

September 15, 2008

## Rogers Waterworks and Sewer Commission

### Minutes

The Rogers Waterworks and Sewer Commission held its regularly scheduled monthly meeting at 4:00 PM, Monday, September 15, 2008, in the Rogers City Hall. Commissioners in attendance were Travis Greene, Don Kendall, Lon Pepple, and Guy Cable. Donna Warren was absent. Rogers Water Utilities staff in attendance were Tom McAlister, Mark Johnson, Joyce Johnson, Everett Balk, Johnny Lunsford, William Evans, Mike Lawrence, Kevin Felty, and Earl Rausch. Others in attendance were Derrel Smith, Jene` Huffman-Gilreath, Drew Van Winkle, Robert Frazier, G. Alan Wooten, Michael Lindsey, and Jim Fowler. Chairman Greene called the meeting to order at 4:05 PM.

There was motion by Pepple, second by Kendall, to approve the August minutes as submitted. All in favor, motion carried.

Greene recognized Mark Johnson, Utilities Engineer. Johnson introduced new RWU design engineer Kevin Felty to the Commission.

Continuing, Johnson told the Commission that the contractor on the administration building had poured footers and built stem walls and installed the plumbing. He said the floor would be poured next week, and then the work would go vertical. He said the contractor expects to be substantially completed by February 1, 2009.

Johnson said that the Pleasant Grove Road water line project was close to completion, lacking only some final tests. He noted that the water relocation was done well before the other utilities and the street contractor. Johnson said that the contractor for the elevated tank on W. Lilac, CBI, Inc., would be ready for steel erection next month.

Greene asked about the proposed Fir St. overpass on I540. Johnson said that he had meetings with the City and the Highway department. He said that the highway department had concluded that RWU could suspend a water main on the bridge if no other route was feasible. Did the hotels have enough capacity for the three hotels? Greene asked. Johnson answered in the affirmative.

Greene recognized Everett Balk, Project Facilitation Engineer. Balk gave the Commission a short report on the activities of his section. All plans received a review within ten days of submittal. He said that the number of plans submitted for approval had dropped sharply, however; the engineers were busy with the many design jobs,

construction jobs, as well as a solution for sludge disposal and grease abatement. What was the status of the grease abatement program? Green wanted to know. Balk said that his section reviewed and approved plans for grease interceptors, made annual inspections, and followed up on reported grease problems in the collection system.

Greene recognized Joyce Johnson, Utilities Controller. Johnson presented the Commission with financial reports for August 2008. She said that the water department finished in the black for the month, but that sales were still down from a year ago. She noted that the unaccounted for water rate was down slightly. She said that the revenues were still far behind the budget. She said that the sewer department was well ahead of budget, but less than the prior year. Greene asked about the water rate increase from Beaver Water District. Was the increase budgeted? Johnson said, "Yes".

Greene recognized Jim Fowler of Morgan Keegan. Fowler presented the Commission with a final report on the 2003 water revenue bond refunding project. The bonds sold for about the same price as projected, saving the Commission \$5600 per year in interest expense, while keeping the term the same. He said he was able to save the Commission \$2000 in trustee fees by going with Simmons Trust. Fowler said that the bond issue was sold without insurance, and that the Water Department had an A1 rating from Moody's Investor Service. He said that the bond issue would close on September 30.

Greene recognized Johnny Lunsford, Sewer Rehab Team leader. Lunsford said that RWU advertised for bids for a Cues Cube (a portable cable reel system with controls and recorders, used for television inspection of sewer lines), and no bids were received. He said he had a proposal from Henard Utility Products for \$55,250.21. Lunsford said that there was \$57,000 in the budget for the sewer inspection equipment. Cable asked if the equipment had to be bid. McAlister said that any item over twenty thousand dollars had to be bid, and the requirements of bidding were satisfied. He said that Henard was the sole source for the Cues equipment in Arkansas. There was a motion by Pepple, second by Kendall, to approve the proposal from Henard. All in favor, motion carried.

Chairman Greene acknowledged that Donna Warren had expressed her desire to step down from the Commission. He said that the Commission had received a letter and a resume` from Jene` Huffman-Gilreath, expressing a desire to serve. There was a motion by Cable, second by Kendall, to approve the appointment of Huffman-Gilreath to the Rogers Waterworks and Sewer Commission, to serve out the unexpired term of Donna Warren (term to expire 2-1-2015), pending confirmation by the Rogers City Council. All in favor, motion carried.

McAlister asked Mike Lawrence, Rogers Pollution Control Facility Manager, to update the Commission on the current status of sludge disposal at the RPCF. Lawrence recounted that the landfill in Sand Springs, Oklahoma, that had taken the sludge had lately refused to take anymore. After a week of scrambling, he was able to locate a landfill in Lamar, Missouri that would take Rogers' sludge. He said that the transportation costs had not increased, but the tipping fees were about twenty percent

higher. He said that the landfill operator in Sand Springs had placed Fayetteville in the same precarious position.

Continuing, Lawrence said that the land filling of sludge was a temporary measure while the staff looks for a more permanent solution to the final disposal of sludge. He recounted that the sludge had been spread in liquid form on the land adjacent to the treatment plant for years until new regulations made the practice obsolete. A centrifuge had been purchased and installed to dewater sludge. He said that this was the second time a landfill had refused the sludge with no warning. Lawrence said that there were many options for the drying and marketing of sludge (termed biosolids when treated to reduce pathogens and disease vectors).

McAlister said that Rogers had been waiting on the Northwest Arkansas Conservation Commission (NACA) to come up with a regional solution for sludge disposal, since all cities in northwest Arkansas faced the similar problems. To date, a regional solution had been elusive due to high costs associated with the transportation of wet sludge. He also said that NACA had been very busy with plans to build a wastewater treatment plant west of Cave Springs. Greene (a board member of NACA) said that he planned to speak to the issue at the NACA meeting on Thursday. McAlister said that he spoke to John Sampier, NACA Executive Director, regarding the issue, and the need for immediate action.

Cable asked if this was a top priority. McAlister said yes, and that staff was continuing to evaluate alternatives. What if the landfill in Missouri stops taking the sludge? Someone asked. Lawrence said that he could store sludge for about forty-five days, and that there were other alternatives (more expensive) readily available. How much for a dryer? Someone asked. McAlister said at least \$2 million, and that the equipment had a long turnaround time. Kendall said that payback period should be short enough to justify the expense. McAlister said that one must account for depreciation and energy costs, but he thought a dryer would pay for itself within a few years. The Commission instructed the staff to work on the problem and bring an update to the next Commission meeting.

The meeting adjourned at 4:40 PM.

Respectfully submitted,

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