

## **Rogers Waterworks and Sewer Commission**

**October 17, 2016**

### **Minutes**

The Rogers Waterworks and Sewer Commission held its regular scheduled meeting at 4:00 PM Monday, October 17, 2016 in the Rogers Water Administration Building. Present were Commissioners Kathy McClure, Travis Greene, Roger Surly, Mike Watkins and Don Kendall arrived late. Present was Rogers Water Utilities staff Earl Rausch, Brent Dobler, Johnny Lunsford, Joyce Johnson, Jennifer Lattin, Brian Sartain, Stephen Ponder, Todd Beaver, Vera Hall, Randy Watson, Kyle Mooney, and Donna Wilson. Others in attendance were Robert Frazier of the Frazier Law Firm, April Robertson of the Northwest Arkansas Democrat-Gazette, Jill Drewyor of the Mitchell Williams Law Firm, and Bob Wright of Crews & Associates. Chairman Roger Surly called the meeting to order at 4:02 PM.

Brent Dobler, Operations Manager presented Kyle Mooney, Meter Reader with a gift of appreciation and a certificate for (5) five years of service. The Commission showed their appreciation.

A motion was made by Commissioner Travis Greene, second by Commissioner Kathy McClure to approve the minutes of the September 19, 2016 meeting as submitted. All in favor, motion carried.

Chairman Surly recognized Jennifer Lattin, Utilities Controller for the presentation of the September 2016 Financial Reports. Lattin stated that water consumption for the month of September 2016 was down 4.90% from September 2015. Billed revenue was down 3.49%. The Water Department reported a profit of \$288,000 for the month ending September 30, 2016. A profit of \$320,000 was reported for the month ending September 30, 2015. Collection of access and impact fee revenue for F'Y' 17 are \$146,000, and are down from \$219,000 in F'Y' 16. Collection of access and impact fee revenue is \$1,000 over budget in the Water Department for Fiscal Year 2017.

Sewer consumption for September 2016 was down 0.59% from September 2015. Billed revenue was up 0.43%. The Sewer Department reported a profit of \$311,000 for the month ending September 30, 2016. A profit of \$355,000 was reported for the month ending September 30, 2015. Collection of access and impact fee revenue for F'Y' 17 are \$323,000, and down from \$422,000 in F'Y' 16. Actual access and impact fee revenues are \$23,000 over budget in the Sewer Department for Fiscal Year 2017.

The Restricted and Unrestricted Funds Report show total funds are at \$35.1 million. \$9.2 million is restricted. The unrestricted funds are at \$8.6 million in Water and \$17.3 million in Sewer. Total funds on hand at September 30, 2015 were \$32.6 million. Year to date profit in the Water Department was more than the prior year and budget and the Sewer Department year to date profit is less than the prior year, but ahead of budget. Year to date collections of access and impact fees are more than budgeted in both the water and sewer departments.

Lattin noted the Sewer Savings-O&M money fund balance is higher than usual in anticipation of a possible partial bond call or refunding of the 2007 Sewer Revenue Improvement Bonds. There were no questions.

Chairman Surly recognized Earl Rausch, Utilities Superintendent for the presentation of the Engineering Report. Rausch referred to the graphs depicting the development jobs that are currently in review. Referring to the map he pointed out commercial jobs continuing and also some smaller remodel jobs. Chairman Surly asked what area of construction has the largest impact currently on the utility. Rausch replied mostly apartment complexes as they may have numerous reviews. Chairman Surly asked how if any costs were associated with the number of reviews. Rausch stated the Utility does not charge for plan reviews, the City of Rogers Building Inspection Department does charge for permits obtained. Chairman Surly asked about the timeline of the lift station repairs. Rausch said we are waiting for a part to arrive and working on the rails and also the new pumps that have been ordered. Rausch gave an update on the project of the round-a-bout connecting First Street and Monte Ne. There were no further questions.

Chairman Surly recognized Todd Beaver, RPCF Manager for the presentation of the RPCF Reports. He noted a correction stating that the Carbonaceous Biochemical Oxygen Demand (CBOD) has previously been reported as BOD, a change needed for significance of the permit. He reminded the Commission of the Administrative Compliance Order that was previously issued against Southeast Poultry. He stated that SEP has failed to meet their limits on CBOD. Beaver referenced the conductivity on the Osage Creek Monitoring Report. He explained that conductivity relates to the concentration of ions present which gives a total of dissolved solids in the water. There were no questions.

Chairman Surly recognized Brent Dobler, Operations Manager for presentation of the September Operation Reports. Dobler reviewed the graphs relating to the various departments. Locates continue to be on the rise correlating to the active projects. Service calls appear to be normal results. Shutoffs are inline. The TV inspection graph shows a decrease mostly due to some of the staff being utilized in other areas. The Vac-Con report shows flushing 146,000 feet of sewer line in one month. Over 147 miles or 30% of our water system has been logged in leak detection as we are still concentrating in the lake area. A total of approximately 2200 meters has been installed in the system since the meter change out program started. Chairman Surly asked what happens to the old meters. Dobler stated they are recycled as is for scrap receiving about \$1.21/lb. The Lost Water Report is at 15% for the last twelve months, while being at 18% for calendar 2016 and 3% for the month. The September average daily water usage was 10.54 MGD with a single daily use high of 12.68 MGD. There were no questions.

Chairman Surly recognized Jill Drewyor of the Mitchell Williams Law Firm. She presented Resolution No. 16-18 authorizing the offering of not to exceed \$15,000,000 Sewer Revenue Refunding Bonds to finance the costs of refunding the City of Rogers, Arkansas Sewer Revenue Improvement Bonds, Series 2007. Commissioner Don Kendall made a motion, second by Commissioner Kathy McClure to approve Resolution No. 16-18 as submitted. All in favor motion carried. Also presented was Resolution No. 16-19 authorizing the offering of not to exceed \$15,000,000 Water Revenue Refunding Bonds to finance

the costs of refunding the City of Rogers, Arkansas Water Revenue Improvement Bonds, Series 2006. Bob Wright of Crews & Associates stated that the total Water and Sewer combined cash flow savings was an estimated 18 Million. Commissioner Travis Greene made a motion, second by Commissioner Don Kendall to approve Resolution No. 16-19 as submitted. All in favor, motion carried.

Rausch presented Resolution No. 16-20 to authorize the sale at public auction of certain personal property no longer used by Rogers Water Utilities. These items were primarily used at the Rogers Pollution Control Facility and are primarily located there. Commissioner Kathy McClure made a motion, second by Commissioner Don Kendall to approve Resolution No. 16-20 as submitted. All in favor, motion carried.

With no further business, the meeting was adjourned at 4:52 PM.

Respectfully submitted,

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

Earl Rausch, Acting Secretary/djw

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