



# Centerton Utilities

(Water/Wastewater Departments) (Franchised Utility Permitting)

November 19, 2024

**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 & Joshua Hagan. Centerton Utilities' present: Malcolm Attwood, Chad Klingler, John Daniels, and Mary Perkins, and Thresia Leimberg. Professional Services present: Tim Mayes and Jeff Dehnhardt of ESI. City of Centerton present: Mayor Bill Edwards, Kayla Knight and Lorene Burns.

## **(2) Pledge of Allegiance**

**(3) Approval of Consent Agenda:** Commissioner Coffelt introduced the minutes of Centerton Utilities from October 15, 2024 & November 14, 2024, and asked if anyone had questions or concerns. Commissioner Casteel made a motion to approve the consent agenda as presented with a second from Commissioner Haverkamp. No members were opposed, and the motion was carried.

## **(4) Old Business:**

a. **Attorney report – Harrington Miller Law Firm** – Attorney not present.

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

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

**Line Project:** The linework along L.C. Hickman has been completed. The linework along Highway 102 and Rebel Road has been completed. They have installed 4400 feet of line in the ground on the transmission side and 7700 feet on the distribution side. The Rebel Road master meter vault is ninety-percent complete. Work on the remaining PRV vaults is twenty-six percent complete. The scheduled completion date is March 4<sup>th</sup>, 2025.

**Change Orders: CS1 (TIMCO):** Proposal to establish a temporary connection tying the transmission lines to the distribution lines so that those service lines are usable even though the storage tank project is not completed. The proposal includes four Pressure Plane Improvement areas totaling \$95,700.00

Commissioner Anderson made a motion to authorize the four Timco change orders totaling \$95,700 as requested. Commissioner Hagan 2nd the motion. All Commissioners were in favor and the motion passed.

**Change Order:** Jeff Dehnhardt with ESI stated the contractor has submitted to him a change order asking for additional funds at several of the Pressure Relief Release vaults due to unforeseen conditions with the underground utilities in those areas. He did not bring that information with him today but plans to review the request soon.

**Tank Project:** Construction on the concrete dome portion of the tank which will act as the base of the vessel that actually holds the water was completed in October. At this point, the bulk of the concrete work is complete. There will be a little concrete work at the end of the project to pour a slab to sit the pump stations on and electronics inside the tank itself. Now they are transitioning to the steel component of the tank and bowl itself. The expected completion date is December 2025 due to early delays.



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- ii. **Greenhouse Lift Station improvements:** Jeff Dehnhardt with ESI stated they are looking at going back to the original design plan after researching other options. ESI stated they will talk more about this later in this meeting. He thinks they should have this project submitted to ADH next month.
- iii. **Hwy 102 Widening – Utilities Relocations:** Jeff Dehnhardt with ESI stated they have submitted the plans to both ARDOT and ADH for their review. ESI and the Utility Director are working on other paperwork requested by ARDOT. Commissioner Anderson asked if the easement process needed to be started. ESI cautioned to hold off on easements until they have other items finalized.
- iv. **McKissic Swale Sewer Main Repair:** Jeff Dehnhardt with ESI stated it is time to prepare the bid packet and coordinate with the Utility Director to establish a bid opening date.

## 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. Superintendent Klingler stated they are still moving forward on the service line replacement project but had vehicles in the shop this past month which slowed them down somewhat. The field has been focusing on concrete and landscape repairs on open job sites in preparation for the holiday season. Also, the field has been focusing on emergency leaks and leaks that are surfacing so the service line replacement has taken a back seat for the past couple of weeks while the vehicles were in the shop. Commissioner Hagan asked if they have a projected estimate of the number of leak line repairs completed for the year. Superintendent Klingler stated he would get him those numbers. Superintendent Klingler stated we had lost a team leader from the leak repair crew. There was some discussion around our ability to recruit and retain employees due to staffing demands in the area. Commissioner Anderson stated we need to continue to review pay rates on an ongoing basis. Utility Director Attwood stated the SCADA project has started. Also, the Standpipe located at our Hwy 72 facility was taken off-line this past week so it could have its regular wash-down service performed.
- iii. **Decatur WWTP Status Meeting:** Utility Director Attwood welcomed and introduced James Boston and Mayor Robert Tharp from Decatur to the Commission meeting. The Commissioner's and Decatur representatives agreed that we should have regular by-monthly attendance at each city's commission meeting.

Commissioner Hagan questioned the 11.14.2024 minutes regarding this sentence "Mayor Tharp stated the Centerton Utilities contract may need to be revised to help fund this project". It was determined that the sentence did not correctly reflect Mayor Tharp intention. The commission agreed that this sentence should be deleted from the 11.14.2024 minutes.

Commissioner Anderson made a motion to delete the sentence mentioned above on the 11.14.2024 minutes. Commissioner Hagan 2nd the motion. All Commissioners were in favor and the motion passed.

517 North Main ♦ Centerton, Arkansas 72719-9400  
www.centertonutilities.com ♦ admin@centertonutilities.com  
Office: (479)795-0222 ♦ After Hours Emergency: (479)633-1421



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## **(5) New/Other Business:**

- a. **AARA Funds:** Utility Director Attwood stated we have some left-over ARPA funds totaling \$207,000 from 2022 that could be applied to other projects, such as the new crane truck and construction truck which totaled \$212,000. Commissioner Anderson stated he had reviewed this information as treasurer and felt both items met requirements to allow the reclassification of these expenditures.
- b. **Schedule of Fees Updates:** Utility Director Attwood provided a document to the commission that outlines the proposed changes to the water & sewer rates, miscellaneous fees and tap fees effective January 1, 2025. These new rates are included in the 2025 Budget. The staff established five categories for water rates, Residential, Commercial, Agricultural, Public Entity, and Irrigation with each category having an inside city and outside city rate. In addition, each category with the exception of Residential includes rates based on tiered usage. The residential proposal included \$.45 per/1000 gallons for water (\$.25 of this is due to a price increase from the water provider "Two Ton". The other \$.20 is due to an increase in operating cost). The proposal included a \$.20 per / 1000 gallons increase for sewer. Commissioner Anderson stated they had looked at using a block rate instead but could not recover loss by using this method.

The Office Manager conducted a survey with other service providers in the area to compare water rates and provided a report to the commission. The report is included in the packet with a breakdown of each city. The report assumes the average customer uses 4,000 gallons per month. Based on this assumption the report indicated the average rate for all service providers that responded to the survey was \$41.55. The average cost for Two Ton customers was \$48.55. The Centerton rate, which includes the proposed change above, is \$43.32. Commissioner Anderson reminded the commission that we have four large cities in NW Arkansas which have an industrial and commercial base that Centerton does not have. He stated we also have cities that use tax revenues to buy down construction projects to reduce their rates. Centerton Utilities is dependent on the revenue it earns from services provided and receives no funds from the city tax revenue. Commissioner Hagan would like to review the survey and support information from the other cities before he can vote on this. He would like to see if other cities are supplementing operational costs to help bring down the prices. He thinks since we may need to look at an emergency provider for sewer services, then it may be a good time to review our relationships with all our providers. Commissioner Hagan asked if there is a way to get the differences on the prior budget and the proposed 2025 budget highlighted. Commissioner Anderson explained one reason we switched to Two Ton for water services was because we were being grossly overcharged by our prior provider. Commissioner Coffelt stated we also had supply issues with our prior provider and had no fire protection. Commissioner Anderson stated we are not under a contract with Two Ton but are a member of Two Ton and have representation on the board. That representative votes on proposed rate changes and ensures our interest are addressed. Commissioner Hagan stated he just wants to ensure we are getting the best prices. Commissioner Anderson stated the other choice for a water source is Bentonville.

- c. **FY2025 Budget Report:** Utility Director Attwood stated the proposed budget was included in the packet and included the Schedule of Fee's update.



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Commissioner Anderson made a motion to approve the budget as presented. Commissioner Casteel 2nd the motion. All Commissioners were in favor with the exception of Commissioner Hagan and the motion passed.

- d. **EPA Lead & Copper Rule Notifications:** Utility Director Attwood stated he had a third party go through our records to identify service lines built with unknown materials. About 1400 letters were mailed to customers notifying them of the EPA Lead & Copper Rule.
- e. **Public Works Department – Seba Rd. Park Improvement Fees:** Utility Director Attwood stated the public works department is putting in a new restroom and making improvements to the park on Seba Road. Since they are part of the city, they asked if there are any fees that can be waived.

Commissioner Anderson made a motion to waive the capacity fees for the public works department Seba Road Park Project. Commissioner Hagan 2nd the motion. All Commissioners were in favor and the motion passed.

- f. **Bella Vista POA – Highland Gun Range Irrigation Improvement Fees:** Utility Director Attwood stated Bella Vista POA is requesting the \$16,000 connection fee waived. Commissioners decided against waving these fees.
- g. **Act 605 Repair Account Invoices:** Accountant Daniels requested the Instrument & Supply, Inc. invoice # 0046429-In for \$1856.03 and Calcon, Inc. invoice #12306 for \$2,000 to be paid out of the Act 605 accounts.

Commissioner Anderson made a motion to authorize the above invoices to be paid out of the Act 605 repair accounts and Commissioner Haverkamp 2nd the motion. All Commissioners were in favor and the motion passed.

## **(6) Resolutions** – 2024-10 Approving agreement for engineering services with ESI for the Utilities Relocation to accommodate the ARDOT HWY 102 Widening Project.

Commissioner Anderson made a motion to approve resolution 2024-10 as presented and Commissioner Haverkamp 2nd the motion. All Commissioners were in favor and the motion passed.

**(7) Public Comment** – Mayor Bill Edwards asked the commission to provide the ordinance for the sewer rate increase. Also reminded the commission the more documentation they can provide the better. Mr. Mooney handed out a revised rates for the Chamber of Commerce and invited the commission to join. Mr. Johnson complimented the Utility Director on getting the Trek Tech monitoring flow data to him so quickly. Asked what the plan was to get that information to the Arkansas Health Department. Utility Director Attwood and ESI have not submitted it yet. They are working on a plan to get this done so that the information will be accepted.

## **(9) Announcements** – None

**(10) Adjournment** - Commissioner Coffelt asked the attendees if there were any questions. With no further business, Commissioner Hagan made a motion to adjourn, Commissioner Anderson 2<sup>nd</sup> the motion. All were in favor and the meeting adjourned.