

Rogers Waterworks and Sewer Commission

November 19, 2012

Minutes

The Rogers Waterworks and Sewer Commission held its regular meeting at 4:00 PM Monday, November 19, 2012, in the Rogers Water Utilities Administration Building. Present were Commissioners Travis Greene, Roger Surly, Jene' Huffman-Gilreath and Don Kendall. Rogers Water Utilities staff in attendance were Craig Noble, Joyce Johnson, Johnny Lunsford, William Evans, Robert Moore, Vera Hall, Stephen Ponder, Andy Robinson, Jordan Waterhouse, and Earl Rausch. Others in attendance were Kathy McClure, Deputy City Attorney Jim Clark and City Planner Derrel Smith. Chairman Greene called the meeting to order at 4:00 PM.

Greene recognized Robert Moore, Plant Manager for the Rogers Pollution Control Facility (RPCF) to present an employee recognition plaque to Cary Roth. Moore informed Greene that Roth was unable to attend due to a family issue.

There was a motion by Kendall, second by Huffman-Gilreath to approve the minutes of the October 22, 2012 regular meeting as submitted. All in favor, motion carried.

Chairman Greene recognized Joyce Johnson, Utilities Controller. Johnson presented the financial reports for October 2012. Johnson stated that the water department reported a profit of \$79,000 as compared to a profit of \$71,000 for the same month last year. This is primarily due to revenues and collections of access and impact fees being over budget. This is also the case in the sewer department. The reported sewer profit is \$208,000 as compared to the profit of \$190,000 for the same month a year ago. Due to the drought and the increase in access and impact fee collections, the Utility's financial results are strong for the current fiscal year. Both departments are running ahead of the prior year and budgeted amounts. Johnson reminded the Commission that the water department started to experience losses in the November financial statements last fiscal year. Greene and Surly stated that the water department and the sewer department were both doing well.

Chairman Greene recognized Earl Rausch, Interim Utility Engineer for the engineering report. Rausch stated that he would meet with Insituform next week on the sewer rehabilitation project. The training center is now complete. The training center financial storage is a new project. The purpose of the storage area is to keep adequate storage for financial and other business records. The proposed facility will be a warehouse type remodel and will involve two existing rooms. Our structural engineer will report to RWU on loading capacities for the storage area. Johnson stated that the new storage will help RWU comply with state law as it relates to storage and

destruction of records. When we get to the point of destroying documents, we will bring a request with a list of documents to the Commission for approval to have the documents destroyed. Huffman-Gilreath asked if it will be a vault type storage that is fire proof. Johnson stated that the storage facility will be a warehouse type storage (not fire proof). However, we will be storing documents for a longer period of time to comply with State Law. Greene asked how much space was needed. Johnson stated that two storage units which hold about twenty five boxes each will be adequate for a typical years storage needs. Huffman-Gilreath asked could the documents be digitized. Jim Clark stated that the law requires retaining both, if you digitize, you still have to save the paper records. Kendall asked if all records had to be stored or just certain records. Johnson stated that some records are permanent records, but other financial records must be kept up to seven years. We are planning to store records for each fiscal year together so when the time comes to shred the records it will be an easier more organized process. Kendall asked what records are kept permanently. Johnson stated that examples of permanent records are general ledgers, minutes, and audit reports. Payroll records, though not required by statute to be kept permanently, are usually kept longer to answer questions pertaining to retirement related questions. Rausch stated that we have completed several layouts that would meet this requirement but we still do not know the price.

Rausch stated that the 21st Street water line replacement is completed. 24th Street has been pressure tested and chlorinated. Greene asked about the time frame on the other city projects. Rausch stated they are scheduled for summer of 2013. The City is now in the process of acquiring the right of way for the listed projects. Huffman-Gilreath asked if these City projects were part of the sales tax bond projects. Rausch said yes. Noble stated that we have met with the City Planning and Transportation Department; reviewed the City schedule and the impact on the Utility. We seem to be having good dialog between the City and the Utility.

Rausch presented the project review report that includes grease trap, cross connection control and civil project review, as well as large scale by planning. Rausch discussed the status of several projects in process. Surly asked about the Casey's at 8th and Olrich Street. Rausch stated that this site is the old Blevins Motors. Casey's will tear down the existing building on the property. Kendall asked about Promenade Point Phase III. Stephen Ponder stated that project is just south of Five Guys Burger on Green Acres Street. The project includes three restaurants and a store.

Rausch stated that the Utility has selected the area between 2nd Street to 4th Street from Sycamore Street to south of Mulberry Street to finish the Sewer Rehabilitation, Phase 1 contract. The project should eliminate a lot of root and I&I problems for the sewer department. This area also receives flow from the high school. The line was installed around 1924. Huffman-Gilreath asked if these were clay pipes. Rausch said yes.

Chairman Greene recognized Robert Moore, Plant Manager for the Rogers Pollution Control Facility (RPCF) report. Moore noted that per the discharge monitoring report (DMR) the plant operated really well during October. October, November, and December are the hardest months

to operate the plant because of dropping water temperatures. We can expect higher numbers during these months but within NPDES permit limits.

Moore asked the Commission if they had any questions concerning the Osage Creek water quality report from the USGS Highway 112 bridge site. Moore stated that Osage Creek is at low flow. Total phosphorus values are very low and these numbers increase with rainfall.

Moore informed the Commission that this month the Environment Protection Agency (EPA) had their quarterly Total Maximum Daily Load (TMDL) meeting. The next quarterly meeting is February, and by then the stream model should be completed/calibrated and testing started. By July, 2013, the results of the testing should be complete. In the fall of 2013 the EPA will release the new TMDL. Moore also stated that the EPA may miss the fall deadline. Noble stated that the EPA presentation was very long and the model results will be available for public review and comments in July, 2013. Kendall asked when all the data will be in. Noble stated that TMDL may be available for review in July, 2013.

Regarding the sludge dryer, Moore stated that we have been drying sludge but we have not accepted the equipment yet. Therma-Flite is having trouble with the discharge screw auger and it has broken down for the second time. The last break down was Saturday night and the Contractor told Therma-Flite that they want a new auger. Kendall asked how many dryers they have installed throughout the country. Moore stated that Therma-Flite has installed quite a few. Huffman-Gilreath asked how dry the sludge is. Moore stated that the sludge is being dried to 95 percent but the plan is to dry the sludge to only 90 percent. Surly asked if Therma-Flite has people on site during operation. Moore stated that Therma-Flite has an operator running the equipment since RWU has not accepted the equipment. Greene asked if Therma-Flite was paying for the operation. Moore stated that RWU was paying only for the gas. Greene asked if there is any odors. Moore stated that he has not noticed any odors.

Chairman Greene recognized William Evans, Water Field Operations Supervisor. Evans reviewed the chart representing lost water for 2011 and 2012. RWU has an average monthly water loss in September, 2011 of -13% and -11% in September 2012. The month of October 2012 had a loss of -2%. On the unaccounted for water summary, RWU is running a water loss of 10% for the twelve months ending October, 2012. Greene asked how often RWU finds people stealing water. Evans stated that his staff finds about two to three people per year stealing water.

Evans informed the Commission that Craig Noble asked him to update the Commission concerning chlorine by-products in the formation of total trihalomethanes (TTHM) and halo acetic acids (HAA5) from reaction with organics in our water. The EPA has lowered the allowable maximum level to 0.08 mg/l for TTHM and 0.06 mg/l for the HAA5. RWU has no problem in the water system with HAA5 but we do have one site in the water system that we have a problem with TTHM. Beaver Water District (BWD) is going to change their treatment option to Chlorine Dioxide (CL2O2). This treatment should reduce TTHM by 30%. If any site exceeds the 0.08 mg/l, RWU will have to notify the public that high TTHM could cause cancer if

water is consumed in large quantities. Surly asked when this becomes effective. Evans stated that BWD should start feeding CL2O2 on November 26, 2012 and on January 1, 2013 the state health department will start doing quarterly sampling. Kendall asked the definition of a site. Noble stated that the health department has selected sites with the longest detention time with chlorine in the water system. This creates the largest amounts of TTHM and HAA5. The one problem site may result in flushing more often or downsizing the pipe or looping the piping. Evans stated that the line in question is the line to Pea Ridge that now only serves Camden Way Subdivision. Evans showed the Commission pictures of the new CL2O2 facility on the BWD plant site. Johnson asked if weather affects the increase in organics. Evans stated the warmer temperatures cause the organics to rise and rainfall washes organics into the lake. We try to turn over half our systems volume every day to minimize the problem.

Chairman Greene recognized Johnny Lunsford, Sewer Field Operation Supervisor. Lunsford presented the collection system report. He stated that RWU had a sanitary sewer backup in October which cost \$5,900. Kendall asked what caused the sewer backup. Lunsford stated the backup was caused by roots in the sewer line. Surly asked if the stoppage occurred in the customers yard. Lunsford stated that the stoppage occurred three lots away, but flooded the house on the lowest of the three lots. Greene asked if there was an official policy for damage to sewer flooded houses. Lunsford stated no, but that RWU would recommend a policy of no reimbursement to homeowner for sewer flooding. Lunsford stated that other local cities do not reimburse homeowners for sewer flooding and some have written policies to that affect. Reimbursement has been done in the past at the request of the previous utility manager. Greene asked if homeowners insurance covers sewer flooding. Lunsford stated that homeowners insurance generally covers waterline flooding but not sewer flooding. Noble stated that RWU needs to address this question. He said we historically average three or four flooded houses per year. Kendall stated that he does not remember that many sewer flooded homes in the past. Noble stated that RWU has tort immunity unless the Utility is negligent. If we are maintaining the sewer properly, then we should not be liable for the sewer backup/sewer flooding. Kendall asked if this generally occurs in older lines. Noble stated that the stoppage will be more prevalent in older parts of town with clay pipe. In the newer parts of town with PVC pipe, we see very little stoppage unless it is grease buildup. Noble stated that RWU does have a progressive fats, oil and grease program. Paul Burns is very active in the restaurant areas and in apartment complexes. We also need an active educational program. Kendall and Greene asked staff to investigate the possibility of obtaining sewer flooding insurance. Jim Clark said they advise not to purchase liability insurance which could potentially put your tort immunity at risk.

Lunsford informed the Commission that the cost of inflow & infiltration (I&I) is based on the treatment cost from the plant and the amount of rainfall. The estimated amount of flow is sixteen (16) million gallons for September and seventeen (17) million gallons for October. Thus, the treatment cost is \$34,385 for September and \$37,443 for October. This illustrates the cost of I&I and why RWU needs to continue to pursue reduction in I&I. Lunsford stated that Insituform, of lines manhole lids and frames, and manhole rehabilitation can pay for itself through treatment

cost savings. Kendall asked what the estimated I&I cost was. Lunsford stated that Robert Moore says treatment cost is about \$2,100 per million gallons.

Chairman Greene recognized Earl Rausch. Rausch requested permission to purchase one (1) truck for the engineering department for a total cost of \$21,108 using the State of Arkansas bid. Chairman Greene made a motion for the purchase of the one (1) truck for \$21,108, second by Huffman-Gilreath. All in favor, motion carried.

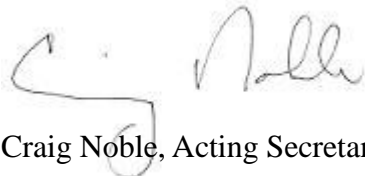
At 5:06 PM there was a motion by Chairman Greene, second by Kendall to adjourn to executive session to review resumes for applicants for the replacement/un-expired term of Commissioner Guy Cable. The applicants are Robert "Bob" Heisserer, Douglas Walt, and Kathy McClure. All in favor, motion carried.

The meeting was called back to order at 5:18 PM. Chairman Greene announced that the Commissioners are back in regular session. Chairman Greene announced that the Commission has nominated Kathy McClure with First National Bank of Rogers as the nominee to fill the position vacated by Commissioner Guy Cable.

This nomination will go before the Rogers City Council for their consideration/approval on Tuesday, November 27, 2012.

Being no other business, the meeting adjourned at 5:25 PM.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Craig Noble". The signature is written in a cursive style with a large initial "C".

Craig Noble, Acting Secretary
Rogers Waterworks and Sewer Commission
File: RWWSC minutes, 11-19-12