

Rogers Waterworks and Sewer Commission

November 17, 2008

Minutes

The Rogers Waterworks and Sewer Commission held its regularly scheduled monthly meeting at 4:00 PM, Monday, November 17, 2008, in the Rogers City Hall. Commissioners in attendance were Jene' Huffman-Gilreath, Don Kendall, Travis Greene, Guy Cable, and Lon Pepple. Rogers Water Utilities (RWU) staff in attendance were Tom McAlister, Mark Johnson, Joyce Johnson, Earl Rausch, Mike Lawrence, Tim House, William Evans, and Johnny Lunsford. Others in attendance were Drew Van Winkle, Robert Frazier, and Alan Wooten. Chairman Greene called the meeting to order at 4:05 PM.

There was a motion by Pepple, second by Huffman-Gilreath, to approve the minutes of the October meeting. All in favor, motion carried.

Greene recognized Mark Johnson, Utility Engineer. Johnson presented the Commission with a short report on the few remaining projects in which the Commission had a pecuniary interest. He said that the Rogers Water Utilities Administration Building expansion project was making progress. He noted that the outside stud walls were erected, and most of the interior walls had been furred. Johnson said the elevated tank project on S. 24th St. was progressing nicely. He said the contractor, CBI, Inc., was on schedule to be finished in early spring.

Continuing, Johnson said that the Pleasant Grove Road utility relocation project was finished except for minor cleanup items. He said that the Arkansas Department of Highways and Transportation required some right-of-way from the City of Rogers in order to widen the Olive St. overpass over Interstate 540. Johnson said that the proposed ROW included a large water line owned by Rogers, and a sewer line belonging to Bentonville. He said that the ROW document would need to be changed to allow the cities to manage their facilities without the permission of the Highway Department.

There were a few questions regarding the ownership and operation of the water main in Bentonville. Johnson said that the City of Rogers and the City of Bentonville maintained an emergency connection between the two cities at the northeast corner of the intersection, just south of the Buffalo Wild Wings restaurant on Moberly Lane. Johnson said that the City should maintain the emergency connections, since Bentonville could pressurize the Rogers water system from the north, in case the supply of water was interrupted from Beaver Water District.

Greene recognized Joyce Johnson, Utilities Controller. Johnson presented the Commission with financial reports from October 2008. Water consumption was down from the same period last year, as was revenue. Sewer revenue was up from last year, due

to a rate increase effective last March. Johnson said that unaccounted-for-water rate was steady at 11% for the calendar year. She indicated the loss of about \$3300 for the month in the water department, and said that the loss came as no surprise. She mentioned the water rate analysis on-going by HDR Engineering. Tom McAlister, Utilities Manager, said that the rate consultant had received the Capital Improvement Plan (CIP) approved by the Commission, and wanted to talk to the staff about it.

Continuing, Johnson asked the Commission if it wanted to approve the FY '08 audit reports from Lundy-Allard Associates as submitted at the last Commission meeting. There was a motion by Pepple, second by Greene to approve the audit reports. All in favor, motion carried.

Greene recognized Everett Balk, Project Facilitation Engineer for RWU. Balk said that he had hoped to bring the Commission a firm recommendation regarding the direction of the future of sludge disposal for RWU, but the process was taking longer than expected. Balk said that he was trying to gather realistic cost numbers for capital costs and operation and maintenance expense for the various alternatives, so he could perform a present worth analysis. He then numerated several alternatives, including thermal drying, solar drying, ATAD, and hauling the sludge to the river valley for land application (by a third party hauler).

There were several questions for Balk from the Commission. Kendall wanted to know how much the volume of sludge might be reduced. Balk said from 80 to 95%. What are the other cities doing? Greene wanted to know. Balk said that they were disposing of sludge in a landfill. Did the State of Oklahoma care how we disposed of the sludge? Someone asked. McAlister said yes, but the primary reason RWU stopped land application of sludge (a beneficial reuse of sludge and inexpensive), was that the State of Arkansas had effectively stopped the practice in northwest Arkansas two years ago.

Continuing, McAlister said that the increasing cost due to hauling sludge long distances and tipping fees at landfills had prompted the staff to look at other alternatives. He said that, if heat-treated, the sludge became Class A biosolids, and there were no restrictions on the disposal of Class A sludge. He said that the trend across the country was toward Class A sludge, because the Cities were responsible for Class B and unclassified sludge from the "cradle to the grave". However, the costs to get to Class A biosolids were significant, and the final decision would lay with the Commission.

Greene said that the problem was a technical one and best left to the experts, but he did not think that the cheapest way to go was necessarily the best way to proceed. Mark Johnson said that the staff had investigated the problem for the past two years, often by making trips to other states in order to see the equipment work, and talk to the operators about the various treatment methods.

Greene recognized Earl Rausch, RWU Design Engineer. Rausch said that the staff had been asked by the City of Rogers to provide sewer service to the planned recycling center on Stave Mill Road. He said that the water and sewer contractor for the S. 26th St.

facilities relocation project had agreed to build the sewer (from N. Second St. to N. Arkansas St., about 1400 ft.) for a change order of \$91,288. Rausch said that all easement had been procured, and he lacked only a permit from the railroad to bore under it. There was a motion by Pepple, second by Kendall, to approve the mentioned change order with DECCO Contractors. All in favor, motion carried.

Greene recognized Mark Johnson again. Johnson presented the Commission with a memo, spreadsheet, and a drawing of S. Second St. in front of the RWU Administration Building. At the last Commission meeting, the Commission had given permission to proceed with drainage improvements and sewer line replacement in Second St. Now, a replacement water main had been added to the project, since the existing water line was very old with lead joints. The project was advertised, and seven bids were received. The low bid was from Seven Valleys Construction of Cassville, Missouri, for \$273,347.50. Johnson opined that the contractor was proficient in jobs of this sort, and recommended the low bid.

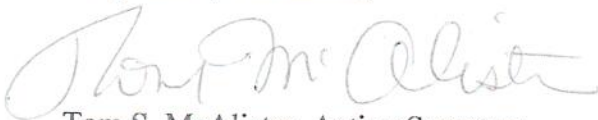
Greene asked about the evident disparity in the line item labeled "Trench safety". Johnson said that state law required a separate line item when the job required excavations, and that there was no explanation for the difference. There was a motion by Kendall, second by Huffman-Gilreath, to approve the low bid. All in favor, motion carried.

McAlister presented the Commission with a calendar of meetings for 2009. He said that all meeting dates were the third Monday in the Month, with the exception of February, which was the fourth Monday, to avoid a conflict with the President's Day holiday. He suggested the Commission might want to move to another day of the week, since there was no codified requirement for Monday. The Commission decided that Monday meetings were OK.

Greene recognized Johnny Lunsford, Sewer Rehab Team Leader. Lunsford said that he had budgeted \$30,000 for a replacement one-ton truck and work body for the Sewer Department. He said he found a suitable truck under the state bid system, for \$21,761. He said the old truck would be relegated to standby basis, and another, older truck would be sold as surplus property. There was a motion by Pepple, second by Kendall, to approve the purchase of the truck. All in favor, motion carried.

The meeting adjourned at 4:45 PM.

Respectfully submitted,



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