

## Rogers Waterworks and Sewer Commission

July 22, 2019

### Minutes

The Rogers Waterworks and Sewer Commission held its rescheduled meeting at 4:00 PM Monday, July 22, 2019, in the Rogers Water Utilities Administration Building located at 601 S 2<sup>nd</sup> St. Present were Commissioners Kathy McClure, Roger Surly, Travis Greene, Don Kendall and Mike Watkins. Rogers Water Utilities staff present were Brent Dobler, Johnny Lunsford, Todd Beaver, Brian Sartain, Aaron Short, Jennifer Lattin, Joyce Johnson, Jene' Huffman-Gilreath, Jerry Roegner, Matt Savell, Terry Edwards, Dana Daniel, Vera Hall and Donna Wilson. Others in attendance were Lori Ericson from City Hall, Jerry Carmichael from Rogers City Council, and Robert Frazier of the Frazier Law Firm. Chairman McClure called the meeting to order at 4:00 PM.

A motion was made by Commissioner Travis Greene and second by Commissioner Don Kendall to approve the minutes of the June 17, 2019 meeting as submitted. All in favor, motion carried.

Chairman McClure recognized Jennifer Lattin, Controller to present the June 30, 2019 financial reports. Lattin stated Water consumption for the month of June 2019 was down 14.89% from June 2018. Billed revenue was down 12.18%. The Water Department reported a profit of \$70,000 for the month ending June 30, 2019 prior to the APERS pension adjustment of \$99,000. A profit of \$169,000 was reported for the month ending June 30, 2018, before the APERS adjustment. Collections of access and impact fee revenue for F'Y' 19 are \$572,000, and are down from \$745,000 in F'Y' 18. Actual access and impact fee revenues are \$278,000 under budget in the Water Department for Fiscal Year 2019.

Sewer consumption for June 2019 was up 1.08% from June 2018. Billed revenue was up 2.12%. The Sewer Department reported a profit of \$307,000 for the month ending June 30, 2019 prior to the APERS pension adjustment of \$167,000. A profit of \$288,000 was reported for the month ending June 30, 2018, prior to the APERS adjustment. Collections of access and impact fee revenue for F'Y' 19 are \$1,273,000, and are down from \$1,460,000 in F'Y' 18. Actual access and impact fee revenues are \$577,000 under budget in the Sewer Department for Fiscal Year 2019.

Lost water is at 14% for the last twelve months, while being at 23% for calendar 2019 and 19% for the month.

The Restricted and Unrestricted Funds Report show total funds are at \$38.3 million. \$6.8 million is restricted. The Unrestricted Funds are at \$12.9 million in Water and \$18.5 million in Sewer. Total funds on hand at June 30, 2018 were \$35.9 million.

The year to date profit in the Water Department is slightly ahead of the prior year and ahead of budget. The year to date profit in the Sewer Department is ahead of the prior year and budget. Access and impact fees for both the Water and Sewer Departments were less than the prior year and budget.

The APERS pension adjustments result in a reduction of excess revenues over expenditures of \$99,000 in the Water Department and \$167,000 in the Sewer Department. This reflects a marginal increase in Rogers Water Utilities' proportionate share of the net pension liability, a discount rate of 7.15% (determined by APERS), as well as a decrease in the overall APERS net pension liability.

Total annual consumption increased 1.26% in the Water Department and 1.09% in the Sewer Department. Customer count during F'Y' 19 increased 2.09% in the Water Department and 2.14% in the Sewer Department. There were no questions.

Chairman McClure recognized Brian Sartain, Utility Engineer for the presentation of the June engineering report. Sartain said that the number of plan reviews had decreased slightly. Some of the new plan reviews are located near Hudson Road include Miami Indian Cabinet Shop and Dixie Warehouse Development. Others include improvements to Fellowship Bible Church, and Olrich Plaza. The site work for the RPCF Solids Handling Project is mostly complete while the contractor is preparing facilities for equipment delivery. Sunbridge and Price Alley waterline extensions are near completion. The Crescent View Waterline on Shores Ave is under construction. The Poplar Street waterline project at St Vincent De Paul Church will most likely come through next month as the waterline replacement is necessary to complete road work, and is a part of a larger Poplar Street Improvement Plan. The Request for Qualification will advertise July 28<sup>th</sup> for the Wastewater Master Plan. RWU is actively working on the design plans for the 11<sup>th</sup> Street Pump Station Improvement Project at Tower Park. The pumps are leaking that serve the ground storage tanks. Sartain gave a briefing on the remaining active projects. There were no questions.

Chairman McClure recognized Todd Beaver, RPCF Manager to present the June Reports. The Discharge Monitoring Reports had good results with no permit violations. Beaver did note that during a high flow event, an error was made in the lab with the CBOD samples reported. This will result in two violations. The Industrial Pretreatment Report did show surcharges for Ozark Mountain Poultry and Tyson's Chic N Quick. The monthly FOG Inspections Report provides a list of more than thirty FSE's that have been pumped throughout June. There were mostly routine inspections performed with a few follow up to establish an adequate pumping frequency. The Nocardia issue on the trains is still being investigated. 328.55 MG was treated in June with 124.55 MG additional flow treated with an average flow of 10.9 MGD. These flows included 10.26" of rain over thirteen events. Commissioner Travis Greene asked what is included in the sludge disposal costs. Beaver replied Polymer purchases and approximately \$15-17,000 per month of natural gas to fuel the dryer. There were no further questions.

Chairman McClure recognized Johnny Lunsford, Construction and Maintenance Manager for presentation of the June Operations Report. Lunsford said that TV inspection was down due to waiting on parts to repair a truck. That has been received and expect to have both trucks operational again. There was 80,000 feet of leak logging performed this month, along with two new water services and two sewer taps. The field operations team again spent a great amount of time on the 1<sup>st</sup> Street Project with expanding the waterline extension as the Street Department made some changes. We expect to finish up our portion this week. Commissioner Roger Surly expressed appreciation to RWU staff for the promptness in checking for a possible leak due to higher than normal water usage.

Johnny Lunsford and Terry Edwards, Construction Team Leader continued with a request to purchase a 2019 Ram 5500 Chassis Cab (DPOL64) Tradesman 4x4 Reg Cab 84" CA 168.5"WB from Superior Automotive Group for a total cost of \$68,908.98 including a Knapheide Bed 7132D54 and lights. It will replace a 2000 truck that is used as the main workhorse truck and has over 100,000 miles with significant maintenance issues. Also additional equipment will be installed prior to delivery. This is a budgeted item. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to

authorize purchase of a 2019 Ram 5500 Chassis Cab truck from Superior Automotive Group for the total cost of \$68,908.98 as submitted. All in favor, motion carried.

Johnny Lunsford asked for the request to purchase (2) equipment trailers be tabled.

Todd Beaver, RPCF Manager requested authorization of Resolution No. 19-11 to purchase Kadant Joints for the sludge dryer at the RPCF; authorizing expenditure of funds for the purchase, waiving competitive bidding. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to authorize RWU to purchase the required joints from Kadant Johnson, LLC of Three Rivers Michigan for \$72,987.66, plus shipping and applicable taxes. All in favor, motion carried.

Brent Dobler, Utility Superintendent requested approval for Resolution No. 19-12 recommending certain revised amendments to sections 14 and 54 of the Code of Ordinances of the City of Rogers, Arkansas for preventing damage to public and private property. RWU Management supports these recommended code amendments (Exhibit 1 attached) to help protect the interests of RWU, the Commission, the City of Rogers and its citizens, and the public at large. Commissioner Roger Surly made a motion, second by Commissioner Mike Watkins to approve Resolution No. 19-12 with Exhibit as submitted. All in favor, motion carried.

With no further business, Chairman McClure adjourned the meeting at 4:40 PM.

Respectfully submitted,



Brent Dobler, Active Secretary/djw

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