

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

March 20th, 2025 Board of Directors' Meeting
Meeting Minutes

Board of Directors' Meeting for March 20th, 2025 was called to order by Chairman Boston at 0905 hours in the Authority's Board Room at the Water Treatment Plant. Opening invocation was given by Director Craft.

Directors and/or Alternates

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	ABSENT
Lincoln	ABSENT
Pea Ridge	Ken Hayes
Prairie Grove	Chuck Wiley
WWA	ABSENT
Westville	ABSENT
Tontitown	ABSENT

Others in attendance included Manager Borman, Nathan Hooper, Eddie Cooper, and Jana Wright from BWRPWA, Matt Dunn, Josh Moore, and James Martin from Crist Engineers, Jake Wagner from City of Pea Ridge, Jeremy Rawn from ESI, Stan Rodgers from Regions Bank, Jacob Davis from BCWD #1, Bob Tharp from City of Decatur, and Ryan Hanson from Simmons Foods.

The minutes from the February 27th, 2025 Board Meeting were discussed. On a motion made by Director Blackburn, and a second by Director Attwood, the February 27th, 2025 minutes were approved unanimously.

Treasurers' Report – *Treasurers' Report was given by Director Craft, which included for the period of February 19th, 2025 through March 11th, 2025. Director Craft discussed the check detail with the Board, which included payroll, electronic fund transfers, and checks 20688-20729. Director Craft then discussed with the Board the financials, which included a Profit and Loss Previous Year Comparison, Profit and Loss with FY 25 Budget, and a Balance Sheet. After Board discussion of the financials, Director Blackburn made a motion to approve the Check Detail for payroll, electronic fund transfers, checks 20688-20729, and the financials as presented. A second was made by Director Holt. The motion was approved unanimously.*

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

4 MG Composite Elevated Water Storage Tank

- 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

- Current Revised Contract Amount - \$12,723,211.00
- Pay Application #25 - \$14,295.60
- Total Payment to Date - \$12,081,017.95
- Balance Remaining - \$642,193.05
- Tank is currently in service to the system and control valves are being adjusted to operate optimally. ClaVAL operator/staff training was scheduled for March 18th.

High Service Pump Station and Electrical Upgrades

- Project in CMAR. Seven Valley's Concrete is CMAR contractor
- CMAR Phase 1 – Building and Concrete work – GMP \$6,800,000.00
 - Notice to Proceed – June 10, 2024
 - Contract Time – 295 calendar days
 - Substantial Completion Date – March 1, 2025
 - Final Completion Date – April 1, 2025
 - Original GMP - \$6,800,000.00
 - Pay Application #9 - \$87,862.04
 - Total Payment to Date - \$4,011,867.05
 - Balance Remaining - \$2,788,132.95
 - Work Underway
 - Columns and Overflow
 - Prep work for top underway
 - Submittals and RFI's underway
- CMAR Phase 2 – Electrical and other work – GMP \$11,700,000.00
 - Notice to Proceed – November 25, 2024
 - Contract Time – 430 calendar days
 - Substantial Completion Date – December 30, 2025
 - Final Completion Date – January 29, 2026
 - Original GMP - \$11,700,000.00
 - Change Order #1 - \$429,372.00
 - Current GMP - \$12,129,372.00
 - Pay Application #3 – \$1,518,663.52
 - Total payment to date - \$1,929,552.83
 - Balance remaining - \$10,449,819.77
 - Work underway
 - Submittals and RFI'S on E-house underway
 - Numerous electrical submittals underway
 - Concrete vault work and yard conduit piping
 - Change order #1 to reduce the VFD price by \$250,000.00, then added in transformers to Phase 2 - net \$429,372.00
- Generator and Switchgear Procurement
 - **Nixon Power – Direct Procurement from Kohler**
 - Modified Proposal Executed – May 15, 2024
 - Generator, Load Bank Transformer, and Switchgear – all submittals approved, equipment has been ordered, and equipment is in production
 - Contract Amount - \$6,131,413.00
 - Pay Application #1 - \$613,141.30
 - Total payment to date- \$613,141.30
 - Balance Remaining - \$5,518,271.70
 - Estimated Deliveries – updated
 - ❖ Approved Submittals – September 20, 2024
 - ❖ Generator – May 18, 2025
 - ❖ Switchgear – August 12, 2026

❖ *Permanent Load Bank – May 5, 2025*

- *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*
 - *Pay Application #1 - \$916,934.40*
 - *Total payment to date - \$916,934.40*
 - *Balance remaining - \$101,881.60*
 - *Delivery to BWRPWA – On hold*
 - *Pumps built and passed testing process*
 - *Pumps and motors in storage in Springdale*

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 – January 7, 2025*
 - *Final Completion Date – February 26, 2025*
 - *Original Contract Amount - \$11,820,000.00*
 - *Change Order #1 (yard piping) - +\$980,000.00*
 - *Change Order #2 (yard piping) - + \$125,000.00*
 - *Current Contract Amount - \$12,925,000.00*
 - *Pay Application #19 - \$89,482.24*
 - *Total Payment to Date - \$12,076,084.84*
 - *Balance Remaining - \$848,915.16*
 - *Pipe delivery began on 02/12/24.*
 - *Construction progressing – All pipe has been installed. Currently working on cleanup, fence repairs, gate installs, ARV's, low point drains, etc. Filling and flushing to happen soon.*
 - *Yard Piping project – Change Order \$980,000.00*
 - *Final pipe delivery 02/13/24*
 - *Construction underway. All large diameter piping installed including into clearwell. Small diameter (12") to new HSPS to be installed when HSPS project has pipe stubbed out from under the slab of the north side of the wetwell*
- **Phase 1B – KAJACS Construction**
 - *Notice to proceed – September 5, 2023*
 - *Contract Time – 450 calendar days*
 - *Substantial Completion Date – October 9, 2024*
 - *Final Completion Date – February 26, 2025*
 - *Original Contract Amount - \$11,820,000.00*
 - *Change Order #1 (lagoon maintenance) - +\$856,125.00*
 - *Change Order #2 (lagoon maintenance) - +\$624,950.00*
 - *Change Order #3 (lagoon maintenance) - +\$195,500.00*
 - *Change Order #4 (linework) - +\$50,130.00*
 - *Change Order #5 (linework) - +\$165,000.00*
 - *Current Contract Amount - \$13,711,705.00*
 - *Pay Application #19 - \$198,159.07*
 - *Payment from Bond Funds - \$198,159.07*
 - *Payment from BWRPWA Funds - \$0.00*
 - *Total Payment to Date - \$12,854,048.50*

- Balance Remaining - \$857,656.50
- Pipe delivery began February 6, 2024.
- Construction progressing – All pipe has been installed. Currently working on cleanup, fence repairs, gate installs, ARV's, low point drains, etc.
- Lagoon Maintenance Project – All work completed on Lagoon portion of contract

Parallel 54" Transmission Line – Phase 2A

Phase 2A – Complete Project

- Notice to Proceed/Prep Work – November 20, 2024
- Contract Time – 300 calendar days
- Substantial Completion Date – August 17, 2025
- Final Completion Date – September 16, 2025
- Original Contract Amount - \$29,896,355.00
- Current Contract Amount - \$29,896,355.00
- Pay Application #4 - \$1,872,592.31
- Total payment to date - \$3,667,822.42
- Balance remaining - \$26,228,532.59
- Construction progressing – clearing completed from beginning to Spring Valley Road. Clearing off Terrell property West of N. Walton Blvd underway. Clearing underway on Shewmaker and Jac's Ranch. Clearing starting on Trailblazers.
- Route for first 7.25+/- miles, plans 99% complete
- Trailblazers' easements in hand
- Bentonville easements (3) to go through City Council for approval.
- Comment letter sent back to ADOH.
- Easements underway -/+43 in hand
 - 4 in Walton owned companies to get one-person final approval before signing
 - Remersheid – filed condemnation paperwork.
 - Terrell – filed condemnation paperwork with orders of possession for both in hand
 - Seven easements left (Walton entities and City of Bentonville).
 - Wright Trust easement in hand – West of Peach Orchard Road, in place for next phase 2B across entire property.
- Geotech work and report completed. Additional Geotech work possible at I-49 - scheduled for March 29, 2025. Permit in hand from ARDOT. Work has to be done on a Saturday or Sunday.
- Environmental, Corp permitting underway. Obtaining cultural resources study for 10 stream crossings required by the Corp. Field work completed March 7, 2025.
- Project in final stages with Bentonville for LSD –a meeting was held with City Engineer last week. Some items were resubmitted. Bentonville water and sewer signed off on plans to be sent to ADOH. Bentonville is working with us to get contingent approvals pending COE so work can continue. Road crossings for A Street and N. Walton BLVD should be worked out soon.
- Pipe scheduled to be produced in April with delivery end of April.
- GMP is \$29,896,355.00 and was awarded at the September 2024 Board Meeting
- Construction Price Amendment has been signed. Notice to Proceed has been issued to begin prep work phase of construction only. Notice to Proceed for construction phase to be issued soon

Parallel 54" Transmission Line – Phase 2B & 2C

- Phase 2B – Route for next segment to Centerton has been studied and reviewed with CMAR Contractor. Design work is underway. Surveying is 99% completed. There is one reroute (around a septic system) that needs additional surveying. Easement preparation underway this week. Appraisals and acquisition phase will then begin.
- Phase 2C – Route from Centerton to Decatur will soon follow

Decatur Tank Farm Expansion Improvements

- Pending Crist Engineers Task Order
- Geotech work for tank sites scheduled for the next couple of weeks with GTS. Geotech work will be performed for all four tanks to save money for mobilization of Geotech firm for each site separately.
- Once Geotech is completed, design work on sitework, yard piping, and tank design will begin.
- Currently plan to complete this in three work packages
 - Sitework and grading
 - Yard piping and relocations
 - Tank construction

Matt Dunn then discussed Task Order #13 with the Board, which is herein included as part of the official minutes. Task Order #13 is a service agreement between BWRPWA and Crist Engineers. and pertains to Decatur Tank Farm Expansion Improvements – preparing the site for all four storage tanks and construction of one new water storage tank. Crist Engineers would provide site surveys, prepare construction drawings and specifications for the project, and submit drawings, specifications, and related documents for agency approval. Total cost of Task Order #13 (Engineering services) is \$1,561,000.00. The **overall construction cost estimate** for the Decatur project including engineering fees is approximately \$18M. Manager Borman made a recommendation to the Board to approve Task Order #13. After Board discussion, Director Blackburn made a motion to accept and approve Task Order #13 in the amount of \$1,561,000.00 for engineering services rendered towards the Decatur Tank Expansion Improvements. A second was made by Director Holt. The motion carried with 7 voting for and 1 voting against.

New Beaver Lake Intake Structure and Raw Water Line

- New raw water line route being finalized for route selection. Electric transmission line easement with Carroll Electric being coordinated for new power substation site.
- The route will be surveyed within the next couple of weeks, and easements can be prepared for the electric lines and water lines from the plant to at least the connection to the power transmission line East of the plant.
- Preliminary Geotechnical boring work is completed at the new intake site. Report is completed.
- Design work has begun and is currently in the early stages

New Board Room / Training Facility

- Notice to Proceed – June 3, 2024
- Contract Time – 330 calendar days
- Substantial Completion Date – March 30, 2025
- Final Completion Date – April 29, 2025
- Original Contract Amount - \$1,664,500.00
- Pay Application #9 - \$49,587.60
- Total Payment to Date - \$1,122,226.49
- Balance Remaining - \$542,273.51
- Project is currently behind schedule – anticipate project being completed by April 29, 2025.
- Currently working on finalizing mechanical work inside and beginning sheetrock installation. Wall panels are up. Roof panels are scheduled to be finished later this week.
- Numerous submittals and coordination underway

Power Substation Land Acquisition

- Carroll Electric is working on the final layout of the substation on the 5-acre site at the SE corner of BWRPWA property.

BWRPWA 36" J Street Relocation

- Bentonville requesting the existing 36" line be relocated for J Street expansion and new interchange on Interstate 49
- Research of existing easements/condemnations completed

- Layout, cost estimate, and letter being prepared to send to Bentonville/Garver

Operations' Report for February 2025 – Manager Borman then gave the Operations' and Managers' report for February 2025, which is herein included as part of the official minutes.

BWRPWA Staffing Changes – Manager Borman then discussed BWRPWA's staff changes with the Board. One employee that was under IT/OT SCADA has been terminated from BWRPWA. Mark Gleber has been hired for the position under IT/OT SCADA – start date later in April early May. Mark Gleber is coming from Garver and has experience with SCADA. Duncan Artt has been hired for the position under maintenance – start date April 1st. Roderick Barnett has been hired for the position under Electrical – start date April 7th.

2025 Rate Study findings / Discussion – Manager Borman mentioned to the Board that a revised copy with the parameters that Bob Wright suggested had been sent to each board member. The revised Water Rate Study Analysis now includes a 5% interest rate over a 4% interest rate. With the 5% interest rate being used, it did raise water rates by \$.05 - \$.10 per thousand gallons. Manager Borman made a recommendation to the Board that the revised copy should be used – the interest rates are more accurate with the present-day economy. Manager Borman then suggested that the Board adopt the Water Rate Study for the next 5 years for planning purposes on projects and then have a new Water Rate Study done in three years. If the Board should adopt the 2025-2030 water rate increase per the rate study, the Board would know when the rates would increase and how much the rates would increase for each year. If there should be a year within that time frame that no funds were borrowed, the Board could adjust the rates accordingly. Dan Jackson from Willdan Financial and Bob Wright from Crews and Associates will be attending the April meeting to answer any questions that the Board could have. Director Hayes mentioned that what is concerning is the amount of debt that BWRPWA will take on with doing the listed projects – the debt that BWRPWA would occur would be over three and half times more than what BWRPWA already has. Manager Borman stated that concerning the projects and debt, prolonging the projects (Parallel Line Project and Decatur Tank Project) could cost BWRPWA more in the future than what it would cost now, and obtaining needed easements could be near to impossible. After Board discussion, it was recommended that the Board take the revised copy of the Water Rate Study to their individual governing bodies for further review. Chairman Boston stated that the Water Rate Study will be on the agenda for the April Board meeting for further discussion and that a decision should be made at that meeting by the Board regarding the Water Rate Study.

FY 2025 Bonds – Manager Borman mentioned that Michael Moyers from Friday, Eldredge, & Clark would be presenting the 2025 Bond Resolution at the April's Board meeting. The parameters will state not to exceed \$50M, but with interest rates as is, it will be more likely in the range of \$30M. The Board has already approved the 2025 Bond Funds with the 2025 water rate increase. The 2025 Bonds will be invested until the 2024 Bonds have been depleted.

Date Changes for October's Board Meeting / Budget Meeting – Manager Borman then mentioned to the Board that Director Craft would like to change the date for the board meeting in October 2025. Director Craft asked that this item on the agenda be table until the April Board meeting.

Being no further business before the Board, Director Wiley made a motion to adjourn at 1019 hours. A second was made by Director Craft. Motion carried unanimously and the meeting was adjourned.

NEXT BOARD MEETING – APRIL 24TH, 2025

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