

Rogers Waterworks and Sewer Commission

August 21, 2017

Minutes

The Rogers Waterworks and Sewer Commission held its regular scheduled meeting at 4:00 PM Monday, August 21, 2017 in the Rogers Water Administration Building. Present were Commissioners Kathy McClure, Travis Greene, and Mike Watkins. Roger Surly and Don Kendall were absent. Present was Rogers Water Utilities staff Earl Rausch, Brent Dobler, Johnny Lunsford, Brian Sartain, Aaron Short, Joyce Johnson, Jennifer Lattin, Jene' Huffman-Gilreath, Todd Beaver, Ben Watson, Debbie Putman, Randy Watson, Vera Hall, Mark Landis, Terry McCauley, Brad Ball, Jason Sandlin, Pat Sharp, Jaime Garcia, Michelle Williams, Ayesa Nolasco, and Donna Wilson. Others in attendance were Robert Frazier of the Frazier Law Firm, Thomas Dunlap and Jamaikhan Dickey from the City of Rogers, and Will Clark representative of the Kathy Jean Buckalew Trust. Acting Chairman Travis Greene called the meeting to order at 4:00 PM.

Michelle Williams Office Manager presented Ayesa Nolasco a gift of appreciation and a certificate for (10) years of service. The Commission expressed their appreciation.

A motion was made by Commissioner Kathy McClure, second by Commissioner Mike Watkins to approve the minutes of the July 24, 2017 meeting as submitted. All in favor, motion carried.

Acting Chairman Greene recognized Jennifer Lattin, Utilities Controller for the presentation of the July 2017 Financial Reports. Lattin stated that water consumption for the month of July 2017 was up .52% from July 2016. Billed revenue was up .58%. The Water Department reported a profit of \$113,000 for the month ending July 31, 2017. A profit of \$186,000 was reported for the month ending July 31, 2016. Collection of access and impact fee revenue for F'Y' 18 are \$51,000, and are down from \$61,000 in F'Y' 17. Actual access and impact fee revenues are \$8,000 under budget in the Water Department for Fiscal Year 2018.

Sewer consumption for July 2017 was up 3.11% from July 2016. Billed revenue was up 2.89%. The Sewer Department reported a profit of \$253,000 for the month ending July 31, 2017. A profit of \$287,000 was reported for the month ending July 31, 2016. Collection of access and impact fee revenue for F'Y' 18 are \$101,000, and are down from \$114,000 in F'Y' 17. Actual access and impact fee revenues are \$18,000 under budget in the Sewer Department for Fiscal Year 2018.

The Restricted and Unrestricted Funds Report show total funds are at \$33.3 million. \$9.1 million is restricted. The unrestricted funds are at \$9.9 million in Water and \$14.3 million in Sewer. Total funds on hand at July 31, 2016 were \$34 million. Year to date profit in the water and sewer departments is less than the prior year but ahead of budget. Year to date collections of access and impact fees are less than budget in both the water and sewer departments. There were no questions.

Acting Chairman Greene recognized Brian Sartain, Utility Engineer for the presentation of the July Engineering Report. The developer projects show a decrease from the previous data. He noted

Magnolia Farms will be a large commercial development located north of Home Depot across the creek. Activity remains strong in the Pinnacle/Promenade area as well as in South Rogers and downtown along Walnut St. The Monte Ne Rd reconstruction from Gum to Cherry Street is approximately 80% complete on the utilities portion, with less than a year remaining for completion of this project. Sartain pointed out that the Southgate Rd Project was recently renamed as Pleasant Grove Rd Phase III. The projects underway for the RPCF are continuing as plans from McGoodwin, Williams and Yates (MWY) for the Bardenpho Basin Repair Rehab are expected anytime. The proposals on the Sludge Handling Facility with Garver are expected in November. Sartain also noted the proposed annexation of certain land East and West of Highway 112. There were no questions.

Acting Chairman Greene recognized Todd Beaver, RPCF Manager to present the July RPCF Reports. On the Osage Creek Monitoring Report, Beaver said the increase of phosphorous is significant related to the warmer temperatures. The Industrial Pretreatment Reports indicate several surcharges were assessed as industries find it difficult in getting more oxygen into the water especially during the summer months. The FOG summary continues to promote better management with clean kitchen practices to help increase awareness of GI pumping requirements. After a brief review, highlighting some of the significant events at the RPCF, Beaver noted that 286.254 MG was treated in July. Approximately 61.5 MG extra was treated due to the 5.1" of heavy rain received. The historical average rainfall for July is 3.2". Acting Chairman Greene asked if the sludge removal was still on schedule and Beaver relied yes. There were no more questions.

Acting Chairman Greene recognized Brent Dobler, Operations Manager for the presentation of the July Operation Reports. Dobler highlighted data from the various departments. The locating and service calls show a downward trend as well as the shutoffs (resulting from the success of the robo calls/texting program in place). Dobler said a new meter route has been added on the West side of Hwy 112 due to increased growth in that area. The CCTV inspection is down largely because personnel have been assisting with other projects as they are trying to obtain their CO (certificate of occupancy). The flushing graphs are down as some personnel have been working different aspects in the construction areas. Valve exercising and leak detection remain consistent showing an increase over last year. The Meter Change-Out Program reports 558 meters YTD with 382 meters for the month, nearing the goal of 400. The Lost Water Report is at 16% for the last (12) twelve months, and 21% for the month. The July average daily water usage was 12.1 MGD with a single daily use high of 15.16 MGD. There were no questions.

Acting Chairman Greene recognized Joyce Johnson, Business Manager for presentation of Resolution No. 17-21 approving the redemption prior to maturity of certain City of Rogers, Arkansas Sewer Revenue Refunding Bonds, Series 2008. Commissioner Kathy McClure made a motion, second by Commissioner Mike Watkins to approve Resolution No. 17-21 as submitted. All in favor, motion carried.

Johnson then presented Resolution No. 17-22 approving the redemption prior to maturity of certain City of Rogers, Arkansas Water Revenue Refunding Bonds, Series 2008. She said by using reserve funds of the System to redeem the Water and Sewer Bonds on November 1, 2017, we can obtain a

combined savings of approximately \$15,000-17,000 after expenses. A motion was made by Commissioner Mike Watkins, second by Commissioner Kathy McClure to approve Resolution No. 17-22 as submitted. All in favor, motion carried.

Acting Chairman Greene recognized Earl Rausch for the presentation of Resolution No. 17-23 adopting a Compensation Administration Policy (exhibit 1 attached) for Rogers Water Utilities. Management of the Rogers Water Utilities believes that adopting the policy is in the best interest of RWU and its employees and will be effective on August 21, 2017. Commissioner Kathy McClure asked if the requested motion is to complete the salary study. RWU Attorney Robert Frazier said approval of Resolution No. 17-23 (to adopt the Compensation Administration Policy) is needed and Earl Rausch stated this will help serve as a tool to complete the salary study. Commissioner Kathy McClure made a motion, second by Commissioner Mike Watkins to approve Resolution No. 17-23 the Compensation Administration Policy as submitted. All in favor, motion carried.

Earl Rausch requested to withdraw agenda item 10), a Resolution for Agreement Concerning Wall on Lot 17-Crow's nest due to lack of a quorum as Commissioner Kathy McClure abstained.

Brian Sartain, Utility Engineer is requesting approval of a proposed contract with Crafton and Tull amending utility design for Pleasant Grove Rd Phase III (formerly Southgate Rd). Originally the utility extensions were designed in conjunction with Phase I of the Southgate Rd widening project, which ended at Rainbow Rd. Since, the plans have changed to move forward with Phase II of the roadway widening under one construction project, this proposed amendment (2) in the amount of \$41,000 is to the City of Rogers' contract with Crafton and Tull, extending the scope of utility design for Pleasant Grove Rd from Rainbow Rd to Sloan Circle. A motion was made by Commissioner Kathy McClure, second by Commissioner Mike Watkins to approve the proposed amendment (2) with Crafton and Tull in the amount of \$41,000 for Pleasant Grove Rd Phase III (formerly Southgate Rd) as submitted. All in favor, motion carried.

Brian Sartain continued with a request for approval of Bid for Bellview Rd South Improvements with APAC. The results from the August 10, 2017 bid opening has APAC Central, Inc. as the lowest overall total bid but the highest bid of \$635,685.75 for the water and sewer construction portion. Staff recommends approval of APAC's bid as it feels is in the best interest of the City. Commissioner Kathy McClure made a motion, second by Commissioner Mike Watkins to approve the bid with APAC Central, Inc. in the amount of \$635,685.75 for the Bellview Rd South Improvements as submitted. All in favor, motion carried.

Acting Chairman Greene recognized Todd Beaver, RPCF Manager requesting approval to purchase a 2018 Quad Cab 4x4, 1500 Series from Superior Dodge Chrysler Jeep Ram of Northwest Arkansas in the amount of \$25,542 (matching state bid). This is a budgeted item. Commissioner Mike Watkins made a motion, second by Commissioner Kathy McClure to approve \$25,542 for the purchase of a 2018 ½ ton Dodge Truck as submitted. All in favor, motion carried.

With no further business, Acting Chairman Greene adjourned the meeting at 4:43 PM.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Earl Rausch".

Earl Rausch, Acting Secretary/djw

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