

August 15, 2005

# Rogers Waterworks and Sewer Commission

## Minutes

The Rogers Waterworks and Sewer Commission held its regularly scheduled monthly meeting at 4:00 PM, Monday, August 15, 2005, in the Rogers City Administration Building. Commissioners present were Donna Warren, Don Kendall, Donnie Moore, Lon Pepple, and Jerry Pittman. Rogers Water Utilities staff present were Tom McAlister, Mark Johnson, Joyce Johnson, Earl Rausch, Everett Balk, William Evans, Mike Lawrence, and Tim House. Others in attendance were Ben Lipscomb, John Clower, Chris Griffin, Kim Fugitt, James Forbes, Earl Jenkins, John Keller, Amy Kliewer, and Derrel Smith. Chairman Moore called the meeting to order at 4:00 PM.

There was a motion by Pittman, second by Warren, to approve the June minutes as submitted (there was no July Commission meeting). All in favor, motion carried.

Ben Lipscomb, Rogers City Attorney, introduced Chris Griffin, Deputy City Attorney, who would be serving as the Commission's attorney. Jason Kelley, former Deputy City Attorney, quit last month to enter private practice with his wife.

Everett Balk, Project Facilitation Engineer, reported that his section had been very busy with all the plans for all the new development in Rogers. Moore asked about the status of the Utilities standard specifications. Balk said that the specs were being revised as time permitted. Moore asked if engineers and developers were availing themselves of the predesign meeting option. Balk said that many were, and the results were positive overall. Balk said that there was a growing backlog of plans to be reviewed.

Moore recognized Mark Johnson, Utilities Engineer. Johnson presented a report detailing the status of the several projects in which the Commission had a monetary interest. Of particular concern, Johnson said, was the high priority/fast tract status for the Perry Road/I 540 interchange. Johnson said that the interchange had been designed, and the plans showed major conflicts with the existing Blossom Way Sewer Interceptor. Johnson said that Jim Forbes of Pipeline Analysis, had modeled the Blossom Way drainage in order to determine what additional facilities would need to be constructed, to add enough capacity to the system to handle future flows and storm events. He said that Forbes' model indicated a parallel 30-inch sewer, in order to avoid overflows in the future. Johnson said that, with the parallel sewer and the modifications to the existing 24-inch Blossom Way Interceptor, the project could easily exceed \$2 million. Continuing, he said that time was of the essence, since the highway contractor would start early next spring. With that, Johnson asked the Commission for permission to design the needed

work in house and bid the project, bringing the bids back to the Commission at a later meeting for approval.

Kendall asked if “we could beat the highway contractor”? Johnson said, “Yes”. There was a motion by Kendall, second by Pittman, to allow the Utilities staff to design and bid the necessary sewer work. All in favor, motion carried.

Moore recognized William Evans Superintendent of Field Operations. Evans asked for permission to seek bids to replace a 1986 Vactor combination sewer cleaning truck. Evans said that the old Vactor was now at the Pollution Control Facility, and was no longer road worthy. Evans said that this was a budgeted item. “How much did we budget?” McAlister asked. “\$245,000” was the reply. There was a motion by Pittman, second by Pepple, to allow the staff to bid a replacement sewer cleaning truck. All in favor, motion carried.

Moore recognized Jim Forbes of Pipeline Analysis. Forbes presented the Commission with a draft report that summarized his activity in the Blossom Way drainage basin (about a third of the sewer system of the City of Rogers). He said that his crews inspected about 1500 manholes and smoke tested about 350,000 linear feet of sewer main. Also, he was asked by the staff to look at the necessity of building a parallel sewer to the existing Blossom Way Interceptor. Forbes said he used the City’s growth maps and existing zoning to determine the maximum future sewer flow rate. He also used existing rainfall data and flow data to model a design-year flood. He concluded, as Mark Johnson already said, that a parallel 30-inch sewer was indicated.

Continuing, Forbes showed the results of his manhole inspection and smoke tests. He said that a large number of deficiencies were found in the manholes in the older part of town. In order to repair the deficiencies, the cost was estimated to be \$250,000. Deficiencies indicated by smoke testing indicated problems with private service lines in the older area, he said. Lastly, he recommended that RWU clean and CCTV about 15,000 feet of mainline in the old part of the basin, in order to ascertain the condition of the old clay tile sewers. He also recommended that the Utilities develop a program to address the issue of deficient building sewers. Forbes did say that he found fewer problems than he had expected, and said the system was in “pretty good shape”, and lauded the Utilities’ effort to rehabilitate the existing sewer system. Forbes also recommended that the Utilities “look at” at least 20% of the system every year, going through the system at least once every 5 years.

There followed many questions. How much would it cost to do the cleaning and television work recommended? About \$35,000, Forbes answered. Do we want to tell him to go ahead with it? McAlister asked that the staff look over the recommendations and come back with a contract. How much money did we budget for sewer rehabilitation? McAlister said that \$700,000 was budgeted for contract rehab services. What about the rest of the system? When are we going to study it? McAlister said that the Blossom Way drainage was the most critical sub basin, since he knew the existing interceptor was near capacity. Further recommendations from the staff would be forthcoming, he said. What

do the other cities do about private sewer line problems? Forbes said that some towns require the property owners to complete repairs or face fines and/or loss of service. Other towns declared the service lines to be public property, and took on the task with public monies, he said. How did you arrive at your population projections? Forbes said that he used data derived from the Utilities' sewer master planning study.

Moore recognized Earl Jenkins of Black and Veatch, consulting engineers for the treatment plant expansion project. Jenkins had several procedural issues brought about by requirements of the State Revolving Loan Fund (Arkansas Soil and Water Conservation Commission, now renamed Arkansas Natural Resources Commission, or ANRC). The first issue was some required language in the engineering contract, which addressed business ethics, but involved no more cost. Jenkins presented the Commission with Amendment No. 2 to the contract. There was a motion by Pittman, second by Warren, to approve the amendment. All in favor, motion carried.

Next, Jenkins presented the Commission with proposed Resolution No. 06-01, which would allow the Commission to pay themselves back for approved expenditures toward the sewer plant expansion, out of the loan proceeds. There was a motion by Pittman, second by Pepple, to approve the resolution. All in favor, motion carried.

Continuing, Jenkins presented proposed Resolution No. 05-03, which appointed Donnie Moore as the official signatory agent for all revolving loan fund documents. There was a motion by Pittman, second by Pepple, to approve the resolution. All in favor, motion carried.

Jenkins presented Donnie Moore with a Certificate of Debarment, which Moore signed, certifying that he had not been in jail for the last three years.

Lastly, Jenkins introduced Amy Kliewer, P. E., Project Engineer for Black and Veatch. Kliewer said that the expansion project was in the preliminary design phase. She said that a public meeting was required by ANRC. She said that the meeting was to solicit public opinion, and a notice had to be published thirty days prior. McAlister recommended 3:00 PM, Monday, September 19, just prior to the next scheduled Commission meeting.

Moore recognized Mike Lawrence, Pollution Control Facility Manager. Lawrence presented the Commission with a proposed Resolution No. 05-02, which waived the requirements of competitive bids and awarded a contract to Environmental Process Systems, for the amount of \$49,600. Lawrence said that he had sought several bids and finally obtained two qualified bidders. He said that the timing was very critical for the purchase of the process equipment called Stamford baffles, which would improve the efficiency of the existing clarifiers. In order to install the baffles, a clarifier would have to be taken out of service, and he would not take the clarifier out of service unless low flow conditions might be expected. There was a motion by Pittman, second by Warren, to approve the resolution. All in favor, motion carried.

Ben Lipscomb, City Attorney, said that a new state law allowed city officials to spend up to \$20,000 without competitive bidding. The old standard was \$10,000. He said he would draft a resolution for the Commission's consideration.

Moore recognized Kim Fugitt, developer of the proposed Clower Subdivision. Fugitt said that Dr. John Clower, long time resident and M. D. in Rogers, desired to develop twenty acres of his property on W. Olrich St. The problem with the development was lack of sewer service. He said the twenty-acre parcel was an island, surrounded by single-family homes. He was told by RWU staff that the nearest sewer main with enough capacity was in Dixieland Road, a quarter mile away. His engineer, Crafton, Tull, and Associates, estimated the cost for the off-site sewer to be about \$193,000. Therefore, he was asking for "help" to build the offsite sewer (Fugitt's engineer asked the Commission to pay for the entire cost, but was not present at the meeting). Fugitt cited Clower's many years of service to the citizens of Rogers, and the fact that Clower had donated easements to the City when asked, at no charge.

When asked if he had anything to add, Dr. Clower said that it was "all about the money". Someone asked, "What do we usually do with requests like this?" McAlister said that he had never had a request like this. He said that the Commission regularly shared in the expense of off-site water and sewer extensions, if the Commission determined that it was in the best interest of the City to do so. Usually, the Commission's share was limited to the amount needed over and above what the developer required for his development (upsizing lines, or extending water and sewer lines to the property line). McAlister said that the Commission had not paid for the entire cost before.

Pittman expressed concern what such a move would signal to other developers. Kendall asked if the Commission had ever collected fees from other landowners benefiting from off-site facilities built by others. McAlister said that no one else would benefit from the subject sewer, since they already had sewer service. He also noted that the proposed off-site sewer would go down the middle of Gum St. in an established neighborhood, causing a mess and disrupting traffic. Directing his comments to Fugitt, McAlister said that he should be represented by his engineer. Moore suggested Fugitt get with RWU staff to see if another option was possible. There was no motion to grant or to deny Fugitt's request.

Moore recognized Joyce Johnson, Utilities Controller. Johnson presented the Commission with financial sheets for June and July. Since the June statements were year-end statements, she took some time reviewing FY '05. She noted that both water and sewer departments used some money from "restricted" accounts to maintain cash flow requirements. She reminded the Commission of the large capital expenditures for projects like the Lilac Street Pump Station/Ground Storage Tank project. Water revenue was up over budget projections, mainly due to a dry spring, an unexpected Beaver Water District rebate (\$50,000), interest income, and the increase in water access fees. The Sewer Department was very close to budget projections, she said.

Turning to the July financial sheets, Johnson noted that sales were very strong due to the hot, dry weather. She noted the residential irrigation consumption was more than double the same month last year. Warren asked why the bad debt expense had increased. Johnson said that bad debts were up because water bills went up (40% increase the last two years). Pittman asked if RWU had a written policy regarding the term of Certificate of Deposit investments. She said that excess money was invested in CD's for 12 months or less, depending on the need for cash to fund capital projects.

The meeting adjourned at 5:40 PM.

Respectfully submitted,

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

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