The Rogers Waterworks and Sewer Commission held its scheduled meeting at 4:00 PM Monday, December 16, 2019, in the Rogers Water Utilities Administration Building located at 601 S 2nd St. Present were Commissioners Roger Surly, Kathy McClure, Don Kendall, and Mike Watkins. Travis Greene arrived at 4:03 PM. Rogers Water Utilities staff present were Johnny Lunsford, Brian Sartain, Todd Beaver, Jennifer Lattin, Jene’ Huffman Gilreath, Jerry Roegner, Brandon Carnahan, Matt Savell, Dana Daniel, Vera Hall, and Donna Wilson. Others in attendance were Lori Ericson from the City of Rogers Development, and Robert Frazier of the Frazier Law Firm. Chairman McClure called the meeting to order at 4:00 PM.

A motion was made by Commissioner Roger Surly and second by Commissioner Don Kendall to approve the minutes of the November 18, 2019 meeting as submitted. All in favor, motion carried.

Commissioner Roger Surly made a motion to authorize Jennifer Lattin Controller, to attest to Resolutions and other documents and perform other duties of the Acting Secretary during Brent Dobler’ absence. Motion was second by Commissioner Don Kendall. All in favor, motion carried.

Jennifer Lattin recognized Brandon Carnahan for achieving his D4 Water License Certification. The Commission expressed congratulations.

Chairman McClure recognized Jennifer Lattin, Controller to present the November 30 2019 financial reports. Lattin stated that water consumption for the month of November 2019 (FY 20) was down 1.12% from November 2018. Billed revenue is down .05% from November 2018 (FY 19). The residential irrigation usage decreased by 35% compared to November 2018. The Water Department reported a profit of $67,000 for the month ending November 30, 2019 (FY 20). A profit of $159,000 was reported for November 30 2018 (FY 19). FY 20 Year to Date profit is less than the prior year, by $343,000, but ahead of budget. FY 20 YTD revenues are less than the prior YTD revenues by $221,000, or 3.8%, primarily from a reduction in billed revenue for residential and commercial customers (irrigation related). However, the reduction in billed revenue is somewhat offset by a YTD increase in access/impact fees and interest income. YTD expenses are more than the prior YTD expenses by $122,000, or 2.6%. YTD collections of access and impact fee revenue are $398,000 and are ahead of budget by $169,000. This compares to year to date access and impact fee revenue of $259,000 in FY 19 and $392,000 in FY 18.

Sewer consumption for the month of November 2019 (FY 20) is up 4.74% from November 2018. Billed revenue is up 3.41% from November 2018 (FY 19). Commercial and industrial usage increased by 11% and 7%, respectively, compared to November 2018. The Sewer Department reported a profit of $255,000 for the month ending November 30, 2019 (FY 20). A profit of $342,000 was reported for November 30, 2018 (FY 19). FY 20 Year to Date profit is ahead of the prior year, by $69,000, and budget. FY 20 YTD revenues are more than the prior YTD revenues by $310,000, or 5.7%, primarily from an increase in YTD access/impact fees, interest income, and a moderate increase in billed commercial and industrial revenue. Current YTD expenses are more than the prior YTD expenses by $241,000, or 6.2%.
YTD Collections of access and impact fee revenue for FY 20 are $809,000 and are ahead of budget by $288,000. This compares to year to date access and impact fee revenue of $587,000 in FY 19 and $736,000 in FY18.

Lost water is at 18% for both the last twelve months, 17% for the calendar year (2019), and 6% for the month of November 2019.

Total Restricted and Unrestricted Funds Report are $36.4 million, which is an overall decrease of $500,000 from November 2018. Water Funds increased from $16.7 million to $18.0 million from November 2018 while Sewer Funds decreased from $20.2 million to $18.4 million. $7.7 million of the $36.4 funds are restricted for specific use such as debt service, meter deposits, access and impact fees, and depreciation. There were no questions.

Chairman McClure recognized Brian Sartain, Utility Engineer for the presentation of the November engineering report. Sartain said that the number of plan reviews are down this month. He noted the District Office 3 and Nabholz Office Expansion are new submittals. The Dodson Rd Apartments showed a high number of reviews because the permit had been on hold (now expired) and also Uptown Square had more reviews because of some changes in construction. Sartain said as of this date, no plan review fees have been assessed. The RPCF Solids Handling Project is nearing completion and going well; the startup testing of equipment has begun with a few adjustments needed in the controls of the conveyance systems. Upcoming projects will be the 11th Street Elevated Tank Repainting and the Blossom Way FRP Sewer Rehab Ph I (42 in pipe replacement). Staff expects to receive proposals next week for the RPCF Train II Rehabilitation, and staff plans to make recommendations for award of the project in January. RWU staff is currently working with Freese & Nichols to develop a scope of services on the Sanitary Sewer Master Plan and plans to present a proposal in January. Sartain also presented recent photos of Pleasant Grove Rd corridor project, RPCF access drive, and associated water and sewer utility work, noting the progress at about 60% complete with water/sewer improvements.

Sartain said the City of Rogers had recently annexed approximately 100 acres West of Hwy 112 into the City of Rogers. With that, he presented an exhibit depicting topography of the annexed area, noting that wastewater generated from this westward annexation will not naturally flow into the same basin as the Rogers Pollution Control Facility, and lift stations will be required to pump wastewater to the RPCF. The westward basin naturally flows toward a gravity sewer main operated by the Northwest Arkansas Conservation Authority (NACA), but without a cohesive master plan for development, it is unclear if RWU will tie on to NACA in the future. The approval of this and possible future annexations by the City will bring challenges for the Utility to plan for and accommodate wastewater needs. The engineering dept. will focus on minimizing these effects by guiding infrastructure design to limit the number of lift stations required.

Chairman McClure recognized Todd Beaver, RPCF Manager to present the November Reports. Beaver said there were no permit violations however, reported 3.64 for the ammonia max 7 day average being higher than normal (permit limit 4.5) due to increased rainwater. The FOG department has been busy with 30 FSE inspections during the month of November. They have submitted the rough draft wastewater verification form and continuing to work with regards to food truck graywater disposal. The Industrial Pre-treatment Program completed an industry inspection at Glad Manufacturing. 324.2 MG was treated in November with 120 MG additional flow with an average flow of 10.5 MGD. These flows included 5.38" of rain over 10 rain events. There were no questions.
Chairman McClure recognized Johnny Lunsford, Construction and Maintenance Manager for a brief report on field operations. He stated that there was a large amount of water lost due to a mainline break in the early morning hours today located on S 8th Street. This was a large line, with approximately 8 feet of pipe replaced, and also will require significant repairs to a State Highway, including a parking lot, sidewalks and valves. He showed photos and video depicting different areas of the leak. He said the field crews had worked all day making repair and had the water back on. Commissioner Don Kendall asked what caused the break. Brian Sartain replied a number of things such as age of pipe, the type of pipe material, etc. The estimated time of this pipe placement is in the Sixties. There were no further questions.

Chairman McClure recognized Jene’ Huffman-Gilreath, Shared Services Manager to present an update with the IT Department. Currently the RWU operations is supported by in-house software that was programmed by our Senior Programmer on an IBM platform written in a RPG language. Realizing this high risk assessment created inquiry. With no success in locating another programmer that was cost effective, research began looking at software companies that could provide for specific water/sewer municipalities. Areas of concern are Customer Service, General Ledger, Billing, and Asset Management. Commissioner Travis Greene asked about the cost estimate. Huffman-Gilreath replied approximately $300,000 each for the software and implementation for Customer Service, GL, and Billing. There were no further questions.

Jennifer Lattin presented the Cost of Living Adjustment (COLA) Raises for 2020, and are included in the FY20 budget. 2% COLA Raises will be awarded to employees on the first pay date in January. There were no questions.

Lattin continued with Resolution No. 19-27 attached hereto with Exhibit 1, adopting a Customer Service Agreement Form for the Rogers Water Utilities to use for new accounts opened on or after January 1, 2020. The Customer Service Agreement will serve as a written contract between RWU and customers to enforce applicable deposits, rates, charges, and fees, and all policies and procedures referenced therein. The form will be available on the RWU website as well as the New Customer Packets. Commissioner Roger Surly made a motion, second by Commissioner Mike Watkins to approve Resolution No. 19-27 with Exhibit 1 attached. All in favor, motion carried.

Brian Sartain presented bid results held on December 9, 2019 for 1st Street Water and Sewer (Walnut St to Cherry St). Staff recommends approval of the bid from Crossland Heavy Contractors in the amount of $554,128.00 for water/sewer utilities with a project total bid amount of $1,466,627.00 (which is including of all street and sidewalk improvements). A motion was made by Commissioner Travis Greene, with a second made by Commissioner Roger Surly to approve Crossland Heavy Contractors total project bid of $554,128.00. All in favor, motion carried.

Todd Beaver, RPCF Manager presented information regarding the USGS Osage Creek Monitoring Joint Funding Contract. The agreement is to maintain operation of the Osage Creek, the QW meter and storm event sampling. Beaver said the renewal due (but not yet received) is in the amount of $41,000 and will be a cost share with the City of Rogers to reimburse fifty (50) percent of the cost not to exceed $20,500. There were no questions. No action taken.

Beaver continued with presenting a bid to furnish Vertical Pump and Installation for the RPCF. This was an abbreviated bid and sent to five (5) applicable bidders. With three (3) bids received, JCI Industries
was the lowest bidder with the total amount of $40,529.00 including the pump and installation costs. Commissioner Surly asked where JCI was located. Beaver said they were a large company with offices located in Rogers. Commissioner Roger Surly made a motion, second by Commissioner Don Kendall to approve the bid from JCI Industries for the total amount of $40,529.00 including the pump and installation. All in favor, motion carried.

With no further business, Chairman McClure adjourned the meeting at 4:58 PM.

Respectfully submitted,

Brent Dobler, Acting Secretary

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