

Rogers Waterworks and Sewer Commission

September 21, 2020

Minutes

The Rogers Waterworks and Sewer Commission held its scheduled meeting at 4:00 PM Monday, September 21, 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, Travis Greene, Kathy McClure, Don Kendall, and Mike Watkins. Rogers Water Utilities staff present were Brent Dobler, Johnny Lunsford, Brian Sartain, Stephen Ponder, Aaron Short, Todd Beaver, Pat Pruitt, Jerry Roegner, Debbie Putman, Dana Daniel, Jene' Huffman-Gilreath, Jennifer Lattin, Matt Savell, and Vera Hall. Others in attendance were Jerry Carmichael from the City of Rogers City Council, Jill Grimsley from Mitchell, Williams, Selig, Gates & Woodyard PLLC, Joseph McGehee from Matthews, Campbell, Rhoads, McClure & Thompson PA representing Mancina Properties, and Robert Frazier of the Frazier Law Firm. Chairman McClure called the meeting to order at 4:00 PM.

Johnny Lunsford, Construction and Maintenance Manager recognized Jaime Garcia for five (5) years of service and received a gift of appreciation. The RWWSC expressed congratulations.

A motion was made by Commissioner Roger Surly, second by Commissioner Mike Watkins to approve the minutes of the August 17, 2020 meeting as submitted. All in favor, motion carried.

Chairman McClure recognized Jennifer Lattin, Controller to present the August 31, 2020 financial reports. Lattin stated that water consumption for the month of August 2020 is up 12.73% from August 2019. August 2020 consumption includes one less billing day compared to August 2019. Billed revenue is up 24.57% from August 2019. The Water Department reported a profit of \$425,000 for August 2020. A profit of \$218,000 was reported for August 2019. Fiscal Year to Date collections of access and impact fee revenue for FY 21 are \$317,000 and are ahead of budget by \$217,000, and compares to Year to Date access and impact revenue of \$174,000 in FY 20 and \$71,000 in FY 19.

Sewer consumption for the month of August 2020 is up 4.06% from August 2019 and includes one less billing day compared to August 2019. Billed revenue is up 16.95% from August 2019. The Sewer Department reported a profit of \$490,000 for August 2020. A profit of \$320,000 was reported for August 2019. Fiscal Year to Date collections of access and impact fee revenue for FY 21 are \$637,000 and are ahead of budget by \$440,000, and compares to Year to Date access and impact revenue of \$382,000 in FY 20 and \$163,000 in FY 19.

Lost Water is at 14% for the month of August 2020, 21% for the calendar year, and 16% for the last twelve (12) months.

The Total Restricted and Unrestricted Funds are \$39.4 million for August 2020, which is an overall increase of \$1,270,000 from August 2019. Water Funds increased by approximately \$700,000 while Sewer Funds increased by \$355,000. \$8.5 million of the \$39.4 million total funds is restricted for specific use such as debt service, meter deposits, access and impact fees, and depreciation.

Service disconnections continue and disconnection counts are near pre-COVID levels. RWU continues to work with customers to make payment plans in order to prevent shut-offs. As long as customers are meeting the agreed-upon payment arrangements, accounts are not and will not be disconnected. During the suspension of disconnections, RWU waived reconnect fees of \$60,000. 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 October 2020. Commissioner Roger Surly asked if the new bill format will include information directing the customers how to setup auto bill pay and paperless billing. Lattin replied yes and also a bar chart will be included to show customers a recap of the past twelve (12) months usage. Customers can currently visit the RWU.org website to review the new proposed billing format. There were no more questions.

Chairman McClure recognized Brian Sartain, Utility Engineer for the August engineering report. Sartain stated that plan review activity had decreased but still had two (2) new projects submitted including Greens on Blossom Way PH II, a multi-family development and Blue Springs Subdivision is a small residential subdivision located on the corner of Seminole and S 24th St. Projects are still being distributed along the I-49 corridor, downtown and a bit more interest rising on the south end of town. Sartain highlighted a few significant events within the engineering department a) completion of the first phase of the Blossom Way Sewer Project near I-49 and New Hope Rd, b) meeting with Pinnacle Country Club for the Pinnacle Sewer Capacity Improvement Project, c) identifying closed and partially closed valves during hydrant flow testing on W Pleasant Grove Rd, near Scissortail, d) received estimate on preliminary plans for the RPCF Train 2 Rehab Project, which is over the original amount budgeted for this project but can be accommodated in the annual project budget due to some delays of other projects. Sartain said some of the utility projects nearing completion are the Solids Handling Facility, Shadow Valley Backup Generator, 11th St Pump Station Improvements (waiting on generator). We expect to see the start of pipe being laid on the 9th, 10th St – Persimmon to Walnut Project next week. The 11th St Elevated Tank Repaint is planned to be re-bid. The Downtown Utility Study is in the process of being finalized. There are no significant changes in the street project schedule since the last meeting, except that the Arkansas Street/Gateway Project started last week. There were no questions.

Chairman McClure recognized Todd Beaver, RPCF Manager to present the August RPCF Reports. Beaver said the Discharge Monitoring Report had good results with no violations reported due to the recent dry weather conditions. There were no inspections done for the Industrial Pretreatment Program. Beaver noted the surcharges had stabilized. The FOG Inspection Report completed 23 inspections this month, continuing to follow the COVID-19 guidelines, and still communication through email to avoid contact. The maintenance tech position is still undergoing process at this time. The new gate has been installed from the Solids Handling Ph I and the asphalt resealing is nearing completion. 242 MG was treated in August with approximately 7 MG additional flow with an average flow of 7.8 MGD. These flows included .88" of rain over 6 events. There were no questions.

Chairman McClure recognized Johnny Lunsford, Construction and Maintenance Manager to present the August Operations Report. He stated that things have been going well for his crews as they still remain separated in pods. The construction crews have been busy. The new leak detection equipment recently purchased was utilized in helping Ft Smith locate a water break within a State Highway. There were no questions.

Chairman McClure recognized Attorney Robert Frazier. RWU retained MCE Consulting to perform a geotechnical report to verify a damage claim to a parking lot at 1715 S 8th St owned by David Mancia. A 12" water main ruptured and the resulting flow of water damaged a parking lot at that address. The report estimated that it would cost approximately \$60,000 to repair this damage. It was suggested by this same report that this amount be depreciated by 50% due to the current condition of the parking lot. RWU reached a tentative settlement with the property owner in the amount of \$28,000. This amount would be paid directly to the contractor, not the owner, after repairs were completed. Any amount exceeding \$28,000 to be borne by the property owner. This amount would be paid only after the work has been verified as complete, and repair materials and quantities confirmed by RWU. The agreement releases RWU from any and all further claims at this location.

This settlement was presented to RWWSC for their approval and a motion was made by Commissioner Travis Greene, second by Commissioner Roger Surly to approve this agreement between Mancia Properties and RWU in the total amount of \$28,000 and also to allow management authorization to approve the final form and content of the settlement and release agreement as submitted. Commissioner Kathy McClure abstained. All in favor, motion carried.

Chairman McClure recognized Brent Dobler, Utility Superintendent to request approval to resume procedures for merit pay increases and other raises as related to the previous approved Resolution No. 20-12 which suspended procedures for determining and granting merit pay raises. Dobler explained that RWU revenue has proven to be sound and feels that it would be in the best interest of RWU and the Commission to reinstate those procedures to award adjustments to those deserving employees. Commissioner Roger Surly asked if the effective date would be retroactive. A motion was made by Commissioner Roger Surly, second by Commissioner Don Kendall to approve release of the suspension of procedures for merit pay increases as stated in Resolution No. 20-12. All in favor, motion carried.

Commissioner Don Kendall asked Jennifer Lattin, Controller if enough monies are available in the current budget to make the employee adjustments retroactive to July 1st, 2020. Lattin replied yes at this time, the current budget revenue is strong. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to approve the merit pay increases and other employee raises retroactive to July 1st, 2020 as requested. All in favor, motion carried.

Chairman McClure recognized Jennifer Lattin, Controller to present Resolution No. 20-21 approving the redemption prior to maturity of the City of Rogers, Arkansas Sewer Revenue Bonds, Series 2010. Lattin stated that Mitchell Williams had been previously selected as Bond Counsel and was approved by the Rogers City Council. Lattin also noted that the Bonds would mature ten (10) years early with an interest savings of \$425,000. Commissioner Mike Watkins made a motion, second by Commissioner Roger Surly to approve Resolution No. 20-21 authorizing redemption of the Arkansas Sewer Revenue Bonds Series 2010, in the amount of \$2,075,000; awaiting approval by the Rogers City Council at the October 8, 2020 meeting. All in favor, motion carried.

Chairman McClure recognized Brian Sartain, Utility Engineer requested approval of a Change Order for 11th Street Pump Station at Tower Park. Change Order #1 includes addition of Soft Starts and bringing a SCADA control panel up to current code, installation of a Cord Reel for electric crane for a change in price of \$29,207.87. Change Order #2 includes cable change to allow direct communication with the generator in the amount of \$2,098.57. The original bid amount included a contingency of \$10,000 which is deducted from the requested contract change order amount. A motion was made by Commissioner

Don Kendall and second by Commissioner Mike Watkins for approval of a total change order in the amount of \$21,306.44 for Tower Park Pump Station Improvements as submitted. All in favor, motion carried.

Sartain continued with a request to approve an Engineering Design Amendment with McClelland Consulting Engineers, Inc. for the necessary water and sewer relocations on the Laurel Avenue Project at the intersection of between Dixieland Road & S 26th St. Staff recommends the approval of the design contract amendment between the City of Rogers and McClelland Consulting Engineers and agree to reimburse the City of Rogers for design expenses of \$23,740. A motion was made by Commissioner Roger Surly, second by Commissioner Travis Greene to approve \$23,740 to amend the Engineering Design Amendment with McClelland Consulting Engineers, Inc. as a reimbursement to the City of Rogers. All in favor, motion carried.

Chairman McClure recognized Todd Beaver, RPCF Manager to request approval of Resolution No. 20-22 for the renewal of the contract with Brenntag Mid-South, Inc. for wastewater treatment chemicals for an additional one-year period. A motion was made by Commissioner Don Kendall, second by Commissioner Roger Surly to approve Resolution No. 20-22 as submitted. All in favor, motion carried.

Beaver continued with Resolution No. 20-23 requesting approval to renew a contract for liquid polymer for the RPCF with Polydyne, Inc. for an additional one-year period. Commissioner Don Kendall made a motion, second by Commissioner Travis Greene to approve Resolution No. 20-23 as submitted. All in favor, motion carried.

Brent Dobler presented Resolution No. 20-24 requesting authorization to provide purchase orders to water meter and transmitter vendors for FY 21 and FY 22. These purchase orders will allow RWU to purchase these items without incurring any price increases until at least July of 2022, or RWU FY 23. This Resolution allows for purchases up to and including \$760,000 for the purchase of water meters, transmitters, and related parts and equipment as provided in RWU's Fiscal Year 2021 Budget and also \$760,000 designated for the Fiscal Year 2022 Budget. RWU requests to continue purchasing Badger Water Meters through Henard Utility Products, Inc. of Searcy, Arkansas and will continue to purchase Itron transmitters, and related parts and equipment from Itron, or through United Systems & Software, Inc. (Itron's authorized distributor) through June 30, 2022. A motion was made by Commissioner Roger Surly and second by Commissioner Don Kendall to approve Resolution No. 20-24 as submitted. All in favor, motion carried.

With no further business, Chairman McClure adjourned the meeting at 5:00 PM.

Respectfully submitted,



Brent Dobler, Acting Secretary/djw

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