

Rogers Waterworks and Sewer Commission

October 20, 2014

Minutes

The Rogers Waterworks and Sewer Commission held its regular meeting at 4:00 PM on Monday, October 20, 2014, in the Rogers Water Utilities Administration Building. Present were Commissioners Kathy McClure, Roger Surly, Travis Greene and Jene' Huffman-Gilreath. Commissioner Don Kendall did not attend. Rogers Water Utilities staff in attendance were Joyce Johnson, Johnny Lunsford, William Evans, Jennifer Lattin, Robert Moore, Brian Sartain, Randy Watson, Stephen Ponder, Vera Hall, Mark McDonald and Earl Rausch. Others in attendance were Assistant City Engineer Nathan Becknell and John Gore of the Morning News. Acting Chairman Greene called the meeting to order at 4:04 PM.

Acting Chairman Greene recognized Earl Rausch, Utility Superintendent, for the employee anniversary. Rausch presented a certificate and gift to Mark McDonald, Construction Inspector, to commemorate ten years of service to RWU and the citizens of Rogers.

There was a motion by Commissioner Surly, second by Acting Chairman Greene to approve the minutes of the September 15, 2014, regular meeting and the October 6, 2014, special meeting as submitted with a minor change to the special meeting minutes. All in favor, motion carried.

Acting Chairman Greene recognized Joyce Johnson, Utilities Controller, to present the September 2014 financial reports. Johnson stated the Water Department reported a profit of \$131,000 which was better than September 2013. Year to date profit is \$186,000 in the Water Department, making breaking even or meeting the budgeted loss of \$132,000 possible. The Sewer Department had a profit of \$183,000. Year to date Sewer profit is \$711,000. Sewer is down \$105,000 from the same period in 2013. On the condensed Water Department profit and loss statement, expenditures appear over budget but this is accounted for by water purchases. This is the biggest quarter for water consumption and therefore larger water purchases occur in this quarter. The Sewer Department had year to date total expenditures of \$2,187,000 which is under the budgeted amount of \$2,247,000. Acting Chairman Greene asked when the next round of callable bonds would occur. Johnson stated the next callable bonds are in the Water Department on October 1, 2015. The callable amount is \$2,185,000. Calling the bonds would save the Utility approximately \$300,000 per year in debt service. It will drop the debt service for the Water Department from \$1,750,000 to about \$1,450,000. Johnson asked if there were any questions. There were none.

Acting Chairman Greene recognized Earl Rausch, Utility Superintendent, for the September Staff report. Rausch stated no issues were reported last month. In the Engineering Department, the commercial developer projects are still coming in. The wastewater plant DMR results look good. We received monitoring test results on Osage Creek and the results look normal. Commissioner Huffman-Gilreath stated the conductivity test value of 4 for July looks low. Robert Moore, Plant Manager for the Rogers Pollution Control Facility, stated the value of 4 was reported by the USGS but he would question USGS about the value. The sewer department had no overflows and we are selling water. Rausch asked if there were any questions. There were none.

Acting Chairman Greene recognized Earl Rausch, Utility Superintendent, to present the revised catastrophic water leak policy. Rausch stated that the staff had provided input into this policy. The revised leak policy defines the definition of a leak and details procedures for when the customer is notified and the steps following that notification. Acting Chairman Greene asked if it is a rental unit would the landlord be responsible for the repairs. Rausch stated the customer (renter) is responsible for the water bill and the landlord is responsible for the repair. Commissioner Huffman-Gilreath asked does the City Council need to approve it. Rausch stated since we are in a process of change, we can approve this policy for now and look at the City Council side later. Acting Chairman Greene asked if the leak policy is on the website. Rausch stated the leak policy is not on the website. There was a motion by Acting Chairman Greene, second by Commissioner McClure, to approve the updated catastrophic water leak policy. All in favor, motion carried.

Acting Chairman Greene recognized Brian Sartain, Design Engineer, to discuss the award of the 2014 Water and Sewer Replacement Project. Sartain stated a bid opening was held Wednesday, October 15, 2014, for the 2014 Water and Sewer Replacement Project. This project consists of water and sewer replacements in three locations: sewer line replacement on Sumac Street/Monte Ne Baptist Church, water and sewer line replacement at intersection of 6th Street and Sycamore Street and the water line replacement on Oak Street between 7th Street and 8th Street. These locations were selected by Field Operations as problem lines. The low bidder was Crossland Heavy at \$420,888. The next low bidder was Seven Valley Construction at \$453,156. The engineer's estimate for this project was \$379,176. Commissioner Surly asked what do you contribute the gap between the low bid/estimate. Sartain stated we gave the contractors a month to submit bids and contacted contractors a couple weeks prior to bid opening. There are other cities requesting bids for projects and we are also seeing prices increasing across the board. Acting Chairman Greene asked if we recommend selecting Crossland Heavy. Sartain stated we do recommend selecting Crossland Heavy. There was a motion by Commissioner Huffman-Gilreath, second by Commissioner Surly, to award the 2014 Water and Sewer Replacement Project to Crossland Heavy in the amount \$420,888. All in favor, motion carried.

Acting Chairman Greene recognized Brian Sartain, Design Engineer, to discuss the West Laurel Avenue Engineering Amendment with McClelland Consulting Engineers. Sartain stated this is a street widening project that will likely be constructed in 2017. In this project, we are relocating water line. The engineer amendment amount for the water design to the City agreement is

\$28,030. There was a previous water design amendment to the City agreement of \$11,460. The total amended City agreement is \$195,890. Commissioner Surly asked if this work is above the original amendment. Sartain stated the original design concept did not anticipate the street alignment changing as much as it did. Once the new alignment was selected, the need for the additional water relocation became apparent and necessitated the additional amendment. There was a motion by Commissioner Huffman-Gilreath, second by Commissioner Surly, to approve the amendment for additional water design to the McClelland Consulting Engineers/City agreement of \$28,030. All in favor, motion carried.

Earl Rausch, Utility Superintendent, made an announcement to the Commission that he would be placing Resolution No. 14-02-A Resolution Authorizing the Change of Legal Representation for the Rogers Water Utilities on the October 28, 2014 City Council agenda*. Any Commissioners available to attend the City Council meeting would be appreciated.

Acting Chairman Greene adjourned the meeting at 4:32 PM.

Respectfully submitted,



Earl Rausch, Secretary
Rogers Waterworks and Sewer Commission
File: RWWSC minutes, 10-20-2014

*On Tuesday morning October 21, 2014 the Resolution No. 14-02-A Resolution Authorizing the Change of Legal Representation for the Rogers Water Utilities was placed on the October 28, 2014 City Council agenda. Later Tuesday morning, the Resolution No. 14-02-A was withdrawn from the October 28, 2014 City Council agenda.