

Rogers Waterworks and Sewer Commission

July 22, 2024

Minutes

The Rogers Waterworks and Sewer Commission held its regularly scheduled meeting at 4:00 PM Monday, July 22, 2024, in the Rogers Administration Building located at 601 S 2nd Street. Present were Commissioners Jerry Carmichael, Kathy McClure, Travis Greene and Paige Sultemeier. Rogers Water Utilities staff present were Jered Sigmon, Brian Sartain, Todd Beaver, Johnny Lunsford, Debbie Putman, Dana Daniel, Mark Landis, Aaron Short, Ryan McGuffin, David Ingram and Brent Dobler. Robert Frazier, with the Frazier Law Firm, was also in attendance.

Chairman Carmichael called the meeting to order at 4:00PM. Chairman Carmichael then asked for a motion to approve the June 17, 2024, Water and Sewer Commission meeting minutes. Commissioner McCure made a motion to approve, and Commissioner Greene seconded. All in favor, motion carried.

Chairman Carmichael then recognized Jered Sigmon to present the financial reports for July 2024. Mr. Sigmon informed the Commission that since this was the end of year, he would go over FY24 year-end reports. All month-end financial reports can be found in the agenda packet. Water YTD income for the year was \$4,895,265, Sewer YTD Income was \$5,382,128. Every operating division came in under budget on expenses. He then went over Access and Impact Fee Revenue for FY24. The total for FY24 was \$3,101,200, well above FY23 and FY22, but slightly below FY21. He then went over a graph illustrating RWU's annual capital investment over the last ten years. There was a marked increase in sewer investment in FY24. Several large projects, such as the Pinnacle Sewer Expansion at \$5M, the RPCF at over \$3M and another \$7M spread out over several other miscellaneous sewer infrastructure improvements. He also covered RWU's Pension Liability and Expense and explained how this liability is calculated. He went on to cover the restricted and unrestricted Funds. To note, unrestricted funds in Water for FY24 were \$19,025,399, restricted were \$6,215,521 for a grand total of \$25,249,920 in the Water Department. Unrestricted funds in Sewer for FY24 were \$23,195,208, restricted funds were \$2,484,667 for a grand total of \$25,679,875. The grand total for both Water and Sewer was \$50,920,794. The next slide illustrated Billed Water Consumption. The number of customers continues to rise, but the FY24 consumption was slightly down from FY23. Over the last ten years, RWU has gained about 6,000 new water customers. Annual consumption has changed from slightly over 3 billion gallons in FY15, to over 3.6 billion gallons in FY25. The next slide presented the Change in Average Water Consumption. As FY15 as a benchmark, he explained that residential usage was essentially unchanged over the last decade. Commercial average water usage has increased from 1 to 1.25, and industrial average water usage has increased from 1 to 1.3. He also went over the same information for Sewer. Sewer customers rose over 4000 from FY15. Commissioner Greene noted that these metrics are somewhat skewed over historical numbers due to large apartment buildings now being required to install one large meter service versus individual meters as had been done in the past. Jered ended his presentation with the lost water graphs showing how the utility's investment in leak detection equipment and associated policies have lowered the 12-month rolling average for the last ten years from roughly 16% lost water to 7% lost water. He ended by stating that the utility's philosophy is to invest ratepayer dollars in good investments in infrastructure and not just on what is the cheapest.

Chairman Carmichael then recognized Brian Sartain to present the Engineering Reports. Mr. Sartain

began with the Development Plan Review slide. This slide shows continued development along the Walnut and I-49 corridors. He then presented a slide detailing the exact projects during FY24 that contributed to the total access and impact fee total that Mr. Sigmon had presented earlier. Most of this development consisted of large, multi-family and apartment projects along with a few traditional subdivisions. He then elaborated on a few specific projects. The Sewer Pipe Reaming project underneath I-49, the Pinnacle Golf Course sewer expansion, and the RPCF Solids Handling Ph II project about to begin at the wastewater treatment plant.

Chairman Carmichael then recognized Todd Beaver to present the RPCF reports. No issues at the plant and all DMR reports are satisfactory. The FOG inspections are ongoing with no issues. The design team received the Huber report on the solids that RWU had sent in for testing and "Huber was able to process the solids without issue and consequently, Huber has no concerns moving forward." This was very important as it confirms that the RWU solids, when subjected to high pressures may experience issues as seen at the Springdale facility. The RWU design specifically addresses this issue by using non-pressure handling of the solids from the centrifuges to the Huber dryer. This design now stands at 90% complete. The capacity improvement design team (Freese & Nichols) presented their conceptual plans to staff for comment. The RPCF treated 304MG in June, calculated to include roughly 49MGD from I & I. The plant received 2.32" of rain over seven events. The historical average is 4.3".

Chairman Carmichael then recognized Brent Dobler to present RESOLUTION No. 24-22 AMENDING THE FISCAL YEAR 2025 BUDGET; AND FOR OTHER PURPOSES. Dobler explained that he did not properly budget for the required needs of the SCADA department by allowing it to remain at three employees that are charged with maintaining all RWU lift stations, pump stations and water towers. RWU needs an additional employee to ensure that the SCADA team can accomplish all these duties as well as allowing for vacation and sick events. The second amendment required is for additional dollars towards an already FY25 budgeted vacuum excavator truck. The original truck purchased has not been delivered, and the manufacturer cannot confidently tell RWU when this equipment will be built, no less delivered. Therefore, RWU employees went back to the drawing board to determine exactly what piece of equipment the utility needs moving forward. Mr. Lunsford will present the information on the actual piece of equipment later in the meeting. Commissioner Greene made a motion to approve RESOLUTION 24-22 AMENDING THE FISCAL YEAR 2025 BUDGET; AND FOR OTHER PURPOSES. Commissioner McClure seconded. All in favor, 3-0, Resolution 24-22 passes.

Chairman Carmichael then recognized Dana Daniel to present RESOLUTION No. 24-23 AMENDING THE COMPENSATION ADMINISTRATION POLICY FOR THE ROGERS WATER UTILITIES; ADDING ADDITIONAL POSITIONS; SPECIFYING PAY RANGES; AND FOR OTHER PURPOSES. Mr. Daniel stated that the purpose was to add two additional positions to the policy. No additional employees are included, just the two positions: Cityworks Coordinator/Technical Operations Supervisor (Field) and Inspection Supervisor (Engineering). No increase to the budget is required. Commissioner McClure made a motion to approve RESOLUTION No. 24-23 AMENDING THE COMPENSATION ADMINISTRATION POLICY FOR THE ROGERS WATER UTILITIES; ADDING ADDITIONAL POSITIONS; SPECIFYING PAY RANGES; AND FOR OTHER PURPOSES Commissioner Sultemeier seconded. All in favor, 3-0, Resolution No. 24-23 passes.

Chairman Carmichael then recognized Johnny Lunsford to present RESOLUTION No. 24-24 APPROVING THE PURCHASE OF A CERTAIN MOTOR VEHICLE; AUTHORIZING EXPENDITURE OF FUNDS FOR THE PURCHASE; WAIVING COMPETITIVE BIDDING; AND FOR OTHER PURPOSES. Mr. Lunsford stated that

Superior Chevrolet in Siloam Springs has a red Ram 1500 pickup on the lot and ready to go. We have been experiencing difficulties in ordering these trucks and receiving them in a timely manner. The price of this vehicle is \$ 40,412.24. Commissioner Greene made a motion to approve RESOLUTION No. 24-24 APPROVING THE PURCHASE OF A CERTAIN MOTOR VEHICLE; AUTHORIZING EXPENDITURE OF FUNDS FOR THE PURCHASE; WAIVING COMPETITIVE BIDDING; AND FOR OTHER PURPOSES. Commissioner McClure seconded. All in favor, 3-0, Resolution 24-24 passes.

Mr. Lunsford then made a request to the Commission for approval to purchase a Camel Max Model 900DB Combination Vacuum and Sewer Flushing truck. He stated that this is to replace our existing unit that is a 2005 model. Our existing unit will be sold on govdeals.com. This is being procured off the cooperative purchasing platform HGAC. RWU had narrowed the decision down to two manufacturers. Upon trialing both, the team chose this unit. RWU had originally budgeted \$470,000 in the FY25 budget. Commissioner Sultemeier made a motion to purchase the Camel Max Model 900DB Combination Vacuum and Sewer Flushing truck for \$467,159. Commissioner Greene seconded. All in favor, 3-0, motion passed.

Mr. Lunsford then made a request to the Commission for approval to purchase a Vacuum Excavator vehicle. This truck will cost more than the original vacuum excavator that was budgeted but was not delivered when promised. The TRUVACC FLXX meets our needs now and in the future and will be purchased from the Sourcewell procurement contract. Commissioner McClure made a motion to authorize the purchase of the TRUVACC FLXX Vacuum Excavator truck for \$436,018.78. Commissioner Greene seconded. All in favor, 3-0, motion passes.

Chairman Carmichael then recognized Aaron Short to present a change order for the Banz subdivision. RWU had originally cooperated with a developer to install this as part of their development. This was integral to the entire project because it connected the other work already being done in the Banz subdivision. Since then, the property was never developed and was sold. No plans are in the works on this property at present and RWU now needs to make this connection to complete the project. The amount of the change order to install this pipe as a change order is \$118,389 bringing the total new price of the project to \$3,525,833.07. Commissioner Greene made a motion to approve the change order to the Banz sewer replacement in the amount of \$118,389. Commissioner McClure seconded. All in favor, 3-0, motion passes.

Mr. Short went on to present a construction change order for the cleaning and blockage removal of two sewer lines currently installed under I-49. One 24" diameter sewer main and one 12" diameter sewer main. He shared pictures of the interior of the 12" pipe and the blockages. The original quote (containing both mains) had several options and since this pipe can be reutilized in place, replacement is not necessary. However, the lining of the pipe is necessary. Staff recommends the approval of Change Order #1 for the project: Cleaning and Blockage Removal from 24" Sewer Main at I-49 in the amount of \$152,500, bringing the total to be paid to \$402,400. Commissioner Greene made a motion, Commissioner McClure seconded. All in favor, 3-0, motion passes.

Chairman Carmichael then recognized Brian Sartain to present a Proposal for Geotechnical Engineering Services for the Western Corridor Water Transmission Main project. A proposed alignment has been suggested. He stated that RWU must now perform geotechnical engineering services before design can begin. McClelland has been chosen from their statement of qualifications on file to perform this function along the 3.3-mile-long alignment. Staff requests authorization to execute an agreement with

McClelland Consulting Engineers for a lump sum fee of \$40,347 for geotechnical investigation of the western corridor water transmission main. Commissioner Sultemeier made a motion to authorize RWU to execute an agreement with McClelland Consulting Engineers for a lump sum fee of \$40,347 for geotechnical investigation of the western corridor water transmission main. Commissioner McClure seconded the motion. All in favor, 3-0, motion passes.

Chairman Carmichael then adjourned the meeting at 5:16 pm.

Respectfully Submitted,

Brent Dobler/Secretary

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