

Rogers Waterworks and Sewer Commission

September 29, 1998

The Rogers Waterworks and Sewer Commission held its regularly scheduled meeting at 4:00 PM, September 29, 1998, at the Rogers Water Utilities Training Center. Commissioners Dick McLelland, Beck Scott, Jerry Pittman, and Donnie Moore were present. Lon Pepple was absent. Rogers Water Utilities staff present were Tom McAlister, Mike Lawrence, Mark Johnson, Don Roberts, Don Bridges, Judy Bridges, Martin Beauchamp, Dave Martin, Howard Henry, and Manuel Anchondo. Others in attendance were Tom Sissom, Jim Clark, Joe Tarvin, Jim Fowler, John Evans, Howard Berens, and Tonya McKiever. Chairman Moore called the meeting to order at 4:00 PM.

Motion by Scott, second by Pittman, to approve the August minutes as submitted. All in favor, motion carried.

McAlister recognized Don Bridges with a plaque for 21 years of service to the customers of the Rogers Water Utilities. Bridges was retiring due to health reasons, at the end of the month.

Moore recognized Mark Johnson, P. E., Utilities Engineer. Johnson gave a brief update on several of the projects the Commission was involved with, such as, Dixieland Road widening, Hillcrest Addition waterline replacement, and the Fairgrounds Addition sewerline replacement project. McAlister asked if any design work had been started on the water/sewer improvement project? Johnson said that preliminary design work had begun on the Lake Atalanta Sewer Project, and that he had been doing a lot of thinking and research about the water tank project, but, nothing had been committed to paper to date.

Moore recognized John Evans, C. P. A., of Beall, Barclay, & Co., who presented the audit reports for FY 1998. He noted no significant problems with financial control, and said that the financial records were in good shape, and that very few adjusting entries were necessary. The statements were accepted with no comment.

Moore recognized Tom McAlister, Water Utilities Superintendent. McAlister told the Commission that he had been approached by Jim Fowler, a bond underwriter with Morgan Keegan & Company, who had heard of the water/sewer improvement project. Fowler had done a cost comparison between using Utilities reserves, borrowing the money from the state Revolving Loan Fund (RLF), and issuing municipal revenue bonds. McAlister recognized Fowler, who presented a cost comparison and a present value analysis of the different alternatives. The difference in cost between the RLF and the municipal bonds, was about \$300,000 over 20 years, he said. McAlister said that the RLF had many requirements that would drive up the cost of the project, and recommended that the Commission empower McAlister and Fowler to bring a resolution to the Commission

at the next meeting for its approval. Fowler said that timing was critical, if the bonds were to be "bank qualified". He said the bond proceeds could be delivered approximately 45 days after the City Council approved the bond ordinance. There was some discussion whether the Commission needed to hear another proposal before taking action on McAlister's recommendation. Motion by McLelland, second by Pittman, to allow McAlister to work with Morgan Keegan, in order to bring a financing proposal to the Commission for its approval. Two in favor, one against, motion carried.

Mark Johnson addressed the Commission again. Johnson presented Resolution No. 99-02, which would allow the Utilities to enter into a contract with M. J. Harden and Associates for \$124,300, for mapping services. Johnson said that Harden had done a similar mapping project for the City in 1991. Since that time, a lot had changed, and new maps were needed. He said that the cost of ortho-photography had gone down dramatically, and the contract price for the service was about half the cost of the 1991 project, and this project covered more territory. Scott asked if the rest of the City would contribute? How about the consulting engineers, who would also benefit? Johnson said that the City had committed for \$25,000. Motion by Pittman, second by Scott, to approve the resolution. All in favor, motion carried.

Don Roberts asked permission to bid a replacement backhoe, a budgeted item. Motion by Scott, second by Pittman, to approve the request. All in favor, motion carried.

The request by Lois Malone for city water was tabled.

McAlister recognized Howard Berens, owner of Berens addition, who had come to the meeting last month with a request for cost reimbursement for water and utilities in his development. McAlister admitted that he had not given the matter much thought since the last meeting, apologized for the oversight, and said he was not prepared to discuss the matter at the meeting. Pittman suggested that Mr. Berens call the Utilities prior to the next meeting, so that any unnecessary trips could be avoided.

The financial sheets were discussed. It was noted that sales were slightly down over the same period as last year. No exceptions were taken to the statements.

The meeting adjourned at 4:45 PM.

Respectfully submitted,

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

