



Centerton Utilities

(Water/Wastewater Departments) (Franchised Utility Permitting)

April 15, 2025

CALL TO ORDER – The meeting of the Centerton Waterworks & Sewer Commission called to order by Commissioner Melvin Coffelt.

(1) ROLL CALL – Commissioners present: Melvin Coffelt, Robert Anderson, Donald Casteel, Michelle Haverkamp & TJ Wells. Centerton Utilities' present: Malcolm Attwood, Chad Klingler, John Daniels, and Mary Perkins, and Thresia Leimberg. Professional Services present: Jeff Dehnhardt of ESI. City of Centerton present: Lorene Burns & Kayla Knight.

(2) Pledge of Allegiance

(3) Approval of Consent Agenda - Commissioner Casteel introduced the minutes of Centerton Utilities from March 18, 2025, and asked if anyone had questions or concerns. Commissioner Casteel stated it did not appear that the wastewater section of the System Statistics Report was updated. Utility Director Attwood agreed and stated he would ensure an updated report was submitted to commissioners after the meeting. **Commissioner Anderson made a motion to approve the consent agenda except for the System Statistics report. Commissioner Wells seconded the motion.** No members were opposed, and the motion was carried.

(4) Customer Dispute – Ryan Hansen:

Mr. Hansen stated he received a continuous water usage report that stated that he used over 70,000 gallons over a period of 26 days. He hired a leak detection company, also had a dye test performed in his toilet tank and he could not find a leak and so he doesn't know what caused the issue and now he has a large bill. He would like to know how he can prevent this from happening again if he doesn't know what caused the issue. The Commission explained the meter can only move if the water is flowing and most likely there was a toilet with a flapper that was malfunctioning. The Commission asked if there had been any adjustment to the bill. Mary Perkins explained there has been a \$135 water rate adjustment applied to the account. Commissioner Casteel stated that the water was used, therefore charges cannot be waived and we cannot guarantee that something like this doesn't happen again. Utilities Director Attwood let Mr. Hansen know if he sees the usage increase again to contact him and he will come out and take a look and try to help him determine what would be causing the usage. **Commissioner Anderson made a motion to authorize the staff to offer a payment agreement to be extended for a 12-month period rather than the standard 6 month. Commissioner Coffelt 2nd the motion, all in favor.**

(5) Old Business:

a. **Attorney report – Harrington Miller Law Firm** – The attorney was not able to attend due to scheduling; he had to be in court today. Malcolm stated he discussed the commercial deposit and was advised that the language regarding the dollar amount of the deposit needed to be reworked so it can't be misinterpreted on the cost. He also relayed to Malcolm that it was legal to contribute to the Chamber of Commerce.

b. **Project Updates – Engineering Services, Inc.**

i. **Hwy 102 Water Tower #4:** Jeff Dehnhardt with ESI stated the following:

Contract Section 1 – Line Work - Change Orders

On March 20th we received the test results that passed, the line is properly disinfected and that brings us to being substantially complete. We were only slightly over the deadline by 16 days to what we projected. We are now in the punch list phase which

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consists of clean up and restoration. Once that work is complete we will schedule a walk-through with Malcolm.

Change orders to discuss:

- #8 – PRV #6 - \$31,750 Bethlehem Road PRV additional cost: there were some unexpected ground conditions and a small retaining wall which had a grade change. Originally it contained charges for some additional ductile iron fittings and a handle. Those items have been removed, which reduces the change order to \$16,950. He is now ready to recommend that for payment.
- #9 - Master Meter Vault at Rebel Road - \$16,000: this is the vault for the Two Ton connection, changes were made for electrical protection/additional grounding. They originally submitted for additional cost related to the piping inside the vault that the contractor installed improperly. We reviewed the plans, and it was correct in the plans and those costs were removed which reduces the change order cost to \$9,500 and Jeff would like to present that for payment.
- Change order #10 – Request additional topsoil and \$100,000 due to delays that they believed were caused by the utility. Jeff said he totally disagreed with the contractor, that change order is no longer for consideration.

Commissioner Anderson made a motion to approve payment for Change Orders #8 & #9, Commissioner Wells 2nd, all in favor.

Contract Section 2 - Storage Tank Project

As of the end of March we are at 57% complete for the project. The contractor has been mostly focused on erecting the tank bowl. There has been a change in the schedule that will delay erecting the bowl, they would like to paint the bowl at grade vs painting it after it was raised. With the change, the rise of the bowl will now be around June 2nd. They are still expecting it to be substantially complete by the end of the year.

- ii. **Hwy 102 Widening – Utilities Relocations:** Jeff Dehnhardt with ESI - We recently received the final right of way plans from the State. We have 2 miles of relocation of the utilities, so it is time to start working on the acquisition of easements and engage a firm to begin that process. Commissioner Anderson recommends that the Utilities Director contact our acquisition firm to engage their service.
- iii. **McKissic Swale Sewer Main Repair:** Jeff with ESI stated the project is substantially complete. We received the final for that project April 2nd, the contractor, First Star, came in on that job under time and under budget. The line is now back in service.
- iv. **Sanitary Sewer – Connection Options:** Jeff with ESI stated while we are trying to continue to allow growth while they are working on the expansion of the Decatur treatment plant we are exploring other options. He stated they are working to get a meeting with Bentonville Mayor Orman so he can explain our plans for connecting and he thinks it is the best and least expensive option. He gave an update on the connection to NACA stating there was a recent legislative session that opened a potential funding up to 50 million dollars annually for water and sewer needs. He spoke with ANRC who will be administering those funds and expects we will know by November what will be available for application. Commissioner Wells suggested that the Commission authorize ESI to begin work on the NACA connection. Commissioner Anderson noted that would be a Master Plan addition. **Commissioner Wells made a motion to authorize ESI to begin designing plans and specs for the Shell Rd connection to NACA.**

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Commissioner Coffelt 2nd, all in favor. Jeff stated once they have the plans at 30% he will send them to Malcolm for review and to share with the Commission.

- v. **Decatur WWTP Status:** James Boston with Decatur stated they met last week for a project update. The concrete is being poured for the headworks and they expect to pour the walls next month for the new structure. The project is ahead of schedule, waiting for the screens to be delivered in August. Substantial completion is expected to be December 31st. The biological capacity study of the UV system is done, the existing disinfection system will be sufficient, so we won't need additional time or money. The only item needed will be the membranes that we need to fill the plant completely. That will be part of the submittal of the permit application on May 4th to ADEQ. Mayor Tharp stated that the membranes for the plant are manufactured in Japan, with no tariffs. The membranes are then sent to China where they are fitted and shipped. We budgeted 3.2 million dollars for the membranes we ordered, but now there will be a tariff that will be charged when they are ready to ship to us. Mayor Tharp has reached out to the federal government to see if he can have the tariff changed for this type of product. He stated while this won't affect the timeline for the project, it will have an impact on the cost. Commissioner Anderson stated if the tariffs raise the cost of this project and it causes Decatur to borrow money, per our contract we will also have to share the cost which will impact our sewer rates.

c. **Director's Report:**

- i. **Project Planning Worksheet (attached):** Utility Director Attwood reviewed the "Project Planning Worksheet" with the Commission.
- ii. **Field Operations & Customer Service Report:** Superintendent Klingler & Office Manager Perkins' reports are in the packet for the Commission to review. Mary Perkins reported she hired a new employee, Krystal Smith to replace Rhonda Frischman who left to take care of a family member. She also stated bills with the rate increase for water were mailed in March, due in April. The increase in the number of water accounts is due to the irrigation meters that have been reactivated for the season. Red Klingler stated that last month we did the crossover to LEC for the SCADA system. Commissioner Anderson stated we have now moved our system monitor to a crypto secure environment. We budgeted the money to make this happen and we have the documentation and support; the system now meets the requirements as mandated by the government for the industry. Red stated we are currently working on the generator transfer switch for the Hwy 72 water tower that was hit by lightning last May.

(6) New/Other Business:

- a. **Service Line Replacement Contract** – Malcolm stated we recently received bids for the project and the two bids packages are in the Commissioner's packet. **Commissioner Anderson made a motion to authorize the Utilities Director to execute the indefinite quantity contract to Diamond C in the amount of \$1,900,000 for our service line replacement project. Commissioner Wells 2nd the motion, all were in favor.**
- b. **Hiring Update – Operations** – Human Resources Manager Thresia Limeberg stated she placed an ad on Indeed for two positions for the sewer sanitary team and four positions for the Service Line Repair crew. Our starting pay is \$17.42 for those who don't have a license, and the pay rate if you have a license is based on the history in the area and the number of licenses you have. To date we have only had a few applicants.



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- c. **Hiring Bonus** - She stated she has discussed with Malcolm the possibility of offering a hiring bonus. We have a policy for the hiring bonus but would like to have a referral bonus awarded to employees as an incentive to recruit qualified applicants to be hired. Commission Anderson stated since the policy is already in place, it is recommended that Malcolm work with the staff to move forward on offering both the hiring and referral bonus.
- d. **Temporary Septic Systems** - Utility Director Attwood stated there was a meeting with the City's department heads and it was agreed that it would not be allowed to be allowed in our system as it would restrict future sewer infrastructure.
- e. **Act 605 Repair Invoices** - Accountant John Daniels presented invoices for First Star and ESI for the McKissic Swale Sewer project and an invoice from ISI for a pump at Allen Rd. **Commissioner Anderson made a motion to approve payment of the invoices presented from the Act 605 funds. Commissioner Coffelt 2nd, all were in favor.**
- f. **Briar Rose Meadows - Brown Water Incident** Malcolm stated that in their packets were details from Red Klingler regarding a brown water incident which resulted in a request from a customer to reimburse them for expenses incurred due to the incident. The Commission asked Red to give some explanation regarding the incident. He explained that there were two calls reporting brown water and two other calls reporting cloudy water in the Briar Rose subdivision. Upon arrival we began to flush the nearest hydrant and while this cleared up the issue for two homes, it didn't clear up the water for the other two homes. Ms. Sieboldt then hired a plumber to look into the issue with her water heater, he recommended purchasing a new water tank. We then suggested that we send a plumber at our cost to help remedy the situation, he flushed both hers and Ms. Deramus's water tanks. It was successful for Ms. Deramus but Ms. Seiboldt was still experiencing issues. We agreed to waive the overage of the water bill and recommended flushing repeatedly and it would eventually clear the water tank. Ms. Seiboldt must have contacted the plumber and requested him to install a new hot water tank.

The decision was made to not pay for the customer's hot water heater since we aren't sure we are the cause of the brown water problem or damage to the hot water heater that could not be flushed.

(7) Resolutions - None

(8) Public Comment - Skip Anderson asked about the sewer flow monitoring system. Malcolm stated that he has met Trek and they helped with the responses to submit to the Health Department to find out if they will use the numbers based on our report. Commissioner Anderson stated that he would get with the Utilities Director to discuss the sewer monitoring system. Commissioner Wells made a recommendation for the agenda next month for potentially finding a path to assist Malcolm either with staff or ESI with the use from an additional consultant to help and assist with a plan or use to free up some sewer capacity.

(9) Announcements - None



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(10)Adjournment - Commissioner Casteel asked the attendees if there were any questions. With no further business, Commissioner Wells made a motion to adjourn, Commissioner Anderson 2nd the motion. All were in favor and the meeting adjourned.