

Rogers Waterworks and Sewer Commission

February 16, 2021

Minutes

The Rogers Waterworks and Sewer Commission held its rescheduled meeting at 4:00 PM Tuesday, February 16, 2021 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, Todd Beaver, Brian Sartain, Johnny Lunsford, Jennifer Lattin, Jene' Huffman-Gilreath, Dana Daniel, Jerry Roegner, and Debbie Putman. Others in attendance was Robert Frazier of the Frazier Law Firm. Chairman Watkins called the meeting to order at 4:01 PM.

Brent Dobler, Superintendent, recognized Ken Daugherty for twenty (20) years of service and Adam Peterson for fifteen (15) years of service. Each received a gift of appreciation. The RWWSC expressed congratulations.

A motion was made by Commissioner Roger Surly, second by Commissioner Kathy McClure to approve the minutes of the January 19, 2021 meeting as submitted. All in favor, motion carried.

Chairman Watkins recognized Jennifer Lattin, Controller to present the January 31, 2021 financial reports. Billed revenue for the month of January 2021 was up 13.66% from January 2020. January 2021 includes one additional billing day compared to January 2020. Water consumption was up 1.88% from January 2020. The Water Department reported a profit of \$180,000 for January 2021. A loss of \$24,000 was reported for January 2020. The difference is due to an overall increase in revenues (\$199,000) with a minimal increase in expenses (\$5,000). Fiscal year to date collections of access and impact fee revenue for FY 21 are \$622,000 and are ahead of budget by \$272,000. This compares to year-to-date access and impact fee revenue of \$501,000 in FY 20 and \$360,000 in FY 19. Year to date profit is more than the prior year and ahead of budget.

Sewer billed revenue for the month of January 2021 was up 13.64% from January 2020. January 2021 includes one additional billing day compared to January 2020. Sewer consumption was up 1.03% from January 2020. The Sewer Department reported a profit of \$476,000 for January 2021. A profit of \$225,000 was reported for January 2020. The difference is due to an overall increase in revenues (\$272,000) with a minimal increase in expenses (\$21,000). Fiscal year to date collections of access and impact fee revenue for FY 21 are \$1,229,000 and are ahead of budget by \$611,000. This compares to year-to-date access and impact fee revenue of \$1,008,000 in FY 20 and \$849,000 in FY 19. Year to date profit is more than the prior year and ahead of budget.

Lost Water Report is 17% for January 2021, 17% for the calendar year, and 16% for the last twelve months.

Total restricted and unrestricted funds are \$39.4 million. This is an overall increase of \$3,876,000 from January 2020. Water funds increased by approximately \$2,143,000 and Sewer funds increased by \$1,733,000. \$8.6 million of the \$39.4 million total funds are restricted for specific use such as debt service, meter deposits, access and impact fees, and depreciation.

The RWU lobby remains closed with all business being conducted over the phone, via email, online, and in the drive-through. The number of accounts disconnected for non-payment is 371 for January 2021. In January 2020, the number of accounts disconnected was 340. The process for hiring an additional CSR team member is ongoing. The RWU Office Manager retired at the end of January. Currently, the

office manager position has been filled internally on an interim basis. During the interim term, RWU plans to utilize temporary staffing.

Chairman Watkins recognized Brian Sartain, Utility Engineer, for the January engineering report. Sartain stated that a recent job vacancy in the engineering department provided the opportunity to restructure the department. As a result, three (3) current employees received a promotion to newly defined positions, and the vacant position of design technician has been reclassified as inspector. Current developer projects include Hwy 94 (S. 8th St.) pedestrian improvements, Pinnacle North office complex Ph. 2, Centennial Park, 9th St. Townhomes, and other commercial projects. RWU continues with the design-build of Train II, Solids Handling Phase II, and Wastewater Master Plan projects. RWU expects to bid for the 11th St. elevated tank repainting in the fall of 2021. RWU continues to focus on inflow and infiltration (I & I), specifically between Olive & Hudson Streets, by intercompany department meetings and soliciting a proposal from Trekk Design Group to perform smoke testing in the area. Commissioner Travis Greene requested more detail regarding the Hwy 94 (S. 8th St.) pedestrian project. Sartain stated the plan is to install sidewalks and pedestrian crossings from Walnut St. to New Hope Rd. There were no other questions.

Chairman Watkins recognized Todd Beaver, RPCF Manager, to present the January RPCF report. Beaver stated two new staff started in January. Additionally, the DMR Summary reports show all levels are within acceptable limits. The FOG and pre-treatment programs continue as planned despite COVID-19 restrictions. In preparation of recent inclement weather, RPCF staff developed methods to address operational needs. There were no questions.

Chairman Watkins recognized Brent Dobler, Superintendent, to present the Operations Report. Within the past two days, due to freezing weather conditions, the field department has experienced a high volume of customer calls due to no water or freezing pipes. To date, most of the customer calls appear to be private line issues, however, the Utility still responds and investigates all such calls. Lattin added that, currently, with recent snowfall and temperatures are below freezing, RWU is not currently disconnecting service for nonpayment. Disconnections will resume once temperatures return to above freezing. There were no questions.

Chairman Watkins recognized Brian Sartain to present Resolution No. 21-02 authorizing RWU to enter into a memorandum of agreement (MOA) with the Arkansas Department of Health regarding delegation of Plan Review for minor improvements for public water and sewer facilities, and for other purposes. The MOA between RWU and the Arkansas Department of Health (ADH) states that so long as RWU maintains a professional engineer on staff, RWU will be able to review and approve minor public water and sewer improvements. Such improvements are defined as being up to 2,000 ft. in total length, 100 living units or less, or sewage pumping stations up to 50 gallons per minute. Approving the MOA will address most large-scale developments and small-scale subdivision projects and allow the developer to submit plans to RWU without also requiring such plans to also be submitted to ADH. RWU will still have the ability to request ADH review of such plans when desired. RWU currently has three (3) engineers on staff. Commissioner Roger Surly made a motion to approve Resolution No. 21-02, second by Commissioner Kathy McClure. All in favor, motion carried.

Sartain continued with a request to approve an agreement with Trekk Design Group, LLC to perform sewer smoke testing in an amount not to exceed \$28,971.25 based on hourly rates. Staff requested permission to negotiate the final form and content of the agreement. The purpose of the agreement is to pinpoint Inflow & Infiltration (I & I) issues. Surly inquired if this request is included in the FY 21 budget. Sartain stated yes, for \$30,000.00. Commissioner Kathy McClure made a motion, second by Commissioner Don Kendall. All in favor, motion carried.

Sartain continued with a request for a contract amendment to reimburse the City of Rogers for waterline and sanitary sewer replacements for the Oak St Improvements, 28th to 2nd St project. An agreement for the project currently exists between the City of Rogers and Crafton Tull & Associates. Authorization of the contract amendment will permit RWU to reimburse the City of Rogers for hourly design services and reimbursable expenses not to exceed \$74,660. Commissioner Kathy McClure made a motion, second by Commissioner Don Kendall. All in favor, motion carried.

Sartain presented a motion to approve revision to the water service boundary map. The current water service boundary map is such that one landowner may own part of the land within the water service boundary and part of the land outside the boundary. If the RWWSC Commission approves the revision to extend the water service boundary, the proposed water service boundary map will be submitted to the Arkansas Natural Resources Commission for further consideration. Benton County Water District #1, which currently services the area outside the RWU water service boundary, is in support of the revision. Chairman Watkins inquired if the revision will also include sewer service. Sartain stated it does not as the proposed water service boundary revision is outside the Rogers City Limits. Commissioner Travis Greene made a motion, second by Commissior Kathy McClure. All in favor, motion carried.

Sartain presented a motion to approve an amended Facilities Extension Contract (FEC) for Pine St. Subdivision. The FEC will allow the Utility to reimburse the applicant for the extension of an 8" diameter water main for an amount not to exceed \$74,997.90. Currently, a 2" water main exists at the Pine St. location where an 8" water main is needed. Commissioner Kathy McClure made a motion, second by Commissioner Don Kendall. All in favor, motion carried.

Sartain presented a motion to approve a Facilities Extension Contract (FEC) for 8th St. Shoppes. The FEC will allow the Utility to reimburse the applicant for the replacement of a 6" VCP (clay) sewer main with an 8" PVC along W. Willow St. and to replace an offsite portion of 2" CIP (cast iron) with 8" DIP along S. 8th St. for an amount not to exceed \$91,881.98. Commissioner Kathy McClure made a motion, second by Commissioner Roger Surly. All in favor motion carried.

Chairman Watkins recognized Jennifer Lattin to present Resolution No. 21-03, authorizing RWU to purchase certain software through the Sourcewell cooperative purchasing program and authorizing RWU to enter into a Software as a Service Agreement with Tyler Technologies Inc, waiving any further requirements of competitive bidding. RWU plans to implement new software to manage financial management, payroll, and personnel needs in the near future. If approved, RWU will have the authorization to negotiate the final form and content of the agreement with Tyler Technologies. If an agreement is not reached with Tyler Technologies, this resolution also authorizes the Utility to conduct a traditional procurement. However, by using the cooperative purchasing agreement through Sourcewell, the traditional procurement requirements have been met according to State of Arkansas bidding guidelines. Lattin stated that the search for new software has been ongoing for the past couple of years. Commissioner Roger Surly made a motion, second by Commissioner Kathy McClure. All in favor, motion carried.

Chairman Watkins recognized Brent Dobler for approval of modification to the RWU investment Policy. Dobler stated that the RWU Depository and Investment Committee met and voted to increase minimum reserves to \$11,809,000 in the Water Department and \$11,387,000 in the Sewer Department. Both are a slight increase from the prior year. No other modifications to the Investment Policy are recommended by the Committee at this time. Commissioner Don Kendall made a motion, second by Commissioner Kathy McClure. All in favor, motion carried.

Dobler also requested approval of Designation of Banks and Banking Institutions. Dobler stated that the Committee agreed to continue using the following financial institutions: a) Arvest, b) First Western

Bank, c) First National Bank of Fort Smith (First National Bank of Northwest Arkansas), d) Simmons First Trust Company, e) Regions Bank, and 7) Bank OZK. All listed banks are listed as Public Funds Depositories published by the State of Arkansas. Commissioner Roger Surly made a motion, second by Commissioner Kathy McClure to approve the designated banking institutions as submitted. All in favor, motion carried.

Dobler presented Resolution No. 21-04 authorizing procurement of intake pump repair services, waiving competitive bidding, and authorizing expenditure of funds with Instrument & Supply, Inc for \$34,242.00. Commissioner Don Kendall made a motion, second by Commissioner Roger Surly. All in favor, motion carried.

Dobler presented Resolution No. 21-05 authorizing procurement of Cues Granite Net software. The purchase is for an upgrade to the existing software to accommodate CityWorks software needs. The total cost of the upgrade is \$86,009; \$40,000 of which will be paid in the current fiscal year and \$46,009 of which will be paid in the next fiscal year. Commissioner Roger Surly asked if RWU will record a liability for the remaining \$46,009 in the current fiscal year. Lattin responded, yes. Dobler stated the software will be installed in the current fiscal year. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall. All in favor, motion carried.

With no further business, Chairman Watkins adjourned the meeting at 4:55 PM.

Respectfully submitted,



Brent Dobler, Acting Secretary/JAL

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