

Rogers Waterworks and Sewer Commission

August 17, 2020

Minutes

The Rogers Waterworks and Sewer Commission held its scheduled meeting at 4:00 PM Monday, August 17, 2020 remotely from the Rogers Water Utilities Administration Building located at 601 S 2nd St. due to the Covid-19 Pandemic. Commissioners present were Roger Surly, Kathy McClure, Don Kendall, and Mike Watkins. Commissioner Travis Greene was absent. Rogers Water Utilities staff present were Brent Dobler, Brian Sartain, Todd Beaver, Patrick Pruitt, Paul Burns, Stephen Ponder, Jennifer Lattin, Jene Huffman-Gilreath, Debbie Putman, Jerry Roegner, Jordan Waterhouse, and Vera Hall. Others in attendance were Lori Ericson from the City of Rogers Planning, Jerry Carmichael from the City of Rogers City Council, Jill Grimsley from Mitchell, Williams, Selig, Gates & Woodyard PLLC, Shep Russell from Friday, Eldredge & Clark LLP, Jim Fowler from the Rose Law Firm and Robert Frazier of the Frazier Law Firm. Chairman McClure called the meeting to order at 4:00 PM.

Brent Dobler, Utility Superintendent recognized Mark Landis celebrating 25 years of service with RWU as Instrumentation and SCADA Technician. Also Tristan James, Field Tech II has 5 years of service. Both employees received a gift of appreciation and the RWWSC expressed congratulations.

A motion was made by Commissioner Don Kendall, second by Commission Mike Watkins to approve the minutes of the July 27, 2020 meeting as submitted. All in favor, motion carried.

Chairman McClure recognized Jennifer Lattin, Controller to present the July 31, 2020 financial reports. Lattin stated that water consumption for the month of July 2020 is up 36.46% from July 2019. July 2020 consumption includes one additional billing day compared to July 2019, as well as hot dryer weather. Billed revenue is up 44.9% from July 2019 and includes the water rate increase of 12.5% (effective 4/1/20). The Water Department reported a profit of \$541,000 for July 2020. A profit of \$68,000 was reported for July 2019. Fiscal Year to Date collections of access and impact fee revenue for FY 21 are \$221,000 and are ahead of budget by \$171,000, and compares to Year to Date access and impact revenue of \$115,000 in FY 20 and \$47,000 in FY 19.

Sewer consumption for the month of July 2020 is up 12.8% from July 2019 and includes one additional billing day compared to July 2019. Billed revenue is up 23% from July 2019 and includes the sewer rate increase of 12% (effective 4/1/20). The Sewer Department reported a profit of \$711,000 for July 2020. A profit of \$398,000 was reported for July 2019. Fiscal Year to Date collections of access and impact fee revenue for FY 21 are \$437,000 and are ahead of budget by \$338,000, and compares to Year to Date access and impact revenue of \$257,000 in FY 20, and \$110,000 in FY 19.

Lost Water is at 15% for the month of July 2020, 22% for the calendar year, and 16% for the last twelve (12) months.

The Total Restricted and Unrestricted Funds are \$38.8 million for July 2020, which is an overall increase of \$700,000 from July 2019. Water Funds increased by approximately \$700,000 while Sewer Funds remain largely unchanged. \$7.8 million of the \$38.8 million total funds is restricted for specific use such as debt service, meter deposits, access and impact fees, and depreciation.

Service disconnections continue and the disconnection counts are near pre-COVID levels. The RWU lobby remains closed with all business being conducted over the phone, via email, online, and in the drive through. RWU plans to release an updated customer bill format in September 2020. There were no questions.

Chairman McClure recognized Brian Sartain, Utility Engineer and he stated that Civil Plan Review remains active with nine (9) new projects submitted including Culver's Restaurant, Bost Apts Ph II, Magnolia Townhomes (Ph I and II), Magnolia Farms Dog Grooming, Yates Farm Townhomes, Village on Maple Townhomes, Garrett Rd Ext/Mt Hebron Park, and a commercial development on Hudson Rd. Sartain shared a graph showing a positive trend of projects being submitted for review, with 391 as the total number of reviews that was processed in 2019. Chairman McClure questioned if the Scissortail Ph III had been assessed plan review fees. Sartain replied no because that project was originally submitted before the plan review policy was implemented, and that issues found during construction prompted further review. There are currently six utility projects under construction, and the 11th St Elevated Tank Repaint will be rebid soon. The preliminary design of RPCF Train 2 Rehab (Design Build) is complete, and we should have cost estimates by the end of the month. The Pine St/Spring St Waterline Project is on hold at this time. The Cherry St/2nd St Waterline Project is underway. The construction start date has been delayed for the Arkansas St Gateway Project. Several street projects are projected to go out to bid around December but Sartain expects some to be delayed. There were no further questions.

Chairman McClure recognized Todd Beaver, RPCF Manager to present the July RPCF Reports. Beaver said the Discharge Monitoring Report had good results with no violations reported. The Industrial Pretreatment Program has an increased amount of surcharges as a result of the newer fees (effective May 2020) being charged with a total of \$7,377.92 for June. The FOG Program completed 22 inspections this month, continuing to follow the COVID-19 guidelines, and still communicating through email to avoid contact. Work has been ongoing with the FOG Ordinance and should be available soon. The maintenance tech position remains vacant while the interviewing process continues. 263 MG was treated in July with approximately 27.4 MG additional flow with an average flow of 8.5 MGD. These flows included 3.76" of rain over 11 events. There were no questions.

Brent Dobler said there is no operations report at this time. Will be available next month.

Chairman McClure recognized Jennifer Lattin, Controller to present the Selection of Bond Counsel for RWU Bond Redemption. She said there were two (2) advertisements published with three (3) proposals received, 1) Mitchell Williams, Selig, Gates & Woodyard PLLC 2) Friday, Eldredge, & Clark LLP 3) the Rose Law Firm. Experiencing audio difficulties, this agenda item was delayed and will return when guests are available to speak.

Brent Dobler requested the Mancina Properties matter be tabled until the next scheduled meeting as we are awaiting the results from the consultant.

Chairman McClure recognized Brian Sartain to request approval of an Engineering Agreement for 3rd Street Waterline from Cherry to Walnut Street. This agreement is for Professional Services with the City of Rogers and CEI Engineering Associates, Inc. Staff recommends the approval of the design contract between the City of Rogers and CEI Engineering and agreement to reimburse the City of Rogers for a portion of the design expense of \$45,000 for water and sewer design. Commissioner Mike Watkins

made a motion, second by Commissioner Don Kendall to approve the request as submitted in the amount of \$45,000. All in favor, motion carried.

Sartain continued with a request of approval for Engineering Services with RJN Group for the design of the Pinnacle Sewer Improvements. This agreement is for design services to increase the capacity of the existing sanitary sewer main from Rainbow Road to Champions Drive (including road crossings) in proximity to the Pinnacle Country Club. Staff recommends the approval of the proposal from RJN Group, Inc. with hourly fees not to exceed \$196,737. Staff also requests authorization to negotiate the final form and content of this agreement. A motion was made by Commissioner Roger Surly, second by Commissioner Mike Watkins to approve the request as submitted with RJN Group, Inc. not to exceed \$196,737. All in favor, motion carried.

Additionally, Sartain presented request for approval of the Facilities Extension Contract on the Rainbow Road Sewer Extension. The developer is extending a sewer main to serve development properties along N Rainbow Rd, and request cost participation from RWU to increase the capacity and depth of the sewer main in order to serve the overall sewer basin. Staff recommends the approval of RWU participation in the Rainbow Road Sewer Extension in an amount not to exceed \$210,692.00 (includes \$18,500 in contingencies) to provide for sewer capacity improvements, authorizing staff to modify the final form and content of the Facilities Extension Agreement for inclusion of this allowance. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to approve the request as submitted not to exceed \$210,692. All in favor, motion carried.

Todd Beaver requested approval of Resolution No. 20-19 authorizing the procurement of centrifuge rebuilding services for the RCPF; waiving the requirements of competitive bidding; authorizing expenditure of funds for the services. A motion was made by Commissioner Mike Watkins, second by Commissioner Don Kendall to approve Resolution No. 20-19 authorizing RWU to procure the services from Flottweg for the expenditure of up to and including, but not to exceed, \$50,000, plus shipping and applicable taxes, if any. All in favor, motion carried.

Chairman McClure recognized Paul Burns, RCPF Pretreatment Coordinator to request approval of Resolution No. 20-20 authorizing amendments to the Pretreatment Regulations in Chapter 54, Article V of the Code of Ordinances of the City of Rogers, Arkansas (Rogers City Code). Burns gave a brief summary of the proposed changes to the City Ordinance. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to approve Resolution No. 20-20 as submitted. All in favor, motion carried.

Chairman McClure recognized Jene' Huffman-Gilreath Shares Services Manager to request approval of a contract amendment with Pinnacle IT Services. RWU wishes to migrate the majority of servers to the cloud through Microsoft AZURE with the partnership Pinnacle IT to increase redundancy and reduce risk. The Utility will also implement Microsoft 365 and Pinnacle IT Cloud to allow for more collaborative work. The monthly net increase would be an additional \$1,730 for an amended monthly cost of \$6,010.00 and also a one-time implementation fee of \$8,500.00. Commissioner Don Kendall made a motion, second by Commissioner Mike Watkins to approve the contract amendment with Pinnacle IT Services as submitted and approval for staff to negotiate and approve the final form of the contract amendment. All in favor, motion carried.

Jennifer Lattin continued with the presentation of the Selection of Bond Counsel with Jill Grimsley with Mitchell, Williams, Selig, Gates & Woodyard PLLC, Shep Russell from Friday, Eldredge & Clark LLP, and Jim Fowler from the Rose Law Firm now attending the meeting remotely. After a brief presentation from each participant, the RWWSC Commissioners independently ranked the firms and submitted their selections to Jennifer Lattin. Lattin announced that Mitchell Williams was ranked first, Friday, Eldredge & Clark ranked second, and thirdly was the Rose Law Firm. The recommendation will be presented for approval to the City of Rogers City Council' next meeting. The Commission expressed appreciation to all the participating firms.

With no further business, Chairman McClure adjourned the meeting at 5:04 PM.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Brent Dobler', is positioned above the typed name.

Brent Dobler, Acting Secretary/djw

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