

Rogers Waterworks and Sewer Commission

September 17, 2018

Minutes

The Rogers Waterworks and Sewer Commission held its regular scheduled meeting at 4:00 PM Monday, September 17, 2018, in the Rogers Water Utilities Administration Building located at 601 S 2nd St. Present were Commissioners Kathy McClure, Travis Greene, Roger Surly, and Mike Watkins. Commissioner Don Kendall was absent. Present was Rogers Utilities Staff Brent Dobler, Johnny Lunsford, Brian Sartain, Jennifer Lattin, Joyce Johnson, Todd Beaver, Debbie Putman, Randy Watson, William Hood, and Vera Hall. Others in attendance were Chris Buntin of Garver, Shawn Koorn of HDR, Lori Ericson of City of Rogers Planning Dept, and Robert Frazier of the Frazier Law Firm. Chairman Roger Surly called the meeting to order at 4:00 PM.

Johnny Lunsford, Construction and Maintenance Manager recognized William Hood for passing his Sewer Collection Certification as well as receiving the Wastewater Treatment Class I License. The RWWSC expressed congratulations.

A motion was made by Commissioner Travis Greene, second by Commissioner Kathy McClure to approve the minutes from the August 20, 2018 meeting as submitted. All in favor, motion carried.

Chairman Surly recognized Jennifer Lattin, Controller to present the August 31, 2018 financial reports. Lattin stated that Water consumption for the month of August 2018 was up 3.89% from August 2017. Billed revenue was up 4.31%. The Water Department reported a profit of \$281,000 for the month ending August 31, 2018. A profit of \$290,000 was reported for the month ending August 31, 2017. Collections of access and impact fee revenue for F'Y' 19 are \$71,000, and are down from \$100,000 in F'Y' 18. Actual access and impact fee revenues are \$71,000 under budget in the Water Department for Fiscal Year 2019.

Sewer consumption for August 2018 was up .99% from August 2017. Billed revenue was up 1.90%. The Sewer Department reported a profit of \$262,000 for the month ending August 31, 2018. A profit of \$280,000 was reported for the month ending August 31, 2017. Collections of access and impact fee revenue for F'Y' 19 are \$163,000, and are down from \$212,000 in F'Y' 18. Actual access and impact fee revenues are \$145,000 under budget in the Sewer Department for Fiscal Year 2019.

The Restricted and Unrestricted Funds Report show total funds are at \$36.7 million. \$8.8 million is restricted. The unrestricted funds are at \$11.2 million in Water and \$16.7 million in Sewer. Total funds on hand at August 31, 2017 were \$34.0 million. The year to date profit in the Water Department was more than the prior year and budget. The year to date profit in the Sewer Department is also more than the prior year and budget. Year to date collections of access and impact fees are less than the prior year and budget in the Water and Sewer Departments. Lattin also stated that there will be a \$.02/thousand gallon increase on the water purchases from Beaver Water District. The current rate is \$1.34/thousand gallons and will be \$1.36/thousand gallons starting with the November 2018 billing statement. Lattin said the audit reports would be presented at the next meeting. There were no questions.

Chairman Surly recognized Brian Sartain, Utility Engineer for the presentation of the August Engineering Report. Sartain said plan reviews remain strong. New project submittals include two (2) tire shops and the Natural State Beer Co. and the Roselawn Subdivision located on East New Hope Road. Also included are the Seed Church Development and a new storage facility. Sartain noted the map showing the proposed bond projects. Sartain said Bell View Road is nearing completion for the utilities. The I-49/71 B Interchange waterline relocation plans advertised this past Sunday in hopes to present bid results in October. The rejected bids from the 10th & Rozelle water and sewer project will advertise again. The repair to the Blossom Way Sanitary Sewer interceptor is essentially complete. However, CCTV inspections revealed a significant crack downstream of the sewer repair. Sartain stated that staff is researching internal repair/rehabilitation methods to avoid a more costly full replacement of the

pipe. Noting progress on the RPCF Train I Rehabilitation project, Sartain stated that the basin was filled for startup testing, and water started to leak through intake pipes for the recirculation pumps, due to heavy corrosion. Chairman Surly asked how long it's been since in use. Todd Beaver replied about 2008 or close to ten (10) years. Startup has been delayed as there are two (2) ten inch steel pipes that show extensive corrosion. Chairman Surly asked what options are now available. Sartain stated that the concrete around the pipes will be removed to determine the extent of the corrosion, then Crossland Heavy will initiate a change order for replacing the pipe that is corroded. Sartain said that the project included \$50,000 in contingencies and at this time, is currently under budget. There were no further questions.

Chairman Surly recognized Todd Beaver, RPCF Manager to present the August Reports. The Discharge Monitoring Report is within permit limits with no issues. The Pretreatment activities are continuing with no permit violations reported for the monitoring period. The FOG program continues with noted inspections. The new Chick-fil-A located on Pauline Whitaker Parkway, has some issues with their grease interceptor as it was not installed to the original plans submitted; most likely to get the issues resolved will undergo a new installation process. The RPCF staff has completed the installation of the new mixers which did result in significant savings. The Inflow and Infiltration look good for August as we reported below average rainfall for the month. A total of 242.4 MG was treated with approximately 17.6 MG extra throughout seven (7) rain events. There were no questions.

Chairman Surly recognized Johnny Lunsford, Construction and Maintenance Manager for presentation of the August Operation Reports. Lunsford reported the water break at Prairie Creek/Hwy 12 East on September 7, 2018 that resulted in a boil order. The Lost Water Report is at 16% for the last twelve (12) months, and 18% for the month. The August 2018 average daily water usage was 11.6 MGD with a single daily use high of 13.6 MGD. There were no questions.

Chairman Surly recognized Brian Sartain requesting approval of the revised Construction Specifications for Manhole Frames & Covers, Sewer Manhole Construction, Sewer Manhole Testing, Force Main Hydrostatic Test, Water Main Hydrostatic Test, and Record Plan Specifications. This update will conform to the latest AWWA testing guidelines for testing procedures and also addresses updates to more conform to current inspection practices. Chairman Surly asked the most significant change. Sartain responded that the Record Plan Specifications have undergone the most significant changes due to GPS technology and electronic plan submittal. Chairman Surly asked how these changes are communicated. Sartain said after approval of the RWWSC, it is sent to the Arkansas Dept of Health for approval. It will be published on the website and also communicated in the pre-construction meetings. Commissioner Travis Greene made a motion, second by Commissioner Kathy McClure to approve the proposed revised Construction Specifications as submitted. All in favor, motion carried. There were no further questions.

Sartain continued by requesting approval of Amendment #2 of the Engineering Contract with Garver Engineers for Phase I RPCF Sludge Handling Facility Improvements Project in the amount of \$504,255.00. This amendment adds additional design and construction phase services for Phase I of the project. A motion was made by Commissioner Travis Greene, second by Commissioner Mike Watkins to approve Amendment #2 of the Engineering Contract for Phase I of the RPCF Sludge Handling Facility Improvements Project in the total amount of \$504,255.00 as submitted. All in favor, motion carried.

Johnny Lunsford requested approval to purchase a new 2018 Ram 5500 Chassis 4x4 truck including a 12' steel flatbed with additional accessories on state bid for \$53,185.00. It is a budgeted item and will replace a 2001 that is experiencing problems. Commissioner Kathy McClure made a motion, second by Commissioner Mike Watkins to approve the purchase of a new 2018 flatbed truck from Superior in the amount of \$53,185. All in favor, motion carried.

Chairman Surly recognized Todd Beaver, RPCF Manager to present Resolution No. 18-11 for purchase of wastewater treatment chemicals; waiving any further

requirements of competitive bidding. Brenntag Mid-South Inc. was the sole bidder proposing to supply liquid chlorine for the price of \$0.295 per pound, liquid sulfur dioxide for the price of \$0.4425 per pound, and supply 12.5% sodium hypochlorite for \$3.05 per gallon for one drum or \$2.50 per gallon for two drums or more; also proposing to supply 65% calcium hypochlorite for \$2.39 per gallon for one drum or \$1.90 per gallon for two drums or more, for one year. Commissioner Kathy McClure made a motion, second by Commissioner Mike Watkins to approve Resolution No. 18-11 as submitted. All in favor, motion carried.

Brent Dobler, Utility Superintendent, introduced Shawn Koorn from HDR Engineering to present an overview of the Rogers Water Utilities financial planning process. The purpose of the study is to plan for sufficient revenue to prudently operate and maintain RWU's water and sewer utility services. As part of that process the study addressed equitable and cost-based rates, cost-based access and impact fees, and a transparent and sustainable plan to fund the financial needs of the utility. Among the considerations of the study were annual O & M expenses, debt service, funding for capital projects and maintaining strong financial metrics. Currently, the presentation was for information purposes only and no action was taken.

With no further business, Chairman Surly adjourned the meeting at 5:35 PM.

Respectfully submitted,



Brent Dobler, Acting Secretary/djw

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