

Rogers Waterworks and Sewer Commission

December 20, 2021

Minutes

The Rogers Waterworks and Sewer Commission held its scheduled meeting at 4:00 PM Monday, December 20, 2021 in the Rogers Water Administration Building located at 601 S 2nd St. 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, Johnny Lunsford, Todd Beaver, Brian Sartain, Aaron Short, Mark Landis, Debbie Putman, Mario Morales, Dana Daniel, Jene' Huffman-Gilreath, Jennifer Lattin, and Donna Wilson. Others in attendance was Lori Ericson of the City of Rogers Planning and Robert Frazier of the Frazier Law Firm. Chairman Mike Watkins called the meeting to order at 4:00 PM.

A motion was made by Commissioner Roger Surly, second by Commissioner Kathy McClure to approve the minutes of the November 15, 2021 meeting as submitted. All in favor, motion carried.

Chairman Watkins recognized Jennifer Lattin Controller to present the November 2021 Financial Reports. Lattin stated that water consumption is up .19% from November 2020. Billed revenue for the month of November 2021 is up 12.32% from November 2020. The Water Department reported a profit of \$240,000 for November 2021 with a profit of \$180,000 reported for November 2020. Fiscal Year to Date Collections of access and impact fee revenue for FY 22 are \$440,000 and are ahead of budget by \$169,000, and compares to year to date access and impact fee revenue of \$445,000 in FY 21 and \$398,000 in FY 20. Year to date profit is more than the prior year and ahead of budget, with revenues greater than the prior year by \$760,000 and expenses by \$450,000. Increased expenses from the prior year are due to water purchases, software maintenance, field repair, and maintenance, and staffing.

Sewer consumption for the month of November 2021 is down .02% from November 2020. Billed revenue for the month of November 2021 is up 12.61% from November 2020. The Sewer Department reported a profit of \$338,000 for November 2021 and a profit of \$270,000 was reported for November 2020. Fiscal Year to Date Collections of access and impact fee revenue for FY 22 are \$764,000 are ahead of budget by \$124,000, and compares to year to date access and impact fee revenue of \$926,000 in FY 21 and \$809,000 in FY 20. Year to date profit is more than the prior year and ahead of budget, with revenues greater than the prior year by \$645,000 and expenses by \$457,000. Increased expenses from the prior year are due to depreciation, software maintenance, PCF operations and maintenance, and staffing.

Lost Water is at -4% for the month of November 2021, 12% for the calendar year, and 13% for the last twelve (12) months. Brent Dobler Utility Superintendent shared that a large leak at the lake area using 140,000 gallons per day was discovered and now has been repaired.

The Total Restricted and Unrestricted Funds are \$42 million for November 2021. This is an overall increase of \$2.4 million from November 2020. Water Funds increased by approximately \$1,750,000 and Sewer Funds increased by \$670,000. \$7.2 million of the \$42 million total funds are restricted for specific use such as debt service, meter deposits, access and impact fees, and depreciation.

Lattin shared a graph showing the payment trends from 2020 to 2021, the number of transactions requiring a CSR to process the payment has decreased 3%. Those customers are using automated payment methods such as auto-draft and online/phone payment (credit card and e-checks) rather than payments by mail and in person (cash or check). Currently, 27% of all payments require use of a CSR to process the payment. Additionally, the total number of customer payments increased 2.29% from last year. There were no questions.

Chairman Watkins recognized Brian Sartain, Utility Engineer for the November Engineering Report. Sartain said that the Engineering Department has one vacancy due to the retirement of the Engineering Coordinator. Bore permits and backflow program administration duties previously done by this position have been transferred to the Field Ops, and plumbing plan reviews are being conducted under contract work. There are plans to advertise for a GIS/Mapping Technician in January. The number of plan reviews decreased from previous months. There were ten (10) plumbing plan reviews and four (4) fire sprinkler plan reviews in November, with nine (9) civil plans reviews conducted. New site project submittals include Dutchman's Drive Subdivision and 8th St Commercial. Projects currently under construction include 2021 Waterline Replacements, where waterline replacement on Pearl St will commence after the holidays. RPCF Train II substantial completion is expected in March. The 11th St Elevated Storage Tank-repair and repaint will begin in February. Pleasant Grove Rd-Change Order has been executed to complete the Hwy 112 Crossing. This work is also expected to commence after the holidays. On Arkansas St. downtown, the contractor is nearing completion of the first milestone from Chestnut to Poplar. The preconstruction meeting for J.B. Hunt Dr extension was held on 12/6; the project is waiting on materials. Oak St and Uptown I-49 Overpass is also waiting on materials, as well as some franchise utilities relocations. There are no significant updates with other various street projects, which are all in design and right-of-way acquisition phases.

The RWU staff and design team working on the Solids Handling/Dryer Replacement Project held a mandatory pre-submittal meeting with several CM/GC respondents on December 15th to present an overview of the project. Statement of Qualifications for the solids handling project are due in January. The design team for this project, Hawkins-Weir / Black and Veatch, will commence with the continuation of plan development to 15% design plans for both drying technology options upon approval of an engineering contract amendment. RWU staff is in review of the final draft of the Water Master Plan prior to submission to ADH. Freese & Nichols is finalizing the reports on the Wastewater Master Plan and incorporating risk-based assessments into the CIP. Commissioner Roger Surly asked if both dryer options are run on natural gas. Brian Sartain said yes both use gas but are two different designs. Surly recommended contacting the natural gas utility to see if gas nominations are available. Dobler stated that we will follow up with the gas utility and added that RWU plans to use the low temp approach which Springdale and Huntsville both currently have; the low temp dryers seem to help minimize problems. There were no further questions.

Chairman Watkins recognized Todd Beaver, RPCF Manager to present the November RPCF Reports. Beaver said the Discharge Monitoring Report has good results with no violations. There were two (2) industrial inspections, Ozark Mountain Poultry and Kennametal. The Industrial Pretreatment Program assessed the total amount of surcharges of \$7,249.38 issued in November. The FOG Inspection reported limited routine inspections with nothing major to report. Two (2) GI interceptor installations were inspected for food trucks. Negotiations has begun with BCR to review the scope of work needed for the dryer repair. Amber Owens and Daniel Christopher have passed the Class III Wastewater License.

Congratulations on a big accomplishment. Our maintenance department remains very busy especially in these strained times of demand.

It was noted that Springdale and NACA both had permits finalized and Mr. Beaver was asked to comment on how that might affect RWU's permit. Mr. Beaver responded that Oklahoma could still object, but it would require a legal commitment from them. He noted that he expected the time limit for that to expire before anyone heard anything, but the RWU and potentially the Fayetteville plant on the west side of town would likely be up next. Mr. Beaver reminded all about the Freese & Nichols study contacting ADEQ and noting that there would likely not be significant new restrictions other than potentially Chlorine. Phosphorus specifically was not expected to change significantly unless the averaging period was extended. It is possible that RWU's DO requirement would be relaxed to something scientifically based as well according to that conversation with ADEQ.

320 MG was treated in November with approximately 65 MG treated from Inflow and Infiltration. These flows included 1.65" of rain over eight (8) events. There were no questions.

Chairman Watkins recognized Johnny Lunsford Operations Manager to present the November Operations Report. Lunsford said there are approximately 300 Itron leak sensors now in place helping staff to locate leaks. The Mlogonline has already proved to be very successful and providing helpful information to find smaller leaks that were not being tracked using our sounding equipment. Lunsford stated that several of the field personnel have taken and passed the written portion of the CDL testing, just awaiting to complete the driving test. Additional requirements will have to be met after February 1, 2022. There were no questions.

Todd Beaver, RPCF Manager requested a motion to purchase C266x Polymer provided by Polydine, Inc. Staff recommends after the results of product testing in our system and bid price, the lowest impact of cost of C266x is \$1.44/ton and contract be awarded to Polydine, Inc. for the purchase price of \$1.44/ton. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to purchase C266x polymer at \$1.44/ton from Polydine, Inc. as submitted. All in favor, motion carried.

Todd Beaver RPCF Manager presented Resolution No. 21-31 to purchase the required bioreactor for the RPCF from Applikon Biotechnology, Inc. authorizing expenditure of up to and including Fifty-Two Thousand, Five Hundred Fifty-Six Dollars and Ninety-Three cents (\$52,556.93) plus any additional shipping and applicable taxes; waiving competitive bidding. A motion was made by Commissioner Kathy McClure, second by Commissioner Roger Surly to approve Resolution No. 21-31 for the purchase of a bioreactor from Applikon Biotechnology, Inc. for \$52,556.93 as submitted. All in favor, motion carried.

Chairman Watkins recognized Johnny Lunsford to present Resolution No. 21-32 approving the purchase of two (2) 2021 1500 Dodge Ram vehicles from Superior Automotive Group; waiving competitive bidding for the expenditure of up to and including Fifty-Three Thousand, Two Hundred Twenty-Nine Dollars and Thirty-Six cents (\$53,229.36) plus applicable taxes and ancillary charges. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to approve Resolution No. 21-32 to purchase motor vehicles from Superior Automotive Group for \$53,229.36 as submitted. All in favor, motion carried.

Lunsford continued with presentation of Resolution No. 21-33 approving adjustment of prices for water service construction costs, large water pipe tap costs, sewer pipe tap costs, employee and equipment

rates, and service charges. Lunsford explained the need to increase these costs is mainly due to an expected increase of 10-30% on the price of materials. Commissioner Roger Surly asked if all risks were considered into building the new prices. Jennifer Lattin replied yes, costs such as insurance and benefits were reviewed to assist in establishing these new fees. Lunsford stated that a study of surrounding cities was done also. Commissioner Roger Surly made a motion, second by Commissioner Kathy McClure to approve Resolution No. 21-33 as submitted. All in favor, motion carried.

Chairman Watkins recognized Jene' Huffman-Gilreath Shared Services Manager to request approval of Resolution No. 21-34 authorizing purchase of ESRI Geographical Information System Software as part of the joint procurement of Cityworks Software; appropriating funds for the purchase; waiving competitive bidding. This is to authorize the expenditure of up to and including Twenty-Seven Thousand, Five Hundred Dollars (\$27,500) plus shipping and applicable taxes for additional software licenses in connection with the implementation of Cityworks Software (ESRI) for the first, second and third year of the license agreement. The City of Rogers will be sharing the contract and paying an equal portion. This was a budgeted item. Commissioner Don Kendall made a motion, second by Commissioner Kathy McClure to approve Resolution No. 21-34 in the amount of \$27,500 as submitted. All in favor, motion carried.

Brian Sartain request RWWSC to table agenda items 7 and 8 until the next meeting.

Brian Sartain, Utility Engineer, requested approval of a contract with KLM Engineering Inc. to provide project management and construction observation services during the City of Rogers, AR Water Tower Reconditioning project in 2022. Services include project management, project administration and full inspection by a NACE-certified inspector. Commissioner Roger Surly asked if we had these services on previous tank recoating projects. Sartain replied no that previously RWU engineering staff had self-performed the inspections, however this requires full-time effort from our technicians, and with the department's current workload it is more prudent to outsource this inspection and ensure that a more highly trained inspector is assigned to this larger project. A motion was made by Commissioner Kathy McClure, second by Commissioner Don Kendall to approve a total contract price of \$125,955.00 for KLM Engineering Inc. as submitted. All in favor, motion carried.

Sartain continued, requesting approval of an engineering services contract with Morrison-Shiple/Halff for the Bent Tree and Berry Farm Lift Station Decommissioning. Staff recommends approval of the engineering services agreement with Morrison-Shiple/Halff in the amount of \$57,250 plus reimbursable expenses, allowing staff to negotiate the final form and content of the agreement. A motion was made by Commissioner Roger Surly, second by Commissioner Don Kendall to approve the contract with Morrison-Shiple/Halff in the amount of \$57,250 as submitted. All in favor, motion carried.

Sartain continued presenting Amendment No. 1 for the Solids Handling Improvements Ph II. Staff recommends the approval of Amendment No. 1 to the engineering services agreement for hourly services in an amount not to exceed \$157,000. Commissioner Roger Surly made a motion, second by Commissioner Kathy McClure to approve Amendment No. 1 for the Solid Handling Improvements Ph II as submitted. All in favor, motion carried.

Sartain presented a revised Facilities Extension Agreement-9th St Townhomes. Staff recommends the approval of the revised Facilities Extension Agreement, authorizing reimbursement in the amount of

\$43,500.69 to provide for requested sewer extensions in addition to the previously approved amount for water main replacement. A motion was made by Commissioner Don Kendall, second by Commissioner Kathy McClure to approve \$43,500.69 for 9th St Townhomes 8" Sewer Main Extension with Exhibits A and B attached. All in favor, motion carried.

Chairman Watkins recognized Dana Daniel HR Director to request RWU Cost of Living Adjustment. He stated the City of Rogers had approved a 4% increase and is requesting approval for RWU employees a 4% COLA increase being effective January 1, 2022. Commissioner Kathy McClure made a motion, second by Commissioner Don Kendall to approve a 4% COLA increase for RWU employees as submitted. All in favor, motion carried.

With no further business, Chairman Watkins adjourned the meeting at 5:09 PM.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Brent Dobler", with a stylized flourish at the end.

Brent Dobler, Acting Secretary/djw

File:rwWSCmin122021