

Rogers Waterworks and Sewer Commission

October 16, 2017

Minutes

The Rogers Waterworks and Sewer Commission held its regular scheduled meeting at 4:00 PM Monday, October 16, 2017, in the Rogers 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 Water Utilities staff Earl Rausch, Brent Dobler, Johnny Lunsford, Jene' Huffman-Gilreath, Joyce Johnson, Jennifer Lattin, Brian Sartain, Aaron Short, Debbie Putman, Randy Watson, Todd Beaver, David Staib, Vera Hall, and Donna Wilson. Others in attendance were Jerry Carmichael of the City of Rogers City Council, Robert Frazier of the Frazier Law Firm, Chris Buntin and Joe Dollerschell of Garver Engineering. Chairman Roger Surly called the meeting to order at 4:04 PM.

Chairman Surly recommended a correction on page 4 of the RWWSC meeting minutes from September 18, 2017. The original phrase "Chairman Surly recognized Earl Rausch to present Resolution No. 17-25, a Resolution Authorizing and Approving an Agreement with XNA Real Estate, LLC Concerning a Wall on Lot 17 Crow's Nest First Addition, Benton County, Arkansas and gave a general description of the proposed agreement with XNA Real Estate, LLC" was revised to read "Chairman Surly recognized Earl Rausch to present Resolution No. 17-25, a Resolution Authorizing and Approving an Agreement with XNA Real Estate, LLC Concerning a Wall on Lot 17 Crow's Nest First Addition, Benton County, Arkansas and Rausch gave a general description of the proposed agreement with XNA Real Estate, LLC". A motion was made by Commissioner Travis Greene to approve the minutes with correction, and second by Commissioner Kathy McClure as submitted. All in favor, motion carried.

Chairman Surly recognized Jennifer Lattin, Utilities Controller for the presentation of the September 2017 Financial Reports. Lattin stated that water consumption for the month of September 2017 was down .42% from September 2016. Billed revenue was down .05%. The Water Department reported a profit of \$322,000 for the month ending September 30, 2017. A profit of \$288,000 was reported for the month ending September 30, 2016. Collection of access and impact fee revenue for F'Y' 18 are \$277,000, and are up from \$146,000 in F'Y' 17. Actual access and impact fee revenues are \$99,000 over budget in the Water Department for Fiscal Year 2018.

Sewer consumption for September 2017 was up 1.02% from September 2016. Billed revenue was up 1.14%. The Sewer Department reported a profit of \$439,000 for the month ending September 30, 2017. A profit of \$311,000 was reported for the month ending September 30, 2016. Collection of access and impact fee revenue for F'Y' 18 are \$449,000, and are up from \$323,000 in F'Y' 17. Actual access and impact fee revenues are \$92,000 over budget in the Sewer Department for Fiscal Year 2018.

The Restricted and Unrestricted Funds Report show total funds are at \$35.2 million. \$10.3 million is restricted. The unrestricted funds are at \$10.1 million in Water and \$14.8 million in Sewer. Total

funds on hand at September 30, 2016 were \$35.1 million. Year to date profit in the Water Department was more than the prior year and budget. Year to date profit in the Sewer Department is also more than the prior year and ahead of budget. Year to date collections of access and impact fees are more than budget in both the water department and the sewer department. Chairman Surly noted the increase of approximately 500 new customers in the Sewer Department. Lattin said it relates to about a 2% average growth in customer count from September of last year. There were no additional questions.

Chairman Surly recognized Brian Sartain, Utility Engineer for the presentation of the September Engineering Report. The plan review activity shows a small downward trend but remains steady. Current projects are Phase II Scissortail Subdivision and the Bellview Townhouses (apartment complex) located on S Bellview Road. Redevelopment is continuing in the downtown area as well as new development along the I-49 corridor. Chairman Surly asked about Camp War Eagle. Sartain said it is a recreational facility located on W Hudson Road. The meeting was held with APAC on S Bellview Road however, we are awaiting some utility relocation's and expect a January start date. We anticipate the stream stabilization waterline projects bid results at the next meeting. We are planning to send out the bids next week for the Bardenpho Basin Repair/Rehab at the RPCF. Commissioner Travis Greene asked if the proposed annexation issue could have any potential effect on the Pleasant Grove Road Phase III Project. Sartain said he doesn't see any problems as this is currently proposed from Sloan Circle to Hwy 112 however, it could possible effect any future street projects west of Hwy 112 on Haxton Road (previous name). There were no further questions.

Chairman Surly recognized Todd Beaver, RPCF Manager for the presentation of the September RPCF Reports. Beaver said that due to loss of high voltage current to BNR train #2 resulted in (2) two permit violations as indicated on the DMR Summary Report and ADEQ was notified immediately. This repair required high voltage qualified contractors and has been completed. Chairman Surly asked Beaver if there were any recommendations to prevent future power failures. Beaver explained they had discovered the conductors had repeatedly overheated due to a poor connection (2008 basin upgrade) and over time resulted in loss of power. Due to complications with the SCADA System, it was reporting the last known value as being acceptable; however we were unaware of the reports giving misleading information and did not alert any alarms. An oil leak has been identified with a transformer onsite and currently making plans to address the issue. The equipment in the post aeration building has been repaired and working well. ADEQ performed inspections of the pretreatment systems only at two locations due to time constraints. At this time, a report has not been submitted of their findings. The FOG Inspection Report indicates good communication results and review is showing 71% completed progress. There were no violations reported. There was no data provided for the Osage Creek Monitoring Report. There were no further questions.

Chairman Surly recognized Brent Dobler, Operations Manager for the presentation of the September Operation Reports. Dobler briefly highlighted the graphs relative to the various departments. Locates and service calls are still average remaining consistent. Shut offs have decreased from the previous two years reporting. The CCTV inspection is working well. The Vac-con flush truck had some mechanical issues with the pony motor. Valve exercising did not report any activity for the month;

the repairs were done in house and working now. We are now training and learning to operate the new rover, this will allow us to provide more data which will help to ultimately reach our goal of having every valve located. Meter Change out Program is ongoing, trying to complete as many change outs as possible before the weather worsens. A total of 1,157 meters YTD has been changed out for FY 18. The lost Water Report is at 15% for the last (12) twelve months, and 14% for the month. The September average daily water usage was 11.7 MGD with a single daily use high of 13.2 MGD. There were no further questions.

Brian Sartain, Utility Engineer recognized Chris Buntin of Garver Engineering for a brief presentation of the Preliminary Engineering Report for the Sludge Handling Facility located at the RPCF. Garver was selected to develop a CIP for the RPCF solids train and conduct an energy audit on the existing solids handling process. This report contains an evaluation of solids processing alternatives, including opinions of probable construction costs and life cycle costs, recommended path forward for phased improvements, and results of the energy audit. Buntin noted that RWU engineering, management, and operations staff was actively involved and provided valuable input for this report. Four different alternatives were evaluated and discussed. RWU staff and Garver recommend Alternative #3 which will produce a Class 'A' Pelletized product that will maximize disposal options and increase the product value. A motion was made by Commissioner Travis Greene, second by Commissioner Kathy McClure to approve the selection of Alternative #3 as submitted for a total amount of \$35.4 million as the phases will be scheduled within the budget. All in favor, motion carried.

Brian Sartain presented the bid results from October 11, 2017 for the repainting of the Prairie Creek Elevated Tank. The low bidder Classic Protective Coatings, Inc. was recommended for the repainting of the Prairie Creek Elevated Tank in the amount of \$246,950. This project consists of abrasive blast cleaning and repainting the exterior of a 100,000 gallon elevated water storage tank along with miscellaneous minor repairs and rehabilitation work. Commissioner Kathy McClure made a motion, second by Commissioner Mike Watkins to approve Classic Protective Coatings, Inc. in the amount of \$246,950 as submitted. All in favor, motion carried.

Sartain continued with presentation of the Monte Ne Road Utilities Change Order Request. He said that NEC has performed the work in the amount of \$7,938 and an additional amount of \$20,547 is also requested for approval as this will be a reimbursement to the City of Rogers. Commissioner Travis Greene made a motion, second by Commissioner Kathy McClure to authorize reimbursement to the City of Rogers for a total amount of \$28,485 for the Monte Ne Road Utilities Change Order. All in favor, motion carried.

Chairman Surly recognized Todd Beaver, RPCF Manager to present the bid results from October 11th, 2017 for the replacement of (6) six hyperbolic mixers for components of Biological Nutrient Removal (BNR) processes at RPCF. Staff recommends approval in the amount of \$133,795 which goes to Invent Environmental Tech (the only qualified bidder). A motion was made by Commissioner Kathy McClure, second by Commissioner Mike Watkins to approve \$133,795 to Invent Environmental Tech for the costs to replace (6) six hyperbolic mixers at the RPCF. All in favor, motion carried.

With no further business, Chairman Surly adjourned the meeting at 5:05 PM.

Respectfully submitted,

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

Earl Rausch, Acting Secretary/djw

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