

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

January 26th, 2023 Board of Directors' Meetings
Meeting Minutes

Board of Directors' Meeting for January 26th, 2023 was called to order by Chairman Taggart at 0932 hours in the Authority's Board Room at the Water Treatment Plant. Opening invocation was given by Chairman Taggart.

Directors and/or Alternates

Bella Vista POA	Mike Taggart
BCWD #1	Jerry Lovell
Centerton	ABSENT
Decatur	James Boston
Gentry	Rick Craft
Garfield/Gateway/Lost Bridge	Gary Blackburn
Gravette	Richard Sutherland
Highfill	ABSENT
Lincoln	ABSENT
Pea Ridge	Ken Hayes
Prairie Grove	ABSENT
WWA	Zak Johnston
Westville	Zeb Black

Others in attendance included Manager Borman, Jana Wright, Steve Davis, and Eddie Cooper from BWRPWA, Matt Dunn and James Martin from Crist Engineers, James Clark from City of Tontitown, and Dean Oswald and Andy Henderson from Ferguson.

The minutes from the December 15th, 2022 Board Meeting were discussed. On a motion by Director Blackburn and a second by Director Lovell, the December 15th, 2022 minutes were approved unanimously.

Chairman Taggart mentioned to the Board that Director Moore had retired from Washington Water Authority. Chairman Taggart thanked Director Moore for his service on BWRPWA's board and wished him well with retirement.

Treasurers' Report – Treasurers' Report was given by Manager Borman, which included for the period of December 10th, 2022 through January 19th, 2023. Manager Borman discussed the check detail with the Board, which included payroll, electronic fund transfers, and checks 19213-19290. Manager Borman then discussed with the Board the financials, which included a FY23 Profit and Loss Statement including the FY 2023 budget, FY23 Profit and Loss YTD Comparison, FY23 Balance Statements, and end of FY22 financial reports. After Board discussion, Director Blackburn made a motion to approve the Check Detail for payroll, electronic fund transfers, checks 19213-19290 and the financials as presented. A second was made by Director Craft. The motion was approved unanimously.

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

Sludge Lagoons and Site Grading

- KAJACS is actively working on earthwork, lagoons, drainage, access roads, yard piping, and fencing. Access stairs to outfall structure is being added.
- Substantial Completion Date – November 8, 2022
- Final Completion Date – November 28, 2022 (Anticipated 03/01/2023)
- Contract Amount - \$4,125,000.00
- Pay Application #8 - \$138,213.17

- Total Payment to Date - \$3,358,995.95
- Balance Remaining - \$766,001.05

Kajacs has been given the deadline of finishing the project by March 1, 2023 and if not finished by that day, will be charged \$1,500.00 daily for liquidated damages. Per James Martin with Crist Engineers, Kajacs will not make that deadline. Kajacs has only completed 80% of the project and the project needs to be completed before Preload can mobilize.

4 MG Composite Elevated Water Storage Tank

- Landmark is actively working on foundation, including reinforcement placement. Landmark plans to pour the foundation concrete on January 27, 2023.
- Notice of Award issued on October 28, 2022.
- Contract Time – 750 Calendar Days
- Substantial Completion Date – October 9, 2024
- Final Completion Date – November 28, 2024
- Contract Amount - \$12,726,000.00
- Pay Application #2 - \$639,225.00
- Total Payment to Date - \$1,623,825.50
- Balance Remaining - \$11,102,174.50
- Submittals review is ongoing.

Surge Tank System at WTP

- Analyzing surge prevention parameters for the Garfield-Gateway pressure plane
- Coordinating Garfield-Gateway system surge tank technical requirements with Blacoh and ETEC
- Garfield-Gateway surge tank will be constructed in the High Service Pump Station building.
- Project schedule has been adjusted to conform with inclusion in the HSP project and permitting review.

3 MG Clearwell

- Preload is gearing up to mobilize in mid-February to begin sitework.
- Notice of Award given to Preload, LLC on September 22, 2022.
- Contract Time – 360 calendar days
- Substantial Completion Date – January 9, 2024
- Final Completion Date – February 15, 2024
- Contract Amount - \$5,132,000.00
- Change Order #1 - \$37,511.00
- Current Contract Amount - \$5,169,511.00
- Preconstruction meeting was held on January 20, 2023.
- Notice to proceed for Preload, LLC – March 14, 2023

High Service Pump Station and Electrical Upgrades

- Operational Technical Memorandum was prepared for operational parameters, surge prevention, and control measures – reviewed with BWRPWA staff on September 9.
- Ongoing discussions with Carroll Electric for Tank Service and HSP. Future substation, construction, and contractual requirements is pending.
- Electrical systems to address operational control modifications identified in the electrical master plan are proposed with the HSP project. There are ongoing discussions with staff to finalize the electrical scope for this project.
- Current electrical service capacity for the HSP is limited to three 1000 HP pumps. The design will be based on three initial pumps with the capacity for five additional pumps to address the projected system demands through 2050.
- Building will consist of CMU walls, open web steel joist framing with standing seam metal roof. Colors and finishes to match existing buildings.

- *Design coordination with mechanical, structural, and electrical engineers.*
- *Preparing design and construction documents.*
- *Utilization of Direct Procurement of materials when possible:*
 - *Yard Piping*
 - *Pumps and Motors*
 - *Control Valves*
 - *Surge Tank*
 - *Electrical*
 - *Transformers*
 - *Switchgear*
 - *VFD's*
 - *Generator*
- *Yard piping procurement for steel pipe re-bid opening is January 25, 2023.*
- *Pump procurement estimated bid opening – February 22, 2023*
- *Project schedule has been adjusted for design scope and additional regulatory/permitting time.*

Easement Acquisition

- *There are a total of 48 parcels for Phase 1 alignment and a total of 46 parcels have been acquired. See attached Tracking Exhibit.*
- *Parcels 25 and 33 (Davis and Farris properties) have been sent to the Attorney for condemnation.*

Route of line has been set. Easements have been purchased on both sides of the properties for condemnation.

Parallel 54" Transmission Line – Phase 1

- *The design and alignment near highway 94 have been revised.*
- *Plan and profile sheets are 90% complete.*
- *Cross connection locations between the proposed 54" and existing 36" lines will be located at the following locations:*
 - *Water Treatment Plant*
 - *Between Parcel 11 and Parcel 13 East of Prairie Creek Road*
 - *East Side of Lewis Lane on Parcel 48*
- *Preparing 90% design and construction document packages for submittal to ADOH permit*
- *Exploring options for materials procurement package*
- *Regulatory permitting proposed is Nation-Wide Permit (NWP)-58.*
- *Preparing Preliminary Construction Notification (PCN) and determining NWP-58 specific requirements for permitting associated with environmental components such as endangered species, water quality, and wetlands delineation.*
- *GBMC will be conducting the Wetlands Delineation upon completion of the easement acquisition.*
- *Earth and Science will begin the geotechnical borings in the next two weeks. The final geotechnical report is expected by the end of March.*
- *Corrosion Control Engineering will be performing a Corrosion Evaluation for the project upon completion of the geotechnical data for corrosion soil properties.*
- *Project schedule has been adjusted for design revisions, survey, studies, and additional regulatory /permitting time.*

Lagoon Maintenance Project

- *Established a maintenance project to remove sludge, modify the grades along the existing lagoon roads, improve drainage, modify flow control structures, and install riprap for slope protection on lagoon levees.*

Beaver Lake Intake Structures

- *Responded to USACE request to confirm contracted amounts of raw water from Beaver Lake.*
- *USACE combined yield allocation is 24.25 MGD*

- Ready to start permitting process for Intake Structure and raw water line to the plant.

Operations' Report for November 2022 – Manager Borman then gave the Operations' Report, which is herein included as part of the official minutes.

Manager Borman discussed with the Board the necessity of a storage building on the premises. The building would be used to store procured pipe and supplies for upcoming projects. An estimate for the building was given by Superior Metal, Inc. The building would be 40x60 with a concrete pad and the estimated cost is \$80,000.00, which would be paid out of the Operations Account. After board discussion, Director Hayes made a motion to approve the bid from Superior Metal, Inc. and the amount spent not to exceed \$80,000.00 for the steel building and concrete pad. A second was made by Director Blackburn. The motion carried unanimously.

Manager Borman mentioned to the Board that with Jeremy McCrary being in a supervisory position with BWRPWA, he would like the Board to approve Jeremy McCrary to be a co-signer on company checks. Director Blackburn made a motion to approve Jeremy McCrary to be one of the co-signers on company checks. A second was made by Alternate Director Johnston. The motion passed unanimously.

Manager Borman then discussed with the Board purchasing an Agilent 6475 Triple Quadrupole LC/MS System for the lab. This system would analyze samples for VOC's, Organo Chlorine Pesticides, PCB's, Organo Phosphorous Pesticides, and PFOS/PFAS. Metrohm USA turned in a quote for the system totaling \$493,484.93. Manager Borman mentioned putting this out to bid with the possibility of purchasing a more affordable system. After board discussion, the Board was in agreement for pursuing bids on the lab equipment and bringing those bids before the Board at the February's Board meeting.

Customer Conservation Measures – Item on agenda has been tabled until further notice.

Yard Piping Bid Approval - Matt Dunn then discussed with the Board opening of bids for procurement of welded steel. Ferguson Waterworks from Springdale, AR put in a bid totaling \$2,809,734.00. Manager Borman stated that it was a good price for welded steel and made a recommendation to the Board to accept and approve the bid from Ferguson Waterworks. Director Blackburn made a motion to accept and approve the bid from Ferguson Waterworks for the amount of \$2,809,734.00. A second was made by Director Craft. The motion passed unanimously.

2022 Rate Study by Willdan Financial and Board Action Regarding Rate Study Findings – Chairman Taggart then opened the floor for discussion on this topic. Manager Borman mentioned to the Board that Director Karhl stated his recommendation in an email – Director Kahrl mentioned that City of Highfill would accept the rate study as presented by Willdan Financial with revisiting rate adjustments after 3 years:

- | | |
|--|--------------------------------|
| 1. Current Water Rates as of January 1, 2023 - \$2.80 per thousand | Meter Assessment Rate - \$1.50 |
| 2. Water Rates as of July 1, 2023 - \$2.95 per thousand | Meter Assessment Rate - \$1.50 |
| 3. Water Rates as of January 1, 2024 - \$3.20 per thousand | Meter Assessment Rate - \$1.60 |
| 4. Water Rates as of January 1, 2025 - \$3.45 per thousand | Meter Assessment Rate - \$1.70 |

Director Craft gave his recommendation to the Board:

1. Rates stay at \$2.80 per thousand gallons for FY23
2. Rates move to \$3.20 per thousand in FY24
3. Rates move to \$3.45 per thousand in FY25
4. Meter Assessment stays at \$1.50 indefinitely
5. Revisit rate study in FY26

Manager Borman made a recommendation to the Board to consider implementing the following:

- Leave the current rate of \$2.80 per thousand in place for FY 2023 (through 12/31/23)

- *On January 1, 2024, rates would go to \$3.20 per thousand. This includes the suggested 2023 mid-year increase of \$.15 per thousand and the \$.25 increase suggested for FY 2024.*
- *In January 2025, rates would go to \$3.45 per thousand following the rate study recommendation.*
- *In 2025, the rate study would be reviewed to address any changes in economic conditions and other potential variable factors before looking at 2026 rates.*
- *The meter assessment will remain at \$1.50 instead of the suggested \$1.60 or \$1.70 per meter.*

After Board discussion, Director Hayes made a motion to further discuss the implementation of the recommendation of rate increases given by Manager Borman with a vote on rate increases by the Board at March's board meeting. A second was made by Director Blackburn. Motion carried unanimously.

Chairman Taggart mentioned to the Board that the Secretary/Treasurer position would need to be filled and would take nominations from the Board. By-laws of BWRPWA state that the position must be approved and voted on by the Board. Chairman Taggart asked the Board to bring back nominations for the position at the February board meeting.

NEXT BOARD MEETING – FEBRUARY 23RD, 2023

Respectfully Submitted,

*Mike Taggart, Chairman – Benton/Washington Regional Public Water Authority
SKK: JKW*