemill Road. Tom McAlister, Utilities Manager, said that the Commission had paid for water and sewer extensions to serve the courts building/police station on New Hope Road.

Cable asked if the cost of water and sewer extensions/relocations for the City's 2011 Bond projects were included in the bond. McAlister said that the cost for water and sewer (and all other underground utilities) were usually excluded from bond proceeds.

There was a motion by Huffman-Gilreath, second by Surly, to approve the change order with DECCO for \$70,118.37. All in favor, motion carried.

Cable recognized Joyce Jonson, CPA, Utilities Controller. Johnson presented the Commission with fiscal year ending financial statements for June 2011. She noted that the Water Department actually showed a profit for the year, despite losing money for the past seven months. She said the drought of 2010 provided enough income to net \$180,000 for the year. She noted that the contrast to the previous Fiscal Year was partly due to the loss (\$324,000 for water, \$564,000 for sewer) booked due to the lawsuit settlement last year. Johnson said the Sewer Department showed a net profit of \$2.4 million for the year, up from last year, also due in part to the drought.

Continuing, Johnson said that the monthly unaccounted-for water rate was up significantly, mainly due to the large demand for water the past two months. She said that the water sold lagged about a month and a half behind revenues, due to the nature of reading 28,000 meters every month. When water demand dropped in the fall, the revenue would come in from the water sales of the summer, causing the unaccounted-for water rate to fall drastically, she said.

McAlister recognized Rogers City Attorney Ben Lipscomb and Deputy City Attorney Jim Clark, once again legal representatives for the Commission and the Utilities. Lipscomb said he was glad to be of service to the Commission again, and told the Commissioners of his plans to hire an additional attorney to share the workload.

McAlister reminded the Commission that Beaver Water District announced a two percent rate hike effective in October. This would be the second such rate hike absorbed by the Commission in the last year, he said.

The meeting adjourned at 4:25 PM.

Respectfully submitted,

A handwritten signature in blue ink that reads "Tom S McAlister". The signature is written in a cursive style with a large, stylized initial 'T'.

Tom McAlister, Acting Secretary  
Rogers Waterworks and Sewer Commission

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