

BENTON/WASHINGTON REGIONAL PUBLIC WATER AUTHORITY
Of the State of Arkansas

September 28th, 2023 Board of Directors' Meeting
Meeting Minutes

Board of Directors' Meeting for September 28th, 2023 was called to order by Chairman Boston at 1001 hours in the Authority's Board Room at the Water Treatment Plant. Opening invocation was given by Director Craft.

Directors and/or Alternates

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|------------------------------------|--------------------|
| Bella Vista POA | Charlie Holt |
| BCWD #1 | William Putman |
| Centerton | Malcolm Attwood |
| Decatur | James Boston |
| Gentry | Rick Craft |
| Garfield/Gateway/Lost Bridge | Gary Blackburn |
| Gravette | Richard Sutherland |
| Highfill | Dustin Karhl |
| Lincoln | Herb England |
| Pea Ridge | Ken Hayes |
| Prairie Grove | Chuck Wiley |
| WWA | ABSENT |
| Westville | Zeb Black |

Others in attendance included Manager Borman, Jana Wright, and Eddie Cooper from BWRPWA, Matt Dunn, Josh Moore, James Martin, and Jonathan Brewer from Crist Engineer, James Clark from City of Tontitown, and Darrin Byrum.

The minutes from the August 31st, 2023 Board Meeting were discussed. On a motion made by Director Blackburn and a second by Director Craft, the August 31st, 2023 minutes were approved unanimously.

Treasurers' Report – Treasurers' Report was given by Director Craft, which included for the period of August 23rd, 2023 through September 20th, 2023. Director Craft discussed the check detail with the Board, which included payroll, electronic fund transfers, and checks 19667-19711. Director Craft then discussed with the Board the financials, which included a Profit and Loss Statement including the FY 2023 budget, Profit and Loss with Previous Year Comparison, and a Balance Statement. After Board discussion, Director England made a motion to approve the Check Detail for payroll, electronic fund transfers, checks 19667-19711, and the financials as presented. A second was made by Director Blackburn. The motion was approved unanimously.

Matt Dunn with Crist Engineers then gave the update on current ongoing projects:

4 MG Composite Elevated Water Storage Tank

- Steel work is complete for the cone and vertical steel.
- Notice of Award issued on October 28, 2022.
- Contract Time – 755 Calendar Days
- Substantial Completion Date – October 14, 2024
- Final Completion Date – December 3, 2024
- Contract Amount - \$12,726,000.00
- Change Order #1 - +\$12,233.00
- Change Order #2 - -\$15,022.00
- Revised contract Amount - \$12,723,211.00
- Pay Application #10 - \$407,239.35

- Total Payment to Date - \$9,246,072.88
- Balance Remaining - \$3,084,920.77
- Submittals and RFI review ongoing.
- Project is on schedule.
- Steel welding demobilization complete.
- Painting pre-construction meeting today.
- Painting preparation is scheduled to begin next week.
- See attached updated construction schedule from Landmark

3 MG Clearwell

- Roof complete. Wire wrapping ongoing.
- Notice of Award – September 22, 2022
- Contract Time – 363 calendar days
- Substantial Completion Date – February 6, 2024
- Final Completion Date – March 10, 2024
- Contract Amount - \$5,132,000.00
- Change Order #1 - \$37,511.00
- Current Contract Amount - \$5,169,511.00
- Pay Application #8 - \$333,355.00
- Total Payment to Date - \$3,546,806.00
- Balance Remaining - \$1,622,705.00
- Project is on schedule.
- Preload anticipates tank completion in November.
- See attached updated construction schedule from Preload.

High Service Pump Station and Electrical Upgrades

- Final site plan, structural, HVAC, and building revisions completed. Electrical design underway once the new VFD and Control Valve Narrative is completed and approved.
- Drawings and specifications at ADOH for approval.
- Carroll Electric has finished the relocation of the electric service for HSPS. Future substation location, construction, and contractual requirements are pending. A meeting with Carroll Electric was held on September 21 to discuss the new power substation and related issues.
- Generator and Switchgear has been ordered per the proposal at the last meeting. Waiting on submittals. Responsibility of payment, acceptance, and installation of generator and switchgear will be included in the HSPS bid package and turned over to the contractor in the future.
- VFD and Pump Control Valve narrative has been approved by staff.
- Electrical under final design.
- Yard piping procurement for (steel pipe, fittings, and valves)
 - **Ferguson Waterworks**
 - Notice of Award – January 26, 2023
 - Notice to Proceed – February 23, 2023
 - Contract Time – 284 calendar days
 - Final Completion Date – November 20, 2023
 - Contract Amount - \$2,809,734.00
 - Pay Application #1 - \$1,614,899.65
 - Total payment to date - \$1,614,899.65
 - Balance remaining - \$1,194,834.35
- High Service Pumps procurement (2 pumps w/ motors)
 - **Tencarva Machinery**
 - Notice of Award – February 22, 2023
 - Contract Time – 361 calendar days

- Final Completion Date – February 18, 2024
- Contract Amount - \$1,018,816.00

Parallel 54" Transmission Line – Phase 1

- The project has been split into two contracts – Phase 1A and Phase 1B.
- **Phase 1A – KAJACS Construction**
 - Notice to Proceed – September 5, 2023
 - Contract Time – 450 calendar days
 - Substantial Completion Date – October 9, 2024
 - Final Completion Date – November 28, 2024
 - Original Contract Amount - \$11,820,000.00
 - Change Order #11 (lagoons) - \$980,000.00
 - Current Contract Amount - \$12,800,000.00
 - Pay Application #1 - \$237,500.00
 - Total Payment to Date - \$237,500.00
 - Balance Remaining - \$12,562,500.00
 - Surveying, layout, route clearing beginning this week.
 - Pipe delivery expected late this year.
 - Lagoon maintenance project – Change Order \$980,000.00
 - Mobilization and work beginning.
- **Phase 1B – KAJACS Construction**
 - Notice to proceed – September 5, 2023
 - Contract Time – 450 calendar days
 - Substantial Completion Date – October 9, 2024
 - Final Completion Date – November 28, 2024
 - Original Contract Amount - \$11,820,000.00
 - Change Order #1 (yard piping) - \$856,125.00
 - Current Contract Amount - \$12,676,125.00
 - Pay Application #1 - \$114,000.00
 - Total Payment to Date - \$114,000.00
 - Balance Remaining - \$12,562,125.00
 - Surveying, layout, route clearing beginning this week.
 - Pipe delivery expected late this year.

Parallel 54" Transmission Line – Phase 2

- Route for first 7.25+/- miles confirmed with staff. Plan work has begun on this initial route.
- Field surveying work has begun.
- Phase 3 – Route for next segment to Centerton is under final study review and will get with staff soon to go over proposed route.
- Phase 4 – Route for Centerton to Decatur will follow soon.
- Route determination for remainder is underway. Processing the entire route in sections for staff approval to begin drafting and layout work on each segmented section as soon as possible. This will lead to beginning the easement acquisition quicker in segments rather than the entire length of the 54" water main.

New Beaver Lake Intake Structure and Raw Water Line

- 48" raw water line route from existing intake structure to treatment plant being finalized so layout and easement research can begin. Staff will approve of route before beginning plan and easement preparation.
- Route will need to be surveyed so that the route can be finalized and easements can then be written and obtained.

- Intake Structure site access has been surveyed with building points and locations of 3 geotech bores.
- Site has been cleared of timber.
- Geotechnical boring work is underway by Palmerton and Parrish, Inc. of Missouri.
- Meeting with BWRPWA staff and Carroll electric to discuss utilization of their ROW for water line placement. We will follow up with Carroll Electric with a final route for approval.

Decatur Tank Land Acquisition

- Survey complete.
- Geotech investigation complete.
- Benton County lot split complete.
- Purchase of property underway.

Decatur Land Purchase – Manager Borman stated to the Board that a closing date on the Decatur property has been scheduled for October 10, 2023 with Waco Title Company and funds from the Capital Improvement account will be used for purchase of the property.

Operations' Report for August 2023 – Manager Borman then gave the Operations' and Managers Report, which is herein included as part of the official minutes.

Manager Borman addressed the Board concerning the 2022 bond funds. When the 2022 bond series funds were issued, \$20M was kept liquid and \$30M was put into a ladder portfolio. The funds in the ladder portfolio have or will be cashed out by December 2023. After having a conversation with Raymond James, the bulk of the funds left will be rolled into 30-day treasury notes (still earning interest) – keeping the funds liquid in which to pay the contractor pay requests every 30 days. Estimated interest earned was projected to be around \$1.2M – actual interest earned will be around \$1.4M - \$1.5M. Manager Borman stated that after having a conversation with Bob Wright from Crews & Associates, interest rates at this time are on the high side. Scheduling the time for when BWRPWA goes out to bid on the new upcoming projects is forecasted to be later in FY 2024 (May – June time frame) instead of the March – April time frame, with the hopes that interest rates trend downward.

Manager Borman also mentioned that in reference to BWRPWA's utility members systems, BWRPWA would no longer be using Water Scope, due to the endless issues that have occurred. There is a more reliable route going with Henerd Utilities, and the cost is estimated at \$200.00 a meter fix. Nathan Hooper will get with each utility to schedule a time for the change out. Every utility will be able to access their meters for daily water usage per usual and the benefit of the new upgrade is that it will update four times a day as opposed to once a day.

Staff New Hires – Manager Borman then introduced Darrin Byrum to the Board. Darrin Byrum's starting date is 10/09/23 and he will be BWRPWA's Lead Maintenance Specialist (Eddie Coopers old position). The IT position has been filled and starting date for the new hire is 10/02/23. Positions still needing to be filled are a maintenance assistant and a water operator.

Administrative Items

Manager Borman stated to the Board that staff from BWRPWA and Crist Engineers met with Carroll Electric over the location of the substation. There are 2 sites that have been considered for the substation and those sites are not ideal locations for the substation. Jeremy McCrary has brought up the possibility of purchasing the 5 acres that is directly south of BWRPWA's property for a substation location. BWRPWA offered \$125,000.00 for said property back in May of 2022. The plan is for BWRPWA to offer \$250,000.00 for the property and Carroll Electric will buy back four acres of the five, Jeff Smalley with Carroll Electric will be confirming this with Carroll Electric's board. Carroll Electric will purchase the four acres once the planning process/construction has been started. The one acre that BWRPWA will retain will square up boundary lines for BWRPWA. Both parties agree that BWRPWA and Carroll Electric's boards would want this agreement of Carroll Electric purchasing 4 acres from BWRPWA in writing. Manager Borman asked the Board to give him permission to move forward with purchasing the property and to authorize him to offer up to \$300,000.00, which would include closing/survey costs, and with the stipend that

Carroll Electric will match the price for the four acres that they plan on purchasing. After Board discussion, Director Blackburn made a motion authorizing Manager Borman to move forward with purchasing the 5 acres on the south side of BWRPWA, and the offer not to exceed \$300,000.00. A second was made by Director Holt. Motion carried unanimously.

Manager Borman asked the Board to authorize a task order contract with Crist Engineers to develop a design and specifications for a training facility/board room for BWRPWA. Having this facility would be beneficial to those who are needing a treatment or distribution license. A licensed instructor could come on site and teach the necessary information to those who need licenses to operate in the water environment. It would also serve as the board room for monthly meetings, with more space for members and guests. The existing board room would be remodeled into offices for staff. Possible cost for this project could be around \$1M and could be possibly put out to bid in FY 2024, with the Board's approval. After Board discussion, a motion was made by Director Blackburn to approve a task order with Crist Engineers for a training facility/board room. A second was made by Director Wiley. Motion carried unanimously.

Manager Borman requested that the Board schedule a date for a Finance and Personnel Committee meeting to review the FY 2024 budget. With reference to the FY 2024 budget, the increase of water rates for January 2024 as been included in the budget. After Board discussion, the meeting was scheduled for October 18th, 2023 at 9:00 a.m. at the Authority's board room at the Water Treatment Plant.

Being no further business before the Board, Director Blackburn made a motion to adjourn at 1126 hours. A second was made by Director Craft. Motion carried unanimously and the meeting was adjourned.

NEXT BOARD MEETING – OCTOBER 26th, 2023

*Rick Craft, Secretary/Treasurer – Benton/Washington Regional Public Water Authority
SKK: JKW*