

Rogers Waterworks and Sewer Commission
October 20, 2025
Minutes

The Rogers Waterworks and Sewer Commission held its monthly meeting at 4:00 PM, October 20, 2025, at the Rogers Water Utilities Administration Building located at 601 S 2nd Street.

Present were Commissioners Paige Sultemeier, Travis Greene, Kathy McClure, Jene' Huffman-Gilreath and Chairman Jerry Carmichael. Rogers Water Utilities staff present were Jered Sigmon, Brian Sartain, Jennifer Hoffman, Todd Beaver, Aaron Short, Johnny Lunsford, Jerry Roegner, Debbie Putman and Brent Dobler. Robert Frazier from the Frazier Law Firm was in attendance as were Zach Holt and Chris Randall with Garver Engineering.

Chairman Carmichael called the meeting to order at 4:00 PM.

Chairman Carmichael then called for action on the minutes from the September 15, 2025, Water and Sewer Commission meeting. Commissioner Huffman-Gilreath moved to approve the minutes from September 15, 2025. Commissioner McClure seconded. All in favor, minutes were approved.

Chairman Carmichael then recognized Jered Sigmon to present the financial reports. Billed revenue in the Water department for September 2025 was down -0.8% from September 2024 at \$2,083,430. Water consumption was down -0.4% at 386,655,703 gallons. The Water department reported a net income of \$857,113 for September 2025 and YTD income of \$1,950,365. The percentage of Fiscal Year Passed is 25%. Water revenues are 28% of budget and expenses are 26% of budget. Capital spend is 12%.

The Sewer department billed revenue for the month of September 2025 is down -4.0% from September 2024 at \$1,744,119. Sewer consumption was up 3.5% at 215,087,900 gallons. The Sewer department reported a net income of \$609,050 and a YTD income of \$1,630,781. The percentage of Fiscal Year Passed is 25%. Sewer revenues are at 24% of budget and expenses are at 25% of budget. Capital spend is 7%.

Unrestricted cash reserves for September 2025 in Water are \$27,581,547 and in Sewer are \$25,556,673. Restricted funds in Water are \$3,633,529 and in Sewer are \$2,315,920. Total restricted and unrestricted cash reserves are \$59,087,669. This is an increase of \$5,118,188 from September 2024.

Jered noted that recommendations from our new auditors suggest that we modify how we recognize our contributed capital or "donated assets" that developers turn over to RWU to maintain in perpetuity. RWU will now recognize this contributed capital when received versus a reclassification entry at the end of the year. This will be shown as an additional line for the Monthly Income (Loss) comparisons. A note on this sheet was added: "Beginning Sep 2025, this report revised to show Change in Net Position after capital contributions. FY25-FY26 unaudited."

A total of \$74,750 was collected in access and impact fees in September. YTD actuals for Access and Impact fees are 19% of the FY25 total and 13% of the FY26 budget. The 12-month rolling average for lost water is 7%.

Chairman Carmichael then recognized Brian Sartain to present the Engineering Reports. Brian began by showing slides of the construction progress on the new Solids Handling Facility. The building floor is nearing completion, and the steel should be going up in November. A significant portion of the Huber dryer equipment has already been delivered to site. Brian stated that our capital spend will increase markedly as this project attains specific milestone payments. The Western Corridor Transmission Main easement acquisition is moving forward as planned. He also showed the Commissioners a photo of our replacement pole barn that was damaged during the tornado. He then went over plan review.

Brian continued his presentation by showing the Commission the type of high-density developments we are now seeing and how different they are from the traditional plans we were accustomed to in the past. The higher densities are dictating placement of utilities in easements under the street versus easements under green grass. This will cost more in the future to replace and repair, but we address this the very best we can in plan review with this in mind. We are always looking for new ways to improve our locations in these high-density developments, but it does require some creative thinking.

Chairman Carmichael then recognized Todd Beaver to present the Rogers Pollution Control Facility reports. Todd went over the DMR's, noting that there were no issues. The industrial loading we experienced in the prior month did not result in any violations and the plant has returned to normal operations. He then briefly discussed the FOG program. The plant treated 369.6 MG in September, treating approximately 99.6 MG of I&I. The average daily flow for the month was 12.3 MGD. These flows included 8.93" of rain over 9 events. The historical average rainfall for September is 3.34".

Chairman Carmichael then recognized Jennifer Hoffman to present RESOLUTION 25-30 A RESOLUTION AMENDING THE EMPLOYEE POLICY MANUAL FOR THE ROGERS WATER UTILITIES; AND FOR OTHER PURPOSES. Jennifer noted revisions pertaining to inclement weather, compensatory time and holiday compensation. These items were clarifications to existing policy. Commissioner McClure made a motion to approve RESOLUTION 25-30 A RESOLUTION AMENDING THE EMPLOYEE POLICY MANUAL FOR THE ROGERS WATER UTILITIES; AND FOR OTHER PURPOSES, seconded by Commissioner Huffman-Gilreath. All in favor, Resolution 25-30 passed.

Chairman Carmichael then recognized Brian Sartain to present RESOLUTION 25-31 A RESOLUTION AUTHORIZING ROGERS WATER UTILITIES TO PURCHASE EASEMENTS AND RIGHTS OF WAY FOR THE WESTERN CORRIDOR TRANSMISSION LINE PROJECT; AND FOR OTHER PURPOSES. Brian stated that RWU has engaged Contract Land Staff, LLC to assist in the easement acquisitions. The budgeted amount to acquire the required easements is \$1,500,000. This resolution allows RWU to engage in and authorize any easement purchases. Commissioner Greene made a motion to approve RESOLUTION 25-31 A RESOLUTION AUTHORIZING ROGERS WATER UTILITIES TO PURCHASE EASEMENTS AND RIGHTS OF WAY FOR THE WESTERN CORRIDOR TRANSMISSION LINE PROJECT; AND FOR OTHER PURPOSES, seconded by Commissioner McClure. All in favor, Resolution 25-31 passed.

Chairman Carmichael then recognized Brian Sartain to present an Amendment to Agreement for Professional Services, Contract Amendment No. 2 on the Western Corridor Improvements Contract with Garver Engineers. Brian stated that this contract amendment will complete the environmental and cultural surveys within the karst areas and take RWU through the bid process. This is roughly 5% of the total price of the contract. Staff recommends approval of the

design contract amendment in the amount of \$759,900, bringing the total amount of design fees to \$1,475,100. Staff further requests authorization to negotiate the final form and content of the amendment. Commissioner Huffman-Gilreath made a motion to approve Contract Amendment No. 2 on the Western Corridor Improvements contract with Garver Engineers. Seconded by Commissioner McClure. All in favor, motion passed.

Chairman Carmichael then recognized Brian Sartain to present a Facilities Extension Agreement for the Walnut Commons Multifamily Development. The sewer portion would have been completed by RWU regardless of the project. This is an affordable housing project. Staff recommends approval of the Facilities Extension Agreement with the Walnut Commons Multifamily Development for participation in the construction of a public water and sewer extension in the amount of \$219,426 with an additional \$20,000 in contingency, with a total cost not to exceed \$239,426. Commissioner Huffman-Gilreath made a motion, seconded by Commissioner McClure. All in favor, motion passed.

Chairman Carmichael then recognized Aaron Short to present Change Order 2 for Oak Street to Dodson Road. Aaron explained that this project had not been finalized before Change Order 1. Change Order 2 is for an additional 563lf of water line that was not included. Staff recommends approving Change Order 2 for Oak Street-Dodson to 52nd in the amount of \$149,328, bringing the contract total to \$891,869.62. Commissioner Greene made a motion to approve Change Order 2 Oak Street to Dodson, seconded by Commissioner Sultemeier. All in favor, motion passed.

Chairman Carmichael then recognized Aaron Short to present Change Order 1 for Blossomway Large Sewer Main Lining. Aaron explained that when RWU proposed the lining for this project we had a couple of options to how we would address the existing 24" pipe already in place. Lining was chosen as the best option. Therefore, RWU will be using the existing contract price, and simply adding this additional 24" pipe to be lined versus replaced. Engineering staff recommends approving Change Order 1 for the additional 1,185lf of 24" sewer lining for a change to the contract price of \$173,965, bringing the contract price to \$2,270,819. Commissioner Huffman-Gilreath made a motion, seconded by Commissioner McClure. All in favor, motion passed.

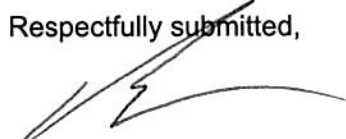
Chairman Carmichael then recognized Jered Sigmon to present an Amended 10/20/25 Annual Budget Fiscal Year 2026. He noted that our new auditors recommend that we modify how we recognize our contributed capital. We have now added a line to our water and sewer budgets that shows this non-cash revenue account. This applies to assets that developers turn over to RWU to maintain in perpetuity. RWU will now recognize this contributed capital when received versus a single reclassification entry at the end of the year. This will also be shown as an additional line for the Monthly Income (Loss) comparisons. This will apply to both water and sewer comparisons. Jered went over the changes in the budget. Staff recommend approval of the Amended 10/20/2025 Annual Budget Fiscal Year 2026 as presented. Commissioner Huffman-Gilreath made a motion to approve the Amended 10/20/2025 Annual Budget Fiscal Year 2026, Commissioner Greene seconded. All in favor, motion passed.

Chairman Carmichael then recognized Robert Frazier to present RESOLUTION 25-32 A RESOLUTION AUTHORIZING AN ENCROACHMENT AGREEMENT WITH PINNACLE SPRINGS RESIDENTIAL, LLC.; AND FOR OTHER PURPOSES. The original encroachment agreement that was passed at an earlier Commission meeting listed Pinnacle Springs LLC. The actual agreement should be made with Pinnacle Springs Residential LLC. This Resolution will ensure that the land records match up properly. Commissioner Huffman-Gilreath made a

motion to approve RESOLUTION 25-32 A RESOLUTION AUTHORIZING AN ENCROACHMENT AGREEMENT WITH PINNACLE SPRINGS RESIDENTIAL, LLC.; AND FOR OTHER PURPOSES. Seconded by Commissioner McClure. All in favor, motion passed

With no further business, Chairman Carmichael called for a motion to adjourn. Commissioner Greene made a motion to adjourn, seconded by Commissioner Sultemeier. The meeting was adjourned at 5:04PM.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Brent Dobler', with a stylized flourish extending from the end.

Brent Dobler, Acting Secretary
File: rwwscmin102025