

Rogers Waterworks and Sewer Commission

November 15, 2021

Minutes

The Rogers Waterworks and Sewer Commission held its scheduled meeting at 4:00 PM Monday, November 15, 2021 in the Rogers Water Administration Building located at 601 S 2nd St. Commissioners present were Roger Surly, Travis Greene, Kathy McClure and Don Kendall arrived at 4:15. Kathy McClure presided as acting Chairman in Mike Watkin's absence. Rogers Water Utilities staff present were Brent Dobler, Johnny Lunsford, Brian Sartain, Aaron Short, Stephen Ponder, Jene' Huffman-Gilreath, Todd Beaver, Debbie Putman, Jerry Roegner, Mario Morales, Dana Daniel, and Donna Wilson. Others in attendance were Nick Landes and Cullen Carlson of Freese & Nichols and Robert Frazier of the Frazier Law Firm. Acting Chairman Kathy McClure called the meeting to order at 4:00 PM.

A motion was made by Commissioner Roger Surly, second by Commissioner Travis Greene to approve the minutes of the October 18, 2021 meeting as submitted. All in favor, motion carried.

Brent Dobler Superintendent recognized Jene' Huffman-Gilreath, Shared Services Manager and Todd Beaver RPCF Manager for (5) five years of service. Also Johnny Lunsford has been awarded the Arthur Sidney Bedell Award that acknowledges organizational leadership, administrative service, and membership activity. Brian Sartain recognized Dan Grelle Senior Engineering Technician for (30) thirty years of service, and Stephen Ponder RWU Engineer for (20) twenty years of service. Johnny Lunsford Operations Manager recognized Shawn McCarty for (25) twenty-five years and Billy Smith for (5) five years of service. Jene' Huffman-Gilreath recognized Jordan Waterhouse Senior Programmer with (5) five years of continuous service. The Rogers Waterworks and Sewer Commission expressed congratulations to all.

Acting Chairman McClure recognized Brent Dobler, Superintendent to present the October 2021 Financial Reports. Dobler stated that water consumption is up 5.39% from October 2020. Billed revenue for the month of October 2021 is up 17.18% from October 2020. Beaver Water District implemented a \$.03/1,000 gallon increase effective October 1, 2021, bringing the total cost of purchased water to \$1.41/1,000 gallons. The Water Department reported a profit of \$442,000 for October 2021. A profit of \$280,000 was reported for October 2020. The difference is due to an overall increase in revenues (\$219,000) with an increase in expenses (\$57,000). Fiscal Year to Date collections of access and impact fee revenue for FY 22 are \$388,000 and are ahead of budget by \$172,000, and compares to year to date access and impact fee revenue of \$409,000 in FY 21 and \$339,000 in FY 20. Year to Date profit is more than the prior year and ahead of budget.

Sewer consumption for the month of October 2021 is up 4.68% from October 2020. Billed revenue is up 16.37% from October 2020. The Sewer department reported a profit of \$401,000 for October 2021 with a profit of \$318,000 being reported for October 2020. The difference is due to an overall increase in revenues (\$211,000) with an increase in expenses (\$128,000) due to an increase in staffing, depreciation, and RPCF maintenance. Fiscal Year to Date collections of access and impact fee revenue for FY 22 are \$681,000 and are ahead of budget by \$169,000, and compares to year to date access and impact fee revenue of \$855,000 in FY 21 and \$626,000 in FY 20. Year to Date profit is more than the prior year and ahead of budget.

Lost Water is at 3% for the month of October 2021, 14% for the calendar year, and 13% for the last (12) twelve months.

The Total Restricted and Unrestricted Funds are \$43.9 million for October 2021, which is an overall increase of \$2.8 million from October 2020. Water Funds increased by approximately \$1.8 million and Sewer Funds increased by \$950,000. \$8.7 million of the \$43.9 million total funds is restricted for specific use such as debt service, meter deposits, access and impact fees, and depreciation.

On November 9, 2021, Rogers City Council approved a one-time distribution of up to \$1,500 per employee. To be eligible to receive the distribution, employees must be an active employee as of November 8, 2021 and the amount received is based on the length of time the employee was employed from April 1, 2020 thru September 28, 2021. Employees who were employed for less than the stated period will receive a pro-rated amount according to their length of employment. The portion of the disbursement and related taxes and APERS expense allocated to RWU will be funded by the City and, thus will not impact RWU financial statements. RWU employees will receive the distribution on the upcoming payroll date of November 26, 2021.

The billing and accounting software conversion project with Tyler Technologies is ongoing. Currently, the project is in the early stages with an implementation schedule expected in mid-to-late November. There were no questions.

Acting Chairman McClure recognized Brian Sartain Utility Engineer for the October Engineering Report. Sartain stated there were (18) eighteen plumbing reviews and three sprinkler plan reviews during October. New site submittals include Rogers Public Schools System Administration Building Expansion, proposed single family residential subdivision at Laurel & Concord, a Stitt Sewer Extension, Pinnacle Heights LSD (Brownstones) and the Plaza at Pinnacle Hills-NE. There are currently approximately (70) seventy active projects in Rogers.

The Construction updates include the work on the 9th and 10th blocks south of Persimmon St. substantially complete, and RWU will be partnering with the Rogers Street Dept to relocate sanitary sewer along Chestnut to accommodate storm sewer. Goins Enterprises has completed work along Bellview to relocate hydrants and will soon begin work on Pearl St and E Walnut St after Thanksgiving to replace a waterline. Goodwin & Goodwin will begin boring across I-49 later this month to provide a waterline connection from Ajax to the new Blossom Way Apartment complex. Sartain stated that engineering has been working with Field Ops to setup an odor-logging device at the force main discharge location near Pleasant Grove Rd & Bellview and will be adjusting pumping schedules in an effort to reduce odor potential. Commissioner Travis Greene asked if there had been complaints. Sartain said the Parks Department had reported a few complaints from trail users. The Pinnacle Sewer Improvements Project, which consist of sewer replacement and capacity improvements from Rainbow Rd to Champions Dr along the golf course, had failed to receive any bids at the October bid opening. After receiving feedback from the plan holders as to why no bids were received, we were able to identify some project risks such as the risk of the pipe bursting as it comes across the golf course. We are in the process of design re-work and anticipate a re-bid in January 2022. Sartain noted that bids had been received for JB Hunt Dr. Sartain reviewed some photos from the RPCF Train II Rehab Project. Mixers and aerators were installed in the last month, along with ongoing electrical improvements. The project currently has over \$190K in contingency funds remaining in the project, a portion of which will be used

for a scope addition to the project to make necessary repairs to concrete and weir gates controlling flows into the EQ basin. There were no questions.

Acting Chairman McClure recognized Todd Beaver, RPCF Manager to present the October RPCF Reports. Beaver said the Discharge Monitoring Report has good results with no violations. Refurbishment continues for Train II with minimal impact on daily operations. Beaver stated that information had been received for the dryer maintenance, however, negotiations is still underway. The 7 days/week operation schedule is ongoing as progress continues to get the solids inventory back in control, and speculating to remain in place until spring.

The Industrial Pretreatment Program issued (2) two violations (Pel-Freez and Ozark Mountain Poultry) with (2) two industry inspections completed. The amount of surcharges noted to date are \$7,563.34. The FOG Inspection reported (21) twenty-one routine annual inspections for the month, as well as (2) two GI installations inspected, and (2) two new food trucks approved. A temporary lab technician has been hired to assist with the maternity leave vacancy. The IT Department has been working to better prepare the RPCF for control of the network from outside attacks. 351 MG was treated in October with approximately 87.5 MG from Inflow and Infiltration. These flows included 7.45" of rain over (11) eleven events. There were no questions.

Acting Chairman McClure recognized Johnny Lunsford Operations Manager to present the October Field Report. Lunsford reviewed a map that showed marked areas being targeted out around the lake using the leak loggers trying to identify water leaks on the main. Lunsford explained that these leak loggers are placed about 300 feet apart and attach to our side of the meter, and are specifically designed to detect leaks on the water main not in the homes. He referred to a particular area that indicated a flat line leak and upon same day inspection, found a continuous leak running off into a ditch that otherwise definitely would not have been located. He has great expectations that this technology will save time and enable us to better isolate problems in rural areas that would commonly be overlooked. Most definitely proven to be a valuable tool. Commissioner Roger Surly asked how much time it takes to isolate the leak once the area has been recognized. Lunsford said after pinpointing between the sensors, the problem can be found rather quickly using headphones with correlation equipment. Lunsford said this technique does not stop or terminate water usage for the customer. At this time, we have approximately 170 loggers in use. Lunsford said there are approximately 10,774 meters remaining in the meter change out program. For example to read a complete route previously had required 361 hours and now can be completed in approximately 238 hours; a reduction of 15.4 days. Those employees are utilizing the extra available time assisting with troubles, meter change outs, and one meter reader has been promoted as the Meter Reader supervisor which provides data log information and assists customers as well as other office personnel. There were no further questions.

Acting Chairman McClure recognized Stephen Ponder RWU Engineer to present the bid results for the 11th St Elevated Water Storage Tank Repaint held November 4, 2021. Classic Protective Coatings, Inc. was the lowest bidder at \$1,183,950.00. This project consist of installing containment, blasting existing coating, and applying new primer, paint, and logo. Commissioner Roger Surly asked about containment. Sartain replied it is the drape technique that will be used as this is near a residential subdivision. Commissioner Roger Surly asked if this is a budgeted item. Sartain replied yes, \$1.5 million in FY 22 and \$300,000 budgeted in FY 23; it was estimated by KLM at approximately \$1.8 million. KLM recommends awarding the contract to the lowest bidder, Classic Protective Coatings, Inc. for the total

amount of \$1,183,950.00. Commissioner Travis Greene made a motion, second by Commissioner Roger Surly to approve awarding the 11th St Water Storage Tank Repaint contract to Classic Protective Coatings, Inc. in the amount of \$1,183,950.00 as submitted. All in favor, motion carried.

Acting Chairman McClure recognized Aaron Short Design Engineer to present the bid results for the J B Hunt Dr Extension Project. This City project includes the round-a-bout at Bell View and S 28th St. The City of Rogers bid for Schedule I is the City only portion awarded to Emery Sapp & Sons for water and sewer is \$615,921.58 and includes \$65,000 in owner's allowance. Section II is still under review and has not been approved by AR DOT but is contributing funds to the roadway. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to award approval of \$615,921.58 to Emery Sapp & Sons as submitted. All in favor, motion carried.

Brian Sartain requested approval of the Pleasant Grove Rd & Hwy 112 Change Order. Sartain said most of the cost of the change order is associated with the extension of a sewer force main across Hwy 112, which was not included in the original bid amount of \$2,389,400.25. There are also costs associated with material and labor price escalations due to owner-directed changes which caused significant delays to this portion of the project. Staff recommends approval of the change order in the amount of \$130,889.09. A motion was made by Commissioner Don Kendall, and second by Commissioner Roger Surly to approve the Pleasant Grove Rd & Hwy 112 Change Order in the amount of \$130,889.09 as submitted. All in favor, motion carried.

Acting Chairman McClure recognized Jerry Roegner Programmer Analyst II to request approval of Resolution No. 21-29 authorizing the purchase of Fortigate Firewall Servers and related equipment and services from Compsys, Inc.; waiving competitive bidding. Jerry explained the need for the new equipment to be able to handle an improved and more secure network architecture. He also highlighted the existing trust relationship with vendor, Compsys, Inc. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to approve Resolution No. 21-29 in the amount of up to and including \$41,087 plus shipping and applicable taxes as submitted. All in favor, motion carried.

Brent Dobler requested approval of Resolution No. 21-30 for the renewal of an engagement agreement for outside legal counsel with Frazier & Frazier Lawyers, PLC (Frazier Law Firm) to continue on an hourly basis of \$200.00 per hour (current rate). The engagement is not for a set term. A copy of the general terms and conditions of engagement for Frazier Law Firm, PLC is attached. A motion was made by Commissioner Roger Surly, second by Commissioner Travis Greene to approve Resolution No. 21-30 as submitted with attachment. All in favor, motion carried.

Acting Chairman McClure recognized Cullen Carlson and Nick Landes of Freese & Nichols to present an overview and summary of recommendations of the Wastewater Master Plan. Carlson presented an overview of the RWU collection system study, including population/flow projections, flow monitoring, modeling, condition assessment, and recommendations for capital improvements, renewal planning, and operation & maintenance. The total estimated cost of short and long term collection system capital improvements is \$56 million, with an additional annual funding for renewal/rehab projects of \$2.5 million for the next (10) ten years, and \$5 million annually thereafter. Commissioner Surly asked if there were any surprises in the finds of the collection system study. Brent Dobler responded that there were no surprises in the report although further work needs to be done to fully assess the condition of the 24" force mains feeding RPCF. Dobler stated that the study and CIP provides needed guidance for a proactive approach to asset management of the collection system. Landes presented an overview of

the study of the Rogers Pollution Control Facility, which included a condition assessment, hydraulic and biological process evaluation, regulatory evaluation, risk-based renewal recommendations and capital improvement recommendations. Landes presented a recommended phased improvement plan, which included Phase 1a totaling \$52M through year 2026, Phase 1b totaling \$40M (2025-2029), and Phase II totaling \$53M in year 2035. Dobler added that the report and the estimated costs of capital improvements will provide a funding target for future rate studies, and that management will begin to work on financial planning for these improvements. Acting Chairman McClure asked for confirmation of the total estimated costs of capital improvements for the collection system were \$56million, and that the remaining \$145 million were for capital improvements at the wastewater plant. FNI confirmed these figures, and that these figures were presented in year 2021 dollars. There were no further questions.

With no further business, Acting Chairman McClure adjourned the meeting at 5:21 PM.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be 'Brent Dobler', written in a cursive style.

Brent Dobler, Acting Secretary/djw

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