Mayor – Sandy Sanders

City Administrator – Ray Gosack

City Clerk – Sherri Gard

Board of Directors

Ward 1 – Keith Lau
Ward 2 – Andre' Good
Ward 3 – Mike Lorenz
Ward 4 – George Catsavis
At Large Position 5 – Pam Weber
At Large Position 6 – Kevin Settle
At Large Position 7 – Philip H. Merry Jr.

AGENDA

Fort Smith Board of Directors
Regular Meeting
February 19, 2013 ~ 6:00 P.M.
Fort Smith Public Schools Service Center
3205 Jenny Lind Road

THIS MEETING IS BEING TELECAST LIVE ON THE GOVERNMENT ACCESS CHANNEL 6

INVOCATION & PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENTATION BY MEMBERS OF THE BOARD OF DIRECTORS OF ANY ITEMS OF BUSINESS NOT ALREADY ON THE AGENDA FOR THIS MEETING
(Section 2-37 of Ordinance No. 24-10)

APPROVE MINUTES OF THE FEBRUARY 5, 2013 REGULAR MEETING

ITEMS OF BUSINESS:

1. Ordinance amending Section 14-27 and adding Section 14-33 to the Fort Smith Municipal Code to authorize urban deer hunts within the city limits under specified conditions *~ Settle/Lau placed on agenda at the January 8, 2013 study session / 1st reading – January 15, 2013 regular meeting / 2nd reading as amended – February 5, 2013 regular meeting ~* ** Third and Final Reading **

2. Ordinance amending identified sections and repealing Section 4-115 (a)(5) of the Fort Smith Municipal Code to authorize certain changes and additional regulations pertaining to domestic animals *~ Lau/Merry placed on agenda at the February 12, 2013 study session ~*

3. Ordinance declaring an exceptional situation requiring the waiving of competitive bidding and authorizing execution of a contract between the Sebastian County Humane Society and the City of Fort Smith, Arkansas

4. Ordinance establishing prices and fees for grave spaces and services at Oak Cemetery

5. Ordinance amending Section 2-48 of the Fort Smith Municipal Code regarding appointment of members to boards, commissions or committees

6. Consent Agenda

   A. Resolution by the City of Fort Smith Board of Directors regarding the passage and use of county-wide sales tax proceeds ~ *Weber/Lorenz placed on agenda at the February 12, 2013 study session* ~

   B. Resolution endorsing continuation of the County-Wide Sales Tax ~ *Weber/Loren placed on agenda at the February 12, 2013 study session* ~

   C. Resolution accepting the report of the Water and Sewer Operations Efficiency Study ~ *Settle/Lorenz placed on agenda at the February 7, 2013 Joint Meeting with the Water and Sewer Efficiency Study Task Force* ~

   D. Resolution authorizing the Mayor to enter into an agreement with The Western Arkansas Tennis Association for operation of the tennis center at Creekmore Park

   E. Resolution authorizing execution of an agreement between the City of Fort Smith and Arkoma Municipal Authority for the treatment of wastewater

   F. Resolution authorizing execution of an agreement between City of Fort Smith and Arkoma Municipal Authority for the purchase of surplus water

   G. Resolution authorizing Amendment No. 1 to Authorization No. 4 with CDM Smith, Inc. for engineering services for the Mill Creek Wastewater Pump Station Wet Weather Improvements *($315,300.00 / Utility Department / Budgeted - 2012 Sales and Use Tax Bonds)*

   H. Resolution authorizing the City Administrator to accept an offer made by property owner for the acquisition of easements in connection with the Lake Fort Smith 48-Inch Water Transmission Line *($16,000.00 / Utility Department / Budgeted – 2008 Revenue Bonds)*

   I. Resolution authorizing acquisition of real property interests for the Chaffee Crossing Water Supply Improvements – Geren Road and Massard Road Water Lines *($8,476.00 / Utility Department / Budgeted - 2012 Sales and Use Tax Bonds)*

J. Resolution authorizing the City Administrator to accept an offer made by property owner for the acquisition of easements in connection with the Chaffee Crossing Water Supply Improvements - Geren Road and Massard Road Water Lines *($4,028.75 / Utility Department / Budgeted – 2012 Sales and Use Tax Bonds)*

K. Ordinance declaring an exceptional situation, waiving the requirements of competitive bidding and accepting the proposal from Harris Company of Fort Smith for storm drainage improvements along Massard Road *($15,045.00 / Utility Department / Budgeted – 2012 Sales and Use Tax Bonds)*

L. Resolution authorizing Change Order No. 2 with Axioo Construction, Inc. for the Zero Street Pump Station Wet Weather Improvements – Site Remediation *($26,788.78 / Utility Department / Budgeted – 2012 Sales and Use Tax Bonds)*

M. Resolution accepting bids for the purchase of refuse trucks *($936,185.78 / Sanitation Department / Budgeted – Sinking Funds and Capital Outlay)*

N. Resolution approving automobile and property insurance coverage for the City's fleet and buildings for 2013-2014 *($835,791.00 / Various Departments / Budgeted)*

OFFICIALS FORUM ~ presentation of information requiring no official action

(Section 2-36 of Ordinance No. 24-10)

- Mayor
- Directors
- City Administrator

EXECUTIVE SESSION

Appointments: Animal Services Advisory Board (1), Arkansas Fair and Exhibition Facilities Board (2), Civil Service Commission (1), Housing Authority (1), Outside Agency Review Panel (1), Parking Authority (1), Plumbing Advisory Board (1), Port Authority (1) and Property Owners Appeal Board (1)

ADJOURN

ORDINANCE NO_____

AN ORDINANCE AMENDING SECTION 14-27 AND ADDING SECTION 14-33 TO THE FORT SMITH MUNICIPAL CODE TO AUTHORIZE URBAN DEER HUNTS WITHIN THE CITY LIMITS UNDER SPECIFIED CONDITIONS.

WHEREAS, the Board of Directors of the City of Fort Smith, Arkansas, has determined that, with the continued growth of the City in and around Chaffee Crossing, an increased deer population has created problems which threaten the health, safety, and general welfare of the citizens and residents of the City of Fort Smith; and,

WHEREAS, the Board of Directors of the City of Fort Smith, Arkansas, has determined that allowing the hunting of deer within the City's corporate limits, at specified times, by use of specified archery, will protect the health, safety, and general welfare of the citizens and residents of the City of Fort Smith, Arkansas,

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH:

SECTION 1: Section 14-27(a) of the Fort Smith Municipal Code shall be amended as set forth below: additionally, subsection (e) shall be added as provided below:

(a) It shall be unlawful to discharge any firearm in the city limits, except as provided in subsections (b), (c), (d), and (e).

(e) The chief of police shall have authority to authorize the City's participation in Urban Deer Hunts in partnership with the Arkansas Game and Fish Commission and the Arkansas Bowhunters Association under the Arkansas Game and Fish Commission's protocols as provided in Section 14-33 of the Fort Smith Municipal Code.

SECTION 2: The Fort Smith Municipal Code shall be amended to add Section 14-33 which shall read as follows:

The hunting of deer with longbows, recurve bows, or compound bows inside corporate limits of the City shall be allowed during that period of time authorized by the Arkansas Game and Fish Commission for an archery season, subject to the following conditions and restrictions:

(a) Each hunter must be at least sixteen (16) years of age and possess a valid Arkansas big game license.

(b) Each hunter must possess a valid Urban Bowhunting Permit issued by Arkansas Game and Fish Commission.

(c) No hunting inside the city's corporate limits will be allowed or authorized within fifty (50) yards of any residences, houses, schools, day care centers, public trails, golf courses, parks, utility installations or paved roads.

(d) Each year in which an urban deer hunt is authorized, the chief of police shall identify areas on a map of the city where it is permissible to bow hunt with written permission of the owner of any private property designated as an authorized hunt area. If the City identifies such areas, these will be for informational purposes only and the hunter must actually have written permission from the owner of the applicable land that the hunter designates as the area of the intended hunt. Such written permission must be in the hunter's possession at all times while hunting inside the City's corporate limits.

(e) Only longbows, recurve bows or compound bows of at least forty (40) pounds draw weight may be used to hunt deer inside the city's corporate limits. Broadheads must be used and must be at least 7/8ths of an inch in size. Special consideration for the use of crossbows by hunters with disabilities may be approved by the chief of police.

(f) Hunters may hunt only from stands elevated at least ten (10) feet off the ground. Hunting while walking, stalking or from ground blinds is absolutely prohibited. Hunting with dogs is also prohibited.

(g) Except as modified by this ordinance, all Arkansas Game and Fish Commission rules and regulations, including bag limits, will apply.

(h) The first deer harvested by each permitted hunter during the authorized archery season must be a doe.

(i) Permitted hunters are encouraged to donate some of the deer harvested to Arkansas Hunters Feeding the Hungry or other charitable non-profit organizations that assist the hungry or homeless.

(j) If it is reasonable to do so, all harvested deer should be removed during daylight hours.

(k) Each violation of any condition contained in this ordinance shall be deemed a misdemeanor, and upon conviction thereof, punishable by a fine of not less than One Hundred Dollars ($100.00) nor more than Five Hundred Dollars ($500.00). Any archery equipment or other hunting equipment in possession of the hunter when cited or arrested for a violation of any condition contained in this ordinance shall be seized by law enforcement as evidence and upon conviction shall be subject to forfeiture by the court as contraband.

SECTION 3: All ordinances or parts of ordinances in conflict with this ordinance are repealed to the extent of the conflict.

PASSED AND APPROVED THIS _____DAY OF_____, 2013.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form:

_____
City Attorney
Publish One Time

Fort Smith Police Department
Kevin Lindsey, Chief of Police

INTERDEPARTMENTAL MEMORANDUM

To: **Ray Gosack City Administrator**

From: **Kevin Lindsey, Chief of Police**

Subject: **Ordinance Authorizing Urban Deer Hunts within the City Limits Utilizing Arkansas Game and Fish Commission Protocols**

Date: **February 14, 2013**

Third Reading
At the Study Session held on January 8, 2013, the Board of Directors voted to place an Ordinance on the Agenda authorizing urban deer hunts on the Fort Chaffee Redevelopment Authority Chaffee Crossing property and possibly private property provided hunters utilize only selected archery equipment and obtain a special permit through the Arkansas Game and Fish Commission. The proposed ordinance changes received a 4-3 vote at the January 15, 2013 regular Board meeting. The second reading was held on February 5, 2013, at the Board's regular meeting, where the Board voted 4-3 to adopt the amended Ordinance as described below.

Amended Ordinance
Based upon discussion among the Board of Directors in the January 15, 2013 meeting, City Attorney Jerry Canfield and Rick Wade have proposed two additional changes to the ordinance. The first change specifically identifies schools and day care centers as being on the list of additional places where no hunting would occur within fifty yards. The second change requires the chief of police to identify areas of private property to be included in the authorized urban deer area, so long as written permission is still obtained from the property owner by the hunter. The letter from Daily & Woods suggesting these changes is attached. A strikethrough version of the proposed amendments is attached.

The amended ordinance was read at the February 5, 2013 meeting and requires one more reading, which will be held on February 19, 2013 at the Board's regular meeting.

Background
The Fort Chaffee Redevelopment Authority continues to be productive and growth in the region is exceeding expectations. Commercial and housing development and the I-49 corridor projects underway have created an influx of citizens. With the growth at Chaffee Crossing within the city limits of Fort Smith the method to effectively manage the health of the deer population will need to change. The deer's habitat is shrinking in size, thus creating more deer interaction with the general public and lesser areas to sustain the deer population. A practical and economical way to reduce the deer herd within urban areas and housing developments is by allowing hunting to occur within certain areas of the City of Fort Smith, specifically, by enacting an amended ordinance authorizing Archery Urban Deer Hunts.

In the past the Fort Chaffee Redevelopment Authority in conjunction with Arkansas Game and Fish Commission has sponsored successful Urban Deer Hunts. The Arkansas Game and Fish Commission has established Urban Deer Hunt Protocols and will work with the City of Fort Smith and the Fort Chaffee Redevelopment Authority in implementing such a hunt. Although hunting is usually ruled out as a deer management option within an incorporated city, an Urban Deer Hunt permitted by the City of Fort Smith and regulated by the Arkansas Game and Fish Commission would restrict the weapon type and provide other restrictions to customize the hunt and maintain an acceptable margin of safety.

Staff encourages Board approval of the Ordinance authorizing Archery Urban Deer Hunts as submitted. This will help improve the overall well-being of the deer population and the safety of our citizens. I have attached a strikethrough version of the ordinance amendment and new ordinance addressing urban deer hunts, and information on urban deer hunts from the Arkansas Game and Fish Commission protocols for your review.

Please contact me if you have questions or need additional information.

Sec. 14-27. Discharging firearms.

(a) It shall be unlawful to discharge any firearm in the city limits, except as provided in subsections (b), (c) ~~and (d).~~ ,(d) and (e).

(b) The chief of police shall have authority to issue permits to individuals, entities, or groups for the discharging of firearms within the city limits for properly supervised public or civic functions. The permit shall contain the following:

(1) Limitation on the hours of the day during which the discharge of the firearm(s) may take place;
(2) Specific expiration date; and
(3) Event location.

(c) The chief of police may issue a special permit to the state game and fish commission for the purpose of conducting an Arkansas Youth Shooting Sports Program (AYSSP) in a specific zone and restricted area or for an event sponsored by the state game and fish commission at the Janet Huckabee River Valley Nature Center. These events may include shooting of shotgun, archery or air rifle only. The permit issued shall contain the following:

(1) Name of the event;
(2) Limitation on the hours of the day during which the shooting may take place; and
(3) Specific expiration date.

(d) The chief of police shall have authority to issue permits for the discharge of firearms, archery equipment, air rifles, air pistols, or paintball guns in an indoor shooting gallery ("shooting gallery" means and includes any place or premises where facilities or devices for target shooting for practice or amusement with any firearm, archery equipment, air rifle, air pistol or paintball gun are provided for the use of any person for a fee, pay or compensation of any kind to be paid, directly or indirectly, by such person) as provided in section 14-30.

(e) The chief of police shall have authority to authorize the City's participation in Urban Deer Hunts in partnership with the Arkansas Game and Fish Commission and the Arkansas Bowhunters Association under the Arkansas Game and Fish Commission's protocols as provided in Section 14-33 of the Fort Smith Municipal Code.

This section shall not apply to active law enforcement officers or active military in the execution of their official duties.
(Code 1976, § 19-21; Ord. No. 62-07, 9-4-07; Ord. No. 21-10, 5-4-10)

Section 14-33. Urban deer hunts.

The hunting of deer with longbows, recurve bows, or compound bows inside corporate limits of the City shall be allowed during that period of time authorized by the Arkansas Game and Fish Commission for an archery season, subject to the following conditions and restrictions:

(a) Each hunter must be at least sixteen (16) years of age and possess a valid Arkansas big game license.

(b) Each hunter must possess a valid Urban Bowhunting Permit issued by Arkansas Game and Fish Commission.

(c) No hunting inside the city's corporate limits will be allowed or authorized within fifty (50) yards of any residences, houses, schools, day care centers, public trails, golf courses, parks, utility installations or paved roads.

(d) ~~The City of Fort Smith may~~Each year in which an urban deer hunt is authorized, the chief of police shall identify areas on a map of the city where it is permissible to bow hunt with written permission of the owner of any private property ~~owner~~designated as an authorized hunt area. If the City identifies such areas, these will be for informational purposes only and the hunter must actually have written permission from the owner of the applicable land that the hunter designates as the area of the intended hunt. Such written permission must be in the hunter's possession at all times while hunting inside the City's corporate limits.

(e) Only longbows, recurve bows or compound bows of at least forty (40) pounds draw weight may be used to hunt deer inside the city's corporate limits. Broadheads must be used and must be at least 7/8ths of an inch in size. Special consideration for the use of crossbows by hunters with disabilities may be approved by the chief of police.

(f) Hunters may hunt only from stands elevated at least ten (10) feet off the ground. Hunting while walking, stalking or from ground blinds is absolutely prohibited. Hunting with dogs is also prohibited.

(g) Except as modified by this ordinance, all Arkansas Game and Fish Commission rules and regulations, including bag limits, will apply.

(h) The first deer harvested by each permitted hunter during the authorized archery season must be a doe.

(i) Permitted hunters are encouraged to donate some of the deer harvested to Arkansas Hunters Feeding the Hungry or other charitable non-profit organizations that assist the hungry or homeless.

(j) If it is reasonable to do so, all harvested deer should be removed during daylight hours.

(k) Each violation of any condition contained in this ordinance shall be deemed a misdemeanor, and upon conviction thereof, punishable by a fine of not less than One Hundred Dollars ($100.00) nor more than Five Hundred Dollars ($500.00). Any archery equipment or other hunting equipment in possession of the hunter when cited or arrested for a violation of any condition contained in this ordinance shall be seized by law

enforcement as evidence and upon conviction shall be subject to forfeiture by the court as contraband.

ORDINANCE NO._____

AN ORDINANCE AMENDING IDENTIFIED SECTIONS AND REPEALING SECTION 4-115(A)(5) OF THE FORT SMITH MUNICIPAL CODE TO AUTHORIZE CERTAIN CHANGES AND ADDITIONAL REGULATIONS PERTAINING TO DOMESTIC ANIMALS

BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The definition of "secure enclosure" in Section 4-1 of the Fort Smith Municipal code is amended by deleting the following:

> 5. Is capable of preventing the unauthorized entry of the general public, including children.

SECTION 2: The definition of "secure enclosure" in Section 4-1 of the Fort Smith Municipal Code is amended to add the following:

> 5. Is capable by electronic or similar means of restricting a dog to the owner's property.

SECTION 3: The first two sentences of Section 4-36 of the Fort Smith Municipal Code are condensed into one sentence and amended to read as follows:

> The City-approved animal impound facility shall keep all impounded animals, except felines, for a period of five (5) days from the date of impounding; the maximum hold period for felines will be three (3) calendar days for domestic felines, and one (1) calendar day for feral felines; and, during the period of impoundment, the city-approved animal impoundment facility shall notify or make diligent effort to notify the owner of such impounding, and of the proposed destruction or sale of the animal.

SECTION 4: Section 4-90 of the Fort Smith Municipal Code is amended to read as follows:

> It shall be unlawful for any person or pet shop or kennel to sell any animal to any person who is less than eighteen (18) years of age.

SECTION 5: Section 4-116 is amended to add the following:

> (A)(3) The owner or harborer will be issued a written warning for violation of the running at large ordinance and will receive a pamphlet as to animal ordinances.
>
> (A)(3)(a) Within fifteen (15) days of the written warning, an animal control officer will perform an inspection of the owner or harborer's property.

SECTION 6: Section 4-115(a)(5) of the Fort Smith Municipal Code is repealed.

SECTION 7: The first two sentences of Section 4-116 of the Fort Smith Municipal Code are amended and condensed into one sentence to read as follows:

> It shall be unlawful for any dog owner to allow his/her dog to run at large, as defined in Section 4-1, within the corporate city limits.

SECTION 7: Section 4-122 of the Fort Smith Municipal Code is amended by adding the phrase "on the public streets" so that the first sentence shall read, in part, as follows: "When transporting an animal in an open air vehicle or truck bed on the public streets. . . ."

SECTION 8: Emergency Clause. It is hereby determined that the provisions of this Ordinance should be immediately effective in order to provide for the regulation of animals within the City. Therefore, an emergency is declared to exist, and this Ordinance, being necessary for the protection of the health, safety and welfare of the inhabitants of the City, shall be of full force and effect from the date of its adoption.

PASSED AND APPROVED THIS _____DAY OF_____ , 2013.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form:

_____
City Attorney
Publish One Time

Fort Smith Police Department

Kevin Lindsey, Chief of Police

INTERDEPARTMENTAL MEMORANDUM

To: **Ray Gosack, City Administrator**

From: **Kevin Lindsey, Chief of Police**

Subject: **Animal Services Advisory Board Review of Ordinance Recommendations**

Date: **February 14, 2013**

Attachments: **Animal Control Ordinance Revisions 021913**

At the February 12, 2013 Study Session, Animal Services Advisory Board (ASAB) Chairperson Nichole Morgan presented recommendations for ordinance changes to Board members.

Board members agreed to place certain Animal Services Advisory Board recommendations on the February 19, 2013 regular Board of Director meeting agenda concerning amending portions of the definition of "secure enclosure" under Section 4-1; revising the first two sentences of Section 4-36; removing Section 4-97; repealing Section 4-115, subsection (A)(5), based upon a recommendation from the City Attorney; and amending certain sections of Section 4-116.

Additional changes to certain ordinances were recommended by the City Attorney, including amending Section 4-90; amending the first two sentences of Section 4-116; amending Section 4-122; and adding an emergency clause.

DAILY & WOODS

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

JERRY L. CANFIELD, P.A.
THOMAS A. DAILY, P.A.
WYMAN R. WADE, JR., P.A.
DOUGLAS M. CARSON, P.A.
ROBERT R. BRIGGS, P.A. †
C. MICHAEL DAILY, P.A. † •
L. MATTHEW DAVIS, P.A. †
COLBY T. ROE

† Also Licensed in Oklahoma
• Also Licensed in Wyoming & North Dakota

KMW BUILDING
58 SOUTH SIXTH STREET
P.O. BOX 1446
FORT SMITH, AR 72902
TELEPHONE (479) 782-0361
FAX (479) 782-6160

WRITER'S E-MAIL ADDRESS
JCanfield@DailyWoods.com

JAMES E. WEST
PHILLIP E. NORVELL †

OF COUNSEL

HARRY P. DAILY (1886-1965)
JOHN P. WOODS (1886-1976)
JOHN S. DAILY (1912-1987)
BEN CORE (1924-2007)

December 20, 2012

Ms. Sherri Gard
Fort Smith City Clerk
623 Garrison Avenue, 3rd Floor
Fort Smith, AR 72901

Re: Animal Control Ordinance

Dear Ms. Gard:

We have approved as to form the draft prepared by the Police Department staff of the animal control ordinance which is before the Board of Directors on second reading. That draft appears to make each of the amendments approved by the Board on first reading.

We have also prepared and are enclosing another draft of the ordinance as amended on first reading. The enclosed alternative draft focuses on not repeating wording which already exists in the Municipal Code. For example, a section with only slight wording changes is not completely restated; but rather the codifier is given directions as to which words to change. For example, see Sections 4.2 and 4.3 on the fourth page of the enclosed draft. By doing so, the total words of the two drafts are reduced from approximately 7,710 to 6,180, resulting in a 20% reduction in the length of the ordinance. We believe the reduction will substantially reduce the City's publication cost of the adopted ordinance.

In making the changes, there are a few matters which we feel we should specifically call to the attention of the Board.

1. In the definition of "secure enclosure" on page 3 of the draft, we have added a paragraph 6 which allows fencing to include electronic fences. That inclusion is consistent with the concept of securing a dog on an owner's property. However, the use of electronic fences would not fully satisfy the provisions of a new section, Section 4-115, page 16, which in its subsection (a) 5 requires enclosures "to prevent the unauthorized entry of other animals and the general public, including children." We respectfully suggest that the use of electronic fences to secure animals on an owner's property is an established, desirable practice providing dogs freedom within the perimeter of the electronic fence. It is not the duty of a property owner to prevent trespass by other animals or by persons. We respectfully suggest Section 4-115(a) 5, requiring enclosures so

secure to prevent trespass, would dramatically alter property owner liability. Under existing Arkansas law, a violation of the provision would establish proof of negligence of a property owner if a trespasser was injured by a dog on the owner's home or property. We recommend Section 4-115(a) 5 be deleted.

2. After verification with the Chief of Police and a representative of the committee, Section 4-90 (page 11) has been amended to state a prohibition of the sale of animals to persons less than 18 years of age, and the previously existing language regarding identification of persons younger than 18 years of age has been deleted as superfluous.

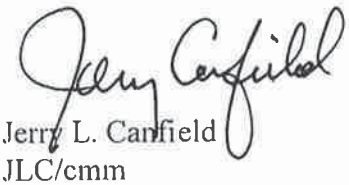
3. Section 4-116 (page 11) has been slightly amended to refer to the previously established definition of running at large as there was some conflict in the definition and the previous language of Section 4-116.

4. Section 4-122 (page 18) has been amended to include a requirement that the prohibited transporting of animals in an open air vehicle or truck bed is applicable to "the public streets."

We believe that other slight wording changes are consistent with the intention of the draft of the ordinance as amended on first reading.

Thank you for your attention to this matter.

Very truly yours,



Jerry L. Canfield
JLC/cmm

Enclosure

ORDINANCE NO. _____

AN ORDINANCE DECLARING AN EXCEPTIONAL SITUATION REQUIRING THE WAIVING OF COMPETITIVE BIDDING AND AUTHORIZING EXECUTION OF A CONTRACT BETWEEN THE SEBASTIAN COUNTY HUMANE SOCIETY AND THE CITY OF FORT SMITH, ARKANSAS

WHEREAS, citizens residing in the City of Fort Smith rely upon responsive animal control management, including impoundment and housing services; and

WHEREAS, the Sebastian County Humane Society is the only organization in the area with the resources, facilities, and staff to perform impoundment and housing services required by the City;

NOW THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS THAT:

Section 1: An exceptional situation is declared to exist requiring the waiving of competitive bidding with reference to a contract for animal impoundment and housing services for the City of Fort Smith.

Section 2: The Mayor, his signature being attested by the City Clerk, is authorized to execute a contract with Sebastian County Humane Society for impoundment and housing services for a period of three years with the provisions identified in the attached contract.

Section 3: Funding for the contract has been approved from account number 4704-219 in the 2013 Police Department budget.

PASSED AND APPROVED THIS _____ day of February, 2013.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form

_____

CONTRACT

THIS AGREEMENT MADE AND ENTERED INTO this _____ day of _____, 2013, by and with the City of Fort Smith, hereinafter referred to as "City" and the Sebastian County Humane Society, hereinafter referred to as "SCHS".

In exchange of the mutual considerations set forth herein, the parties agree as follows:

1. Pursuant to the terms set forth in the Agreement, Sebastian County Humane Society (SCHS) agrees to provide an impoundment facility for animals for the benefit of the City of Fort Smith and, as described herein, the City agrees to provide payment to SCHS for the providing of such impoundment facility. The City acknowledges that the SCHS provides similar services to other cities and government offices.

2. Term. Subject to the termination rights provided in this paragraph, the term of this agreement shall commence on March 1, 2013 and shall continue through February 29, 2016. Either party, in its sole discretion and after providing thirty days written notification to the other party, may terminate this Agreement with or without cause.

3. Payment by City. The City will pay for the services of SCHS on a per day per animal basis as well as other considerations listed in this section. At the end of each monthly period in the contract term, SCHS will submit a billing to the City in accordance with the terms of the contract, to be paid by the City within thirty days of receipt of billing.

   The fee payment schedule shall be paid as follows:
   March 1, 2013 – December 31, 2013 - $16.25 per day per animal
   January 1, 2014 – December 31, 2014 - $16.75 per day per animal
   January 1, 2015 – February 29, 2016 - $17.25 per day per animal

   Additionally, effective March 1, 2013, the City shall pay the SCHS the amount of $500.00 per month for use of office space located on the SCHS campus, which will be added to the monthly billing. The total amount paid shall not exceed $6,000 annually, except in the third year of the contract, at which time, the amount paid for said office space shall be $6,200 annually.

   Effective March 1, 2013, the City shall also pay the SCHS the amount of $460.00 per year for cat hold boxes.

4. Services.

   The City of Fort Smith shall only be financially responsible for animals housed by the SCHS for the City's benefit in accordance with the following maximum day limits:

Animals housed by the SCHS which are billed to the City will be restricted to the following daily limits: canines (5 days; 10 days if the owner is in the custody of law enforcement), felines (domestic: 3 days, feral: 1 day), livestock (5 days), and wildlife (5 days) except for skunks in accordance with Section 6(D) of this contract. Skunks will be transported and released by Animal Control Officers at a pre-determined location.

All animals classified as wildlife will be held in accordance with Arkansas Game and Wildlife regulations and the conditions set forth above.

5. Inspections. At least once each quarter of each calendar year, the animal control supervisor for the City of Fort Smith will conduct an unannounced inspection of the SCHS kennel area to assure cleanliness, maintenance and animal care issues are in acceptable standards. The animal control supervisor will immediately notify SCHS of any deficiencies and will document his/her findings in a file to be kept at the Fort Smith Police Department.

6. Duties and Services of SCHS:

   A. SCHS will furnish all facilities, employees, administration, maintenance, utilities, food, veterinarian and other services for impound animals and be responsible for any and all other expenses, except as otherwise in this agreement, necessary to operate the impound facility. The impoundment facilities shall consist of the admissions building and the housing of animal control officers located at 3800 Kelley Highway in Fort Smith. The facilities shall be properly maintained at all times during the term of this Agreement and, although the facilities may be enlarged by the addition of presently non-described facilities, at no time shall the facilities be reduced to less than those currently existing.

   B. Portions of the facilities shall be provided to the Animal Control Officers of the City for their use on a daily, twenty-four hour basis, during the term of this Agreement. At all times, the Animal Control Officers of the City shall have reasonable access to the areas of the facilities currently utilized by the Animal Control Officers.

   C. SCHS recognizes that the facilities shall be considered a City impoundment facility for the purposes of the Fort Smith Code of Ordinances. SCHS shall comply with the care of animals provisions set forth in the Fort Smith Code of Ordinances, which may be amended from time to time.

   D. SCHS will receive and impound all animals delivered to it by the Animal Control Officers of the City and others as authorized by the Fort Smith Code of Ordinances, and shall maintain said animals according to the provisions of the Fort Smith City Code of Ordinances, which may be amended from time to time. Injured and diseased animals will be examined by the Shelter manager as to the extent of the injury or disease. Injured or diseased animals capable of being held in reasonable comfort will be held the complete five day holding period. Severely injured or diseased animals

may be subject to euthanasia prior to the completion of the five days holding period when necessary to prevent animal suffering. Vicious animals will be subject to euthanasia as outlined in the Fort Smith Municipal Code of Ordinances, which may be amended from time to time, unless being quarantined for rabies observation. The maximum holding period for an animal belonging to an owner under custody of law enforcement or the court system for criminal charges will be ten (10) days. A judicial court order will supersede any aforementioned holding periods. SCHS will document the holding period and basis for euthanasia for all animals. Persons administering euthanasia shall secure and maintain certification through the Arkansas State Animal Control Association or other similar organization. SCHS will include costs for holding animals held for cruelty cases, property owner surrenders, and quarantines in their monthly billing to the City.

E. SCHS agrees to the release of impounded animals pursuant to the provisions of the Fort Smith City Code of Ordinances, which may be amended from time to time. Capture and impoundment fees shall be collected pursuant to the provisions of the Fort Smith Code of Ordinances. A ten dollar ($10.00) impounding fee and a per day boarding fee for each animal boarded will be collected from all animal owners prior to release of their animal(s) by the facility.

F. SCHS will maintain an inventory of live cat traps for use by City residents only. SCHS will secure a deposit of $25.00 from the resident for each trap, which is refundable upon return of the trap(s). SCHS will provide the traps within twenty-four (24) hours of the time traps are requested by City residents. SCHS shall have the right to dispose of all cats in accordance with the provisions of the City's animal control regulations. The City agrees to provide or to reimburse SCHS for the purchase of up to forty (40) traps annually to replace those that may be lost, damaged or destroyed. The amount of money paid by the City for these cat traps shall not exceed One-thousand Eight-hundred and Four Dollars ($1,804.00) per calendar year. SCHS shall maintain accurate records of all cat traps.

G. SCHS will maintain a "lost and found" log for animals in the Fort Smith and surrounding areas to facilitate the return of animals to animal owners. SCHS will make reasonable attempts to contact animal owners who have registered for the "lost and found" log of SCHS. The "lost and found" log will be checked: each time a stray animal is admitted into the shelter; each morning against lost and found reports in the Times Record; and each time a lost and found report is received by SCHS. Upon identification of a lost animal the animal owner will be contacted for verification. Where reunions of animals and owners are confirmed, SCHS may remove names from the "lost and found" log. All animal listings may be purged after one month unless owner/finder specifically requests otherwise. Lost and found reports shall be updated weekly.

H. SCHS will provide a monthly report concerning animals accepted from City residents and Animal Control Officers by category for Dogs, Cats, and Others and containing the following information:

- Number of strays admitted by Animal Control Officers;
- Number of strays admitted by citizens;
- Number of quarantine admissions by SCHS personnel;
- Number of animals cleared from quarantine by a licensed veterinarian;
- Number of animals held for cruelty cases and/or property owner surrenders;
- Number of animals reclaimed by owners;
- Number of adoptions through SCHS;
- Number of animals euthanized and specific reasons therefor;
- Current number of animals in the shelter.

I. SCHS shall comply with the sterilization provisions of A.C.A. § 20-19-103.

J. The City will be responsible for all animals seized by Animal Control Officers Control Officer from the time such animals are taken up until delivery to the impoundment facility at which time SCHS will assume all responsibility for the impoundment animals.

K. When animal control picks up severely injured animals after regular SCHS hours of operation, the Animal Control Officer responsible for picking up the animal will contact the shelter manager or the Executive Director of SCHS to receive a determination with regard to the necessity for immediate veterinary attention at a local emergency care facility selected by the SCHS. When it is decided the animal should be seen by an emergency care facility, it is agreed between the City of Fort Smith and the SCHS that the City will bear the cost incurred as a result of the medical attention provided by the emergency care facility. The Animal Control Officer will clearly indicate on the impound receipt where the animal was taken and what action was required.

L. Severely injured or diseased animals that appear, in the sole discretion of certified staff of SCHS, to be strays or beyond medical assistance will be humanely euthanized by said staff. Any costs incurred for euthanasia shall be considered a part of the daily rate paid by the City as set forth in Section 3 above. Any euthanasia outside of the daily limits identified in Section 4 above shall be the sole financial responsibility of SCHS.

M. Animal Control Officers shall maintain a list of all animals having been immediately euthanized due to injuries or disease and all stray companion animals picked up already deceased. Said list shall give a description of the animal, where it was picked up, when it was picked up and the disposition of the animal.

N. Any animal(s) impounded for cruelty violations must be seen by a veterinarian as soon as possible after the impoundment. A written record of the evaluation and all activities relating to the event will be kept for any legal proceedings which may be sought. The City agrees to incur payment liability for veterinary examinations for canines, felines, livestock, and wildlife that are picked up by Animal Control for cruelty violations.

O. Animal Control Officers will keep SCHS personnel informed of the status of any legal proceedings relating to animals impounded at the facility. To expedite animals being returned to their owner, Animal Control Officers will carefully check each animal picked up for evidence of identification that might lead to an owner being contacted. Any relevant information will be clearly documented on the Animal Control Officer's impound slip submitted to SCHS personnel. SCHS personnel will contact the owner to pick up the animal.

P. Where feasible, SCHS shall comply with applicable guidelines of the Humane Society of the United States for the care of animals impounded at SCHS facilities, including the following standards:

- All animals shall be humanely treated;
- Animals shall be provided with sufficient water and food daily;
- Animals shall not be confined to one (1) area in such number that access to food, water and appropriate bedding is not readily accessible; and,
- Any animal kept in an enclosure must be able to stand, turn or stretch to its full length. Walking or running exercise will be offered on a regular basis.

Q. The City agrees that the officers of the Fort Smith Police Department, according to schedule and dispatching decisions made in the sole discretion of the City, shall be made available to City Animal Control Officers and employees of SCHS for the purpose of enforcing and administering the animal control ordinances of the City. In accordance with sterilization provisions of A.C.A. § 20-19-103 (Repl. 2005), the City of Fort Smith will release all impounded dogs only (a) to the owner of the dog prior to delivery to SCHS or (b) to SCHS.

7. Default and Enforcement. If either party to this Agreement makes a determination that the other party is in default of any of that party's duties and obligations under the Agreement, the first party shall issue a written notification describing the alleged default and shall cause same to be delivered to the defaulting party. Any party receiving such a notice shall have the period of ten days in which to cure, remedy the described default or to respond in writing to the first party. Unless resolved by the written response, the representatives of the parties shall meet to discuss a resolution of the dispute within thirty (30) days of the original notice. Both parties to this Agreement reserve all legal rights and remedy with reference to enforcement of this Agreement.

8. Because the SCHS will be receiving monies from The City under this Agreement, the SCHS understands that its records and meetings relating to monies received and services

provided under this Agreement may become subject to the provisions of the Arkansas Freedom of Information Act.

THIS AGREEMENT EXECUTED PURSUANT TO ORDINANCE NO. _____ OF THE GOVERNING BODY OF THE CITY OF FORT SMITH AND PURSUANT TO THE AUTHORIZATION OF THE GOVERNING BODY OF SCHS ADOPTED ON _____, 2013.

CITY OF FORT SMITH

_____
MAYOR

ATTEST:

_____
CITY CLERK

SEBASTIAN COUNTY HUMANE SOCIETY

_____
EXECUTIVE DIRECTOR

ATTEST:

_____
SECRETARY

Fort Smith Police Department
Kevin Lindsey, Chief of Police

INTERDEPARTMENTAL MEMORANDUM

To: **Ray Gosack City Administrator**

From: **Kevin Lindsey, Chief of Police**

Subject: **Sebastian County Humane Society Contract and Waiver of Competitive Bidding**

Date: **February 14, 2013**

A new contract has been negotiated between the City and the Sebastian County Humane Society to replace the current contract. In general, the proposed contract offers a three year contract period, incremental increases in daily per animal fees, payment for use of office space on the Humane Society's campus for Animal Control Officers, and enhancement of animal care guidelines. This is the first increase in the City's daily per animal rate in at least ten years.

Waiver of Competitive Bidding
In December, 2012, the Board enacted Ordinance 93-12, which delineates purchasing authority for the City Administrator. Since the new contract may exceed the established amount requiring both competitive bidding and Board of Director's approval, staff has requested consideration to waive the competitive bidding requirement. This waiver request is supported by staff's research that failed to identify other organizations whose animal impoundment and housing facilities were large enough to accommodate the City's needs.

The Fort Smith Police Department's Animal Control Unit is responsible for animal control activities which are inherent to the health and well-being of City residents and the welfare of animals. The capacity to house a large number of dogs, cats, and other animals at any given time requires a facility with enough space to comfortably accommodate animals surrendered to the Humane Society and be sufficiently staffed to ensure the health and welfare of the animals housed in the facility. The largest facility of that kind found in or around the City of Fort Smith is the Sebastian County Humane Society.

Past experience with the Sebastian County Humane Society and its staff has demonstrated it is capable of maintaining the health and welfare of animals surrendered on behalf of the City of Fort Smith. It would be cost prohibitive to expand outside the city limits to find or construct a facility to accommodate our needs.

The City of Fort Smith is obligated to provide proper care for those animals lawfully seized. The Sebastian County Humane Society is capable of providing for animal's basic needs. For that reason, a waiver of the competitive bidding requirement is requested.

Animal Services Advisory Board Input

Per the ASAB's request, recommendations concerning operations, housing conditions, and other activities were included in the new contract. Specific language concerning the treatment of injured animals (see Contract sections 4., 6.H., 6.L.), expanded and specific explanations of why an animal was euthanized (see Contract section 6.H.), and ensuring regular exercise for animals (see Contract section 6.P.) has been included in the contract. The Sebastian County Humane Society is already in compliance with these recommendations. ASAB members also recommended the Sebastian County Humane Society maintain compliance with Humane Society of the United States guidelines. To the extent feasible, the SCHS will follow these guidelines.

Cost Comparison

Under the current contract, the City pays $15.00 per day per animal for impoundment and housing fees and up to $1,804 per year for maintaining a supply of live cat traps. In 2012, the average monthly cost to the City was $22,508 and the total amount paid to the SCHS was $270,098.

The new contract, valid for three (3) years, specifies an incremental per day per animal fee of $16.25 the first year; $16.75 the second year; and $17.25 the third year. In addition, the City will pay $6,000 per year for use of office space for the first two years of the contract, and $6,200 for the third year. Each year, the City will also pay $460 for cat hold boxes and up to $1,804 for live cat traps. Based upon 2012 data, yearly estimates for the total contract are expected to be $299,066 for the first year, $308,069 for the second year, and $317,073 for the third year. The Department budgeted $245,000 for FY 2013, with the understanding that contract negotiations were still in progress.

Please contact me if you have questions or need additional information. Staff recommends approval of the proposed contract.

CONTRACT

THIS AGREEMENT MADE AND ENTERED INTO this _____ day of _____, 2013, by and with the City of Fort Smith, hereinafter referred to as "City" and the Sebastian County Humane Society, hereinafter referred to as "SCHS".

In exchange of the mutual considerations set forth herein, the parties agree as follows:

1. Pursuant to the terms set forth in the Agreement, Sebastian County Humane Society (SCHS) agrees to provide an impoundment facility for animals for the benefit of the City of Fort Smith and, as described herein, the City agrees to provide payment to SCHS for the providing of such impoundment facility. The City acknowledges that the SCHS provides similar services to other cities and government offices.

2. Term. Subject to the termination rights provided in this paragraph, the term of this agreement shall commence on March 1, 2013 and shall continue through February 29, 2016. Either party, in its sole discretion and after providing thirty days written notification to the other party, may terminate this Agreement with or without cause.

3. Payment by City. The City will pay for the services of SCHS on a per day per animal basis as well as other considerations listed in this section. At the end of each monthly period in the contract term, SCHS will submit a billing to the City in accordance with the terms of the contract, to be paid by the City within thirty days of receipt of billing.

   The fee payment schedule shall be paid as follows:
   March 1, 2013 – December 31, 2013 - $16.25 per day per animal
   January 1, 2014 – December 31, 2014 - $16.75 per day per animal
   January 1, 2015 – February 29, 2016 - $17.25 per day per animal

   Additionally, effective March 1, 2013, the City shall pay the SCHS the amount of $500.00 per month for use of office space located on the SCHS campus, which will be added to the monthly billing. The total amount paid shall not exceed $6,000 annually, except in the third year of the contract, at which time, the amount paid for said office space shall be $6,200 annually.

   Effective March 1, 2013, the City shall also pay the SCHS the amount of $460.00 per year for cat hold boxes.

4. Services.

   The City of Fort Smith shall only be financially responsible for animals housed by the SCHS for the City's benefit in accordance with the following maximum day limits:

Animals housed by the SCHS which are billed to the City will be restricted to the following daily limits: canines (5 days; 10 days if the owner is in the custody of law enforcement), felines (domestic: 3 days, feral: 1 day), livestock (5 days), and wildlife (5 days) except for skunks in accordance with Section 6(D) of this contract. Skunks will be transported and released by Animal Control Officers at a pre-determined location.

All animals classified as wildlife will be held in accordance with Arkansas Game and Wildlife regulations and the conditions set forth above.

5. Inspections. At least once each quarter of each calendar year, the animal control supervisor for the City of Fort Smith will conduct an unannounced inspection of the SCHS kennel area to assure cleanliness, maintenance and animal care issues are in acceptable standards. The animal control supervisor will immediately notify SCHS of any deficiencies and will document his/her findings in a file to be kept at the Fort Smith Police Department.

6. Duties and Services of SCHS:

   A. SCHS will furnish all facilities, employees, administration, maintenance, utilities, food, veterinarian and other services for impound animals and be responsible for any and all other expenses, except as otherwise in this agreement, necessary to operate the impound facility. The impoundment facilities shall consist of the admissions building and the housing of animal control officers located at 3800 Kelley Highway in Fort Smith. The facilities shall be properly maintained at all times during the term of this Agreement and, although the facilities may be enlarged by the addition of presently non-described facilities, at no time shall the facilities be reduced to less than those currently existing.

   B. Portions of the facilities shall be provided to the Animal Control Officers of the City for their use on a daily, twenty-four hour basis, during the term of this Agreement. At all times, the Animal Control Officers of the City shall have reasonable access to the areas of the facilities currently utilized by the Animal Control Officers.

   C. SCHS recognizes that the facilities shall be considered a City impoundment facility for the purposes of the Fort Smith Code of Ordinances. SCHS shall comply with the care of animals provisions set forth in the Fort Smith Code of Ordinances, which may be amended from time to time.

   D. SCHS will receive and impound all animals delivered to it by the Animal Control Officers of the City and others as authorized by the Fort Smith Code of Ordinances, and shall maintain said animals according to the provisions of the Fort Smith City Code of Ordinances, which may be amended from time to time. Injured and diseased animals will be examined by the Shelter manager as to the extent of the injury or disease. Injured or diseased animals capable of being held in reasonable comfort will be held the complete five day holding period. Severely injured or diseased animals

may be subject to euthanasia prior to the completion of the five days holding period when necessary to prevent animal suffering. Vicious animals will be subject to euthanasia as outlined in the Fort Smith Municipal Code of Ordinances, which may be amended from time to time, unless being quarantined for rabies observation. The maximum holding period for an animal belonging to an owner under custody of law enforcement or the court system for criminal charges will be ten (10) days. A judicial court order will supersede any aforementioned holding periods. SCHS will document the holding period and basis for euthanasia for all animals. Persons administering euthanasia shall secure and maintain certification through the Arkansas State Animal Control Association or other similar organization. SCHS will include costs for holding animals held for cruelty cases, property owner surrenders, and quarantines in their monthly billing to the City.

E. SCHS agrees to the release of impounded animals pursuant to the provisions of the Fort Smith City Code of Ordinances, which may be amended from time to time. Capture and impoundment fees shall be collected pursuant to the provisions of the Fort Smith Code of Ordinances. A ten dollar ($10.00) impounding fee and a per day boarding fee for each animal boarded will be collected from all animal owners prior to release of their animal(s) by the facility.

F. SCHS will maintain an inventory of live cat traps for use by City residents only. SCHS will secure a deposit of $25.00 from the resident for each trap, which is refundable upon return of the trap(s). SCHS will provide the traps within twenty-four (24) hours of the time traps are requested by City residents. SCHS shall have the right to dispose of all cats in accordance with the provisions of the City's animal control regulations. The City agrees to provide or to reimburse SCHS for the purchase of up to forty (40) traps annually to replace those that may be lost, damaged or destroyed. The amount of money paid by the City for these cat traps shall not exceed One-thousand Eight-hundred and Four Dollars ($1,804.00) per calendar year. SCHS shall maintain accurate records of all cat traps.

G. SCHS will maintain a "lost and found" log for animals in the Fort Smith and surrounding areas to facilitate the return of animals to animal owners. SCHS will make reasonable attempts to contact animal owners who have registered for the "lost and found" log of SCHS. The "lost and found" log will be checked: each time a stray animal is admitted into the shelter; each morning against lost and found reports in the Times Record; and each time a lost and found report is received by SCHS. Upon identification of a lost animal the animal owner will be contacted for verification. Where reunions of animals and owners are confirmed, SCHS may remove names from the "lost and found" log. All animal listings may be purged after one month unless owner/finder specifically requests otherwise. Lost and found reports shall be updated weekly.

H. SCHS will provide a monthly report concerning animals accepted from City residents and Animal Control Officers by category for Dogs, Cats, and Others and containing the following information:

- Number of strays admitted by Animal Control Officers;
- Number of strays admitted by citizens;
- Number of quarantine admissions by SCHS personnel;
- Number of animals cleared from quarantine by a licensed veterinarian;
- Number of animals held for cruelty cases and/or property owner surrenders;
- Number of animals reclaimed by owners;
- Number of adoptions through SCHS;
- Number of animals euthanized and specific reasons therefor;
- Current number of animals in the shelter.

I. SCHS shall comply with the sterilization provisions of A.C.A. § 20-19-103.

J. The City will be responsible for all animals seized by Animal Control OfficersControl Officer from the time such animals are taken up until delivery to the impoundment facility at which time SCHS will assume all responsibility for the impoundment animals.

K. When animal control picks up severely injured animals after regular SCHS hours of operation, the Animal Control Officer responsible for picking up the animal will contact the shelter manager or the Executive Director of SCHS to receive a determination with regard to the necessity for immediate veterinary attention at a local emergency care facility selected by the SCHS. When it is decided the animal should be seen by an emergency care facility, it is agreed between the City of Fort Smith and the SCHS that the City will bear the cost incurred as a result of the medical attention provided by the emergency care facility. The Animal Control Officer will clearly indicate on the impound receipt where the animal was taken and what action was required.

L. Severely injured or diseased animals that appear, in the sole discretion of certified staff of SCHS, to be stray or beyond medical assistance will be humanely euthanized by said staff. Any costs incurred for euthanization shall be considered a part of the daily rate paid by the City as set forth in Section 3 above. Any euthanization outside of the daily limits identified in Section 4 above shall be the sole financial responsibility of SCHS.

M. Animal Control Officers shall maintain a list of all animals having been immediately euthanized due to injuries or disease and all stray companion animals picked up already deceased. Said list shall give a description of the animal, where it was picked up, when it was picked up and the disposition of the animal.

N. Any animal(s) impounded for cruelty violations must be seen by a veterinarian as soon as possible after the impoundment. A written record of the evaluation and all activities relating to the event will be kept for any legal proceedings which may be sought. The City agrees to incur payment liability for veterinary examinations for canines, felines, livestock, and wildlife that are picked up by Animal Control for cruelty violations.

O. Animal Control Officers will keep SCHS personnel informed of the status of any legal proceedings relating to animals impounded at the facility. To expedite animals being returned to their owner, Animal Control Officers will carefully check each animal picked up for evidence of identification that might lead to an owner being contacted. Any relevant information will be clearly documented on the Animal Control Officer's impound slip submitted to SCHS personnel. SCHS personnel will contact the owner to pick up the animal.

P. Where feasible, SCHS shall comply with applicable guidelines of the Humane Society of the United States for the care of animals impounded at SCHS facilities, including the following standards:

- All animals shall be humanely treated;
- Animals shall be provided with sufficient water and food daily;
- Animals shall not be confined to one (1) area in such number that access to food, water and appropriate bedding is not readily accessible; and,
- Any animal kept in an enclosure must be able to stand, turn or stretch to its full length. Walking or running exercise will be offered on a regular basis.

Q. The City agrees that the officers of the Fort Smith Police Department, according to schedule and dispatching decisions made in the sole discretion of the City, shall be made available to City Animal Control Officers and employees of SCHS for the purpose of enforcing and administering the animal control ordinances of the City. In accordance with sterilization provisions of A.C.A. § 20-19-103 (Repl. 2005), the City of Fort Smith will release all impounded dogs only (a) to the owner of the dog prior to delivery to SCHS or (b) to SCHS.

7. Default and Enforcement. If either party to this Agreement makes a determination that the other party is in default of any of that party's duties and obligations under the Agreement, the first party shall issue a written notification describing the alleged default and shall cause same to be delivered to the defaulting party. Any party receiving such a notice shall have the period of ten days in which to cure, remedy the described default or to respond in writing to the first party. Unless resolved by the written response, the representatives of the parties shall meet to discuss a resolution of the dispute within thirty (30) days of the original notice. Both parties to this Agreement reserve all legal rights and remedy with reference to enforcement of this Agreement.

8. Because the SCHS will be receiving monies from The City under this Agreement, the SCHS understands that its records and meetings relating to monies received and services

provided under this Agreement may become subject to the provisions of the Arkansas Freedom of Information Act.

THIS AGREEMENT EXECUTED PURSUANT TO ORDINANCE NO. _____ OF THE GOVERNING BODY OF THE CITY OF FORT SMITH AND PURSUANT TO THE AUTHORIZATION OF THE GOVERNING BODY OF SCHS ADOPTED ON _____, 2013.

CITY OF FORT SMITH

_____
MAYOR

ATTEST:

_____
CITY CLERK

SEBASTIAN COUNTY HUMANE SOCIETY

_____
EXECUTIVE DIRECTOR

ATTEST:

_____
SECRETARY

4

ORDINANCE NO. _____

AN ORDINANCE ESTABLISHING PRICES AND FEES FOR
GRAVE SPACES AND SERVICES AT OAK CEMETERY

BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The following prices for grave spaces and fees for services are hereby established for Oak Cemetery:

(a) The price of all grave spaces in Oak Cemetery shall be $550.00 per space.

(b) The fee for making a grave space opening and closing shall be the sum of $550.00 on any weekday, Monday through Friday, and shall be the sum of $700.00 on Saturday, Sunday, or holiday observed by the City of Fort Smith.

(c) The fee for making an inurnment of niches shall be the sum of $200.00 on any weekday, Monday through Friday, and shall be the sum of $300.00 on Saturday, Sunday, or holiday observed by the City of Fort Smith.

(d) The fee for making a grave space opening and closing for cremated remains and for infants shall be the sum of $200.00 on any weekday, Monday through Friday, and shall be the sum of $300.00 on Saturday, Sunday or holiday observed by the City of Fort Smith.

(e) The fee for the disinterment of any person shall be the sum of $1,000.00 and any additional costs directly related to the disinterment. The fee for the disinurnment of any cremains shall be the sum of $300.00 and any additional costs directly related to the disinurnment. The fee for the disinterment of any infant shall be the sum of $200.00 and any additional costs directly related to the disinterment.

SECTION 2: All ordinances and parts of ordinances in conflict with the provisions of Section 1 of this Ordinance are repealed.

SECTION 3: Although referred to by Fort Smith Municipal Code Section 7-30(a), the codifier of the Fort Smith Code shall not codify the prices and fees established by Section 1 of this Ordinance. The codifier shall delete the provision of Section 7-30(b) from the Fort Smith Municipal Code.

SECTION 4: This Ordinance, not being of a general or permanent nature, shall be of full force and effect from its passage and approval.

Passed and approved this _____day of February, 2013.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form:

_____
City Attorney
No Publication Required

Memo:

February 14, 2013

To: Ray Gosack, City Administrator
From: Mike Alsup, Director of Parks and Recreation
Re: Review of rates charged in the parks and cemetery

In response to the Board of Director's discussion of rates during the budget meetings, the Parks Commission and Oak Cemetery Commission have reviewed and considered the rates charged. The Parks Commission recommends no rate changes for any of the fees charged for park services. These include fees for room reservations, swimming pool entry fees, train fee, and the ride fee for the Park at West End. This recommendation is based on concern that increased rates would make it difficult for some citizens to participate in recreation activities and programs.

The Oak Cemetery Commission recommends increases in rates for grave spaces, opening and closing graves, inurnment of cremains, and disinterments. In a recent survey of cemetery rates in Fort Smith, we found that the cemeteries in the city have raised their rates since our last survey and rate increase of 2004.

	Proposed Rate	Current Rate	Comparable Rates
Grave Space	550	400	750
Opening/Closing	550	400	675
Weekend & Holiday	700	600	775
Opening/Closing Infants, Cremains	200	100	275
Weekend & Holiday	300	200	375
Inurnment	200	100	Not Provided
Weekend & Holiday	300	200	Not Provided
Disinterment	1,000	600	Not Provided
Disinterment - Cremains	300	200	Not Provided
Disinterment – Infant	200	100	Not Provided

In the six (6) years prior to 2010, the revenues accounted for an average of thirty percent (30%) of the budgeted expenses. From 2010 to 2012, revenues accounted for an average of forty-three percent (43%). Increased revenues may have been a reaction to increased rates charged at other Fort Smith cemeteries. Oak Cemetery's rates are lower than the other cemeteries.

Summary	2012	2011	2010	2009
Spaces and Niches Sold	60	77	83	62
Interments, inurnmments	64	70	77	59
Revenue	$60,600	$65,494	$59,474	$54,876
Expense	$135,895	$154,174	$139,304	$179,884
	44.59%	42.48%	42.69%	30.51%

Comparison using proposed increase of $550	2012	2011	2010	2009
Spaces and Niches Sold, $550	33,000	42,350	45,650	34,100
Interments, Inurnments, $550	35,200	38,500	42,350	32,450
Revenue	68,200	80,850	88,000	66,550
	50.19%	52.44%	63.17%	37.00%

Please call if you have any questions regarding the proposed rate increase.

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 2-48 OF THE FORT SMITH MUNICIPAL CODE REGARDING APPOINTMENT OF MEMBERS TO BOARDS, COMMISSIONS OR COMMITTEES

BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: Section 2-48 of the Fort Smith Municipal Code is hereby amended to add to the existing provisions of that section the following as subsection (c) and to reletter existing subsections (c) and (d) as subsections (d) and (e):

(c) Citizens may serve on only one board, commission or committee at a time. Exceptions may be made by the Board of Directors and will be considered where appointment to a board, commission or committee has special or unique qualifications for membership, thereby limiting the number of qualified applicants; or where there may be a short period of overlap in terms.

SECTION 2: The codifier of the Fort Smith Municipal Code shall recodify Fort Smith Municipal Code Section 2-48, as amended by Section 1 of this Ordinance, from Chapter 2, Article II. Mayor and Board of Directors, Section 2-48 to Chapter 2, Article VI. Boards and Commissions, Etc., Section 2-232.

PASSED AND APPROVED this _____ day of _____, 2012.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form:

_____
Publish one time

MEMORANDUM

February 15, 2013

TO: Ray Gosack, City Administrator

FROM: Sherri Gard, City Clerk

RE: Appointments to Boards, Commissions and Committees

It was recently discovered that a section within the Fort Smith Municipal Code relating to appointments to boards, commissions and committees was inadvertently omitted when last amended.

Resolution No. R-61-08 (attached) established the policy for appointments to boards, commissions and committees. Section 1 of the resolution included a provision that citizens may serve on only one board, commission or committee at a time, but provided that exceptions may be considered where one of the appointments has a special or unique qualification for membership. Section 2 of the resolution requires a current application prior to being considered for appointment.

In 2009, the Board of Directors requested a formal process for removal of appointees to boards, commissions and committees. Ordinance No. 83-09 (attached) accomplished such and was codified in Chapter 2, Article II - Mayor and Board of Directors, Section 2-46 of the Fort Smith Municipal Code.

At this point, the City was operating under Resolution No. R-61-08 for appointments and Ordinance No. 24-10 for removal of appointees.

In 2010, Chapter 2, Article II of the Fort Smith Municipal Code relating to meeting procedures was amended via Ordinance No. 24-10. Because said ordinance amended Chapter 2, Article II - Mayor and Board of Directors, the ordinance included the provision for removal of appointees to boards, commissions and committees. Due to such, the amendment renumbered the existing Section 2-46 *(removal of appointees)* as Section 2-48 of the Fort Smith Municipal Code.

In 2011, the Board of Directors reviewed the policy relating to appointment of non-residents to boards, commissions and committees. Ordinance No. 103-11 (attached) was adopted to require all appointees to boards, commissions and committees be residents and registered voters of Fort Smith at the time of appointment. This ordinance superseded Resolution No. R-61-08; however, only Section 2 of the resolution requiring a current application was included and Section 1 was inadvertently omitted.

The attached ordinance has been prepared to correct the inadvertent omission. For codification purposes only, the proposed ordinance also relocates the provisions for appointment and removal from boards, commissions and committees from “Chapter 2, Article II - Mayor and Board of Directors” to a more appropriate location of “Chapter 2, Article VI - Boards and Commissions, Etc.” in the Fort Smith Municipal Code.

3

RESOLUTION NO. R-61-08

A RESOLUTION ESTABLISHING A POLICY REGARDING APPOINTMENTS TO BOARDS, COMMISSIONS AND COMMITTEES

WHEREAS, the City of Fort Smith has approximately 30 boards, commissions and committees comprised of more than 200 citizen volunteers who provide important guidance and decision-making; and

WHEREAS, maximum citizen involvement is fundamental to the success of each of these boards, commissions and committees; and

WHEREAS, the Mayor and Board of Directors desire to provide opportunity for the greatest number of citizens possible to participate on these boards, commissions and committees;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas that:

SECTION 1: The general policy regarding appointments to boards, commissions and committees is that a citizen will serve on only one board, commission or committee at a time. The Mayor and Board of Directors will generally not appoint a person to serve on more than one board, commission or committee at a time. Exceptions may be considered where one of the appointments is to a board, commission or committee which has special or unique qualifications for membership, thereby limiting the number of qualified applicants; or where there may be a short period of overlap in terms.

Approved as to form
JSC

No publication required

SECTION 2: Prior to being considered for appointment to a board, commission or committee, a citizen shall have submitted a current application within the last 12 months. Applicants whose applications are older than 12 months will not be considered for appointment.

This Resolution passed this 15th day of April, 2008.

Mayor

ATTEST:

City Clerk

6A

ORDINANCE NO. 83-09

AN ORDINANCE AMENDING CHAPTER 2 OF THE FORT SMITH CODE OF ORDINANCES TO ADD A PROVISION REGARDING REMOVAL OF AN APPOINTED MEMBER OF A BOARD, COMMISSION OR COMMITTEE

BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS that:

The Fort Smith Municipal Code is amended by adding Section 2-46 to read as follows:

Section 2-46. Removal of Members of Appointed Boards, Commissions or Committees.

(a) Members of boards, commissions and committees, except as otherwise specifically provided by state law or this Code, may be removed by a two-thirds' vote of the entire board of directors. Procedurally, the issue of potential removal of a member of a board, commission or committee shall first be discussed in an executive session of the board of directors. If formal removal of a member of a board, commission or committee is then contemplated, the board of directors shall state the cause(s) for the contemplated removal and the matter shall be placed on the agenda for the board of directors' next regular meeting, and the affected board or committee member or commissioner shall be notified of the contemplated removal and cause(s) therefor and given an opportunity, personally, to address the board of directors concerning the removal. Grounds for removal, although not deemed exclusive, may be that the member:

1) Lacks at any time during the member's term of appointment any qualifications for the board or commission membership prescribed by law; or

2) Is absent from three consecutive regular meetings. The determination of whether a member's absence is

excused or unexcused shall be made by the other members of the same board, commission or committee; or

3) For cause (cause shall include, but not necessarily be limited to, misfeasance, malfeasance or nonfeasance).

(b) A board, commission or committee membership becomes vacant, except as otherwise specifically provided by state law or this Code, on the happening of any of the following events before expiration of the term: (i) the death of the appointee, (ii) his or her incompetence as determined by final judgment or final order of a court of competent jurisdiction, (iii) his or her resignation, (iv) his or her removal from office, (v) his or her conviction of a felony or of any offense involving a violation of his or her official duties, (vi) failure to maintain residency in Fort Smith, unless allowed by state law, (vii) failure to be a qualified elector, or (viii) his or her conviction of a felony (conviction includes pleas of guilty or nolo contendere as well as findings of guilt after trial by bench or jury) or of violating the substance abuse laws of the state.

This Ordinance adopted this 6th day of October, 2009.

APPROVED:

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Publish 1 Time

ORDINANCE NO. 103-11

AN ORDINANCE AMENDING SECTION 2-48 OF THE FORT SMITH CODE OF ORDINANCES REGARDING APPOINTMENT AND REMOVAL OF MEMBERS OF APPOINTED BOARDS, COMMISSIONS OR COMMITTEES

BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

SECTION 1: Section 2-48 of the Fort Smith Municipal Code is amended to read as follows:

Section 2-48. Appointment and Removal of Members of Appointed Boards, Commissions or Committees.

(a) Citizens appointed to boards, commissions, committees, task forces and similar panels shall be registered voters in the City of Fort Smith, Arkansas. Non-residents and persons not registered to vote in the City shall not be considered for appointment. Citizens who are appointed shall maintain residency in the City of Fort Smith and shall continue to be registered voters therein throughout their term of appointment. Non-residents who are serving on a board, commission, committee, task force or similar panel upon the passage of this Ordinance may continue doing so until their current term expires.

(b) Prior to being considered for appointment to a board, commission or committee, a citizen shall have submitted a current application within the last twelve (12) months. Applicants whose applications are older than twelve (12) months will not be considered for appointment.

(c) Members of boards, commissions and committees, except as otherwise specifically provided by state law or this Code, may be removed by a two-thirds' vote of the entire board of directors. Procedurally, the issue of potential removal of a member of a board, commission or committee shall first be discussed in an executive session of the board of directors. If formal removal of a member of a board, commission or committee is then contemplated, the board of directors shall state the cause(s) for the contemplated removal and the matter shall be placed on the agenda for the board of

directors' next regular meeting, and the affected board or committee member or commissioner shall be notified of the contemplated removal and cause(s) therefor and given an opportunity, personally, to address the board of directors concerning the removal. Grounds for removal, although not deemed exclusive, may be that the member:

1) Lacks at any time during the member's term of appointment any qualifications for the board, commission, or committee membership prescribed by law or this Code; or

2) Is absent from three consecutive regular meetings. The determination of whether a member's absence is excused or unexcused shall be made by the other members of the same board, commission or committee; or

3) For cause (cause shall include, but not necessarily be limited to, misfeasance, malfeasance or nonfeasance).

(d) A board, commission or committee membership becomes vacant, except as otherwise specifically provided by state law or this Code, on the happening of any of the following events before expiration of the term:

(1) The death of the appointee;

(2) His or her incompetence as determined by final judgment or final order of a court of competent jurisdiction;

(3) His or her resignation;

(4) His or her removal from office;

(5) His or her conviction of a felony or of any offense involving a violation of his or her official duties;

(6) Failure to maintain residency in Fort Smith;

(7) Failure to be a qualified elector; or

(8) His or her conviction of a felony (conviction includes pleas of guilty or nolo contendere as well as findings of guilt after trial by bench or jury) or of violating the substance abuse laws of the state.

<u>SECTION 2:</u> Emergency Clause. The immediate effectiveness

of this Ordinance establishing procedures for the appointment and removal of members of boards, commissions and committees is required to provide for the orderly conducting of the affairs of the governing body and the City. Therefore, an emergency is declared, and this Ordinance shall be in full force and effect immediately upon its passage and approval.

This Ordinance adopted this 6th day of December, 2011.

APPROVED:

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Publish 1 Time

6 A

RESOLUTION NO. _____

**A RESOLUTION BY THE
CITY OF FORT SMITH BOARD OF DIRECTORS
REGARDING THE PASSAGE AND USE
OF COUNTY-WIDE SALES TAX PROCEEDS**

WHEREAS, the Sebastian County Quorum Court has called a special election for continuing a one-cent county-wide sales tax first approved by voters in 1994; and

WHEREAS, the proceeds from the tax are dedicated to general municipal and county services; and

WHEREAS, the Board of Directors of the City of Fort Smith endorses and supports continuation of the one-cent county-wide sales tax, and in doing so, wishes to advise citizens of the plan for use of the City's share of the county-wide sales tax proceeds if the continuation of the tax is approved by a vote of the citizens;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas that if the citizens approve continuation of the county-wide sales tax as described above, the Board of Directors currently plans to utilize the City's share of the tax proceeds as follows effective with the City's budget beginning January 1, 2015:

1. Police and Fire Services. Seventy-six percent (76%) of the revenues will be used to help the City maintain its staff of police officers and firefighters, operate its police and fire stations; and replace aging fire apparatus.

2. Library Programs. Six percent (6%) of the revenues will be used for programs, services, and acquisitions at the Fort Smith Public Libraries.

3. Senior Citizens Services. One and on-half percent (1.5%) of the revenues will be used to help operate the two senior activity centers in Fort Smith by providing funding for meals and social programs.

4. Parks Operations. Two and one-half percent (2.5%) of the revenues will be used for operation and maintenance of city parks.

5. Downtown, Riverfront, and Convention Center Improvements. Three Percent (3%) of the revenues will be used to help finance capital improvements on the downtown area, along the Arkansas River front, and the Fort Smith Convention Center. Some of the funds will be used to help match federal, state, and other grants for downtown, riverfront, and similar area improvements.

6. Public Transportation. Three percent (3) of the revenues will be used for public transportation services. This will allow the City to match federal and state grants for a transit system in Fort Smith.

7. Business License Replacement Tax. Eight percent (8%) of the revenues will be used to replace revenues lost by repeal of the City's privilege license requirement in 1994.

BE FURTHER RESOLVED that the Board of Directors of the City of Fort Smith agrees to ask the Sebastian County Quorum Court to call an election at the end of 10 years from the May 14, 2013 election for reconsideration of the county-wide sales tax by the citizens.

This Resolution adopted this _____ day of February, 2013.

_____
Mayor

ATTEST:

_____
City Clerk

Approved as to form:

_____
No Publication Required

The City of Fort Smith ARKANSAS

3

MEMORANDUM

February 8, 2013

TO: Mayor and Board of Directors

FROM: Ray Gosack, City Administrator

SUBJECT: County-wide Sales Tax

The county-wide sales tax will be presented to voters for renewal in May. The 1% tax was first approved in 1994 and re-approved in 2003. Voters will be asked to continue the tax for a third 10-year term.

The tax revenue is shared by all cities in Sebastian County and the county government. The revenue is divided on a per capita basis. In 2013, we estimate Fort Smith will receive nearly $15.7 million from this tax. The revenue is vital to providing a variety of services to the citizens of Fort Smith and all of Sebastian County.

Attached is a resolution which states how Fort Smith expends its share of the revenue. Three-fourths of the revenue is used for police and fire services. Other uses include the library, parks capital projects, senior citizen services, downtown improvements, public transit, and replacement revenue for the elimination of business license fees. Attached is a spreadsheet which shows these allocations for 2013.

The resolution is important for the voter education effort. Each city and the county government will be passing similar resolutions over the next few weeks so that we can publicize to voters how the revenue will be spent if the tax is continued.

I recommend one minor change to Fort Smith's existing resolution. Item 4 in the resolution allocates 2.5% of the revenue for a variety of city-wide parks improvements. Last year, Fort Smith voters re-allocated an existing city sales tax This re-allocation is providing significant funding for parks improvement projects. It's recommended that the county-wide

sales tax revenue previously earmarked for parks projects be changed to parks operations.

If the board concurs with this change, we'll have two resolutions pertaining to the county-wide sales tax for the February 19th board meeting.

- A resolution stating how Fort Smith intends to use its share of the county-wide sales tax revenue.

- A resolution encouraging Fort Smith voters to approve the continuation of the 1% county-wide sales tax. This resolution is necessary for the staff to be able to advocate passage of the tax.

Please contact me if there's any questions or a need for more information about the county-wide sales tax.

- Ray

2 Attachments

SM1

RESOLUTION NO. R-83-03

A RESOLUTION BY THE CITY OF FORT SMITH BOARD OF DIRECTORS REGARDING THE PASSAGE AND USE OF COUNTY-WIDE SALES TAX PROCEEDS

WHEREAS, the Sebastian County Quorum Court has called a special election for continuing a one-cent county-wide sales tax first approved by voters in 1994; and

WHEREAS, the proceeds from the tax are dedicated to general municipal and county services; and

WHEREAS, the Board of Directors of the City of Fort Smith endorses and supports continuation of the one-cent county-wide sales tax, and in doing so, wishes to advise citizens of the plan for use of the City's share of the county-wide sales tax proceeds if the continuation of the tax is approved by a vote of the citizens;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas that if the citizens approve continuation of the county-wide sales tax as described above, the Board of Directors currently plans to utilize the City's share of the tax proceeds as follows effective with the City's budget beginning January 1, 2005:

1. Police and Fire Services. Seventy-six percent (76%) of the revenues will be used to help the City maintain its staff of police officers and firefighters, operate its police and fire stations; and replace aging fire apparatus.

2. Library Programs. Six percent (6%) of the revenues will be used for programs, services, and acquisitions at the Fort Smith Public Libraries.

3. Senior Citizens Services. One and one-half percent (1.5%) of the revenues

will be used to help operate the two senior activity centers in Fort Smith by providing funding for meals and social programs.

4. Parks Projects. Two and one-half percent (2.5%) of the revenues will be used for a variety of city-wide parks improvements. Some of the funds will be used to help match federal, state, and other grants for park improvements.

5. Downtown, Riverfront, and Convention Center Improvements. Three percent (3%) of the revenues will be used to help finance capital improvements on the downtown area, along the Arkansas River front, and the Fort Smith Convention Center. Some of the funds will be used to help match federal, state, and other grants for downtown, riverfront, and similar area improvements.

6. Public Transportation. Three percent (3%) of the revenues will be used for public transportation services. This will allow the City to match federal and state grants for a transit system in Fort Smith.

7. Business License Replacement Tax. Eight percent (8%) of the revenues will be used to replace revenues lost by repeal of the City's privilege license requirement in 1994.

BE IT FURTHER RESOLVED that the Board of Directors of the City of Fort Smith agrees to ask the Sebastian County Quorum Court to call an election at the end of 10 years from the May 20, 2003 election for reconsideration of the county-wide sales tax by the citizens.

This Resolution adopted this 22d day of April, 2003.

Mayor

ATTEST:

City Clerk

approved as to form

NPR

9/6/2012

City of Fort Smith
County Sales Tax Allocation
2013 Budget

Estimated County Sales Tax for 2013	15,703,845	
Public Safety (76%)		11,934,922
Public Library (6%)		942,231
Parks Capital Maintenance (2.5%)		392,596
Senior Citizen Services (1.5%)		235,558
Senior Citizen Services -		
Area Agency on Aging	50,000	
Project Compassion	7,500	
SRCA, Inc. Social Services	178,058	
Total	235,558	
Downtown Improvements (3%)		471,115
4111/6206 Programs	471,115	
Sub - Total	471,115	
Public Transportation (3%)		471,115
General Fund (8%)		1,256,308
Total Allocation		15,703,845

9/27/2012

City of Fort Smith

County Sales Tax Allocation
2013 Budget

Estimated County Sales Tax for 2013	15,665,165	
Public Safety (76%)		11,905,525
Public Library (6%)		939,910
Parks Capital Maintenance (2.5%)		391,629
Senior Citizen Services (1.5%)		234,977
Senior Citizen Services -		
Area Agency on Aging	50,000	
Project Compassion	7,500	
SRCA, Inc. Social Services	177,477	
Total	234,977	
Downtown Improvements (3%)		469,955
4111/6206 Programs	469,955	
Sub - Total	469,955	
Public Transportation (3%)		469,955
General Fund (8%)		1,253,213
Total Allocation		15,665,165

6B

RESOLUTION NO. _____

A RESOLUTION ENDORSING CONTINUATION OF THE COUNTY-WIDE SALES TAX

WHEREAS, the Sebastian County Quorum Court has called a special election on May 14, 2013 for continuing a one-cent county-wide sales tax first approved by voters in 1994, and then reauthorized by voters in 2003; and

WHEREAS, the proceeds from the tax are dedicated to general municipal and county services; and

WHEREAS, the proceeds from the tax make up a significant portion of the City of Fort Smith's general fund revenues and are used to provide police, fire, library, senior citizens, parks, transit; and downtown/riverfront improvements; and

WHEREAS, the Board of Directors of the city of Fort Smith endorses and supports the continuation of the one-cent county-wide sales tax, and in doing so, wishes to encourage citizens to approve continuation of the tax.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas that the citizens of Fort Smith are hereby urged to vote "FOR" the renewal of the one-cent county-wide sales tax at the May 14, 2013 Special Election.

This Resolution adopted this 19th day of February, 2013.

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney
Publish _____ time

Memo

To: Ray Gosack, City Administrator

From: Jeff Dingman, Deputy City Administrator

Date: 2/15/2013

Re: Board Resolution in support of One-Cent County-Wide Sales Tax

---

Presented for consideration of the Board of Directors at the February 19 regular meeting is a Resolution indicating the Board's endorsement of the continuation of a one-cent county-wide sales tax.

The one-cent county-wide sales tax was first approved by the voters in 1994, and was renewed in 2003. The Sebastian County Quorum Court has called a special election for May 14, 2013 to consider renewal of the sales tax for a third ten-year term.

At the February 19 meeting, the Board will also consider adoption of an ordinance specifically allocating the city's share of the proceeds from the one-count county-wide sales tax. The sales tax makes up a significant portion of the City's general fund revenues, which support police, fire, library, senior citizens, parks, transportation, and downtown/riverfront improvement services.

The proposed Resolution is intended to indicate the Board's official position on the matter to the general public. Adoption of this resolution affords board members, the mayor, and city staff the ability to state the City's official position on the question before the voters.

Please contact me at your convenience if you have questions about this agenda item.

6C

RESOLUTION NO. _____

RESOLUTION ACCEPTING THE REPORT OF THE WATER AND SEWER OPERATIONS EFFICIENCY STUDY

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

The report of the water and sewer operations efficiency study as approved by the Efficiency Study Committee is hereby accepted.

This Resolution adopted this _____ Day of _____, 2013.

Approved

_____

MAYOR

ATTEST:

_____

CITY CLERK

Approved as to form:

_____

City Attorney

No Publication Required

6C

MEMORANDUM

DATE: February 15, 2013

TO: Mayor Sanders, Board of Directors, Ray Gosack, Jeff Dingman

FROM: Mitzi Kimbrough, Internal Auditor

SUBJECT: Acceptance of the Water and Sewer Operations Efficiency Study

During the February 7, 2013 joint meeting between the Fort Smith City Directors, Don Lindeman and Tom Gould with HDR Engineering, Inc. (HDR), the Efficiency Study committee, and certain City staff, the Board heard a summary of the recommendations included in HDR's presentation and report. The committee requested that the Board accept the report and recommendations and request the staff to come back to the Board with a plan and timetable for the implementation of the recommendations contained in the study.

The report and the staff's ranking of recommendations are available at this link http://www.fortsmithar.gov/internalaudit/default.aspx.

If you have any questions, don't hesitate to ask.

City of Fort Smith

Water and Sewer Operations Efficiency Study

February 2013

Final Report

Volume 1 of 2

Prepared by: HDR Engineering, Inc.

February 11, 2013

Ms. Mitzi Kimbrough
Internal Auditor
City of Fort Smith
623 Garrison Avenue, Room 522
Fort Smith, Arkansas 72902

Subject: Final Report of the City of Fort Smith Water and Sewer Utility Operations Efficiency Study

Dear Ms. Kimbrough:

HDR Engineering, Inc. (HDR) was retained by the City of Fort Smith to conduct a comprehensive water and sewer utility operations efficiency study. The intent of this study was to provide to the City an understanding of each utility's overall "efficiency" and to identify those areas where improvements may be made to improve efficiency and/or levels of service. In conducting this study, HDR used a systematic and comprehensive review process for the City's water and sewer utilities.

In providing this review, it is important to understand that "efficiency" may be defined in a number of different ways. The most obvious definition of "efficiency" is the improvement of an operation that leads to direct cost savings. While that type of "efficiency" is certainly a main focus of this study, "efficiency" can also be defined as an improvement to a process that may lead to improved levels of service, but not necessarily significant cost savings (e.g. improved financial policies that leads to a more efficient and consistent decision making process). Both of these types of "efficiencies" were considered within our review. At all times, the City should be focused on providing the highest level of service at the lowest reasonable cost. Both of these types of efficiencies capture the essence of level of service at the lowest reasonable cost.

Our review utilized and relied upon a number of different methods to gather the data and information needed to reach this study's findings, conclusions and recommendations. Among the different methods utilized by HDR in conducting this study were interviews with key management and employees of the utilities, tours of the City's major facilities by HDR's operations experts, review of major planning, financial, and operating documents, and review of key (recent) operating data and information.

HDR Engineering, Inc.

4435 Main Street
Suite 1000
Kansas City, MO 64111

Phone: (816) 360-2700
Fax (816) 360-2777
www.hdrinc.com

In summary, HDR found the utilities to be well-managed and operated. HDR has identified certain areas for potential improvement and cost savings, but HDR discovered no areas where "significant and immediate" cost savings could be captured.

HDR appreciates the assistance provided by the City and its employees in conducting this study. We found the City and its employees to be very open to this study and, as a result, greatly assisted HDR in conducting this study. In addition, as a part of this study, HDR also worked with the Citizen's Advisory Committee which was specially convened to oversee and review this study. We enjoyed the opportunity to work with the Committee and believe the Committee was fully engaged in reviewing the findings, conclusions and recommendations of this study.

Thank you very much for the opportunity to provide this study for the City. Should you have any questions concerning this study, please do not hesitate to contact me.

Sincerely,
HDR ENGINEERING INC.

Donald E. Lindeman, P.E.
Senior Project Manager

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Appendices

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Appendix C - Chemical and Electrical Usage Data
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Appendix F - Planning Tables
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1 EXECUTIVE SUMMARY

The City of Fort Smith, Arkansas retained HDR Engineering, Inc. (HDR) to conduct a water and sewer operations efficiency study. This study's goal was to identify areas in the Utility where efficiencies can be gained. HDR toured facilities, interviewed Utility staff, and reviewed documents and other existing data to get an understanding of the current efficiency level of the Utility. Then, based on this data and HDR's experience, efficiency was analyzed in the areas of organizational (business) structure, operations, planning, and the financial/rate processes.

HDR used The Capability Maturity Model to evaluate the Utility's current level of efficiency. This tool is used to demonstrate where HDR believes Fort Smith is currently positioned as an organization, and can be used to gauge future progress. The model shows that maturity can be generally described in five levels: Level 1 "No Defined Processes"; Level 2 Initial Approach; Level 3 Defined Approach; Level 4 Managed Approach; and Level 5 Optimizing Approach. The model does not suggest that every organization should be at Level 5 for all elements. As a matter of fact, the majority of water and wastewater utilities, as well as most companies in the United States, is between Level 2 and Level 3 for most business practices. Each area evaluated in this report was given a general efficiency rating:

- Organizational Structure – Levels 2-3, Initial to Defined Approach
- Water and Sewer Operations - Levels 3-4, Defined to Managed Approach
- Planning – Levels 3, Defined Approach
- Finance and Rates – Levels 2-3, Initial to Defined Approach

Specific efficiency opportunities have been identified which can aid the City in achieving efficiency goals. It is not the intent of this study to identify every single area where an improvement can be made. That is not to say, however, that potential efficiencies could not be captured from the smaller items or areas, but the final recommendations are those areas that capture the largest and most immediate gains in efficiency.

A number of efficiency improvement recommendations were compiled during the study. These recommendations can be found in the various sections of the report and the appendices. The highest priority recommendations are listed below.

HDR recommends that the Utility implement the following opportunities:

SECTION 3

- Develop an Asset Management Plan as part of the Utility Strategic Plan with demonstrated commitment from management and a system of continuous improvement.

- Include Asset Management information in the Capital Improvement Plan
- Create Levels of Service and a process for updating the targets as part of the Utility Strategic Plan.
- Improve the Utility Billing and Collection Process.
- Create a Succession Plan as part of the Utility Strategic Plan

SECTION 4

Water Recommendations

- An additional 1 log credit can be obtained for the Lee Creek Treatment Facility by utilizing a Watershed Control Program and a Combined Filter Performance standard, which do not require large capital projects to be undertaken.
- Respond more quickly to changing influent conditions through the addition of in-line raw water monitoring for turbidity and/or pH. These samples are currently lab tested and returned.
- A micro-turbine should be investigated to see if it is cost-effective to take advantage of the head from the Lake Fort Smith Water Treatment Plant.

Wastewater Recommendations

- Further investigation should be undertaken to see if using the in-line chlorine analyzer for sodium bisulfite could reduce the quantity of chemical used.
- The P St Plant could increase electrical efficiency through the addition of VFDs to blowers (if possible with operating conditions) and in-plant water pumps.

SECTION 5

- Assess project management and staffing needs.
- Examine unaccounted for water and better identify areas of unaccounted for water.

SECTION 6

- Continue collecting and developing performance measures. The Utility can compare its performance to its past performance as well as to similar Utilities. The Carnegie Mellon Capability Maturity Model can be used to assess the Utility's performance from year to year. HDR has provided an initial assessment that can serve as a starting point (refer to Appendix A). The Utility should collect data for the performance measures that have been identified for tracking.
- The City should develop a set of financial and rate-setting policies to guide the decision making processes for the utilities. Most importantly, at a minimum the policies should address:
  - ✓ Reserve funds and minimum target balances

- ✓ Funding renewal and replacement infrastructure projects at a minimum level equal to depreciation expense; gradually implementing this policy to avoid rate shock
- ✓ For financial planning purposes, establish a target DSC ratio, above the minimum required rate covenant
- ✓ Establish debt financing policies and targets, and review debt equity ratios.
- ✓ Consider system development charges (connection charges) for both utilities

- Develop a long-term financial planning model (e.g. 10 – 20 years) to better understand the financial and rate implications of the City's long-term financing strategy and the issuance of debt.
- Continue to pursue outside funding sources for capital projects, grants and low-interest loans, to aide in keeping rates as low as possible.
- The rate model results presented to Council should provide an affordability test to help provide a context as to the appropriateness of the level of the rates.

2 INTRODUCTION AND OVERVIEW

2.1 INTRODUCTION

The City of Fort Smith, Arkansas engaged HDR to conduct a comprehensive water and sewer operations efficiency study. The objective of this study was to gain an understanding of the overall efficiency of the water and sewer utility by reviewing, in a systematic manner, the organizational (business) structure, operations, planning, and the financial/rate processes. Through this systematic review process, HDR was able to gain an understanding of the water and sewer utility's current level of operational efficiency.

HDR's review of the City's water and sewer utility has placed the utilities in the context of industry best management practices, along with the current trends of the industry. As a part of this study, HDR assembled a group of professional industry experts, with a wide variety of skill sets, to provide this review. The review utilized and relied upon a number of different methods to gather the data and information needed to reach this study's findings, conclusions and recommendations. Among the different methods utilized by HDR in conducting this study were interviews with key management and employees of the utilities, tours of the City's major facilities by HDR's operational experts, review of major planning, financial, and operating documents and review of key (recent) operating data and information.

2.2 DEFINING "EFFICIENCY"

"Efficiency" can be defined several ways. The most obvious definition of "efficiency" is the improvement of an operation that leads to direct cost savings. While that type of "efficiency" is certainly a main focus of this study, "efficiency" can also be defined as an improvement to a process that may lead to improved levels of service, but not necessarily significant cost savings (e.g. improved financial policies that lead to a more efficient and consistent decision making process). Both of these types of "efficiencies" were considered within this study. At all times, the City should be focused on providing the highest level of service at the lowest reasonable cost. Both of these types of efficiencies capture the essence of level of service at the lowest reasonable cost.

2.3 STUDY DEVELOPMENT

As the first step in the evaluation process, HDR conducted an initial series of interviews with key Fort Smith management team members, collected and reviewed data, and a held a series of workshop interviews focused on business processes. The business processes discussed can be generally organized as follows:

- Finance Billing and Collection
- Customer Complaints and Interface
- Condition Assessment
- Capital Improvement Project (CIP) and Financial Planning
- Maintenance Management Distributed Assets
- Mapping and System Information/Documentation
- Treatment Plant Operations and Maintenance (O&M) Management
- Regulatory Reporting and Regulator Interface Management
- Human Resources/Training/Safety
- Overflow Response - Corrective Action, Cause Analysis, and Sampling Reporting

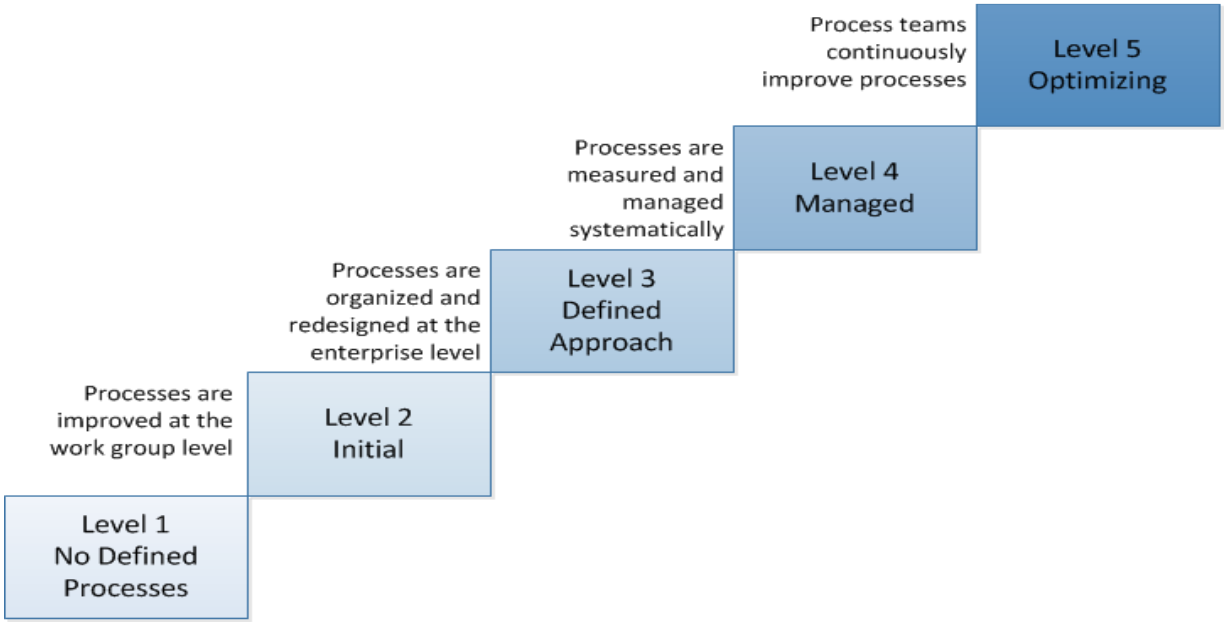
During the data review, interviews, and workshops with staff, the HDR team reviewed the organizational structure, operations, planning, and finance to better understand and define the levels of responsibility for managing the utility's activities, strategic goals, operations, and business processes. The information gathered was organized around thirteen utility business practice categories, which are listed below:

1. Business Strategy
2. Customers
3. Planning
4. Engineering
5. Communication
6. Operations
7. Asset Knowledge
8. Maintenance
9. Condition Monitoring
10. Capital
11. Administration
12. Financial
13. Business Information Systems

These 13 business practice categories were used as part of a maturity model to evaluate the efficiency of the Utility. The model HDR used in this evaluation is based on The Capability Maturity Model (CMM) (a registered service mark of Carnegie Mellon University). This tool is used to demonstrate where HDR believes Fort Smith is currently positioned relative to 138 specific evaluation elements, which make up the thirteen utility business practice categories. Figure 2-1 presents a schematic of the Capability Maturity Model. The model shows that maturity can be described as from having "No Defined Processes" (Level 1) to "Optimizing" processes (Level 5). The model does not suggest that every organization should be at level 5 for all elements. As a matter of fact, the majority of water and wastewater utilities, as well as most companies in the United States, are between Level 2 and Level 3 for most business practices.

For some elements it may be desirable to be at a Level 5, where as being at Level 2 for others may be appropriate and acceptable.

Figure 2-1 – The Capability Maturity Model (Carnegie Mellon University)



Level 5	Optimizing	Processes continuously improve and refinements are made with documented standards and procedures
Level 4	Managed	Processes are managed with quantitative measurements defined and used for setting quality standards
Level 3	Defined Approach	Most processes organized with defined systems supported with a repeatable approach that is documented and communicated within the organization
Level 2	Initial	Some organized processes, but without a systematic approach
Level 1	No Defined Processes	Total unawareness of the processes within the organization

Based on the data received from the City, and HDR's experience in conducting these studies, a maturity model was developed for Fort Smith for the 13 different business practice categories. An example of how the information for each category was evaluated is presented in Figure 2-2 and explained in the following discussion. The ranking of the Utility for the 13 business practice categories is discussed in the subsequent sections. The entire evaluation for all 13 categories can be found in Appendix A.

Using the available information, a ranking was given to each category element. When the individual elements are evaluated overall, they provide an idea or relative basis of where the Utility is with regard to a specific business category. It is important to note that debating if a

single element should be given a specific score is not as important as looking at the overall trend across the elements. In addition, as previously mentioned, many elements may only require operating in the "Defined Approach" and "Managed" Levels, meaning that a score of "30" in many cases may be acceptable and appropriate. Trends identified from the elements are a "snapshot" of where HDR believes the City's utilities are today. Goals can be added to the maturity model matrix, to chart progress (annually) and help the utilities determine where it wants to operate at in the future, and begin thinking about the means of achieving those goals.

Figure 2-2 – Example of the Maturity Model Developed for Fort Smith

Attribute	Score	Utility Business Practice Category			
		Element A	Element B	Element C	Element D
Optimizing	100				
	90				
	80				
Managed	70				
	60				
	50				
Defined Approach	40				
	30				
Initial	20				
No Defined Processes	10				

HDR has identified, in this report, specific efficiency opportunities that can aid the City in achieving efficiency goals. It is not the intent of this study to identify every single area where an improvement can be made. That is not to say, however, that potential efficiencies could not be captured from the smaller items or areas, but the final recommendations are those areas that will capture the largest and most immediate savings or improvements.

2.4 OVERVIEW OF THE REPORT

This report is divided into a number of different sections. These sections discuss the main areas of each utility reviewed in the efficiency study, along with the recommendations of the study. An overview of the various sections is as follows:

- Section 3 – Review of Organizational Structure
- Section 4 – Review of Water and Sewer Operations
- Section 5 – Review the Planning Process
- Section 6 – Review of Finance and Rates
- Section 7 – Citizen's Advisory Committee
- Section 8 – Summary of Recommendations

3 REVIEW OF ORGANIZATIONAL STRUCTURE

3.1 INTRODUCTION

The first area reviewed within the City of Fort Smith (City) water and sewer utilities (Utility) was the organizational structure. An organizational structure is the framework in an organization that identifies lines of authority, communication and responsibility. The structure is for the individuals as well as the business units. The organization should be structured in such a manner as to efficiently achieve its overall strategic goals. This is accomplished by identifying the organization strategic goals, communicating them to all levels of staff, providing the tools to meet the goals, and providing performance measures for each job that allows feedback on progress.

The Utility's overall organization structure is a formal hierarchy. Formal hierarchies are typical in public organizations. They provide a basis for understanding authority levels and responsibilities, as well as delegation and lines of commands. Groups within the Utility also exhibit characteristics of functional structures, divisional structures, and matrix structures. The structure helps facilitate efficiency through specialized sets of tasks that focus on specifics of water or wastewater, as well as enhancing collaborating on cross functional activities.

For this study, the organizational structure was evaluated on the strategic level, business process level, and staffing level to better understand and define the levels of responsibility for each, look at how people see and value their roles in performing processes, and meeting the strategic goals, and identifying potential improvements.

3.2 STRATEGIC LEVEL

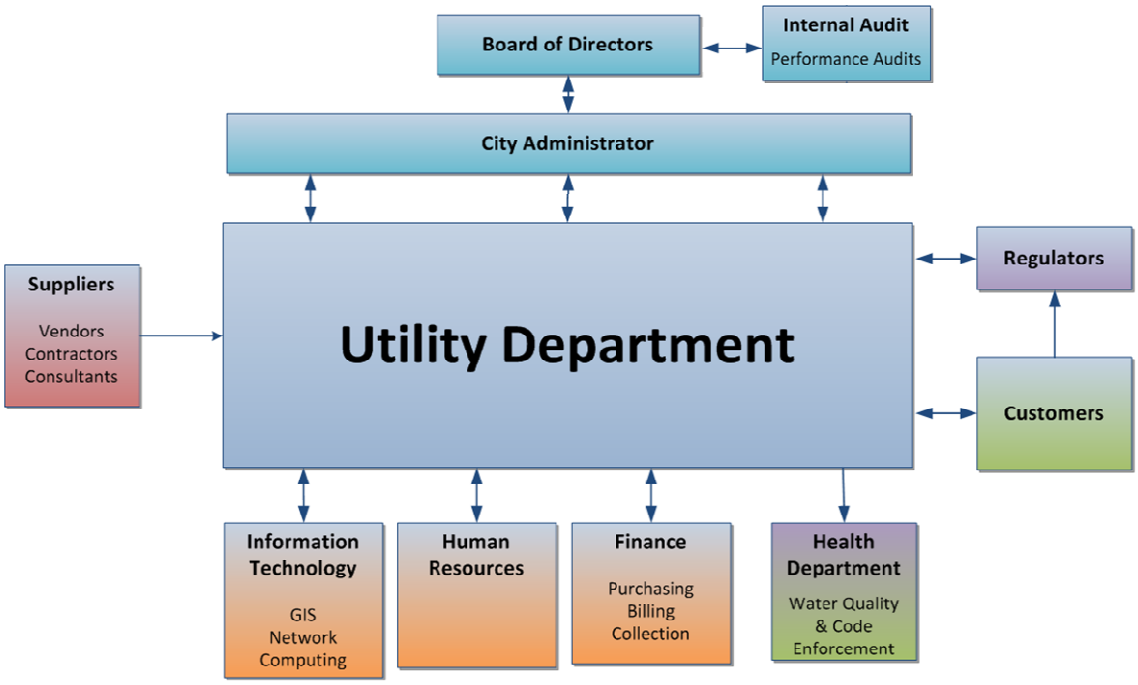
The strategic level includes development of overall goals, identifying levels of core services, and monitoring organizational performance. The strategic goals and high level business processes within an organization affect it at the highest level. An important part of this review was to look at how accountability was managed and to see how people use information systems to meet the goals of the organization. This section discusses the current positive business practices and major management and implementation obstacles of the Utility. The areas that were reviewed are in terms of business plans, business goals, levels of service, and organizational performance.

3.2.1 Interdepartmental and External Relationships

When evaluating the efficiency of a utility, it is first useful to define the business roles, interactions, and responsibilities, as these contribute to the utility's overall efficiency. Key

interactions need to happen at multiple levels in order for the utility to function. Figure 3-1 provides an overview of the priority interfaces.

Figure 3-1 Fort Smith Utility Department Key Business Interactions



Internal City support services are provided to the Utility by Human Resources, Finance, and Information & Technology Services departments. External entities such as vendors, contractors and consultants also provide support services to the Utility. The Utility provides services directly to its customers. There is also an interface between the Utility and regulators (i.e. State of Arkansas). This interaction includes the Utility regularly providing information to the Health Department for compliance monitoring. The Utility also has strong interfaces with the Internal Audit Department, City Administrator, and the Board of Directors.

3.2.2 Business Plans

The Utility is developing a Strategic Management Plan, which will include meeting regulatory requirements, developing target levels of service, and strategies to manage service expectations. This Strategic Management Plan should outline the direction for the Utility in 5, 10, or 20 year increments. The strategic plan is an important document to be used to measure efficiencies in an organization, thereby ensuring that the organization makes progress towards its maturity goals. A strategic plan considers not only how utility issues may affect the local economy and business sectors, but how their activities may affect the Utility. Stakeholder involvement and support is essential for the strategic plan to be successful, this includes elected officials, customers, Utility staff, and outside service providers.

Master plans also support the Utility's Strategic Plan. Up-to-date master plans are important and should include capital improvement plan (CIP) recommendations. From the master plans and annual system needs analysis, an annual CIP should be developed. More detailed information on CIP development can be found in the Planning Section (Section 5).

3.2.3 Business Goals

The Utility currently has business goals to meet customer expectations and government regulations at a reasonable cost. The Utility uses State-defined levels of service (regulatory requirements), but does have stated service level goals.

The Utility has indicated that one of its goals is to have continued communication and input from its customers and stakeholders. The Utility has a redesigned web site in place for external communication as well as links to social media. The website social media communicate information about each utility, its business, and current information on water quality, industrial users, and the City's water conservation policy. The City also successfully communicates regulatory requirements monitored by the Utility's Laboratory Services and Industrial Sewer Monitoring by reporting to the U.S. Environmental Protection Agency (USEPA) and the Arkansas Department of Environmental Quality (ADEQ).

3.2.4 Levels of Service

Levels of service are communicated through water quality reports issued annually, which meet regulatory requirements and inform citizens of the quality of water being provided. The level of service for the wastewater utility is currently being defined through an administrative order with the USEPA and ADEQ.

Proper planning for future regulatory requirements and identifying potential risks are important in defining levels of service targets. This planning and risk identification will help avoid problems that could prohibit the Utility from meeting its level of service goals in the future. Proper risk mitigation includes maintaining and improving the system over time to be in the best position for meeting future regulatory requirements.

3.2.5 Strategic Level Summary

The overall efficiency rating for the strategic level business operations is a "Defined Approach". The Utility has defined level of service goals and is working to meet regulatory requirements for wet weather. Risk quantification would allow the Utility to progress to a more "Managed Approach". Below is a summary of key points regarding the Strategic Level review:

- The organizational structure of the Utility is a formal hierarchy with internal groups of divisions, and matrix structures. The organizational structure allows for:

  - delegation of responsibilities and authority to effectively perform complex activities,
  - defining lines of delegation and communication,
  - specialization, and collaboration,
- Key relationships that contribute to the Utility's overall efficiency include:
  - Customers,
  - Board of Directors,
  - Human Resources,
  - Finance,
  - Information & Technology Services,
  - Internal Audit, and
  - Administrator departments,
  - External vendors,
  - Contractors, and consultants; and regulatory agencies.
- The Utility is developing a Strategic Management Plan to align long-term activities and resources on strategic goals that support the Utility mission.
- The Utility currently has business goals to meet customer expectations and government regulations at a reasonable cost, but does not formally define levels of service outside regulatory requirement.
- The Utility has no documented plan for identifying and quantifying risk.
- Information about customer service and the various metrics is not normally communicated back to the customer, other than in the annual report type of format for water quality.
- Customer surveys are not typically done or found to be necessary.

See Section 3.5 for strategic level recommendations.

3.3 BUSINESS PROCESS LEVEL

The business process has a strong emphasis on how work is done in an organization. It includes process goals, how the processes support the organizational and process management.

3.3.1 Key Processes

3.3.1.1 Engineering

Engineering is a business process that addresses the physical assets of the Utility which includes the areas identified in the following sections.

3.3.1.1.1 Project management

Project management includes project prioritization, construction management, and tracking. The Utility has a staff of three engineers dedicated to project management with a fourth

position open. Currently the staff project engineers have to deal with day-to-day activities and do not have time to look at long-range planning. With projected infrastructure improvements, it appears the Utility is understaffed to manage all the work on the books. To complicate this issue, there is no additional office space for staff at the Kelly Highway Facility.

3.3.1.1.2 Collection system and distribution system maintenance

The Utility performs most of its own maintenance on the sewer collection and water distribution systems, but can call in private utility contractors as needed. In addition to actually performing the work, maintenance includes the management of the staff and maintenance of the fleet.

Maintenance also includes preventative programs. These include industrial sewer pretreatment, water meter replacement, and root cleaning programs. The industrial pretreatment program is active, while root cleaning program appears to be less emphasized, likely due to the volume of work. A Fats, Oils, and Grease (FOG) program is not yet established, and there is currently no preventative maintenance program for roots. Finally, meter change out staff appears to be insufficient to keep up with program requirements.

3.3.1.1.3 Planning

The need for or asset replacement or projects is anticipated in advance and arises from master plans. New assets are created based on needs of the users or as the result of a historical problem. Master plan is generally done every 10 years with three criteria; integrity, expansion, and capacity. There is both a Water Master plan (1998) and a Sewer Master plan (1993 and being updated this year (2012)).

A more thorough discussion of planning can be found in Section 5.

3.3.1.1.4 Condition assessment

Condition assessment includes condition scoring, tracking, strategy, and corrective actions taken. Efficiency in this area is not having infrastructure in excellent condition; rather, it is understanding the existing conditions and having a method of repairing and replacing failing infrastructure in a timely and cost effective manner.

There is a general condition assessment program for sewer lines in place as part of the administrative order. This involves things like closed circuit televising (CCTV) sewer lines to identify defects. The administrative order calls for an evaluation of infiltration and inflow (I&I) and prioritization of needed improvements that are identified.

Closed circuit televising (CCTV) of sewers is done during sewer evaluation projects and on an as-needed basis. Defects are not captured in Lucity unless they are severe enough to require a work order. Cleaning is normally done as part of the CCTV work.

There does not appear to be an active condition assessment program for water infrastructure. At this time, there is no tracking of the condition of waterlines as they are exposed for repair or new service installation. Crews will take a coupon of the waterline, during a tap for a 2" or larger service, but it is not clear how this information is used. What is known is that a significant portion of the distribution system is over 100 years old. There are currently no plans to replace this pipe.

3.3.1.1.5 Data management

Data management is handled through several different systems. The primary systems are Lucity, GIS, AutoCAD, and Microsoft Office products. A disconnect exists between Lucity, GIS, and AutoCAD which prevents data from being easily accessible for analysis and maintenance activities. Information systems are discussed in more detail later in this section.

3.3.1.1.6 Inventory

Inventory is known to varying degrees within the Utility. Inventory for line maintenance activities is well known and tracked in Lucity. This allows critical parts to be re-ordered when required and prevents excessive storage and product expiration. It allows for timely ordering of additional spare parts.

It was reported that the water and sewer treatment plants have spare parts on hand, but are not tracked to the same degree in Lucity or stored in designated locations at each plant. Spare parts lists do not appear to be kept up-to-date.

3.3.1.1.7 Customer complaints

Customer complaints currently come from multiple locations, including the Finance Department a utility System Caution Center calls, the Utility's website, the laboratory, or the City crews in the field. Complaints may be logged in the Utility Billing System or Lucity, depending on the origin. There is currently no method to track a complaint's origin or time from the time it comes in to when the complaint is resolved. There is currently no way to measure customer service efficiency. Staffing is limited to take calls, and staff receives many calls unrelated to the Utility.

3.3.1.2 Meter Reading/Billing/Collection

Customer service, meter reading, billing, and collection are the most common ways in which the utilities interact with the customer. The meter reading, billing and customer information system, and collections are all handled by separate entities. Their general functions and relationships are described below:

3.3.1.2.1 Utility Responsibilities

- ✓ Customer Service

Overall, there are several areas in which the Utility is doing well regarding customer service. It was apparent from HDR's conversations with City staff that the Utility wants to be easy to work with, and wants to go above and beyond in this area. The Utility is also updating its website, which when completed, can be a resource used to answer frequently asked questions.

It is important to note that the Finance Department also handles customer service matters regarding turning on or off water service, establishing and closing customer accounts, and handling customer complaints.

- ✓ Meter Reading

Meter reading is an important function in all utilities. Accuracy and timing of readings are typically perceived by customers as key issues. Efficiency is determined in this area by measuring customer satisfaction, as well as the accuracy of metering and billing. Meter reading is conducted by the Utility. There are eight full time meter readers covering 158 assigned routes which are periodically rotated through. Meter readers enter meter data into Itron handheld computers. Meter readers have accuracy goals of no more than two reading errors per day, which provides for some ability to measure performance.

- ✓ Meter Installation and Repair

New meter installation is handled by the Utility. Tap requests are initiated at the Utility Records Office by builders, contractors, or customers. The Records Office sends a tap order to the Water Line Maintenance Supervisor and the Finance Department. The order is carried out and data is entered into Lucity and the Utility Billing System (UBS).

The need for meter repairs can be identified through meter readings, customer complaints, or staff observations in the field. The repair request is forwarded to the Utility where it is carried out. Data for the repair is entered into the UBS.

There is overlap in responsibility between the Finance Department and the Utility. Issues with meters in the field are sometimes handled by first-responders from the Finance Department. If it is an issue beyond their capability, they will notify to the Utility.

- ✓ Service Terminations

Service terminations are conducted by the Utility in rural areas and when meters larger than 2-inch are involved. The Finance Department requests the Utility terminate the service, after service termination, the Utility sends the information to Finance to close the customer account.

3.3.1.2.2 Finance Responsibilities

- ✓ New Customer Account Requests

  Requests for new customer accounts are taken and entered into the UBS. A meter installation request is created and sent to the Utility if the meter removed from the meter box was larger than 5/8-inch. The Finance Department will set up a time to turn on the water, activate the account and get the initial meter reading.

  The Finance Department refers all requests for new taps to the Utility.

- ✓ Maintenance Requests

  The Finance Department is the first responder for customer billing complaints regarding a customer's meter. They will resolve the issue unless it is beyond their capability, in which case the Utility is notified.

- ✓ Service Terminations

  Service terminations are the primary responsibility of the Finance Department. Terminations are routinely handled without assistance from the Utility for 2-inch and smaller meters within Fort Smith and the South Sebastian Service Area. When the meter is in a rural area or is larger than 2inches, the Finance Department requests the Utility terminate the service, after which, the Utility sends the information to Finance to close the customer account.

- ✓ Collection

  The Collection Department verifies the bills have been paid. Billing information is input into the UBS by the Finance Department.

3.3.1.2.3 Data-Tronics, Inc. Responsibilities

The billing and customer information system is handled through a 3rd party vendor, Data-Tronics, Inc. Data-Tronics has been used since 1974 at a cost to the Utility of approximately $600,000 per year. The Utility uploads meter readings from the Itron meter reading system into the Data-Tronics Utility Billing System (UBS). The UBS allows Data-Tronics to generate bills, and the UBS is integrated with the City's accounting system that is also provided by Data-Tronics. Data-Tronics uses Arkansas Business Freight to print and send the bills to the Utility's customers.

3.3.1.3 Information Systems

Business information systems are those systems that allow employees to carry out their duties each day. Systems include hardware, software programs, and how these software programs are implemented into the activities of the utility.

Communication within the Utility is critical, and it appears that generally staff has the technology they need to perform their duties. Staff has reliable computers, new operating systems and Microsoft Office Products, and a reliable internet system. Files and information are shared via a shared drive and SharePoint server. Most users have mapped common drives on their computers for easy file transfer.

Lucity is the computerized maintenance management system (CMMs) used by the Utility. This high-powered system was installed in 2009 and in some instances, it appears the system is used effectively. One example would be the line maintenance teams. Lucity is used for work orders, tracking of the cost of materials, and inventory tracking.

One of the key roles of information systems in a utility is the organization and storage of asset knowledge. Assets need to be identified, categorized, and entered into information systems. Asset criticality within the Utility is intuitively known, but not always documented. Documentation would protect the Utility from losing institutional knowledge when there is staff turnover.

Currently, the Utility has several information systems which are used to document assets. The primary software programs are Lucity, ArcGIS, and AutoCAD. All three of these systems could work together (AutoCAD can be imported into GIS which can serve as the geodatabase for Lucity), however, at the current time they are still being used independently of each other. Staff also reported that there are not enough people to input data into Lucity, or to map the system in GIS. Without a larger emphasis on data collection and entry, an in-depth asset management system cannot function properly.

3.3.2 Procedural Documentation

Documented operating procedures are crucial in utilities with aging staff. Documentation of procedures allows the utility to “capture” the knowledge of the existing staff. This protects the utility and the knowledge contained within it when employee turnover occurs. Procedural documentation allows new employees to more quickly understand processes and reproduce them.

The Utility and Finance Department have documented procedures and use them for new services, billing and collections. The documentation is in the form of flow charts, which takes one through the steps encountered in new services, billing and collections. Examples include requesting a new water meter service, or paying a bill by credit card over the phone. A new

staff member could see these charts and with minimal training, have a decent idea of the process. There are other examples of procedural documentation throughout the City, including the process of reverse bidding for chemicals.

Procedural documentation can also be applied to the support services outside of the organization. For example, the development of a Standard Operating Procedure (SOP) defining electronic data submission standards (AutoCAD or GIS Standards) could be prepared and given to consultants, so the Utility would have consistency in the electronic data.

3.3.3 Business Process Summary

The overall efficiency rating for the business process operations is a "Defined Approach". The Utility and Finance Department have defined procedures and protocols for such items as the billing and collections process. The Utility is also doing some condition assessment planning and documentation as part of the administrative order. Standardizing more procedures and capturing additional data in the Utility's existing information systems would allow the Utility to progress to a more "Managed Approach". Below is a summary of key points regarding the Business Process Level review:

- The Utility has a Water Master plan and a Sewer Master plan that are being updated.
- The Utility has a general condition assessment program for sewer lines.
- Utility personnel perform most of the maintenance on the water and sewer infrastructure, maintenance of the fleet, and management of staff.
- Eight full time meter readers read 158 routes each month with a goal of only 2 errors per day.
- There are three Utility engineers, which is insufficient to manage the pending, projects.
- There is no additional office space at the Kelly Highway facility.
- Water meter change out staff is insufficient to effectively change out old meters.
- A significant portion of the distribution system is over 100 years old, there is no active condition assessment program or a plan to replace the water distribution system.
- The sewer industrial pretreatment program is active and root cleaning less active. There is no preventative maintenance program for roots in sewers.
- The Utility does not have a sewer Fats, Oils, and Grease (FOG) program.
- The Capacity, Management, Operation, and Maintenance (CMOM) program appears to be understaffed.
- The Utility generally has the technology needed, such as reliable computers, new operating systems and Microsoft Office Products, a reliable internet system, file server, and SharePoint server.
- The Utility uses Lucity, ArcGIS 10.2, AutoCAD and stand-alone data bases for data management, but these systems are not fully integrated with each other.
- There are not currently enough resources to set up and manage GIS within the Utility. This limits effective in-depth asset management.

- Lucity effectively tracks parts inventory for line maintenance activities, but not for the treatment plants.
- The Utility and Finance Department have documented procedures and use them for new services, billing and collections.
- Customer complaints currently come in to multiple locations in both the Utility and the Finance Department and are logged in the Utility Billing System (UBS) or Lucity; however, a complaint cannot be tracked from the time it comes in to when it is resolved.
- There is currently no way to measure customer service efficiency.
- The Utility cannot analyze incoming calls, such as, number of calls, customer wait time, rings before answering, missed calls, etc
- The Utility is doing well in several areas of customer service (e.g., easy to work with, responding to customers); but Utility staffing is insufficient to handle the quantity and diversity of calls, many of which are unrelated to the Utility.
- Utility Control Center personnel have very limited space to work.
- Meter repair work orders can originate at both the Utility and Finance Department and are identified through meter readings, customer complaints, or staff observations in the field
- New service taps and responding to meter leaks are primarily handled by the Utility.
- Billing complaints, collections, and service activation and termination are primarily handled by the Finance Department. There is a sense of reluctance to turn off water service for delinquent accounts.
- Billing services and customer information are handled by the Finance Department using the UBS.

See Section 3.5 for business process level recommendations.

3.4 STAFFING LEVEL

Staff has a set of defined job-related goals and also has roles in a variety of processes that include performance measurements and feedback to meet the organizational goals. The review of staffing includes examining employee performance, succession planning, and training. Staffing efficiencies are primarily focused on enhancing communication within an organization.

3.4.1 Performance

The goal of any organization is to have efficient and effective employees. This requires a process of continual improvement, goal setting, and evaluation. The formal instrument organizations use for continual improvement is a performance appraisal. Once strengths and weaknesses are identified, an organization can begin to train its employees in their areas of need, and then, at a minimum, evaluate them on an annual basis.

3.4.1.1 Performance appraisals

Employees need feedback on their job performance. A lack of feedback is often interpreted as an approval of performance or attitude. Performance appraisals are the tool used to compare the employee's performance to the requirements of the job and provide positive or negative feedback. Thus, an appraisal is only valuable if the employee understands his/her expectations. A quality performance appraisal should contain the following items:

- Assessment of work performance against established expectations
- Justify caution of salary changes
- Establishment goals for the next period
- Identification and discussion of employee's work-related concerns
- Review of career objectives

A performance appraisal is also an excellent time to discuss training opportunities or additional resources which would better allow him/her to perform their job.

Employers should be able to assist employees with career development, establish measurable goals, measure the achievement against the goals, recognize employee achievement, and provide solutions for the employee if goals are not met. Adequate opportunity should be provided for employees to improve their performance. Communication (either written, verbal, or both) should be used to inform the employee of their performance between formal appraisals, especially if positive change is not occurring.

The Utility uses the City's Employee Evaluation Program to provide each employee formal feedback on his/her individual job performance and set goals for the next year. The employee provides his/her self-evaluation to the immediate supervisor, who uses the employee's input to draft the supervisor's evaluation of the employee's performance. The supervisor forwards the draft evaluation up the Utility hierarchy for collaboration at all management levels. After the draft evaluation is revised to its final state, the supervisor reviews the evaluation with the employee to assure the employee understands the evaluation and ways to enhance performance. This becomes the employee's official annual performance evaluation and in part determines salary or wage changes.

3.4.1.2 Training

Training consists of on-the-job training as well as a developed orientation and training program for new hires to improve their odds of success. While not all employees will be successful, the lack of documented training and communication of expectations for employees are often cited when there are difficulties between employees and supervisors.

Training must first start with a commitment from management to devote the necessary budget to provide a quality program. Part of having a quality training program is having standard

operating procedures to present information in a clear and concise way; one that makes efficient use of training time.

Topics of training programs can vary from OSHA and safety requirements (which the Utility currently participates in) to those required by a City or State Agency, or those required by a specific employer. Other training programs can be job-specific. Training topics can also originate from employee suggestions during performance appraisals. It is important that training be available, and that when appropriate, employees are cross trained. Cross training helps spread institutional knowledge and provides flexibility to an organization in the case of an extended employee absence, particularly in smaller utilities.

The Utility provides new employee orientation, on-the-job training, and for some positions, specialized formal training. The City also provides an employee education benefit to encourage employees to further their knowledge through formal education.

New hires receive both a general orientation and specific safety training. The Human Resources Department provides employee general orientations. This includes training on City policies, employee benefits, and general conditions of employment. The Utility's Training and Safety Coordinator provides safety training specific for the position that the employee fills. Topics include personal protective equipment, confined space entry, chemical right to know, and worksite traffic control. Employees transferring into a position also receive the appropriate safety training for that position.

Additional safety training is provided to employees from time to time as needed. This includes training for lift truck operators, overhead crane operators, excavation safety, emergency response, CPR, defensive driving, dog safety, workplace harassment, etc.

Also, specialized formal training is available to employees who are required to obtain or maintain specific certifications or licenses. This includes water and wastewater licenses, professional engineer licenses, and backflow preventer licenses.

3.4.2 Succession Planning

Utilities have a higher than normal risk when they have a high average worker age, with many long term employees (less than 10 years till retirement), minimal training budgets, lots of institutional knowledge, and no plan for transferring the knowledge. This risk is that the knowledge, efficiencies, and even the ability to function as a competent organization could be lost if certain key members of the organization were to leave at once. Implementing a succession plan is one key to easing the transition as employees retire.

The first step is to develop a succession plan, outline its key objectives and priorities, and implement. The Utility has a significant amount of institutional knowledge that needs to be

recorded. Knowledge regarding repair procedures, current maintenance practices, location of valves, age of certain infrastructure, and location of underground facilities is critical to document and preserve for future employees. There are a number of ways to capture this knowledge, including:

- Videotaping and photographing repair procedures
- Teaming experienced staff with younger members
- Job rotation/cross training
- Double fill positions where staff are planning on retiring
- Updating maps or as-constructed drawings

Succession planning and the opportunities for training that result are available only for a time.

3.4.3 Organizational Staffing Summary

The overall efficiency rating for the business process operations is a "Defined Approach". The Utility currently conducts annual performance reviews, in which each employee is assigned a score. Input is taken from the employee and then modified by the supervisor. The Utility also provides paid training to its staff, and has a training log for each staff member. The Utility could mature to a more "Managed Approach" through the development of a succession plan. Below is a summary of key points regarding the Organizational Level review:

- The Utility's workforce is getting older and many people could start retiring in the next few years.
- The Utility encourages cross training within programs but has no formal cross training plan.
- The City does not have a succession plan.

See Section 3.5 for organizational staffing level recommendations.

3.5 ORGANIZATIONAL STRUCTURE PRIORITY RECOMMENDATIONS

Section 3 of this efficiency study reviewed the organizational and business practices within the context of the Utility organizational structure. It was not the intent of this study to identify every single area where an improvement might be made. That is not to say that potential efficiencies could not be captured from the smaller items or areas, but the City should begin with those areas that will capture the largest and most immediate savings or improvements. Over time, the City can work on identifying the smaller areas for efficiency improvements and savings as part of its continuous improvement effort. Refer to Appendix B for non-priority recommendations.

HDR has identified the following priority recommendations summarized from the strategic level, business process level, and staffing level evaluations in Table 3-1. Each recommendation includes advantages, challenges/risks, and estimate capital cost and annual return, as appropriate. Due to the limited scope and depth of this study, some recommendations might require a detailed study or additional analysis to better understand and refine the needed capital improvements, potential costs of investment, and the potential savings.

Table 3-1 - Organizational Structure Priority Recommendations

Overall Recommendation	Recommendation	Advantages	Challenges/Risks	Capital Cost	Annual Return
Develop an Asset Management Plan as part of the Utility Strategic Plan with demonstrated commitment from management and a system of continuous improvement.	Allocate the resources necessary to conduct the Asset Management Team's (AMT) work through the first full year. A plan should be developed to integrate GIS with Lucity and should include the cost for data migration (example: AutoCAD to GIS), testing and staffing to support the system.	Efficient data management is the first step necessary for condition and risk assessments	Requires employee time and buy-in from organization; lack of current staffing/knowledge	Mgmt Team Assumptions: Team of 4; Consists of Sr. Proj Eng, Utility Tech, Records Coordinator, and Construction Supervisor at average hrly rate of $24/hr per Wage Study Pay Grade; 4 hrs/month/person = $5,000/yr; 2 FTEs for first year at $24/hr = $100,000; $105,000 Total	Uniform input requirements for Utility Department
Include Asset Management information in the Capital Improvement Plan	Implement a formal asset management plan and risk quantification for the capital improvement plan.	Asset management and risk quantification plans will allow the utility to assign its resources based on a quantifiable and repeatable process.	Asset management and risk quantification requires time and effort, especially to gather data (quantified in other recommendations)	Cost of plan would likely be approximately $500,000	May increase capital budget if it is found that assets are not being replaced on time. Annual cost savings in operation budget could approach 20% per year
	Lucity should be connected to a geodatabase and integrated with GIS.	Fully integrating Lucity and GIS would maximize the program's capabilities and consolidate data. Data would be more accessible.	There are not currently enough resources to set up and manage GIS within the Utility.	1 FTE at a mid-level pay grade	10% efficiency in labor cost for analysis or roughly $10,000 per year; Payback period of 6 years.
	Information systems need to transition to having a primary role in supporting asset management practices.	Asset management practices are only as good as the knowledge the decisions are based upon. Information systems provide access and organization for the institutional knowledge.	Time and money are required to set up the information systems. Asset management practices must be established.	$125,000 to develop an asset management program	May increase capital budget if it is found that assets are not being replaced on time, currently. Annual cost savings in operation approximately 20% per year; Payback period of 7 yrs.
	Pilot test and evaluate the use of handheld technology to improve data entry and integrity of data within GIS. The input of data can cost as much as the software system. For example, handheld devices can be used to locate infrastructure in the field, and the data can be loaded directly into the GIS system.	Directly input information from the field into GIS system	Equipment is costly; Need to determine accuracy needs; some training would be required	Accuracy affects cost; Most accurate Tremble handheld (with software) is $10,500; costs decrease if multiple handhelds are purchased	Increased data entry into Lucity will result in more accurate records.
	Develop a requirement for standardized submittals to the Utility. Construction plans should be provided to the City in a format that can be readily input into GIS.	Standardization saves time and effort; allows City to more easily import data	Must come up with agreeable protocol; Must find staff time/money to create protocol; must find way to get input from all employees and software vendors	1/4 FTE at mid level grade with provisions for review by upper management	Savings of $5,000 per year in not having to coordinate/revise data to fit data management systems; Payback period of 2 yrs.
	Provide operation and maintenance staff SOPs to ensure data provided from maintenance activities can be easily input into asset management databases.	Standardization saves time and effort; allows City to more easily import data	Must come up with agreeable protocol; Must find staff time/money to create protocol; and get employee buy-in.	1/8 FTE at mid level grade with provisions for review by upper management	$2,500 per year; Payback period of 2 yrs.
Create Levels of Service and a process for updating the targets as part of the Utility Strategic Plan.	Develop specific service level targets for the water and sewer utilities. Capture the required data to begin measuring service level targets.	Setting level of service targets allow the utility to determine goals for the service it provides, receive feedback on the service it provides, and compare it to the costs of providing different levels of service.	Requires some data, including customer expectations and cost of service.	Developing a level of service analysis, acquiring data and determining levels of service targets would cost approximately $20,000	Prioritization of goals and actions would reduce risk by $20,000 per year
Improve the Utility Billing and Collection Process.	Re-evaluate the implementation of AMI and how it would impact customer service and revenue over an 8-10 year period. Focus first on those areas which require the longest time per account.	AMI would provide significant improvements in efficiency in the meter reading process, and provide the City with greater ability to communicate consumption information to its customers, which can be beneficial in encouraging conservation via customer feedback.	City would need to conduct a detailed study of the various AMI technologies and select the most appropriate system (e.g. drive-by vs. fixed network). The funding and financing of AMI could be a major hurdle to implementation.	Total capital cost can vary significantly depending upon the technology selected and whether meters are replaced, or simply a meter interface unit added. Other AMI studies have indicated capital costs in a range of $450 - $550 per meter (includes a new meter).	Other systems have shown a 15% to 30% return on investment. A more detailed evaluation of the City's system, needed investments, and cost savings would be needed to confirm those anticipated levels of return on investment. Other water systems evaluated have shown a payback period of 10 to 15 years depending on the specific technology investment and operational savings. The assumed useful life of a metering system is 20 years.
Create a Succession Plan as part of the Utility Strategic Plan	Establish a commitment of management to preparing, funding, and implementing a succession plan. The Plan shall include a scope, method of prioritizing positions, potential employees to fill positions, opportunities for apprenticeship training, procedures which should be documented, and the format of that documentation.	Succession plans help limit the strain on an organization when key members of that organization retire or leave. Succession plans help to distribute institutional knowledge to more employees.	Succession planning requires initial investment to set up the plan. Then, the plan must be implemented and communicated as required. The plan requires periodic updates to remain relevant.	$40,000 to develop a succession plan.	Savings realized in time delay to fill position as risk reduction of $10,000 per year; Payback period of 4 yrs.

An implementation plan for each of the priority recommendations listed in Table 3-1 follows:

1. **Develop an Asset Management Plan as part of the Utility Strategic Plan with demonstrated commitment from management and a system of continuous improvement.**
   Steps to Develop an Asset Management Plan:
   1. Define the commitment of City management in a written statement that will be communicated to staff.
   2. Create an Asset Management Team (AMT) and define the AMT's purpose and structure in a written document. Create a resource plan to manage Asset Management initiatives that sets the plan scope, assignments, budget, schedule, and success measures.
   3. Allocate the resources necessary to conduct the AMT's work through the first full year. A plan should be developed to integrate GIS with Lucity and should include the cost for data migration (example: AutoCAD to GIS), testing and staffing to support the system.
   4. Develop an asset management program brief and distribute to all staff.
   5. Document asset decisions and follow a repeatable process. Develop an asset management procedural manual. The manual should include threshold dollar amounts, for which asset improvements require a business case evaluation (BCE) in order to obtain the Board of Director's approval. This process outline should show how the results of the BCE are communicated to decision-makers within the City and outline the decision maker's approval and denial process with regards to moving forward with the BCE decision. Asset decisions below the threshold level would be made by management staff.
   6. Develop a process to support comprehensive, accurate, and transparent reporting of total life cycle costs. Fort Smith should ensure that life cycle costs support sewer and water valuation and depreciation.
   7. Integrate asset management with the Utility Strategic Plan that is being developed.

2. **Include Asset Management information in the Capital Improvement Plan**
   Steps include:
   1. Prepare a standard operating procedure (SOP) for how the Utility will develop and manage asset plans. The SOP should include what is done now and what needs to be done.
   2. Prepare a SOP that describes the process for asset tracking and how to update asset plans.
   3. Develop a template to be used by staff when performing asset management evaluations.
   4. Develop a condition monitoring scoring system and process for tracking asset condition to predict failures of assets.

5. Ensure repair and replacement actions are properly recorded in the fixed asset register (Lucity).
6. Define regularly scheduled times to update asset management plans at either the asset class level of the individual asset level.
7. Incorporate in the CIP a process based on the need for a new asset or the repair and replacement of an existing one (asset management plan) that includes risk analysis and community impact costs.
8. Design a training program for implementation.

3. Create Levels of Service and a process for updating the targets as part of the Utility Strategic Plan.

Steps for the creation of levels of service and level of service updates:

1. Define the levels of service goals and a method of establishing, measuring, and reporting on the Utility's performance against stated service levels.
2. Communicate the service level goals to all staff.
3. Create a reporting structure within the Utility to show staff members how the Utility has performed each quarter against relevant service levels and performance targets.
4. Ensure planning documents are written to meet the stated service level requirements for the planning period.
5. Update the customer information system and the financial accounting systems to track and report on the performance and costs of maintaining defined service levels.
6. Establish a process to review service levels and monitor information on actual impacts and community costs (for example, what would the social or community impact be if response to an overflow was either increased or decreased).
7. Create a communication plan to inform the stakeholders of the performance of the Utility against defined service level goals and long-term cost targets.

4. Improve the Utility Billing and Collection Process.

The steps to improve the billing and collection processes and to improve the flow of revenue are as follows:

1. Re-evaluate the implementation of automatic meter infrastructure (AMI) and how it would impact customer service and revenue over an 8-10 year period. Focus first on those areas and meter reading routes outside the Fort Smith city limits which require the longest reading process time per account.
2. Evaluate and, if necessary, improve the process for retiring accounts that result in negative financial reporting.
3. Meet with various customer types and develop the best options for supporting on-line payment. The AMI would support varying billing and payment options.

4. Complete a business case evaluation to look at bringing the finance, customer information and the billing and collection software functions into the Utility. This would include:
    a. Redefining departmental roles and responsibilities
    b. Cost for software
    c. Internal staffing (training, management, operations)
    d. Additional facility accommodations

5. Create a Succession Plan as part of the Utility Strategic Plan

1. The creation of a succession program should be as follows:
2. Establish a commitment of City management for preparing, funding, and implementing a succession plan. Identify the scope of the plan, and how to prioritize the positions. For example, positions could be prioritized by those which have critical institutional knowledge and are likely to retire in the next 5-10 years.
3. Use performance appraisal documentation to identify those employees most likely to fill future vacancies.
4. Identify opportunities for apprenticeship training. For example, a water plant operator may require working directly with their successor for a period of time as part of the succession plan training.
5. Identify in each division and program, those procedures which should be documented to maintain institutional knowledge. Define the methods and format of documentation.
6. Update the plan every five years or more often as required.

4 REVIEW OF WATER AND SEWER OPERATIONS

4.1 INTRODUCTION

The City's existing water and sewer facilities were examined to identify potential process efficiencies. Specifically, the water and wastewater treatment facilities were evaluated to determine the chemical consumption, power usage, and residual disposal costs. Then, possible plant efficiencies were identified based on data, site visits, and discussions with Utility staff. The staffing levels at the plants were also evaluated and compared to AWWA benchmarks established for similar utilities.

4.2 WATER

4.2.1 Lake Fort Smith Water Treatment Plant

The Lake Fort Smith Water Treatment Plant (formerly the Mountainburg Water Treatment Plants) is under construction to upgrade the coagulation, flocculation, sedimentation, filtration and Chlorine contact processes which will increase plant capacity to 40 MGD. The upgrades also include new instrumentation and analyzers. The plant takes its source of supply from Lake Fort Smith, which also has undergone recent improvements and dam modifications to increase the storage volume of the lake.

The Lake Fort Smith Water Treatment Plant provides water to the Fort Smith water distribution system as well as several contract users. The plant currently treats an average day flow of 15-17 MGD. Peak day flows at the plant have been reported up to 32 MGD. Plant capacity is limited to 34 MGD until the 27-inch transmission main is replaced with a 42-inch main. The treatment process consists of coagulation/sedimentation and filtration. The basic processes are listed below:

Figure 4-1 shows an aerial view of the Lake Fort Smith Water Treatment Plant.

Figure 4-1 – Lake Fort Smith Water Treatment Plant

4.2.1.1 Chemical Consumption

The Lake Fort Smith Water Treatment Plant is conventional filtration plant and thus uses several chemicals in the treatment process. Ferric sulfate is used as a coagulant, polymer as a flocculent aid, potassium permanganate for taste and odor control, lime for pH adjustment, and chlorine is added for disinfection. Table 4-1 lists the various chemicals used at the plant, as well as their annual quantity and annual cost. The annual costs are based on a year from September, 2010 through August, 2011. Detailed cost breakdowns are available in Appendix C.

Table 4-1 – Lake Fort Smith WTP Chemical Quantities and Costs, September 2010 – August 2011

Chemical	Vendor	Annual Quantity[1]	Unit	Unit Price	Annual Cost[1]	Percent of the Cost
Hydrated Bulk Lime	Arkansas Lime Company	440	TON	$189.39 + Service Fee	$91,900	15%
Chlorine	Brenntag Southwest	120,000	LBS	$0.425	$51,000	9%
Potassium Permanganate	Carus	13,230	LBS	$3.25	$43,000	7%
Soda Ash	Harcros	576,420	LBS	$0.235 - 0.2245 (Varies)	$144,400	24%
Ferric Sulfate	Kemira	1,716	TON	$159.99	$274,500	45%
Polymer[2]	N/A	0	N/A	N/A	$0	0
Total Annual Cost:					**$604,800**	**100%**

Notes: [1]Annual Quantity and Cost are from the period September, 2010 through August, 2011
[2]Polymer was described as being used in the treatment process; however, records of its use were not found

Ferric sulfate accounts for the largest portion of the chemical usage, with the chemicals for pH adjustment (lime and soda ash) also representing large portions of the total cost. Chlorine gas and potassium permanganate represent less significant portions.

4.2.1.2 Power Consumption

The City's electrical service provider for the Lake Fort Smith Plant is Oklahoma Gas and Electric Company (OGE). OGE applies several rate structures to the wastewater utility, including a General Service Rate, Power and Light Rate and Municipal Water Pumping Rate (Closed as of December, 2011). Rates are approved by the Arkansas Public Service Commission.

The previous year's electrical usage was examined for the Lake Fort Smith and Lee Creek Water Treatment Plants, as well as the pump stations in the distribution system. The period examined was September, 2010 – August, 2011. Table 4-2 lists the electrical costs by facility. The Lee Creek Plant accounts for 60% of the electrical costs. This is primarily due to the cost of high service pumping. The Lee Creek Plant requires high service pumping to convey the water to the distribution system, while the Lake Fort Smith Plant, due to topography, can often allow finished water to flow to the distribution system with much lower electrical cost.

Table 4-2. Electrical Cost by Water Facility, September, 2010 – August, 2011

Facility	Annual Cost	Percentage of Annual Cost
Lake Fort Smith	$93,035	12%
Lee Creek	$485187	60%
13 Pump Stations	$224,744	28%
Total:	**$802,966**	**100%**

The Lake Fort Smith WTP had a total cost of electricity from September 2010 to August 2011 of $93,035. During that time frame the WTP used 1,406,986 KWH at an average cost of $0.0673 per KWH.

Staff at the plant indicated that the demand charge on the plant is relatively high and that the demand charge has a significant effect on the power bill. The automated control system manages pumping so electrical usage can be managed and demand charges minimized.
Electrical usage of major equipment connected with each account (or plant process) can be monitored. The equipment with major electrical loads is listed in Table 4-3.

Table 4-3. Major Electrical Loads at the Lake Fort Smith WTP

Plant Process	Number	Horsepower
Filter Backwash Air Blower	1	75
Filter Backwash Pump	2	60
Contract Users Pump Station	3	60
Finished Water Pump Station	1	350
Finished Water Pump Station	2	500

4.2.1.3 Residual Disposal

Both water treatment plants have lagoons for dewatering the residuals. In each plant, the residuals are composed of blow-down from the clarifiers and from filter backwash which is then sent to a holding basin. The decant water from the sludge holding basins is then returned to the river. The residuals are removed annually and the material is taken to the landfill. A cost for residual handling was not broken out by plant, so Table 4-4 includes both the Lake Fort Smith and the Lee Creek Plants.

Table 4-4. Residual Handling Costs for the Lake Fort Smith and Lee Creek Water Treatment Plants

Year	Cubic Yards	Residuals Handling Costs	$ Cost/Cu. Yard
2010	8,000	$177,100	$22.14
2011	11,000	$320,120	$29.10

4.2.2 Lee Creek Water Treatment Plant

The Lee Creek Water Treatment Plant has a capacity of 15 MGD. The plant underwent upgrades in 2000 to provide 23.5 MGD during the construction of the Fort Smith Plant, but continued production of 23.5 MGD would exceed the water supply firm net yield. Thus, for planning purposes, the plant should be considered to have a 15 MGD average annual capacity.

The plant raw water supply comes from the Lee Creek Reservoir. The water source is generally of good quality with low total organic carbon (TOC), low alkalinity, and turbidity values between 5 and 10 NTUs. The City also owns and operates a low head hydropower generation dam on the reservoir.

The Lee Creek Plant provides water to the Fort Smith water distribution system as well as several contract users. The plant is treating an average annual day flow of around 7-9 MGD. The treatment process consists of coagulation/sedimentation and filtration.

Figure 4-2 shows an aerial view of the Lee Creek Water Treatment Plant.

Figure 4-2 – Lee Creek Water Treatment Plant

4.2.2.1 Chemical Consumption

The Lee Creek Plant uses several chemicals in the lime softening treatment process. A list and brief description of each follows, and Table 4-5 summarizes the quantity and cost of each chemical (see Appendix C for more details):

- Hydrated Lime – used to raise the pH of the water, thereby reducing corrosion potential
- Alum product-coagulant
- Chlorine – used in gaseous form as the disinfectant
- Potassium Permanganate – used for taste and odor control
- Powdered Activated Carbon – used for seasonal taste and odor control; also useful in removing pesticides and other organics in surface water
- Polymers – used as coagulant aid
- Sodium Hydroxide

Table 4-5 – Lee Creek WTP Chemical Quantities and Costs, September, 2010 – August, 2011

Chemical	Vendor	Annual Quantity[1]	Unit	Unit Price	Annual Cost[1]	Percent of Total Cost
Hydrated Bulk Lime	Arkansas Lime Company	311	TON	$189.39 + Service Fee	$65,100	15%
Chlorine	Brenntag Southwest	72,000	LBS	$0.425	$30,600	6%
Potassium Permanganate	Carus	59,540	LBS	$3.25	$193,500	39%
Sodium Hydroxide	Brenntag Southwest	220	GAL	$1.85	$407	0%
Powdered Activated Carbon	Brenntag Southwest	12,000	LBS	$0.56	$6,720	1%
Polymer (S/W 102)	Water Tech, Inc.	120,820	LBS	$0.514	$62,100	13%
Alum/Polymer (CF 150)	Klar Water, Inc.	492,700	LBS	$0.287	$141,400	28%
Total Annual Cost:					**$499,800**	**100%**

Notes: [1]Annual Quantity and Cost are from the period September, 2010 through August, 2011

Sixty-Seven percent of the plant costs for the period were made up of the coagulant polymers and the potassium permanganate. Lime and chlorine represent noteworthy expenditures, while powdered activated carbon and sodium hydroxide costs are very minimal.

4.2.2.2 Power Consumption

Table 4-2 lists Lee Creek as representing 60% of the electrical costs for water treatment and distribution for the period of September, 2010 – August, 2011. As discussed before, this is due in part to the pumping requirements of the plant. This is also, in part, due to the higher cost per KWH for electricity at Lee Creek WTP. The plant is served by the Arkansas Valley Electric Co-Op Corporation. The City paid $485,187 for the time period. Currently, the City is paying approximately 7.57 cents/KWH on average, compared with 6.73 cents/KWH at the Lake Fort Smith Plant.

The Arkansas Valley Electric Co-Op Corporation breaks out the billing to show the "energy charges" versus the total bill. Because of this, it is easier to see the invoice total compared to the energy charge, and the effect the demand charge is having on the bill. As with the Lake Fort Smith Plant, City staff can manage pumping so they can manage electrical usage and demand charges. The equipment with major electrical loads is listed in Table 4-6.

Table 4-6. Major Electrical Loads at the Lee Creek WTP

Plant Process	Number	Horsepower
Raw Water Pump Station	1	150
Raw Water Pump Station	1	300
Raw Water Pump Station	2	500
Filter Backwash Air Blower	1	150
Filter Backwash Pump	1	75
Finished Water Pump Station	3	700

4.2.2.3 Residual Disposal

Refer to Section 4.2.1.3.

4.2.3 Pump Stations

The pump stations in the distribution system were also evaluated for chemical, electrical, and residual disposal costs. There are no chemical or residual costs for the pump stations. Total Electrical costs for the pump stations can be found in Table 4-2. Table 4-2 shows that the City requires approximately $225,000 per year in electrical costs for distribution system pumping, however, no single pump station is responsible for more than 5% of the overall electrical costs for water distribution and treatment.

4.2.4 Water Treatment and Distribution Staffing and Benchmarking

4.2.4.1 Understanding Percentile Ranges and Median

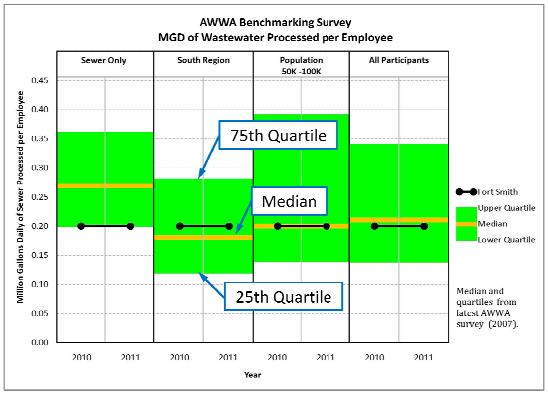
When evaluating staffing levels, it is sometimes advantageous to compare the levels to regional or national averages. The American Water Works Association (AWWA) has authored the book Benchmarking: Performance Indicators for Water and Wastewater Utilities: Survey Data and Analyses Report, in which they compiled statistics from utilities across the country related to utility operation and efficiency.

Utilities can be similar in several ways including region, service population size, and services provided. The categories the City should be compared with are as follows:

- South Region (of which Arkansas is a part)
- Service Population Size: 100,001 – 500,000
- Results for a "Combined Utility" (as opposed to one that only supplies water or wastewater services).
- All Participants

In some cases, the performance measures have been placed in the context of a percentile range of values with a median value. To aid the reader in understanding this statistical method, a 25th

percentile and 75th percentile is simply two points within a range of values. If you have one-hundred (100) values and sort them from smallest to largest and then find the 25th value of the range and the 75th value, that is the 25th and 75th percentile. Essentially, this percentile range has eliminated the bottom 25% of the values and the top 25% of the values. The range of the 25th and 75th percentile is deemed to reflect the reasonable range of values, while eliminating the "outlier" value.



Within the percentile range is a median value. A median is the mid-point of the range of values. It is not the simple average of the range of values, but rather in a range of 100 values, it is the 50th value. The median simply means that half of the values fall above and below the median.

It is important to note that a "median value" is just that – the middle value. It does not necessarily represent the "best" or "most efficient" value. What is more beneficial is to see if the City falls in the 25th to 75th percentile, and where-about in the percentile it falls. This is used to help understand if the City's staffing levels or expenditures are in-line and reasonable with other utilities in the various categories.

4.2.4.2 Water Treatment and Distribution Staffing

The Lake Fort Smith and Lee Creek Water Treatment Plants each has 11.45 Full Time Equivalent (FTE) assignments, per the staffing levels documents provided by the City (refer to Appendix D). Ten of the 11.45 FTE's are the chief plant operator (1) and other plant operators (9). Each plant is staffed with a minimum of two people 24 hours per day, per City policy. The plant staff is knowledgeable and has good housekeeping practices. Their duties include the following:

- Basic maintenance activities (check oil levels, etc.)
- On-site lab work including pH, hardness, turbidity, alkalinity, and bacteriological testing
- Routine 2-hour sampling and process checks
- Mowing and lawn care of property owned by the Utility

The water distribution system has approximately 74 FTE assignments (refer to Appendix D). The duties of these water personnel are as follows:

- Laboratory services
- Water line maintenance
- Meter reading and maintenance
- Water line maintenance administration
- Water equipment maintenance

Some of the plant maintenance activities are shared between the operations and maintenance staff within the wastewater group, specifically electrical maintenance on pump motors. In addition, plant operations staff does complete several routine maintenance tasks which is an efficient maintenance method and good use of the personnel.

4.2.4.3 Water Treatment and Distribution Benchmarking

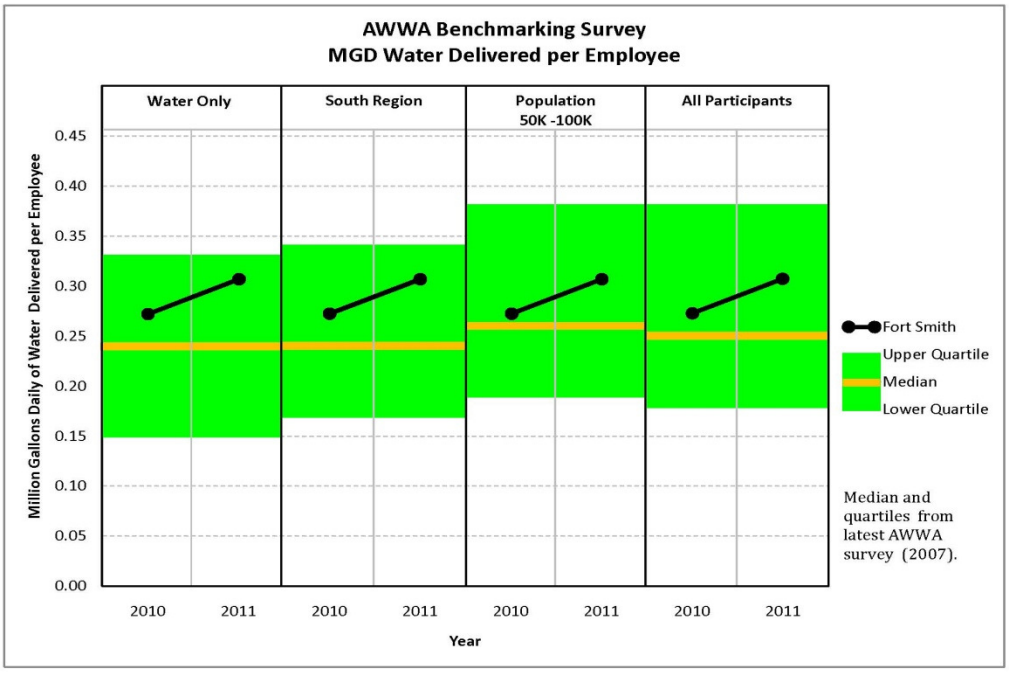
Water treatment plant staffing can be compared based on MGD of water delivered per water system employee. MGD of water delivered is defined as the amount of water delivered to the distribution system from both water treatment plants in 2011. The number of water staff is defined as the total number of FTEs for both water treatment plants and the distribution system. It does not include employee time from engineering and construction of new facilities. The calculation is presented below is for 2010, documentation for benchmarking can be found in Appendix D.

$$\frac{26.5\ MGD}{97\ FTEs} = 0.27\ MGD/FTE$$

The value can be compared to the median, 25th, and 75th percentile values of similar utilities.

Figure 4-3 shows that the MGD of water delivered per employee value is slightly above the median value in each category, meaning the City is producing slightly more MGD per FTE than the median value. However, the value is well within the 75th percentile. This result suggests the City is near the appropriate number of staff for the amount of water delivered.

Figure 4-3 – MGD of Water Delivered per Employee (Median Range, 25th-75th Percentile)

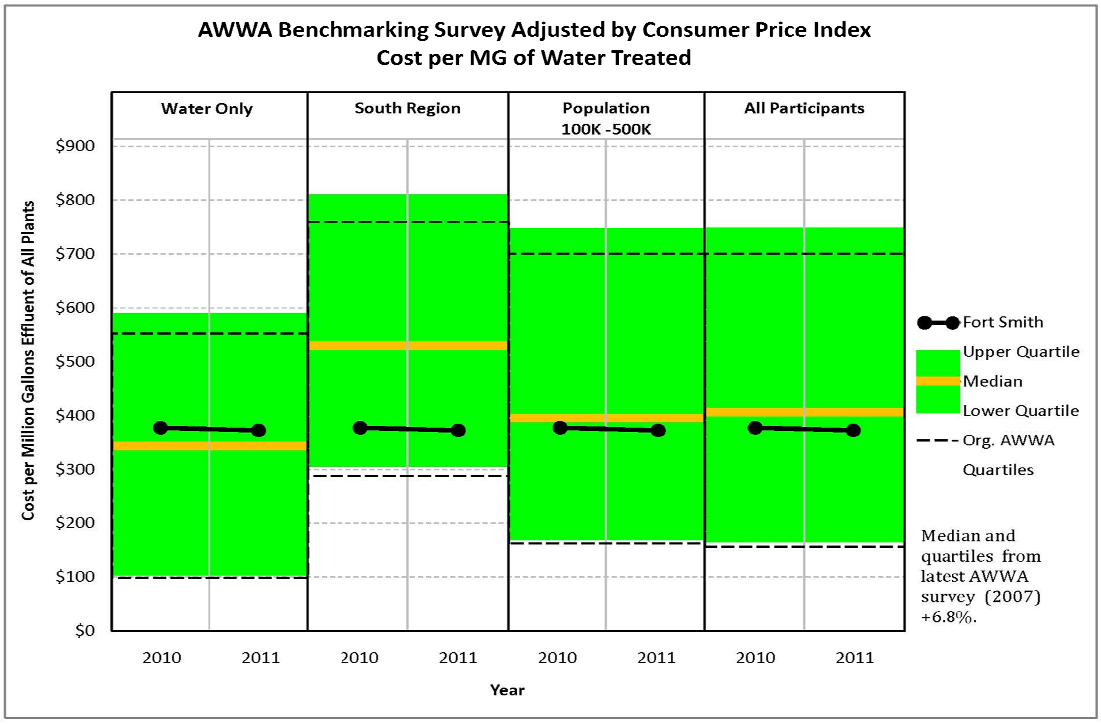


The cost of treating water per MG produced can also be benchmarked. The cost associated with water treatment includes the cost of chemicals, electricity, residual conditioning, and labor. The costs of chemicals, electricity, residual conditioning, and labor were provided under Program 5604 in the 2011 Fort Smith Budget Supplement. The calculation was provided by the City, documentation for benchmarking can be found in Appendix D.

$$\$377/MG$$

Figure 4-4 shows that the cost per MG of water produced is near the median values in all categories. Generally all values are just above or below the median. This result suggests the City is treating water at a reasonable cost, and staffing levels for treatment are likely appropriate.

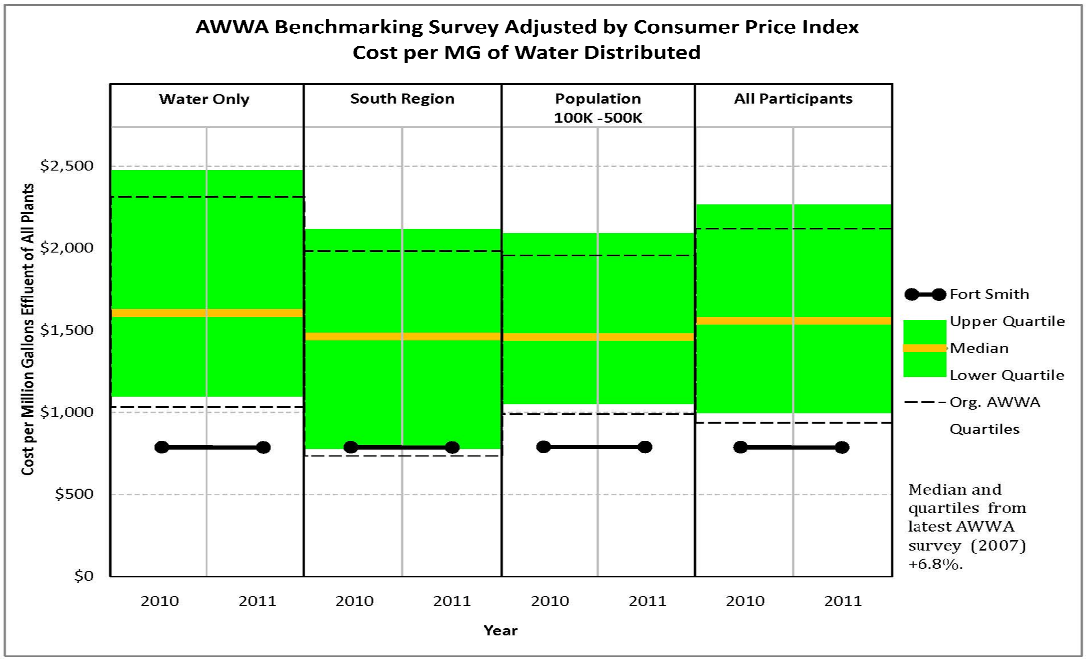
Figure 4-4 – Cost per MG of Water Treated (Median Range, 25th-75th Percentile)



The cost of delivering water per MG can also be benchmarked. The cost associated with water distribution includes the cost of treatment as well as the operation and maintenance costs for pump stations and water line maintenance. The operation and maintenance values were determined from the 2011 Fort Smith Budget Supplement. Programs in the budget supplement shared between water and wastewater were divided based on the labor FTE assignments provided by the City. The calculation is presented below, documentation for benchmarking can be found in Appendix D.

Figure 4-5 shows that the cost per MG value is below the median value for all of the categories, and all are near the 25% percentile. This result suggests the City is treating and distributing water at a quite reasonable cost, and the staff levels are likely appropriate. Since the operation and maintenance is shared with the sewer department, however, these values should also be compared with the results in the next section.

Figure 4-5– Cost per MG of Water Distributed (Median Range, 25th-75th Percentile)



4.2.5 Water Treatment Summary

The Utility is performing well in the area of water treatment. A general efficiency rating of "Defined Approach" to a "Managed Approach" is appropriate (refer to Appendix A). In general, chemicals are used efficiently, the affect of high electrical demand charges are known, residuals are handled appropriately, and staffing levels appear appropriate when compared with AWWA benchmarking data.

- The Lee Creek WTP (LCWTP) uses conventional filtration treatment.
- Per EPA's LT2ESWTR the LCWTP must provide additional 1 log information of Cryptosporidium.
- The City has scrutinized chemical consumption to optimize usage.
- City uses reverse bidding for chemical costs which has reduced chemical unit costs over the last several years.
- The LCWTP accounts for an approximated 60% of the electrical costs, primarily due to the need for high service pumps that pump to the distribution system.
- Lake Fort Smith WTP (LFSWTP) accounts for only 12% of the electrical costs.
- 13 water pump stations account for 28% of the electrical cost for water.
- The current residuals handle method for both WTPs is likely the most efficient.
- Plant staffing production of water per employee, cost of production per MG, and cost per MGs of distributed water all appear appropriate based on benchmarking.

See Section 4.4 for water operations system recommendations.

4.3 WASTEWATER

4.3.1 P Street Wastewater Treatment Plant

The P Street Wastewater Treatment Plant was constructed in 1966 to provide primary treatment of wastewater. Secondary treatment and disinfection facilities were added in 1978. In 1986, grit removal and aeration upgrades were made. The latest upgrades were made to improve the wet weather screening/pumping and high rate treatment. Figure 4-6 shows the P Street Wastewater Treatment Plant.

Figure 4-6 – P Street Wastewater Treatment Plant

The plant is currently treating 8 MGD average dry weather flow, with a capacity of 12 MGD. Wet weather flow can approach 83 MGD. The plant receives flow from the P Street Pump Station, Pump Station No. 5, and the Mill Creek Pump Station. The plant has the following processes:

4.3.1.1 Chemical Consumption

The plant uses several chemicals in the treatment process, a list and brief description of each follows, and Table 4-7 summarizes the quantity and cost of each chemical:

- Quicklime –used to stabilize the solid residuals before disposal, when required. As of 2011, the State of Arkansas allowed wastewater solids to be land filled without stabilization, and no purchases have been made since the end of 2010.
- Caustic Soda – Odor control

- Chlorine – used as the disinfectant at the plant. Chlorine gas is mixed with water and injected into the chlorine contact basin.
- Sodium Bisulfite – used to dechlorinate the wastewater prior to discharge to the receiving stream. The chemical is flow paced, meaning the higher the flow, the more chemical is added.
- Dry Polymer (Clarifloc) – used to condition solids for dewatering on the belt presses. Staff indicated that 9 to 11 pounds of dry polymer are used per dry ton of sludge.
- Ferric Sulfate – used as a coagulant in high-rate treatment
- Odor Control Maintenance (Bioadd) – biological odor control at the headworks of the plant. Works very effectively
- Sodium Hypochlorite – Odor Control

Table 4-7 – P Street WWTP Chemical Quantities and Costs, September, 2010 – August, 2011

Chemical	Vendor	Annual Quantity[1]	Unit	Unit Price	Annual Cost[1]	Percent of Total Cost
Quicklime[2]	US Lime Company	423	TON	$176+Service Fee	$76,800	31%
Caustic Soda[3]	Brentag Southwest	0	N/A	N/A	$0	0%
Sodium Hypochlorite[3]	Brentag Southwest	0	N/A	N/A	$0	0%
Chlorine	Brentag Southwest	96,000	LBS	$0.425	$40,800	16%
Sodium Bisufite	Brentag Southwest/Thatcher	192,847	LBS	$0.1214	$23,400	10%
Sodium Bisufite	Brentag Southwest/Thatcher	34,828	GAL	$1.70	$59,200	24%
Dry Polymer (Clarifloc)	Polydyne Inc	14,850	LBS	$1.59-$2.13 (varies)	$26,600	11%
Ferric Sulfate	Kemira Water Solutions	184,617	LBS	$0.09	$16,600	7%
Odor Control Maint.[4]	BioAdd, L.L.C.	2	Monthly Fee	$1250.00	$2,500	1%
Total Annual Cost:					**$245,900**	**100%**

Notes: [1]Annual Quantity and Cost are from the period September, 2010 through August, 2011
[2]Quicklime has not been purchased since the end of 2010; refer to Residual Disposal
[3]Chemical was last purchased prior to September, 2010; refer to Appendix C.
[4]Invoices from BioAdd, L.L.C. were not found beyond October, 2010

For this time period, quicklime and Sodium Bisulfite accounted for approximately 2/3 of the total chemical costs for the plant in the time period. Since quicklime is no longer used for sludge stabilization, sodium bisulfite accounts for the largest single chemical cost at the plant.

4.3.1.2 Power Consumption

The City's electrical service provider for all wastewater facilities is Oklahoma Gas and Electric Company (OGE). In this study, the previous year's electrical usage was examined for all wastewater facilities. The period examined was September, 2010 – August, 2011. Table 4-10 lists the electrical costs by wastewater facility. The P and Massard Street Wastewater Treatment Plant account for over 80% of the electrical cost from the wastewater utility to the City. Thus, they should be examined further for possible efficiencies. The Massard Wastewater Treatment Plant and pumping station facilities are discussed in subsequent sections of this report.

Table 4-8. Electrical Cost by Wastewater Facility, September, 2010 – August, 2011

Facility	Annual Cost	Percentage of Annual Cost
P St WWTP	$273,918	41%
Massard WWTP	$280,248	42%
P St Pump Station	$57,100	9%
Sunnymede	$7,943	1%
#2 Mill Creek	$30,390	5%
#5 Walnut	$5,527	1%
#6 Fort Lane	$3,281	0%
#13 Zero St	$8,211	1%
Total:	**$666,617**	**100%**

The P Street Plant billing statements were examined on a monthly basis to understand the variability of usage during the year. The annual electrical cost for the P Street WWTP is $273,918. The usage in kilowatt hours (KWH) is 4,329,620, amounting to an average KWH cost. Currently, the City is paying approximately 6.33 cents/KWH on average.

Interviews and a site visit were conducted at the P Street Wastewater Treatment Plant to identify possible efficiencies. Staff at the plant indicated that the demand charge on the plant is relatively high and that the demand charge has a significant effect on the power bill. As a result, the staff remains cognizant of electrical demand and tries to monitor it, although load monitoring is not currently tied into SCADA.

Each billing statement for the P Street Plant contains several accounts, allowing the City to see the portions of the process that represent the largest use of power. This information is useful, as it allows the City to more clearly track power usage and more easily understand the consequences (good or bad) of process modifications to electrical usage.

Electrical usage of major equipment connected with each account can be monitored. The equipment with major electrical loads is listed in Table 4-9.

Table 4-9. Major Electrical Loads at the P Street WWTP

Plant Process	Number	Horsepower	Comments
Influent Pump Station	2	111	Dry Weather Pumps
Influent Pump Station	3	215	Wet Weather Pumps
Influent Pump Station	4	60	Peak Flow Pumps
Aeration Blowers	3	350	
Aeration Blowers	1	300	
Channel Air Blowers	2	75	
Return Sludge Pump Station	4	40	
Return Sludge Pump Station	2	100	
Effluent Pump Station	1	200	Required During River Flooding Only

4.3.1.3 Residual Disposal

The P Street WWTP can create a Class "A" sludge with the addition of lime. Since 2011, however, the State of Arkansas is allowing treatment plant sludge to go to landfills without stabilization, eliminating the need for the addition of lime. The only cost is the State-required tipping fee. A cost breakdown for residual handling was not broken out by plant, so Table 4-10 includes both the P Street and the Massard Creek WWTPs costs. Note that the reduction in cost does not include the reduced chemical savings on quicklime discussed previously.

Table 4-10. Wastewater Treatment Plants Residuals Handling Costs

Year	Wet Tons	Tipping Fees/ Landfill Payments
2009	15,011	$350,000
2010	15,135	$350,000
2011	9,122	$0

4.3.2 Massard Creek Wastewater Treatment Plant

The Massard Creek Wastewater Treatment Plant (WWTP) was also constructed in 1966 and included primary and secondary clarifiers, trickling filters, and chlorine disinfection. Significant upgrades to the facility in were made in 1986, including additional clarification, aeration improvements, and sludge handling improvements. The latest upgrades were made in 2000. Figure 4-7 shows the Massard Creek Street Wastewater Treatment Plant.

The plant is currently treating approximately 7.8 MGD average dry weather flow, with a capacity of 12 MGD. The plant has a peak wet-weather capacity of 20 MGD. The plant receives a portion of its flow from the Sunnymede and Zero Street Pump Stations, as well as the City of Barling.

Figure 4-7 – Massard Creek Wastewater Treatment Plant

4.3.2.1 Chemical Consumption

The plant uses several chemicals in the treatment process, a list and brief description of each follows, and Table 4-11 summarizes each amount and location in the process:

- Quicklime – lime is used to stabilize the solid residuals before disposal
- Caustic Soda –odor scrubbing
- Sodium Hypochlorite – odor scrubbing
- Dry Polymer (Clarifloc) – used to condition solids and as a coagulant
- Sulfuric Acid

Table 4-11 – Massard Creek WWTP Chemical Quantities and Costs, September 2010 – August 2011

Chemical	Vendor	Annual Quantity[1]	Unit	Unit Price	Annual Cost[1]	Percent of Total Cost
Quicklime[2]	US Lime Company	273	TON	$176+Service Fee	$49,500	63%
Caustic Soda[3]	Brentag Southwest	0	N/A	N/A	$0	0%
Sodium Hypochlorite[3]	Brentag Southwest	9,313	GAL	$1.20	$11,200	14%
Dry Polymer (Clarifloc)	Polydyne Inc	14,400	LBS	$1.18	$17,000	22%
Sulfuric Acid	Kemira Water Solutions	750	LBS	$0.05	$375	1%
Total Annual Cost:					**$78,100**	**100%**

Notes: [1]Annual Quantity and Cost are from the period September, 2010 through August, 2011
[2]Quicklime has not been purchased since the end of 2010; refer to Residual Disposal
[3]Chemical was last purchased prior to September, 2010; refer to Appendix C.

Quicklime accounted for approximately 2/3 of the total chemical costs for the plant in the time period, but has been discontinued due to residual disposal arrangements described in Section 4.3.3.1. The polymers and Sodium Hypochlorite are expected to make up the majority of the Massard Creek Chemical costs in the future.

4.3.2.2 Power Consumption

Table 4-2 lists the Massard Creek WWTP as the highest user of electricity for the period of September 2010 – August 2011. The usage in kilowatt hours (KWH) is 4,674,880, amountint to an average KWH cost of $0.0599. Currently, the City is paying approximately 5.99 cents/KWH on average.

Interviews with staff indicated that concerns about the demand charge at the Massard Creek WWTP are similar to those at the P Street WWTP, although the average cost per KWH is slightly lower at Massard (5%).

Much like the P Street WWTP, the electrical billings are broken out by accounts for the Massard Creek WWTP, which can be used to more easily track usage. There are five accounts listed on each of the billings, four tied to Fort Smith and one tied to Barling; however, the different services are not described in detail on the statements.

Electrical usage of major equipment connected with each account can be monitored. The equipment with major electrical loads is listed in Table 4-12.

Table 4-12. Major Electrical Loads at the Massard Creek WWTP

Plant Process	Number	Horsepower	Comments
Influent Pump Station	3	280	
Aeration Blowers	3	75	
UV Disinfection System	1 System	NA	156 Volt, 3 Phase, 60 Hertz, 81 Amps

4.3.2.3 Residual Disposal

Refer to Section 4.3.1.3 – Residual Disposal.

4.3.3 Lift Stations

The City has 24 lift stations throughout the collection system. Chemical usage is primarily for odor control at the Sunnymede lift station the and cost is approximately $50,000 annually. Electrical costs are small compared to the electrical costs for the wastewater plants, as shown in Table 4-8. Total annual costs to run the lift stations is $113,000, and no single lift station accounts for more than 5% of the annual electrical cost, with the exception of the P Street Pump Station. Residual costs were reported to be negligible.

4.3.4 Wastewater Collection and Treatment Staffing and Performance Measures

4.3.4.1 Wastewater Collection and Treatment Staffing

The P Street and Massard Creek WWTPs have a total of 29.9 Full Time Equivalent (FTE) assignments, per the staffing levels documents provided by the City (refer to Appendix D). The P Street WWTP has 17.45 FTEs while Massard Creek has 12.45. Twenty-one of the 29.9 FTEs are the chief plant operator (2) and other plant operators (19). Each plant is staffed with a minimum of two people 24 hours per day as a safety measure and per City policy.

The wastewater collection system has approximately 58 FTE assignments (refer to Appendix D). The duties of the wastewater collection system personnel are as follows:

- Sewer Treatment Administration
- Laboratory services
- Sewer Equipment Maintenance
- Industrial Sewer Monitoring
- Sewer Line Maintenance
- Sewer Line Construction
- Sewer Line Maintenance Administration
- Other Equipment Maintenance

4.3.4.2 Wastewater Collection and Treatment Benchmarking

Wastewater treatment plant staffing can be compared based on MGD of wastewater processed per wastewater system employee. A MGD of wastewater processed is defined as the average

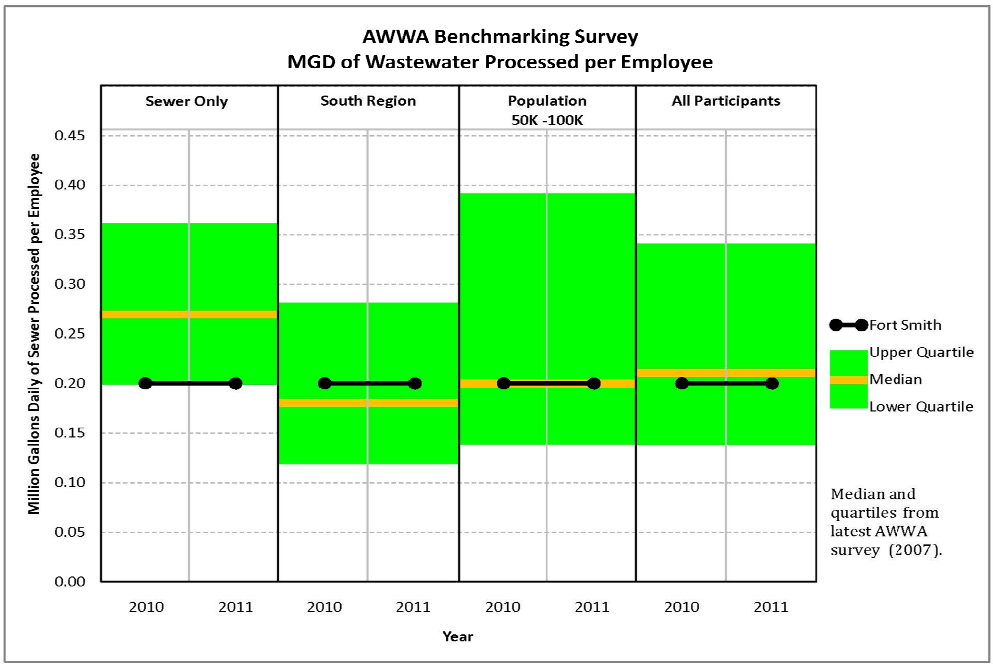
amount of wastewater processed per day by both wastewater treatment plants in 2011. The number of wastewater staff is defined as the total number of FTEs for both wastewater treatment plants and the collection system. It does not include employee time from engineering and construction of new facilities. The calculation is presented below, documentation for benchmarking can be found in Appendix D.

$$\frac{\quad\quad}{\quad\quad}$$

The value can be compared to the median, 25th, and 75th percentile values of similar utilities, as was done for the water system. The City serves fewer wastewater customers, so the population comparison category falls to "50,000 to 100,000" customer range.

Figure 4-8 shows that the 0.20 value is near the median value in most categories, meaning the City is using slightly more persons per MGD of wastewater processed as median value. The value maybe lower than the median, in part, due to the City operating two plants at separate locations and staffing them around the clock. In addition, the City does have significant industrial flow to the WWTP. This typically increases the operating requirements. This information would suggest the City is near the appropriate number of staff for the amount of wastewater processed.

Figure 4-8 – MGD of Wastewater Processed per Employee (Median Range, 25th-75th Percentile)

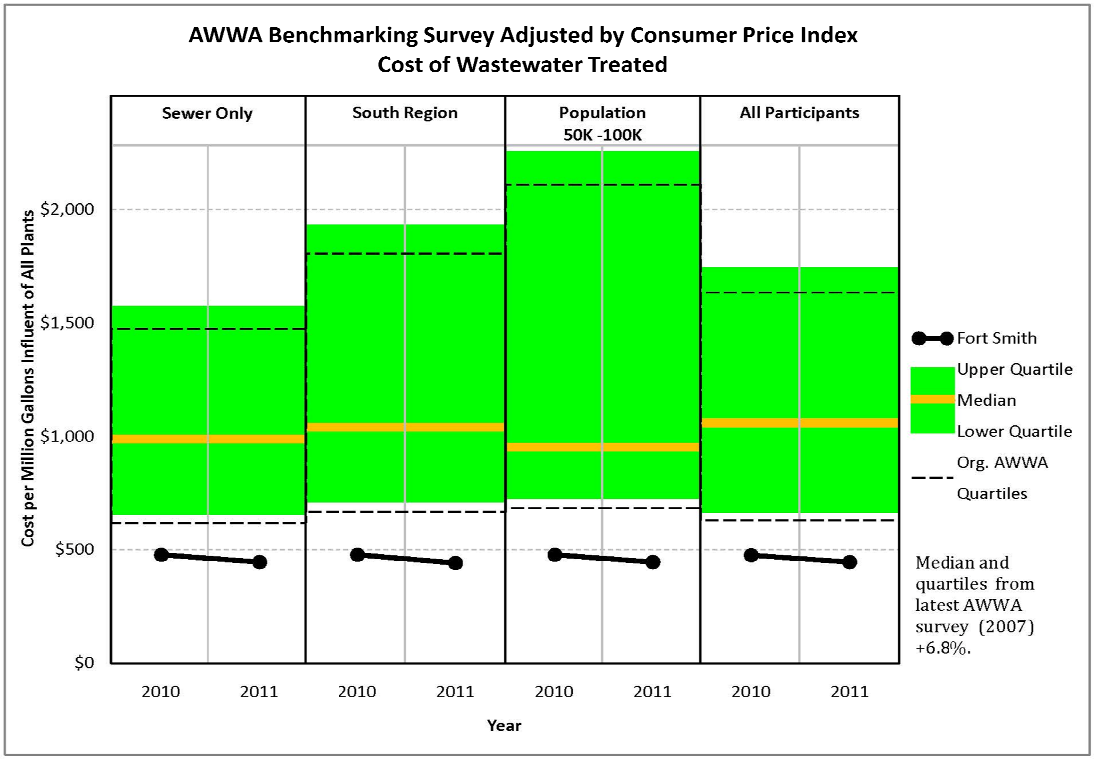


The cost of treating wastewater per MG was also benchmarked. The cost includes the cost of chemicals, electricity, residual conditioning, and labor. The cost does not account for the disposal of residuals, but do include residual conditioning. Costs were provided under Program

5603 in the 2011 Fort Smith Budget Supplement. The calculation was provided by the City, documentation for benchmarking can be found in Appendix D.

Figure 4-9 shows that the cost per MG value is below the 25th percentile. This means that the City is treating wastewater at a reasonable cost; however, these results should be analyzed with Figure 4-10, as the boundary between maintenance activities (which are not included here) and the cost for wastewater treatment can sometimes be somewhat blurred. Figure 4-14 shows the total operations and maintenance cost per MG of wastewater processed, and is not limited to treatment. Still, Figure 4-9 suggests the City is treating wastewater at a reasonable cost, and staffing levels for treatment are likely appropriate.

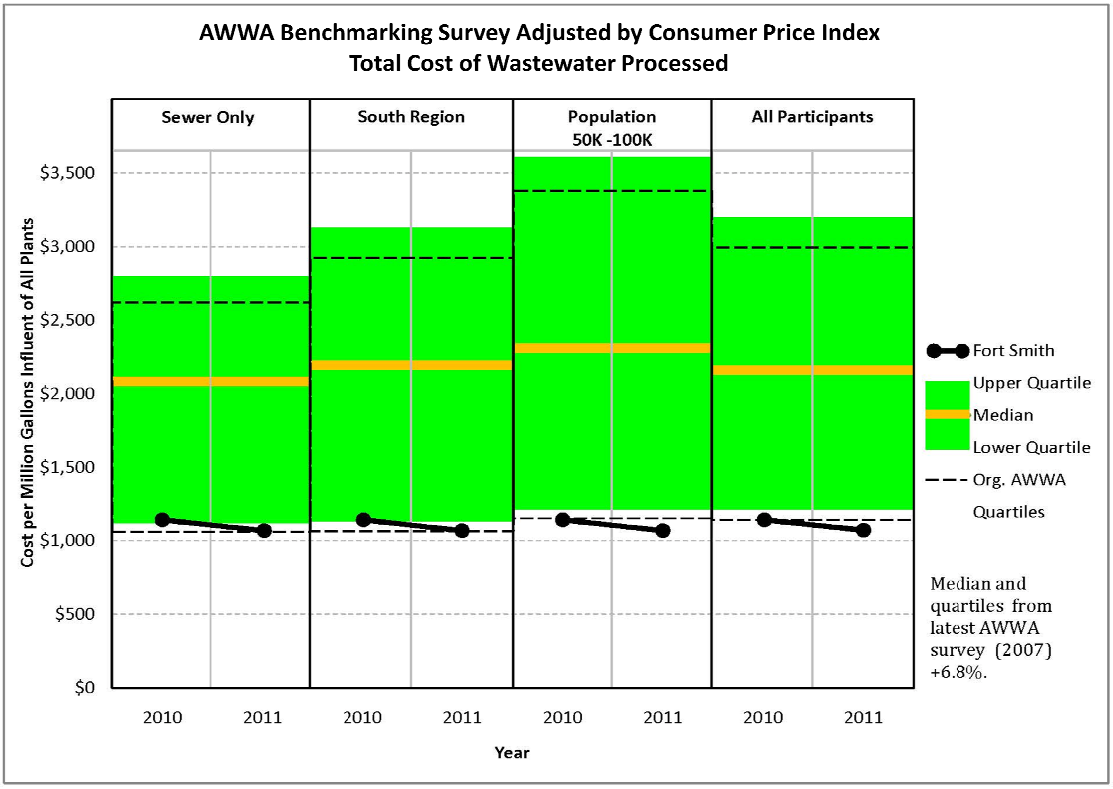
Figure 4-9 – Cost of Wastewater Treatment per Million Gallons (Median Range, 25th-75th Percentile)



As discussed, the total cost of processing wastewater per MG can also be benchmarked. The cost associated with wastewater processing includes the cost of treatment as well as the operation and maintenance costs for lift stations and line maintenance. The operation and maintenance values were determined from the 2011 Fort Smith Budget Supplement. Programs in the budget supplement shared between water and wastewater were divided based on the labor FTE assignments provided by the City. The calculation is presented below, documentation for benchmarking can be found in Appendix D.

Figure 4-10 shows that the total cost per MG value is near the bottom of the 25th percentile for the South Region, but below the median value in all other categories. All categories show that the City is at or below the 25th percentile. This result suggests the City is processing wastewater at a reasonable cost, and the staff levels are likely appropriate.

Figure 4-10 – Cost of Wastewater Processed per Million Gallons (Median Range, 25th-75th Percentile)



4.3.5 Wastewater Treatment Summary

The Utility is performing well in the area of wastewater treatment. As with water treatment, a general efficiency rating of "Defined Approach" to a "Managed Approach" is appropriate (refer to Appendix A). Chemicals are procured and used efficiently, electrical costs appear to be reasonable; although demand charges are high, residuals are now disposed of in a very cost-effective manner, and staffing levels appear appropriate when compared with AWWA benchmarking data.

- The P Street and Massard WWTPs use primary and secondary wastewater treatment followed by disinfection and solids handling.
- The P Street WWTP's primary chemical usage is sodium bisulfite.

- The Massard WWTP's primary chemical usage is polymer.
- P Street and Massard WWTPs use over 80% of the electricity for wastewater treatment.
- Wastewater treatment lift stations account for less than 20% of electrical usage.
- The current residuals handling method is the most cost efficient.
- WWTP staffing, production of wastewater per employee, cost of production per MG, and cost per MG of collected wastewater appear appropriate based on benchmarking.

See Section 4.4 for wastewater treatment recommendation.

4.4 SUMMARY OF OPERATIONS RECOMMENDATIONS

This section of the report reviewed the City's water and sewer operations. Table 4-13 summarizes the water and wastewater recommendations for additional efficiency.

Table 4-13 - Water and Sewer Operations Priority Recommendations

Overall Recommendation	Recommendation	Advantages	Challenges/Risks	Capital Cost	Annual Return
Water System					
An additional 1 log credit can be obtained for the Lee Creek Treatment Facility by utilizing a Watershed Control Program and a Combined Filter Performance standard, which do not require large capital projects to be undertaken.	Develop a Watershed Control Program and a Combined Filter Performance Standard for an additional 1.0 log credit at the Water Treatment Plants.	These programs will help the Utility meet the LT2ESWTR regulation, which requires an additional 1.0 log removal without a capital upgrade. Development of Watershed Control Program is underway.	Installation of turbity meters on the filters will be required.	$5,000/installed meter; plus cost of studies for regulatory approval.	Return will include meeting EPA requirements; could be compared to capital improvements to remove an additional 1.0 log.
Respond more quickly to changing influent conditions through the addition of in-line raw water monitoring for turbidity and/or pH. These samples are currently lab tested and returned.	Monitor influent conditions with equipment that can report in real-time.	Real-time information could be used to more adequately dose chemicals, which could result in saving excess chemical.	Real-time adjustment of chemical dosing requires installation of equipment as well as	$5,000/installed instrument	A 1% reduction in chemical would result in a savings of $11,000 annually at the water treatment plants.
A micro-turbine should be investigated to see if it is cost-effective to take advantage of the head from the Lake Fort Smith Water Treatment Plant.	A microturbine should be investigated to see if it is cost-effective to take advantage of the head from the Lake Fort Smith Water Treatment Plant.	Makes use of the hydraulic energy already available in the pipeline	Consideration for how energy would be used; coordination with local electrical utility as to if it could be added to the grid.	$30,000 - $50,000 for an initial study	Payback would be defined in the study
Wastewater System					
Further investigation should be undertaken to see if using the in-line chlorine analyzer for sodium bisulfite could reduce the quantity of chemical used.	Evaluate decreasing bisulfite usage at the P St Plant by installing in-line chlorine analyzers.	Flow pacing bisulfite based on chlorine demand can reduce chemical usage, saving money	Requires capital improvements including: Sets of chlorine analyzers, SCADA monitoring, bisulfite pumping rates need to be based on chlorine analyzer output	Requires evaluation of existing chlorine analyzers' physical location and output, evaluation of the metering pumps, and some additional programming	Depends on decrease from amount added at present; a 5% reduction in bisulfite would result in a savings of 4,300/yr at the P St. Plant
The P St Plant could increase electrical efficiency through the addition of VFDs to blowers (if possible with operating conditions) and in-plant water pumps.	Evaluate the potential of decreasing electrical loads at the wastewater treatment plants by installing VFDs on the blowers at the P Street Plant.	VFDs can decrease electrical usage and thus operating costs.	VFDs require dissolved oxygen monitoring within the basins which dictate air demands. The instruments will require maintenance.	VFDs are approximately $65,000 per blower; automation would also be required to integrate the dissolved oxygen probes with the VFDs.	A 5% savings would result in a $6,500/yr/blower; savings may be higher than 5% - would require further study; Payback period of 10 yrs.
	Evaluate the potential of decreasing electrical loads at the wastewater treatment plants by installing VFDs on the plants' service water pumps.	VFDs can decrease electrical usage and thus operating costs	Capital project; need location to house the VFD with adequate HVAC	$12,000 (assuming an electrical room with appropriate HVAC is available and the VFD is for a 40 HP motor)	If 40 HP motor runs continuously, electrical savings per plant would be approximately $1,700/yr[1]; Payback period of 7 yrs.

Notes: [1]VFD Calculations based on energy savings calculator available at: https://duke.myenergycalculators.com/Vfd

5 REVIEW OF THE PLANNING PROCESS

5.1 INTRODUCTION

The purpose of the planning process is to logically and clearly identify the system's operational, technical, managerial, and financial capability needed to achieve and maintain levels of service, customer satisfaction, and compliance with relevant local, state, and federal plans and regulations.

The planning process influences and directly impacts the short and long-term efficiencies in the organization. As a part of this efficiency study, the City's past planning practices and planning studies were reviewed. The planning process includes:

- Development and maintenance of water and sewer master plans, which project anticipated future (service) population, water demands, and sewer flows.
- The Capital Improvement Plan (CIP) creation process which considers the master plan's recommendations and the method of incorporating those recommendations into a CIP.
- The CIP must, at a high evaluation level, examine the City's financial capability to fund the CIP and be "affordable".
- Operation and Maintenance Planning as part of infrastructure replacement.

The importance of the planning process can not be understated. Millions of dollars of investment in the City's water and sewer systems are made on the basis of the forecasts and projections contained within the planning process.

5.2 DEMAND FORECASTS

The first step in planning is to be as accurate as reasonably possible in population and water demand and wastewater flow projections. There are a number of different methods that may be used to project demands. These methods range from a simple escalation of historical demands to as sophisticated as econometric demand forecasting. City planning documents were reviewed to determine how the City forecasts population growth, water demand, and wastewater flow, and if the forecasting method could or should be improved.

5.2.1 Population Projections

The City has two planning documents that discuss, in detail, population projections and the methods of obtaining them. The studies are titled the Long-Term Water Demand Projections (Burns & McDonnell, 2009), and the Master Plan for Water & Sewer Service in the Southern Growth Area & Chaffee Crossing (Mickle Wagner Coleman, 2010). Each study uses slightly different methods to estimate population.

The Long-Term Demand Projections report was written in preparation of the upgrades to the Lake Fort Smith Water Plant. The report found that the historical annual growth rate for the

area based on U.S. Census data from 1930 to 2008 is 0.865% per year (Burns & McDonnell, 2009). However, the report also found that the average exponential growth rate of the service population over the last 17 years was 1.0% per year. The updated value was found by determining the number of connections and the average number of customers per connection (household), which was determined to be 2.65.

The study also references previous population projections and presents a recommended growth rate through the year 2060. The report suggests that a linear model adding only 3,662 persons per year to the service area is the most applicable. Table E-1 in Appendix F lists all methods evaluated with an annual percentage growth rate, for comparative purposes only.

The 0.97% growth rate selected for the study is in-line with historical growth rates for the area, and is more conservative than reports published in the early 2000's, which do not take into account the recent economic slowdown. The report also goes into some detail as to which areas (by county) are likely to have more population growth, allowing the City, if desired, to apply county-specific growth rates to areas of interest.

Another report addressing population projections is the Master Plan for Water & Sewer Service in the Southern Growth Area & Chaffee Crossing (Mickle Wagner Coleman, 2010). This report is written to plan for facilities in the City's targeted growth areas. This report compares historical population projections as well as two versions of the Updated Bi-State Metropolitan Planning Organization (Bi-State MPO). The methods evaluated can be found in Table E-2.

The selected value was 0.83%, the low projection of the updated Bi-State MPO. Much like the data from the Long-Term Demand Projections report, the report errs on conservative growth rates. While the two projections differ by 0.14% (0.97% and 0.83%), they both appear reasonable.

5.2.2 Water Demand Projections

Water demands are projected by examining several factors, including: population trends and projections, per capita water usage, system losses, and water losses in the treatment process. Generally, water demand increases not only because the population increases, but also because the per capita water usage also increases. However, with the recent trend toward sustainability, many communities are finding that water use per person (gallons/person/day) has remained level, or in many cases even declined. This trend could be due to a number of reasons, including low flow fixtures in homes, reduced lawn watering, and more efficient use of water in industry. It is likely that the recent economic slowdown is also playing a part in reduced per capita usage.

The City's planning documents projecting water demand were reviewed to ensure that they are taking into account these trends, and that the projections are not overly aggressive or too conservative. Overly aggressive projections can lead to the premature construction or rehabilitation of facilities, the cost of which must be passed on to ratepayers. Overly conservative estimates can result in undersized facilities, or a delay in the construction of necessary facilities. The documents reviewed include the Long-Term Demand Projections report (Burns & McDonnell, 2009), which updated the Water System Master Plan (Burns & McDonnell, 1993) and Study of Water System Improvements to Supply Chaffee Crossing's Continued Growth (Sickle Wagner Coleman, 2011).

5.2.2.1 Historical Demands

The Long-Term Demand Projections study used the population projections described in the previous section to project customers in both the Fort Smith area and in the wholesale areas to the year 2060. Then, it evaluated the per capita usage based on historical water demand values. The historical (2002-2008) per capita usage rate in gallons/capita/day (gpcd) was 165.4 for both Fort Smith and the wholesale customers. Fort Smith averaged 181.5 gpcd, while the wholesale customers averaged 143.0. Refer to Table E-3 in Appendix F for the historical per capita flows.

The per capita usage in Fort Smith is greater than the per capita usage by the contract or 3rd party customers. A typical per capita usage rate for Arkansas is 133 gal/person/day (Qasim et al., 2000), and coincides more closely with the contractual and 3rd party customers' usage. A high per capita water use is typical of systems that have a high industrial component to their demand, have excessive water losses, or both. Information provided by the City on historical flow by customer class shows that approximately 20% of flow in the Fort Smith service area is industrial. For most water systems, 20% of flow is a fairly large percentage or proportion for industrial customer use and likely is the cause of the higher per-capita usage. Since the per capita flow values are based on metered sales (refer to Table E-3), water loss cannot be considered in these figures.

Table 5-1 shows historical flow rates by person or meter connection to the residential, commercial, industrial, and irrigation customers of Fort Smith. The impact of industry on the per capita flow is evident, as Table 5-1 shows residential customers use on average only 76.5 gal/person/day.

Table 5-1 – Historical Fort Smith Retail Customer Water Usage Rates (Burns & McDonnell, 2009)

Year	Residential gal/person/day	Commercial gal/meter/day	Industrial gal/meter/day	Irrigation gal/meter/day
2001-2008 Average:	76.5	914	65,646	626

The Long-Term Demand Projections report also examined historical water loss percentages, peaking factors, and water losses from treatment. The historical (2002-2008) water loss percentage is approximately 12% (see Table E-4 in Appendix F). The historical peaking factor is 1.51. It appears that water loss has decreased significantly since 2006, and 12% is a reasonable water loss value, with 10% being a rule-of-thumb average for a system of this size. A peaking factor of 1.51 is an average value and again reflects the large percentage of flow used for industry, which typically has less variation than residential and irrigation demands. Water losses from water treatment were assumed to be 5% in the report.

5.2.2.2 Future Demands

The Long-Term Demand Projections report (Burns & McDonnell, 2009) projected per capita flow rates based on historical values. Table 5-2 shows the average historical Fort Smith retail customer water usage rates as well as the values selected for projection. The residential, commercial, and irrigation per capita flow values are assumed to remain at the indicated levels through 2060. The industrial rate is expected to decrease slowly over time. The report states that no apparent trends were determined for residential and irrigation per capita usage, and thus it was projected as a constant. The industrial and commercial historical values indicate a decline in water usage, and so a constant commercial rate and relatively constant industrial rate are conservative, according to the report.

Table 5-2 – Historical and Projected Fort Smith Retail Customer Water Usage Rates (Burns & McDonnell, 2009)

Year	Residential gal/person/day	Commercial gal/meter/day	Industrial gal/meter/day	Irrigation gal/meter/day
2001-2008 Average:	76.5	914	65,646	626
Projection:	78 (Constant)	850 (Constant)	70,000[1]	625 (Constant)

Note 1: 70,000 gal/meter/day is projected to decrease by 100 gal/meter/day to the year 2060, at which time the projected industrial flow is 65,000 gal/meter/day

The contract customer usage rate projections were determined somewhat differently, as the customer classifications were unavailable for contract customers. The method generally consisted of determining the historical water usage rate and then applying a statistical analysis to it to determine trends. The statistical evaluation of the trend identified confidence intervals. In general, the upper 90% confidence interval value was selected as the constant future per capita usage rate for that entity.

The Fort Smith service area and the contract customer usage rates were combined with population projections to determine projected water sales into the future. Table 5-3 shows the projected population, water sales, and per capita usage for 2020, 2035 and 2060. Note that since the per capita projections are constant (with the exception of industrial flow in the Fort Smith Service area), the projected water sales are essentially increasing at the same rate as the

population. The per capita usage is only decreasing because of the industrial usage rate described in Table 5-2.

Table 5-3 - Projected Population, Flow, and Per Capita Usage for Fort Smith and Contract Customers (data from Burns & McDonnell, 2009)

Year	Projected Population	Projected Metered Water Sales (MGD)	Per Capita Usage
2020	193,621	28.60	147.7
2035	227,375	33.33	146.6
2060	283,586	41.15	145.1

To determine the amount of water treatment capacity needed in the future, water system losses, water treatment losses, and peaking factors were projected though 2060. System water losses were projected to remain constant at 11.5%, which is consistent with the seven year average (refer to Table E-4). The water treatment plant losses were also assumed to remain at 5%. The peaking factor was projected to be a constant 1.7. The 1.7 value is the high end of the 90% confidence interval based on a historical average of 1.5.

Table 5-4 lists the projected future raw water demand for the system, accounting for the projected metered water sales, water losses, and treatment losses. The figures show that by 2060, Fort Smith will need almost 50 MGD in average day flow. The maximum day demands with the projected peaking factor of 1.7 are also shown.

Table 5-4 - Projected Fort Smith Raw Water Demand Requirements (Burns & McDonnell, 2009)

Year	Raw Water Avg. Day Flow (MGD)	Raw Water Max Day Flow (MGD)
2020	34.0	57.8
2030	37.8	64.2
2040	41.5	70.6
2050	45.2	76.9
2060	48.9	83.2

Upon completion of the Lake Fort Smith Plant upgrades, Fort Smith will have 55 MGD of treatment capacity between their two plants. Water treatment capacity could become and issue in 5-10 years, especially if peaking factors are larger than anticipated.

The average per capita demand for the service area was 165.4 from 2002 to 2008 (Burns & McDonnell, 2009). The 165.4 gallons per capita flow rate is a number that could be used for planning purposes, when the exact mixture of development is not yet known. The Study of

Water System Improvements to Supply Chaffee Crossing's Continued Growth (Sickle Wagner Coleman, 2011), uses 170 gal/person/day as the residential average day demand with a peaking factor of 2.3. The study also uses 750 gallons/acre/day for industrial and commercial developments, with a peaking factor of 2.5.

In general, the Study of Water System Improvements to Supply Chaffee Crossing's Continued Growth has a similar average day flow demand projections as the Long-Term Demand Projections study. However, it does have peaking factors that are 50% larger than the Burns & McDonnell (2009) report. The peaking factor described in the Sickle Wagner Coleman study may be appropriate for a specific study area, especially if the development is to be upscale or if past records of water use in the area indicate high peaking.

The two planning documents examined are relatively consistent in their per capita projections; however, they have peaking factors that vary by 50%. The Burns & McDonnell study (2009) uses 1.7 as a peak day/average day flow ratio projection. However, the Mickle Wagner Coleman report (2011) uses 2.5 as a peak day/average day flow ratio. The historical peaking factor for the City's overall system is 1.5 and a normal range is 1.2 to 2.0 (Reynolds et al., 1996). Local conditions may dictate using larger peaking factors in certain areas for planning, and may have come into play in this particular study.

Water Loss Study - The City undertook a water distribution system audit in 2003. The Water Distribution System Audit (JBS, 2003) describes how the City made significant billing system upgrades to monitor the number of service points as opposed to individual customers. The report also described recommendations for improvements in the areas of billing, metering, operations and maintenance, and rates.

Water Conservation Efforts - The City has a documented conservation program, which is available on the City's website. The conservation program consists of three phases: Normal Conditions, Phase I Drought Conditions, and Phase II Drought Conditions.

During normal conditions, the City has placed irrigation and unattended use restrictions on homeowners, as well as on potable water uses for construction and hydrant discharges. Phase I and Phase II conditions go into effect based on lake levels. The intent of these phases is to limit water use during times of drought to conserve the source of supply. The Long Term Water Demand Projections report indicates that it would require a prolonged drought for the Phase I and Phase II restrictions to, "...measurably affect annual water use". The 2009 report did not consider any reduction in long-term water use due to conservation measures by the City.

5.2.2.3 Demand Projection Summary

Overall, the City has water demand planning documents in place that reflect current market trends and project flows for a significant period of time. Per capita flow demand projections

reflect market tends indicating that per capita flow will not increase over time. The Long-Term Demand Projections study also used upper 90% confidence limits to estimate the per capita usage rate, which protects the Utility from estimates that are too conservative.

See Section 5.5 for planning recommendations.

Projections were primarily calculated based on historical trends, which are summarized below:

- Historical per capita usage in Fort Smith is high; likely due to a large industrial demand in Fort Smith
- Water loss, while slightly higher than the rule-of-thumb 10%, is at an acceptable level, but there is room for improvement
- The historical peaking factor is relatively low (1.5), which is likely a function of the large industrial demand.
- The City's overall water planning process appears to be sound and reasonable.

5.2.3 Wastewater Flow Projections

Wastewater flows are generally functions of water use, collection system type, collection system condition, subsurface conditions, and climate. Generally, older systems in wet regions have higher wastewater flows due to a larger amount of infiltration and inflow (I&I). Unlike water demands, regional trends in wastewater flow are difficult to summarize. In general, as per capita water demands stabilize, one would expect that dry-weather flow to also stabilize. However, infiltration and inflow, as well as the factors listed above can influence the dry weather flow to the point that these trends may not appear.

The City's primary wastewater planning document is the Wastewater Management Plan and supplemental updates (CDM, 1993, 1997, 1999). It is understood that the City is updating the wastewater management plan in 2012. In addition to the wastewater management plans, the City is in the process of characterizing wastewater flows in several basins and has begun infiltration and inflow (I&I) rehabilitation in several locations. This proactive approach to decrease wastewater flows is prudent in the event a consent decree with the United States Environmental Protection Agency and the Arkansas Department of Environmental Quality must be negotiated.

5.2.3.1 Historical Flows

The wastewater utility currently serves the City of Fort Smith as well as the cities of Barling and Arkoma (CDM, 2007). In 2008, the combined population of the service area was approximately 91,000 (Burns & McDonnell, 2009). At the projected growth rates, the 2012 population of the service area should be approximately 95,000. Projected service area growth rates are presented in Table 5-5, and are based on the population projections presented in Section 5.2.1.

Table 5-5 – Wastewater Service Area Growth Rates

Year	Fort Smith	Barling	Arkoma	Total Sewer Customers
2008	84,375	4,318	2,181	90,874
2012	88,000	4,550	2,290	94,840
2015	94,400	4,970	2,480	101,850
2020	105,400	5,680	2,800	113,880

The analysis of historical flows in the basins is based on the Wastewater Management Plan, which describes flows at treatment facilities. Table 5-6 shows the historical wastewater flows to the P Street and Massard WWTPs. Historical dry weather flows were recorded at the plants. Historical wet weather flows were determined with calibrated models that estimate what the flow would have been at the plant had overflows not occurred in the system. Wet weather flow peaking in excess of 10 times the average dry weather flow is typical of older separated collection systems in need of rehabilitation.

Table 5-6 – Historical Wastewater Flows for the P St. and Massard Wastewater Treatment Plants (CDM, 1997)

Flow Condition	P St. Plant MGD	Massard Plant MGD	Total MGD
Avg. Dry Weather Flow[1]			
1990	6.96	5.38	12.34
2011	7.67	8.00	15.67
Peak Dry Weather Flow			
1990	11.73	9.17	20.90
Peak Wet Weather Flow[2]			
1-YR Return Period, 1990	78.6	44.7	123.3
5-YR Return Period, 1990	107.2	60.4	167.6

Notes: [1] 2011 Data based on estimates provided by the City; not from CDM, 1997
[2] Peak Wet Weather Flows presented are modeled flows that would be expected at the plant if overflows were not occurring in the system

As can be seen in Table 5-6, the City has historically experienced high wet-weather flows. The City was issued an administrative order by the USEPA to make collection system and WWTP improvements. To address this, the City has upgraded the P Street Wastewater Treatment Plant to treat wet weather flows. The City has begun flow monitoring in 2001, and has since started to rehabilitate sub-basins within the system to reduce I&I. According to the 2010 Flow Monitoring and Analysis Final Report (RJN Group, 2010), I&I reduction is being effective.

Based on Tables 5-5 and 5-6, the per capita flow rate in 2011 is approximately 165 gallons/person/day. Collection systems without excessive infiltration and inflow are expected to have a per capita wastewater flow near 120 gallons/person/day (Metcalf & Eddy, 2003). As stated in previous sections, this value may be too low for Fort Smith, where 20% of the water usage is for industrial applications. It is possible that the increased efforts by the City to remove I&I will be successful in keeping the per capita wastewater flow constant or even perhaps decreasing it over time.

5.2.3.2 Future Flow Projections

It is understood that the City is updating the wastewater management plan in 2012. Due to the timing of this study, that report will not be reviewed and thus the review of projections is of limited use. The updated wastewater management plan should examine the City's current population forecasting documents to maintain planning consistency. It should also use flow projections that take into account I&I improvements over the last ten years and anticipate any future I&I projects.

If current per capita flow rates were to remain constant, the City would have an average dry weather flow of 18.8 MGD in 2020. The current wastewater capacity is 22 MGD. These flows and the timing of facility improvements should be confirmed in the 2012 wastewater management plan update.

The most recent wastewater management planning document is the Master Plan for Water and Sewer Service in the Southern Growth Area & Chaffee Crossing (Mickle Wagner Coleman, 2010). This area is expected to generate nearly 8 MGD on the maximum day in the next 25 years. To determine flows, residential areas were assumed to generate 100 gallons/person/day. This standard design value was verified in the report using flow monitoring from existing Fort Smith residential areas. These areas produced between 59-82 gal/person/day. A commercial and industrial flow rate of 750 gal/acre/day was used for planning purposes. This value appears lower than would be expected for commercial and industrial development (Metcalf and Eddy states typical values are between 800 and 1,500 gal/acre/day (2003)), but was verified in the report by examining nearly 850 acres of existing development. Peaking factors for residential, commercial, and industrial areas were made using standard practices that also account for normal levels of infiltration and inflow based on modern construction techniques.

5.2.3.3 Wastewater Flow Projection Summary

Overall, the City has many planning documents including wastewater management plans, flow monitoring reports, basin-specific flow monitoring and I&I reports, facility upgrade plans, and I&I "progress" reports. These documents are all useful, but need to be coordinated with an updated wastewater management plan, which HDR understands is to be updated in 2012. The

City is working to address the administrative order from the USEPA, and has made progress in that regard.

General industry trends for wastewater flow are difficult to determine, as wastewater flows are system specific. At the time of this report, the latest version of the wastewater master plan is from 1999. The Administrative Order from the USEPA has been the guide for the capital projects over the last ten years.

Historical trends for Fort Smith indicate the following:

- Historical per capita dry weather flows in Fort Smith are somewhat high; likely due to infiltration and inflow and perhaps industrial usage
- Wet weather flows are historically 10 times greater than average day dry weather flow, indicative of an aging separated system with I&I problems
- I&I reduction is proceeding and is having a positive effect on both wet weather and dry weather flows (RJN Group, 2010).

See Section 5.5 for planning recommendations.

5.3 CAPITAL PLANNING

The water and wastewater management planning documents take the demand forecasts and then translate them into capital infrastructure. This section discusses how the recommendations from the master plans are taken, analyzed, and implemented as capital improvement projects. The "need" for improvements could be characterized in different ways, including:

- System Capacity
- System Reliability
- Age of Infrastructure
- Regulatory Requirements

The City's method of taking the planning documents, evaluating the "need", and then implementing projects was reviewed. Also, the methods of planning were evaluated to see if O&M solutions, where potentially viable, were considered (e.g. explore the potential trade-off between an O&M procedure and a capital project to improve or maintain water quality). Opportunities for gains in planning efficiency will be presented.

5.3.1 Current Planning Process

The current planning process used by the City was identified through staff interviews. In general, City staff has a defined approach to create the capital improvement plan, which includes several steps in the process. These are summarized below:

1. Review of historical data and analysis, including master planning documents

2. Review all projects (ongoing and future)
3. Estimate construction cost
4. Compare cost to available funding amounts
5. Prioritize projects with committee of 2 to 3 knowledgeable senior staff members

There are advantages and disadvantages to the current method of capital improvement planning. One advantage of the current process is that projects are matched to funding amounts, which shows fiscal responsibility to the ratepayers. Also, using a committee of the most knowledgeable staff members ensures those who know the most about the system are involved in decision making.

There are areas for improvement in the current planning process, which could improve the efficiency of the utility as a whole. The current system utilizes one kind of "defined approach", meaning there is a process in place to make the decisions necessary to form the CIP at the present time. However, the repeatability of this approach could be improved on. The current system relies on a few knowledgeable staff members to apply their experience with the City's utility systems to make the best decisions for each utility. However, there does not seem to be a written formal process for making these decisions such as a level of service goal, asset management, or risk quantification.

Without risk management systems, the utilities currently have no way to quantify if repair of an asset or replacement will be most cost effective, other than relying on past experience or on a consultant's report findings. Some operation and maintenance projects have been explored and are being implemented, such as rehabilitation of the sewer system for I&I control. Therefore, it is observed that the Utility is taking into account the possibility of repair versus replacement, but must rely on outside opinions for this information.

An additional concern expressed by Utility staff is the lack of a funding policy. In other words, the Utility has to justify the need to receive funding, and then fight for it, since there is no formal policy on which to rely. Staff also mentioned that management resources are limited to manage projects, which also plays into how projects within the CIP are chosen for implementation.

The City lacks a clear funding policy for renewal and replacement projects (See Section 6). As a result, utility management must prioritize and justify projects on an annual basis and work around a very limited amount of funding in relation to overall funding needs. When rate adjustments are not fully supported at the Board level, the first piece of funding to be reduced or eliminated, in order to minimize rates, is the capital improvement funding component.

5.3.2 Capital Planning Summary

The City has a defined approach for developing a capital improvement plan.

- Projects are matched to funding amounts.
- The system relies on a few knowledgeable staff members' experience.
- There does not appear to be a formal operating procedure to have a repeatable capital planning process.
- There is not a risk management system in place to quantify whether infrastructure repair or replacement is required.

Rate affordability is discussed in Section 6.7

5.4 FINANCIAL CAPABILITY

The planning process can not ignore the reality of the financial impacts of the capital improvement plan. Failure to meet the simple test of financial capability implies the need to go back into the planning process and develop a plan that is financially viable. Arkansas requires a review of "financial capacity" which contains a forecast of all future capital needs and operating expenses . . ." The level of detail involved in the financial capability test and how well that information is communicated within the planning document was reviewed. The financial capability test is not a formal "rate study" or "financial plan", but is an important screening test for the City to understand the potential future impacts of the capital improvement plan.

5.4.1 Current Financial Capability Test Process

Currently, the City funds CIP projects though a combination of water and sewer revenue bonds and Sales and Use Tax Bond Construction Funds. The Sales and Use Tax Bonds were issued to, in part, help address wet weather improvements due to the EPA administrative order. The City's utilities currently have a AA- bond rating. Revenue bonds are repaid over time though water and sewer rates while the sale and use tax bonds are paid via sales tax revenues.

The City's utilities have been successful in anticipating certain future needs and finding funding methods (bonds) to address them. The current capital planning process takes into account financial capability to a large degree. Interviews with staff indicate that financial capability testing is conducted before projects are fully prioritized. This meets Arkansas requirements and provides the City with an understanding of their ability to fund the planning CIP. While not ideal, this is common among utilities and is used out of necessity – as there typically is never enough money to complete all the improvements.

5.5 SUMMARY OF PLANNING RECOMMENDATIONS

This section of the report has reviewed the City's planning process. A number of different observations were provided. Overall the City's efficiency rating for planning ranges from "Defined Approach" to "Managed". Table 5-7 summarizes HDR's priority recommendations for Planning.

Table 5-7 - Planning Priority Recommendations

Overall Recommendation	Recommendation	Advantages	Challenges/Risks	Capital Cost	Annual Return
Use the asset management program to assist in capital planning.	Identify infrastructure at risk to be included as repair and replacement projects in the CIP.	Asset management and risk quantification plans will allow the utility to assign its resources based on a quantifiable and repeatable process.	Using asset management and risk quantification process requires buy-in from decision makers, requires a significant effort to start the program.	Section 3 describes costs for the asset management program; once implemented there is no additional cost to use it in the CIP planning process.	May increase capital budget if it is found that assets are not being replaced on time. Returns need to consider the decreased risk to the Utility.
Assess project management and staffing needs.	Project management needs should be evaluated.	Evaluation of project management can confirm if staff is being over/under utilized and if more staff are required. Study can be done in conjunction with performance reviews.	Staff do not typically report being underworked. Requires management time.	No Capital Investment	Typical return on improving project management system and procedures is a reduction in project overruns at 10% of Capital Project Costs
Examine unaccounted for water and better identify areas of unaccounted for water.	Revisit the recommendations from the JBS report. Test production and wholesale meters annually; testing could be performed by the City or contracted out.	The 2003 JBS Report indicated that 115 meters generate more than $8,000 each in revenue annually; 28 of which generate more than $23,000 each annually; detecting faulty meters early prevents the loss of revenue	Monitoring and replacing meters costs money; review the results of recent tests to determine if conducting the tests is financially beneficial	$0	The JBS Report estimated that testing 28 meters semi-annually and 87 meters annually would cost $250/meter or $36,000 in 2003. Finding an error of 1% in these meters would equate to approximately $58,000 in savings, based on 2003 values.
	Review Low-Use Accounts	Continual review of accounts can alert the Utility to problems with meters when they fail and prevent loss of revenue	Review of records takes time; although minimal time	$0	Depends on results of reviews; review of accounts is a good practice for a Utility regardless of payback.
	Monitor accounts with meters greater than 2 inches to identify significant consumption changes (possible meter failures)	Continual review of accounts can alert the Utility to problems with meters when they fail and prevent loss of revenue	Review of records takes time; although minimal time	0$	Depends on results of reviews; review of accounts is a good practice for a Utility regardless of payback.

Risk Quantification and Asset Management in the CIP Process

Risk quantification through asset management should be considered as part of the capital improvement planning process. Asset management programs are an important undertaking, and require assistance from all levels of the Utility. Asset management plans require updated data located in accessible data management systems, and standard methods for depreciating the asset over time. Risk quantification requires a good asset management system along with a standard method for quantifying risk and applying that risk to each asset. Once this process is complete, staff has a quantified view of all their assets and the identification of vulnerability. This approach then allows long-term planning, a method for justification of funding sources, and a repeatable approach that can be used by the Utility for the long-term. A brief discussion of asset management plans and risk quantification follows.

The requirements and makeup of asset management and risk management programs vary by entity and utility. In general, the goal of an asset management plan is to optimize decisions about a broad range of infrastructure, using information based on economics, operations, and engineering (Bloetscher, 2011). A good asset management plan takes aspects of infrastructure reliability and converts them into an economic evaluation, which can be used for cost-effective decision making. The term "infrastructure reliability" is broad, but can include the following:

- Quality of equipment installed
- Quality of construction
- Adequacy of design
- Condition assessments
- Potential for disruption
- Vulnerability of failure
- Risks to public health
- Safety of staff

An asset is defined as a single item which a utility owns that contains value. The definition of a "single item" is sometimes difficult for a utility to discern. There is no right or wrong answer, however the more systems are broken down, the more valuable the assessment management plan and risk assessment will be. For example, a single item could be defined as a filtration facility. This is acceptable, however many components of a filtration system have a very long life, much longer than the transfer pumps or electrical equipment within the facility may have. When it is time to determine the "risk of failure", identifying a transfer pump, its variable frequency drive, and its motor, is more useful than trying to determine risk for an entire process.

There are three general steps to assess the infrastructure of a utility. These steps are taken from Utility Management for Water and Wastewater Operators, which is published by the American Water Works Association (AWWA).

Step 1 – Identify the Asset (Gather Information)

- Find Utility owned property and existing facilities from maps and property records and verify the utility-owned property records.
- Visit each site and verify the on-site assets. Note condition of the assets. Determine initial cost, installation date, quantity of item, and material, if possible. Use staff knowledge where possible to estimate gaps in the data.
- Update the utility infrastructure from facility plans.
- Update the mapping records.
- Determine installation date of assets through as-built drawings and institutional knowledge.
- Verify records of utility insurance documents
- Create a list of inventory, including all assets that are to be evaluated.

This step is aided by having appropriate data management systems, especially Lucity and GIS, as the data contained within them is the foundation of this step. The more easily the data can be extracted and compiled from these systems, the easier the evaluation of the assets will be.

Step 2 – Determine the Condition of the Asset (Evaluate the health of all assets)

The key to this step is to use a defined and uniform process to evaluate the assets.

- A prerequisite for this step is an inventory list containing the items discussed in Step 1
- Develop a protocol or ranking system by which to conduct condition assessment
- Conduct field observation on assets that can be seen, assign a condition score to each
- Record information on work orders, especially for underground infrastructure, to begin to develop a "picture" of the health of the underground system. This should include information from valve exercising, CCTV reports, etc. Note that "age", while useful to know, should not be the only factor used to determine the health of underground infrastructure.
- Determine a method for dividing up the underground system (i.e. separate water lines by area or year installed (all water lines above 12" installed from 1975-1980), or perhaps a combination of these). A condition score will be assigned to the division.
- Assign condition scores to the divisions of underground infrastructure.

Step 3 – Depreciation of the Asset

Depreciation is conducted to give the utility an idea of the value of the asset, and may give insight as to if repair or replacement of the asset should be undertaken though a life-cycle cost analysis. Straight-line depreciation is common, but not the only acceptable method. Actually, assets depreciate slowly at the beginning, and then quite rapidly towards the end of their lives. Assets should be depreciated over time, with a value of "zero" being given to any asset that is obsolete, even if it is still within it's useful life.

- A prerequisite for this step is an inventory list with current condition assessments discussed in Steps 1 and 2.

- Define the method the utility will use to calculate depreciation.
- Define the "useful life" of an asset. Estimates of "useful life" are presented below, but should be adjusted based on local knowledge within the Utility (Bloetscher, 2011)
  - ✓ Concrete Structures: 100 years; refurbishment every 20-30 years
  - ✓ Steel Storage Tanks: 100 years; refurbishment every 10-15 years
  - ✓ Steel Treatment Structures: 50 years; refurbishment every 10-20 years
  - ✓ Water Mains: 60+ years (use local knowledge, may vary by pipe material)
  - ✓ Sewer Lines: 50-100 years (use local knowledge, may vary by pipe material); assume repairs (slip-lining) required every 20-30 years
  - ✓ Personnel Access Openings: 50 years
  - ✓ Mechanical Equipment: 15 years or less
- Depreciate each asset.

Once the asset management plan has been established, and the condition assessment conducted (Steps 1 and 2 from the asset management plan), the risk assessment may be completed. Risk assessment is really just two components: 1) the likelihood that a failure may occur and; 2) the impact of the failure. The information necessary to determine the likelihood of a failure occurring should be obtained from Step 2 of the asset management. A protocol for assigning a numeric score to the "probability of failure" should be written and should include considerations for condition, age, capacity, and level of service desired. Ultimately, the score will be somewhat subjective, but the protocol should serve as a guide and be followed. This step can make great use of the employee knowledge of the system.

The impact of the failure is defined as what effect the failure might have on the utility, its customers, or both. Examples of consequences of failure follow:

- Public Health and Safety Risk
- Regulatory Compliance Compromised
- New Growth Needs Not Met
- Property Damage
- Cost of Repair
- Service Disruption
- Public Relations
- System Redundancy
- System Security

These consequences should be assigned weights, and a score should be determined for the "impact of a failure" to each asset. Then, the likelihood of failure and the impact of failure can be combined and assets can be ranked. Table 5-8 gives a simplified example of a risk assessment for three components of a water system.

Table 5-8 – Example of Asset Replacement Priority Table (Based on Bloetscher, 2011)

Asset	Age	Customers Served	Condition	Probability of Failure	Probability of Failure Score (1-10) (10 is most vulnerable)	Consequences of Failure	Consequences of Failure Score (1-10) (10 is highest consequence)	Risk Score (1-100)	Priority
High Service Pump	20	35,000	Fair	Medium	5	Low; Has Redundancy with Newer Equipment	2	10	3
Cast Iron Watermain 12" to 14" installed in 1940-45 in North Part of Town	68	45,000	Poor	Medium/ High	7	Medium/ High	7	49	1
Water Storage Tank	60	80,000	Poor/Fair	Low/ Medium	4	Medium/High	4	16	2

This particular evaluation gives one example of how risk can be quantified and priority can be assigned. The "Probability of Failure" score comes from the asset assessment, as well as the other factors (capacity, level of service goal) described previously. Note that "failure" is an event that would render the system useless, not a leaky water main. Step Three of the Asset Management Plan is used to determine the economics of replacing the line or repairing each leak as it occurs based on depreciation and life cycle costs. The "Consequence of Failure" score is the risk component. This numeric factor must take into account all of the risk factors discussed previously. This is just one very simple example of how a risk analysis could be conducted.

It is very likely that the results of the risk analysis will be in many ways what the utility would expect – (i.e. "I could have told you we needed to replace the pump motor, it's 30 years old!"). However, the defined, repeatable approach allows the utility to anticipate future needs, assigns priority rankings to improvements, presents a solid case for funding, and is transferable to new leadership when transitions are made.

Once priority is assigned, Step 3 from the asset management plan should be utilized to see what the most cost effective method of addressing the problem is. Depending on the depreciation of the asset, it may make more sense to repair the asset, and extend the service life. Other assets may require replacement. A life-cycle cost analysis should be performed to determine the appropriate improvement.

6 REVIEW OF FINANCE AND RATES

6.1 INTRODUCTION

Adequate and appropriate funding of a utility is an important element in achieving operations efficiency. At the same time, having clear policy guidance to financially manage the utility is important. As a part of the City's efficiency study a number of different areas were reviewed with respect to the financial planning and rate setting process for the City. At the same time, various performance measures (benchmarks) were reviewed.

As a part of this operations efficiency review, HDR reviewed the following financial planning and rates issues:

1. Review of Selected Performance Measures
2. Review of the City's Financial/Rate Setting Policies
3. Review of the City/Utility's Financial Planning Process
4. Review of the Level and Adequacy of Infrastructure Replacement Funding
5. Review of Debt and Rate Financing of Utility Infrastructure
6. Rate Affordability
7. Consideration of the Impacts of Growth and System Development Charges

As a part of this study, HDR did not review or critique the City's prior rate adjustment proposals. Rather, the purpose of this review was to consider the adequacy of the planning and policy process of establishing utility rates.

6.2 REVIEW OF SELECTED PERFORMANCE MEASURES

Utilities often use performance measures, performance indicators or benchmarking to measure or compare efficiency. Technically, there is a distinction between performance measurement and benchmarking, although the terms are often interchanged. Performance measures are a particular value or characteristic designated to measure input, output, outcome, efficiency, or effectiveness. In contrast to this, benchmarking is the comparison of similar processes or measures across organizations and/or sectors to indentify best practices, set improvement targets, and measure progress. For example, a performance measure would be the number of customer complaints per 1,000 customers. The benchmark would be a detailed breakdown of the steps or processes used to address a customer complaint and the industry "best practices" related to how complaints are categorized and handled.

It is important to note that the City is committed to continuing the performance measure process after this study is completed. The City's comparison to other utilities, while interesting, is not the critical perspective. The most important perspective is that of "continuous improvement" and measuring against a utility's own performance will yield the most

meaningful and valuable results from a management perspective. Given that, this study has provided a framework for the performance measures to be used by the City going forward.

6.2.1 A Brief Discussion on Performance Measures

The City currently does not have formal performance measures or indicators in place that are tracked for the utilities. As part of this study, a limited set of performance measures were selected for the water and sewer utilities and compared to other similar utilities. In establishing performance indicators, it is important to:

- Select measures that are tailored to the utility's particular needs and ones that support the City's strategic objectives and mission.
- Start with a small set of measures across broad categories and increase the number and specificity of the measures over time.
- Track to measures over time to evaluate progress from year to year
- Engage the organization in developing, tracking and reporting measures, but have one key individual in the role of championing and coordinating the effort
- Select and use measures in a positive way to improve decision making and focus resources and attention, not just to monitor, report and control.
- Develop an effective process to evaluate and respond to results.

6.2.2 Performance Measures Selection Process

HDR proposed a number of performance measures for the City's consideration from the American Water Works Association (AWWA) Benchmarking – Performance Indicators for Water and Wastewater Utilities: Survey Data and Analyses Report, 2005[1] and the American Water Works Research Foundation publication Benchmarking Water Utility Customer Relations Best Practices[2].

In addition, the City completed a comprehensive process of evaluating performance measures. The City reviewed a total of 96 individual performance indicators, which are grouped together into 65 separate categories. Many of the performance measures considered were from the AWWA Benchmarking Report. Through this process the City prioritized ten (10) operational performance measures for long-term use and two (2) financial/customer service performance measures for the utilities. The City based the prioritization on the goals and objectives that are the most important objectives to the mission of the utilities. All of the operational performance indicators selected are in the AWWA Benchmarking Report.

The AWWA Benchmarking Report describes 22 formal performance measures for benchmarking, with some of the measures broken out into several sub-measures as well. Each

[1] American Water Works Association (AWWA), Benchmarking: Performance Indicators for Water and Wastewater Utilities: Survey Data and Analyses Report, by Angela K. Lafferty and William C. Lauer, 2005.
[2] American Water Works Association Research Foundation (AWWARF), Benchmarking Water Utility Customer Relations Best Practices, 2006.

performance measure provides a description, formulas for calculations and data summarized by region of the U.S., population size served, and whether the utility is water, wastewater or combined. The City's twelve (12) performance measures are listed below.

- Drinking Water Compliance Rate (% Days)
- Sewer Overflow Rate
- Distribution System Water Loss (%)
- Sewer Treatment Effectiveness Rate (%)
- Water Distribution System Integrity
- Direct Cost of Water Treatment per MG
- Direct Cost of Sewer Treatment per MG
- Residential Cost of Water Service (Monthly for 7,500 gal)
- Technical Water and Sewer Quality Complaints per 1000 Customers
- Customer Water and Sewer Service Complaints per 1000 Customers
- Cost / Bill
- Bad debt or write-offs as a percentage of total annual billings

Each of these performance measures are described below, along with the benchmarking data from the AWWA Benchmarking Report, as well as benchmarking data from a survey conducted by HDR to obtain these same performance measures from similar or comparable utilities.

6.2.3 Benchmarking Survey and Study Results

HDR developed a survey for each participating utility (water and sewer) to determine their response to the 12 performance measures, two of which the City selected to be used in the study. . HDR used the AWWA 2010 Water and Wastewater Rate Survey[3] to determine utilities of similar size in population served, daily gallons sold (MGD), and/or utilities also located in Arkansas and/or the Southern U.S. region, as defined in the AWWA Benchmarking Report. It is important to note that the City's utilities fall into two different population ranges used in the AWWA Benchmarking publication: 100,000 – 500,000 population for water and 50,000 – 100,000 for sewer. On a combined basis, the utilities will be included within the range for the water utility of 100,000 to 500,000 population served.

The following 10 utilities were identified based on three primary criteria: Arkansas utilities, similar sized utilities, and in particular those that are also in the Southern U.S., as identified in the AWWA 2010 Water and Wastewater Rate Survey.

[3] American Water Work Association, 2010 Water and Wastewater Rate Survey, 2011.

City	Service Population	Participant
Dalton, GA	92,000	
Lancaster, SC	94,000	
Decatur, AL	98,000	
Rogers, AR	101,000	X
Pueblo, CO	108,000	X
Provo, UT	121,000	
Savannah, GA	133,000	
Welcome, NC	150,000	X
Fayetteville, AR	245,000	X
Bentonville, AR	35,000	X

[1] Service populations for all utilities are from AWWA 2010 Water and Wastewater Rate Survey, except for Bentonville, which is from the 2010 Census. The service populations represent the population of the utilities serving those areas. In some cases the jurisdiction population differs from the population provided in the AWWA Rate Survey by location. Some local utility populations are quite different than Fort Smith's; however, these are local municipal utilities, worthy of gaining benchmarking data.

These jurisdictions were contacted and nine utilities indicated an interest in participating. Some of the areas have different agencies providing water and sewer services. For example, Pueblo, Colorado sewer services are provided by the City while water is provided by Pueblo Water, a special district.

6.2.4 Caveats to the Survey of Performance Measures

Of the ten utilities surveyed, HDR received five utility responses by the time of the preparation of this report. In gathering this data, HDR and the City noted the challenges and difficulty in attempting to collect comparable utility data. First, some utilities simply did not want to participate given their limited time and resources. Next, regardless of the quality of the survey form, a surveyed utility may not provide complete, accurate or correct data. While the AWWA Benchmarks provide a clear definition of the performance measure the difficulty may be in the local collection and interpretation of that data. For example, the performance measure of "customer complaints per 1,000 customers" is open to interpretation as to what constitutes a "customer complaint". Finally, as was discovered at Fort Smith and many of the surveyed utilities, data may simply not be accumulated in a manner to allow for a response to the surveyed performance measure. For example, the performance measure of cost per bill requires the accumulation of costs in a detailed manner to allow for an accurate response.

For the above reasons, care should be taken to not "over-analyze" the data or potentially reach incorrect conclusions concerning the efficiency or lack of efficiency by Fort Smith. Most importantly, this study has provided a clear framework and a set of performance measures to

allow the City to continually measure their own performance, while creating targets or goals for improved performance.

The City is committed to continuing the performance measure process after this study is completed. The City's comparison to other utilities, while interesting, is not the critical perspective. The most important perspective is that of "continuous improvement" and measuring against a utility's own performance will yield the most meaningful and valuable results from a management perspective.

6.2.4.1 Water Utility Performance Measures

The performance measures described below are organized by utility, first the water utility, then the sewer utility, then combined utility measurements. Each performance measure definition and calculation metric is provided, along with commentary, as appropriate. The City of Fort Smith provided the calculations for the City's responses. It is important to note that the AWWA Benchmarking Report is published in 2005 and is the most recent publication with this data. However, given the vintage one must consider that the AWWA data is likely stated in 2004 or 2005 dollars and the data and information and the other surveyed utilities are likely stated in 2010 or 2011 dollars. Fort Smith has reported 2010 data. Details from each of the utilities who responded to the survey are provided in Appendix F of this report.

1. Drinking Water Compliance Rate (% of Days)

Purpose: This performance indicator quantifies the percentage of time (based on days each year) that a water utility has met all health related regulatory drinking water standards and requirements of the U.S. National Primary Drinking Water Regulations. It is measured in number of days of full compliance with these regulations, divided by days in the year, as follows:

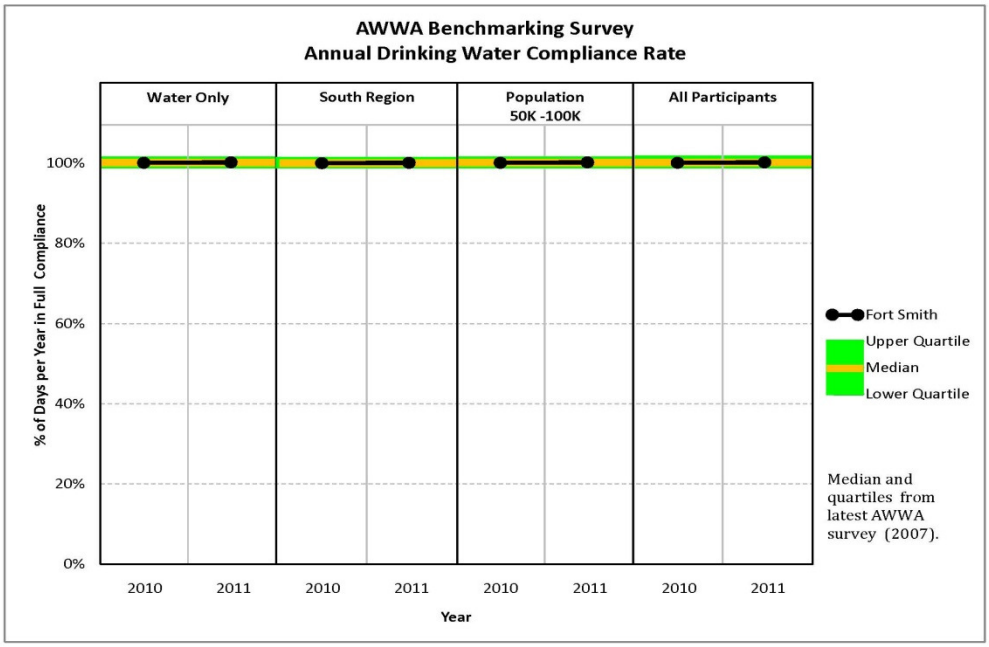
Metric:

$$\frac{100 * (\text{number of days in compliance})}{365 \text{ Days}}$$

Importance: This performance measure is important since it measures regulatory compliance against required drinking water standards.

Fort Smith felt that this was the most important measure because it determines how effectively the City is able to meet its most important purpose, to provide safe and adequate drinking water to the service population.

Figure 6-1 Percentage of Days in Regulatory Compliance



As would be expected, all the utilities responding to the AWWA Benchmarking survey are in 100% compliance with drinking water regulations, as shown in Figure 6-1.

2. Distribution System Water Losses

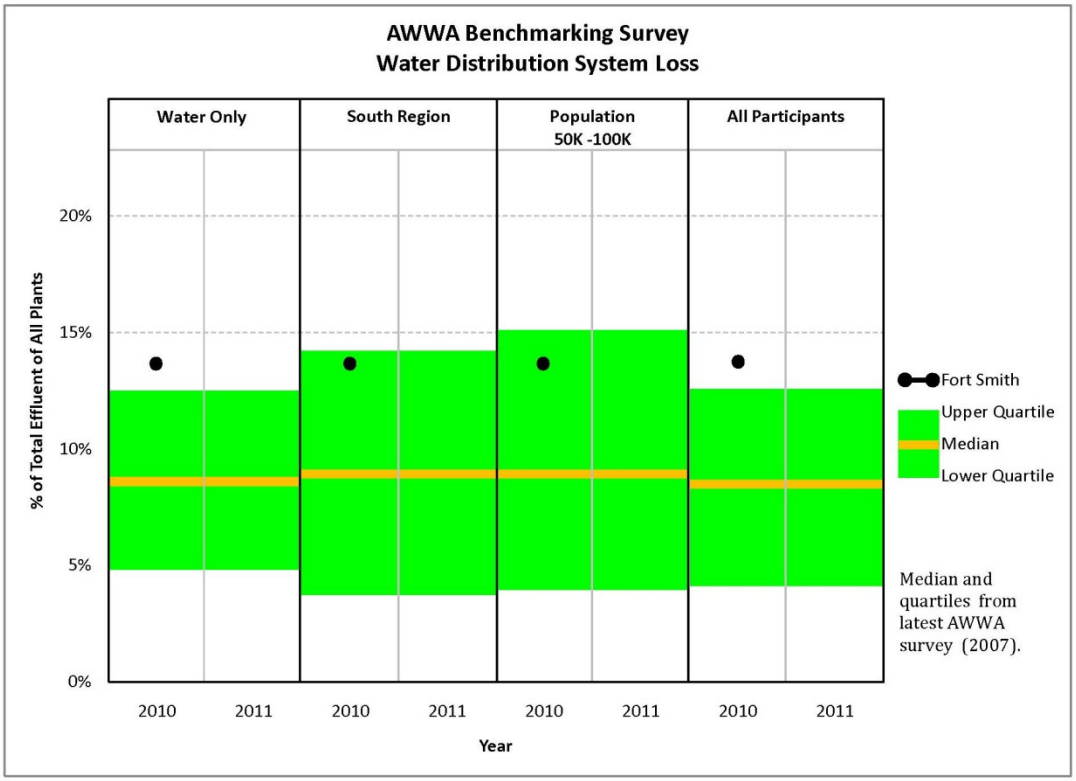
Purpose: This performance indicator quantifies the percentage of produced water that does not reach customers and is not otherwise used (authorized unbilled water). It is measured by dividing the total volume distributed less billed volume and authorized unbilled volume by the total volume distributed, as shown below.

Metric:

$$\frac{\text{volume distributed} - \text{billed volume} - \text{authorized unbilled volume}}{\text{volume distributed}}$$

Importance: Lost water reflects the proportion of non-revenue (lost) water to revenue/authorized use water. More importantly it measures the amount of water that incurs the cost to be treated, pumped and distributed, yet is "lost" in the system. All water systems will have system losses and unaccounted for water, but an efficient water system minimizes their losses and unaccounted for water to help minimize overall O&M costs. Figure 6-2 presents the results for this performance measure.

Figure 6-2 Percentage of Total Distributed Water Lost – Water Losses



The water losses reported for Fort Smith appear to be higher than the medians of those utilities reporting to the AWWA Survey. The level of losses by Fort Smith is at the upper range of the 75th percentile but certainly not unreasonable. Losses of less than 10% are considered a very "tight" water system. It is important to understand that there are a number of different ways in which losses (unaccounted for water) occurs, and it is not simply a function of "leaky" pipes. For example, the flushing of distribution mains are an example of water that is used for O&M activities, yet considered a water loss.

3. Number of Water Main Leaks and Breaks per 100 Miles of pipe

Purpose: This performance indicator quantifies the number of breaks and leaks per 100 miles of distribution water main system. It is measured by dividing the total number of breaks and leaks by the total miles of water mains divided by 100, as shown below.

Metric:

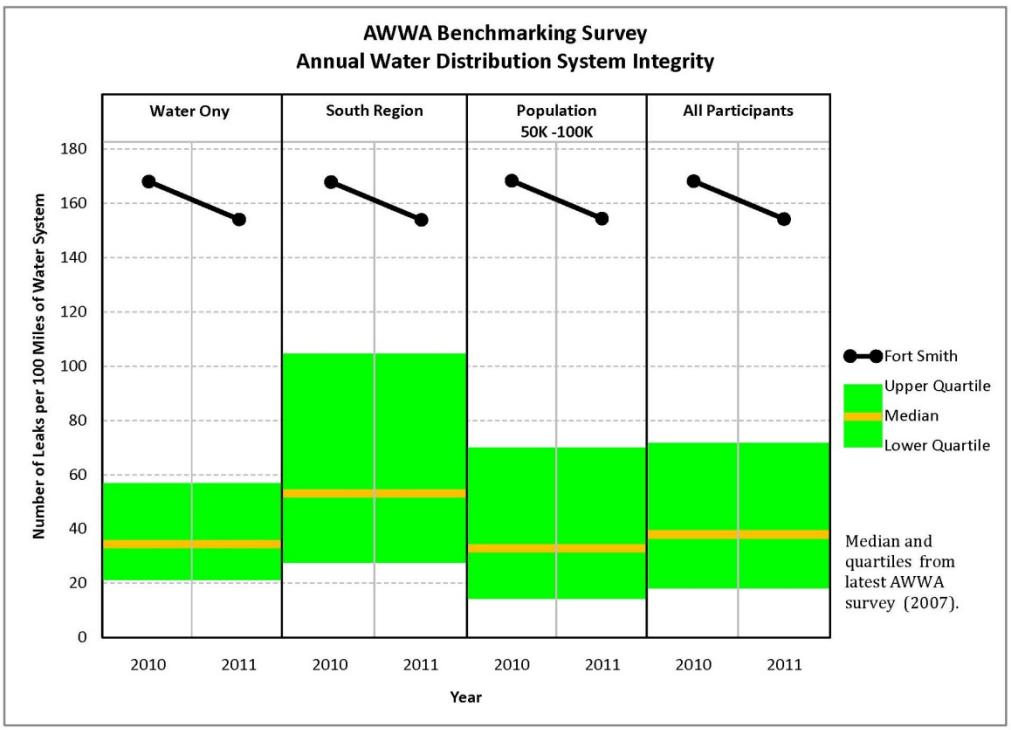
$$\frac{\text{annual number of main leaks + breaks}}{\text{(total miles of water mains/100)}}$$

Distribution system water mains include all pipes, valves, hydrants, etc. conveying treated water from the treatment facilities to the end point of utility control at customer service connections. Any service line piping beyond that point is not part of the distribution system, and is typically owned by the customer.

Importance: The number of main leaks and breaks may be an indicator of the condition of the distribution system and the adequacy of the repair and replacement of that system. A high level of leaks and main breaks will create higher water system losses and the potential of customer interruptions in service.

Figure 6-3 presents the results of the water main leaks and breaks.

Figure 6-3 Distribution System Integrity: Number of leaks and breaks per 100 miles of water main



The prior measure of water losses indicated a high level of losses compared to the AWWA benchmarking. One source of water system losses is main leaks and breaks which may help to partially explain the level of losses. However, before reaching that conclusion, it is important to understand that some utilities may define, report and track leaks and breaks differently, which can certainly account for differences in this performance measure.

It is important to understand that the number of leaks and main breaks is a function of a number of items such as age of the system, pipe materials and adequacy of funding to properly maintain (repair/replace) the distribution mains. An asset management study which includes condition assessments can be used to better understand this issue of the proper and adequate repair and replacement of the distribution system.

4. Total direct cost of treatment per million gallons of distributed water

Purpose: This performance indicator quantifies the total direct cost of treatment divided by the million gallons of water distributed, as shown below.

Metric:

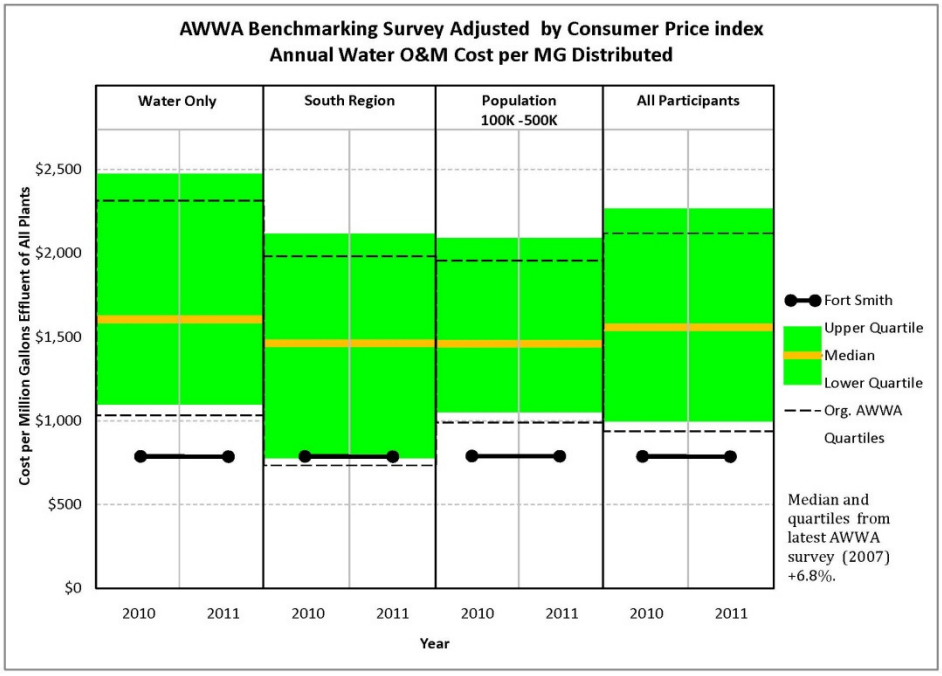
$$\frac{\text{total direct O\&M treatment expenses}}{\text{million gallons distributed}}$$

Direct costs for treatment include only those costs associated with treatment, including salaries, benefits, and direct expenses for services and items only within the treatment facilities, not those pumping costs associated with delivery to or from the water treatment facilities.

Importance: The direct cost of treatment is one of the major cost inputs into the production and delivery of potable water. Proper management and control of this function can significantly impact the overall total costs of the production of treated water.

Provided below in Figure 6-4 is a summary of the AWWA surveyed data.

Figure 6-4 Water Treatment Cost Per Million Gallons Distributed



The City's direct water treatment costs at or below the 25th percentile. This would seem to indicate efficiency in the treatment process. However, it does not indicate whether additional savings can be achieved in the treatment process.

5. Residential cost of water service – per 7,500 gallons of water usage

Purpose: The measure of 7,500 gallons is a typical "average household usage" used in rate surveys and comparisons. This indicator allows Fort Smith to compare its residential cost for a typical amount of water per household with comparable utilities. This measure is based on a 3/4-inch meter with 7,500 gallons of usage in a month.

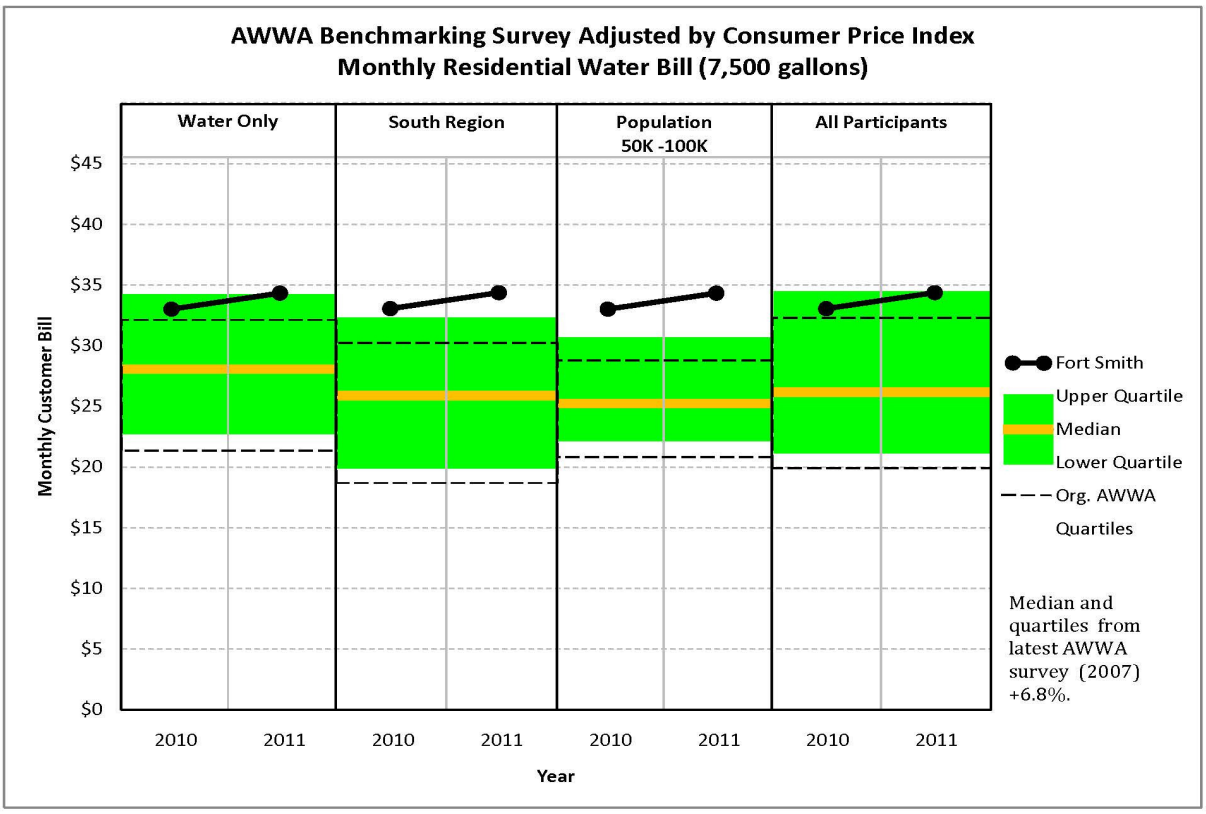
Metric:

Monthly cost of residential water use, for a 3/4-inch meter with 7,500 gallons of water

Importance: This measure provides a comparison between what customers ultimately pay for water at a certain defined and fixed quantity. This may not be an important or reasonable measure of "efficiency" since a City Council or Utility Board can artificially keep rates low, at the expense of the proper and adequate operation and maintenance of the water system.

Figure 6-5 presents the results of the monthly water bill comparison.

Figure 6-5 Residential Monthly Water Bill, 3/4-inch meter and 7,500 gallons usage



Given the aged data, if AWWA conducted this same survey today (2012) one would expect the AWWA median to be slightly below $30 per month (assuming 3% annual inflation). A May 2011

Circle of Blue article indicated that water rates in 30 U.S. metropolitan areas rose an average of 9% in 2010 alone, much higher than CPI. With that understanding, the monthly rate for Fort Smith would likely be within the range of comparable utilities. However, even with that explanation, this performance measure does not necessarily reflect an "apples to apples" comparison between utilities in terms of O&M and capital infrastructure funding levels and the overall adequacy of funding.

6. Technical water quality complaints per 1,000 customers

Purpose: This performance indicator quantifies the total number of technical water quality complaints, such as taste, odor, or other aesthetic related complaint, per 1,000 active customers, as shown below.

Metric:

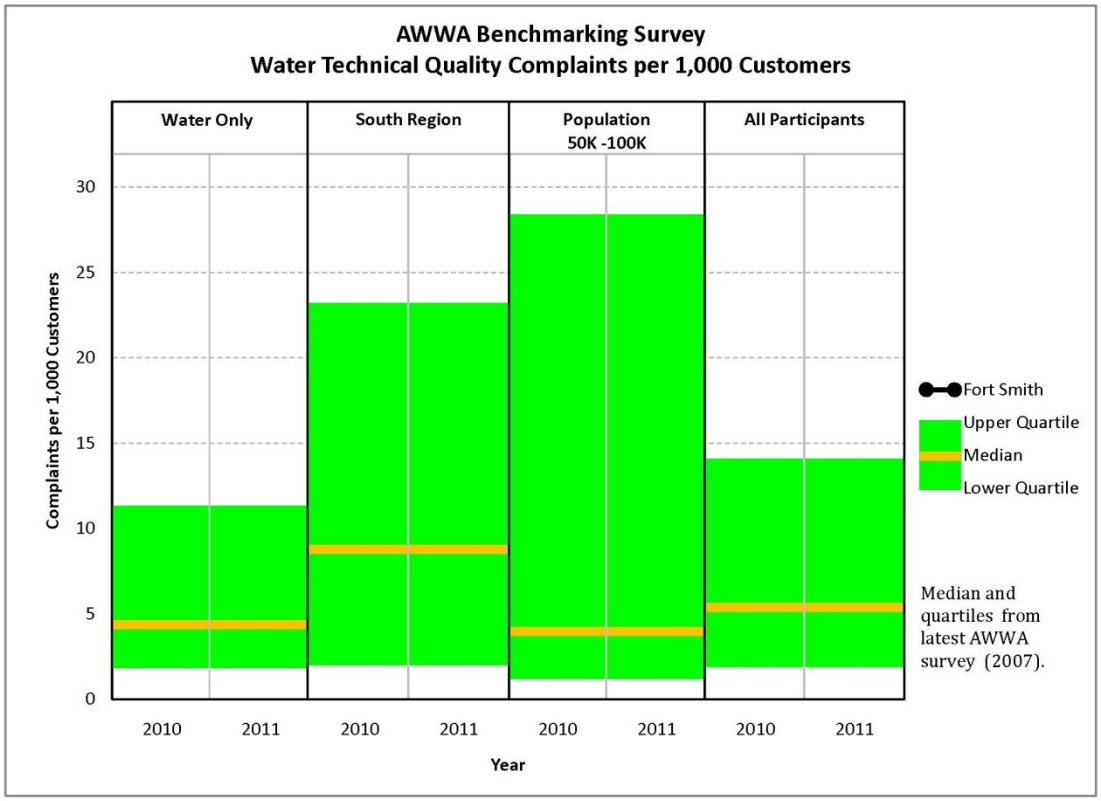
$$\frac{1{,}000 * \text{number of technical quality-related complaints}}{\text{number of active customer accounts}}$$

Active accounts are those that are billed for all or some of the months in a reporting period. Complaints may be relayed to the utility orally or in writing. A complaint is a request for action.

Importance: Water quality in terms of taste, odor and other aesthetics is, in part, the customer's perception of the "quality" of the water delivered. Water quality can certain be measured from a regulatory perspective, but this measure is perception driven by the customer.

Figure 6-6 presents the results from the AWWA Benchmarking report.

Figure 6-6 Technical Water Quality Complaints per 1,000 Customers



As the City began to gather data for this performance measure it was discovered that the City's work order system does not distinguish between technical water quality work orders generated by customer complaints versus those work orders generated by addressing other issues. Therefore the data for this performance measure can be collected in the future by the City to gain a better measure of this particular issue. It should be noted that the City of Bentonville also does not collect data on water quality complaints that is easily extractable from their work order system.

7. Customer service complaints per 1,000 customers

Purpose: Very similar to the performance measure described directly above, this indicator quantifies the number of customer service complaints per 1,000 active customers. The difference is that water quality related customer complaints are isolated for measure #6, where as all other customer complaints are included within this performance indicator as shown below.

Metric:

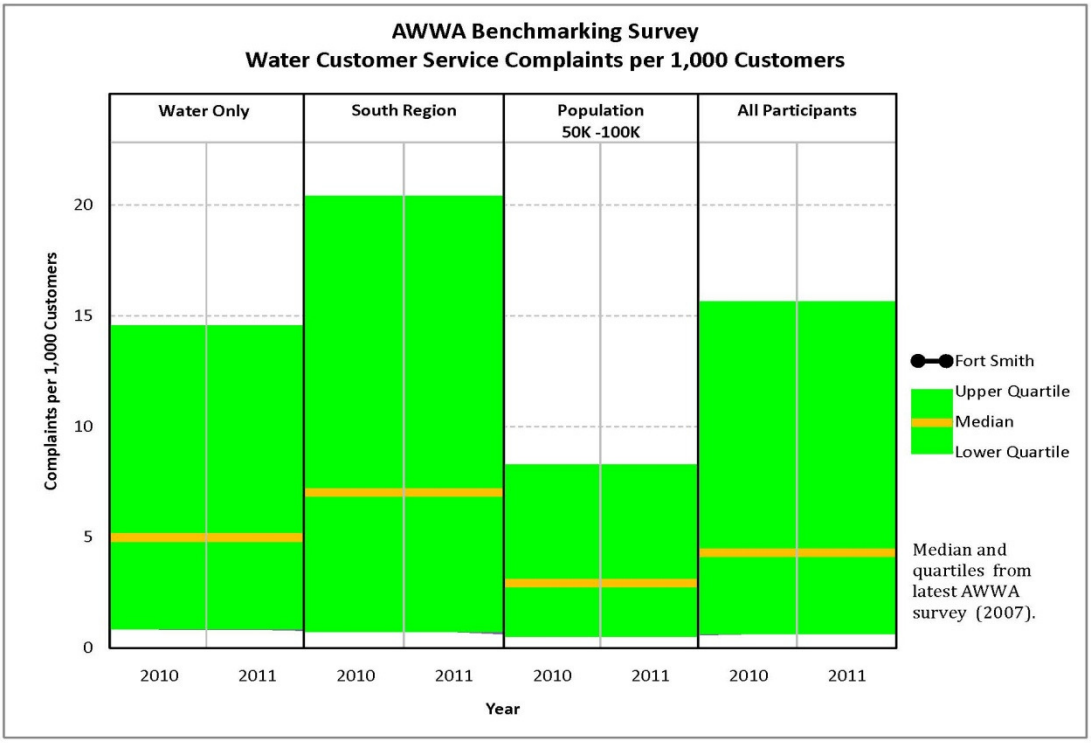
$$\frac{1{,}000^{*}\ \text{number of customer service complaints}}{\text{number of active customer accounts}}$$

The same definitions apply here for active customers, and complaints as noted above for performance measure number 6.

Importance: Customer service complaints are a measure of the overall quality of service. However, no distinction is made as to level, type or severity of the customer complaint.

Figure 6-7 presents the results from the AWWA Benchmarking Report.

Figure 6-7 Water Customer Service Complaints per 1,000 Customers



Again, this data was not information that the City could easily extract from their work order system. The City intends to adjust the work order system to be able to track this measure in the future. This could be seen as a combined utility measure. The City will need to determine if it wants to track customer service complaints separately for water and sewer or as a combined operation, and by type of complaint.

6.2.4.2 Sewer Utility Performance Measures

There are three performance measures the City selected for the sewer utility; three related to operations. HDR added the residential cost for sewer, since that data is typically readily available.

S – 1 Sewer Overflow Rate

Purpose: This performance indicator measures the condition of the sewer collection system and the effectiveness of routine maintenance to prevent sewer overflows, as shown below. It is important to note the definition of an overflow, and acknowledge that utilities may account for overflows differently. In the AWWA Benchmarking Report an overflow is defined as a discharge from a sewer through an access hole, clean-out, pumping facility, or customer floor drain if that discharge is related to limitations or problems with collection or treatment system components under the control of the utility. A single limitation can result in multiple overflows.

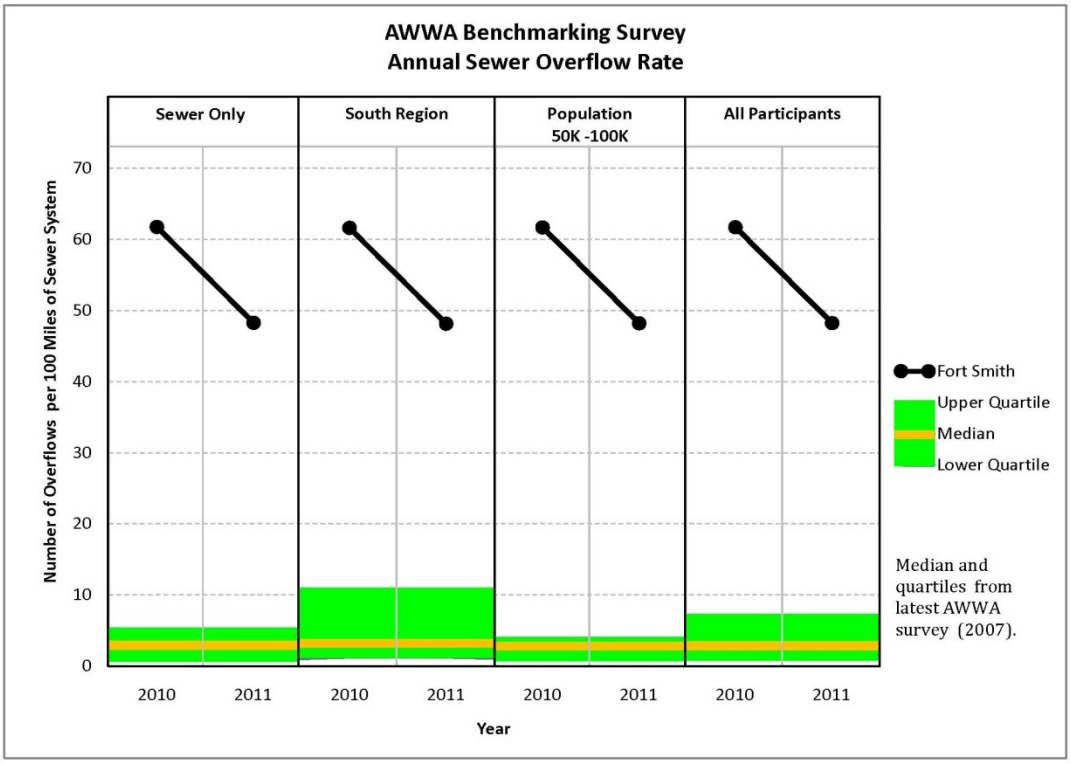
Metric:

$$\frac{100 * (\text{number of overflows})}{\text{total miles of collection system pipes}}$$

Importance: Overflow events are an important indicator of the condition and available capacity of the sewer collection system.

Provided below in Figure 6-8 is the AWWA surveyed information regarding the number of sewer collection system overflows.

Figure 6-8 Number of Overflows per 100 miles of Pipeline



Because sewer utilities are limited in number of sewer overflows permitted, and many strive for no or low number of over flows, Fort Smith felt that this was the most important performance measure for the sewer utility because it determines how effectively the City is able to meet one

of its mission within the constraints of its operating permit. Sewer flows are uncontrolled releases of effluent. The measure does not account for the severity of the overflow. All overflows are considered equal. The City's overflow rate per 100 miles of pipe line is almost 5 times the amount shown in the chart, indicating a higher level of overflows than other systems. It is unclear what may be causing this high level and whether it is an isolated year (high wet weather flows). A focus of resources in this area could result in more efficient operations in the future.

S – 2 Sewer Treatment Effectiveness Rate

Purpose: This performance indicator determines the percentage of time (based on days each year) that a sewer utility has been in compliance with water quality effluent standards and operating permits during the reporting period. It is measured in number of days of full compliance with regulations, divided by days in the year, as follows:

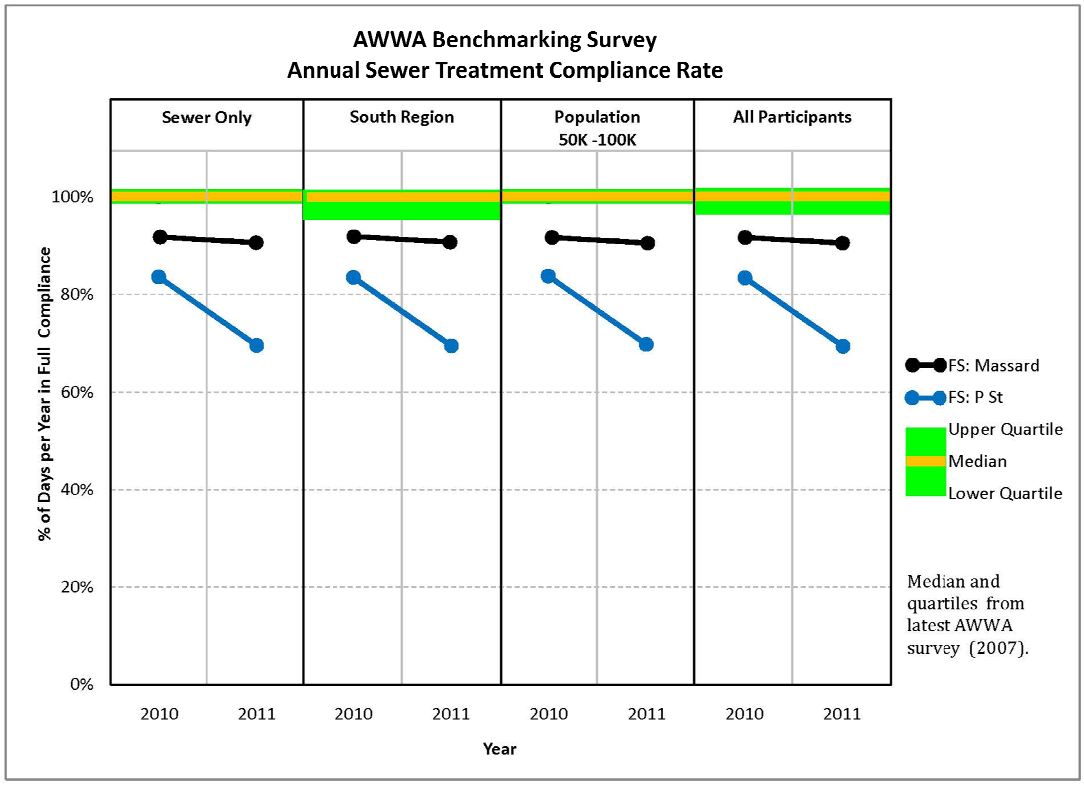
Metric:

$$\frac{100 * (\text{number of days in compliance})}{365 \text{ Days}}$$

Importance: An operating discharge permit is issued through the National Pollution Discharge Elimination System, or by a state enforcement agency. A percentage of 100% would indicate that the treatment plant had met regulatory standards for treatment. A percentage lower than 100% indicates that regulatory standards were not met and a violation of standards occurred.

Figure 6-9 presents the results from the survey for sewer treatment compliance.

Figure 6-9 Sewer Treatment Compliance Rate



The City's two treatment plants have differing compliance rates, both less than the 25th percentile of the AWWWA study. This performance measure indicates that the City is not in full compliance. The City is under a consent decree to address their deficiencies and is applying significant financial and technical resources to address this issue.

S – 3 Total direct cost of treatment per million gallons of flow processed

Purpose: This performance indicator quantifies the total direct cost of treatment divided by the million gallons of flow treated, as shown below.

Metric:

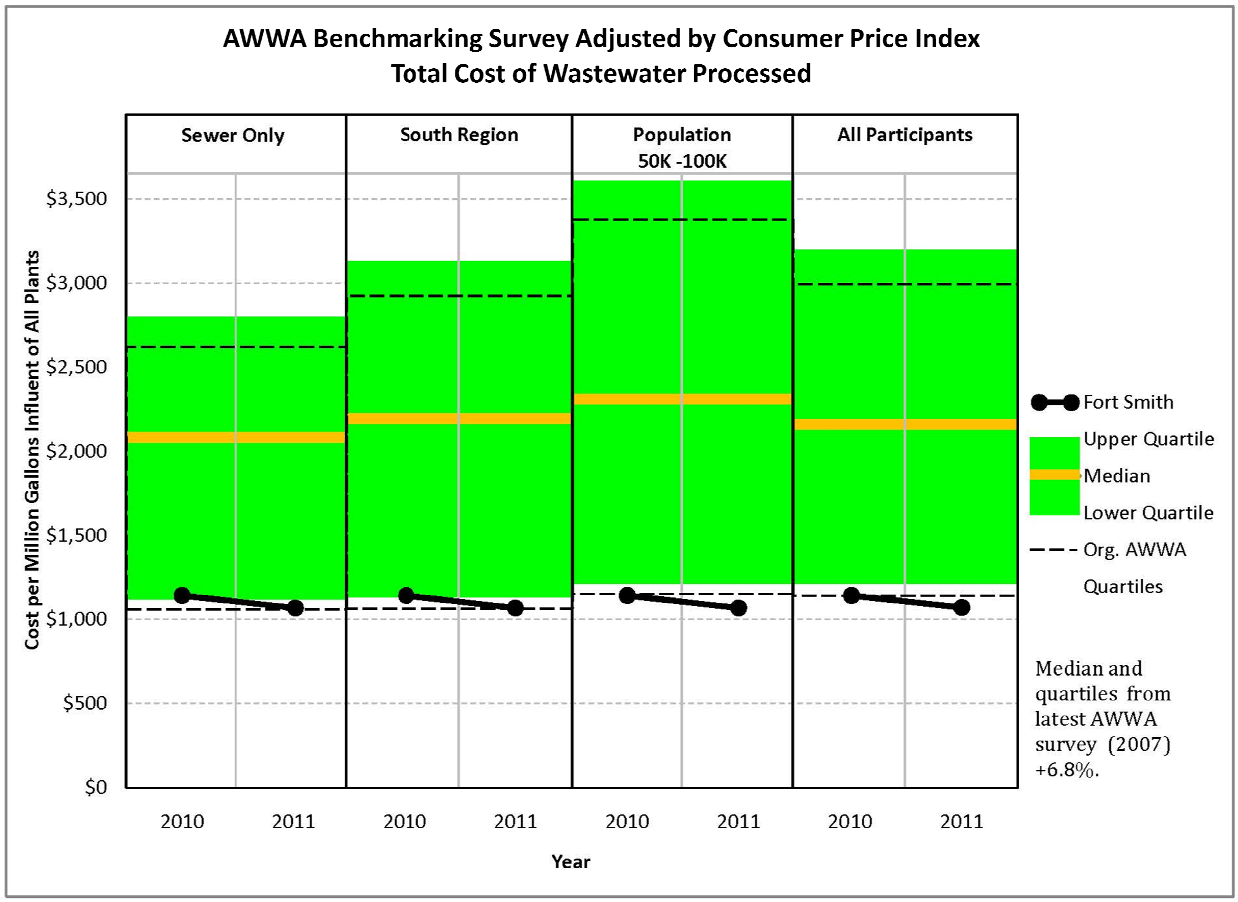
$$\frac{\text{Total direct O\&M treatment expenses}}{\text{million gallons treated}}$$

Direct costs for treatment include only those costs associated with treatment, including salaries, benefits, and direct expenses for services and items only within the treatment facilities, but nothing outside of the treatment facilities.

Importance: The cost of treatment is a major cost area for the delivery of sewer services. Proper management and control of this function can significantly impact the overall total costs of the treatment of wastewater.

Figure 6-10 presents the AWWA survey results of the direct cost of sewer treatment.

Figure 6-10 Direct Sewer Treatment Costs per MG



The average direct cost of treatment appears to be favorable for the City. However, much of the direct costs of sewer treatment are a function of the type or method of wastewater treatment. In addition, the treatment process is primarily regulatory driven, and as such, costs by utility can vary significantly.

S – 4 Residential cost of sewer service – flat fee or per 7,500 gallons of water usage

The final performance measure for the sewer utility is a comparison of the residential monthly sewer bill.

Purpose: This indicator allows Fort Smith to compare its residential monthly sewer bill with comparable utilities. If the utility does not have a flat fee, then the measure is based on 7,500 gallons of water usage in a month.

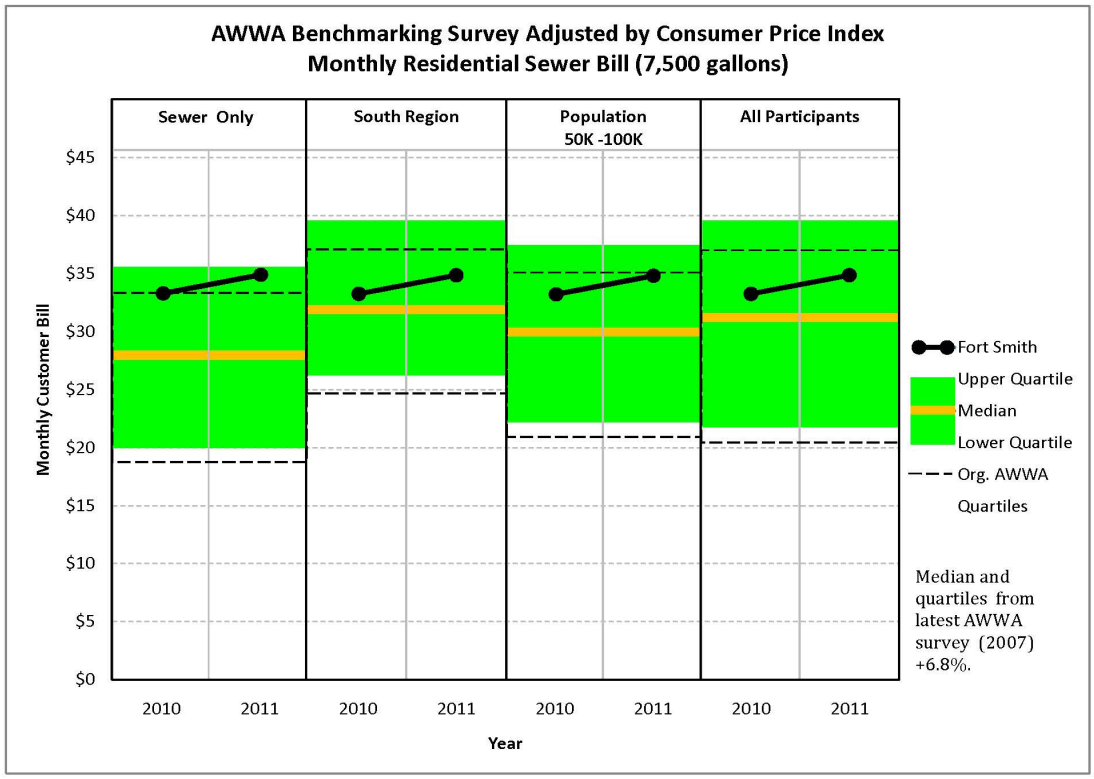
Metric:

Monthly cost of residential sewer service (per 7,500 of water usage if rate includes a consumption charge)

Importance: This measure provides a comparison between what customers ultimately pay for sewer service at a certain defined and fixed quantity. This may not be an important or reasonable measure of "efficiency" since a City Council or Utility Board can artificially keep rates low, at the expense of the proper and adequate operation and maintenance of the water system.

Figure 6-11 presents the results from the AWWA survey data.

Figure 6-11 Monthly Residential Sewer Bill, 3/4-inch meter, 7,500 gallons water usage



The AWWA Benchmarking Report did not have a statistically significant sample for sewer utilities in order to be able to include that comparison

6.2.4.3 Billing Performance Measures

There are two performance measures that the Finance Department selected for the utilities. Because the billing is performed on a combined utility basis, these are reported on a combined

basis. Comparison data for these two performance indicators are from the AWWARF Study, Benchmarking Water Utility Customer Relations Best Practices. Within this study "Water Utilities" in some cases include utilities, such as the City's where water and sewer are combined.

B-1 Cost per bill

Purpose: This performance indicator quantifies the total cost of issuing all water utility customer bills by the total number of bills issued in the reporting period, as shown below.

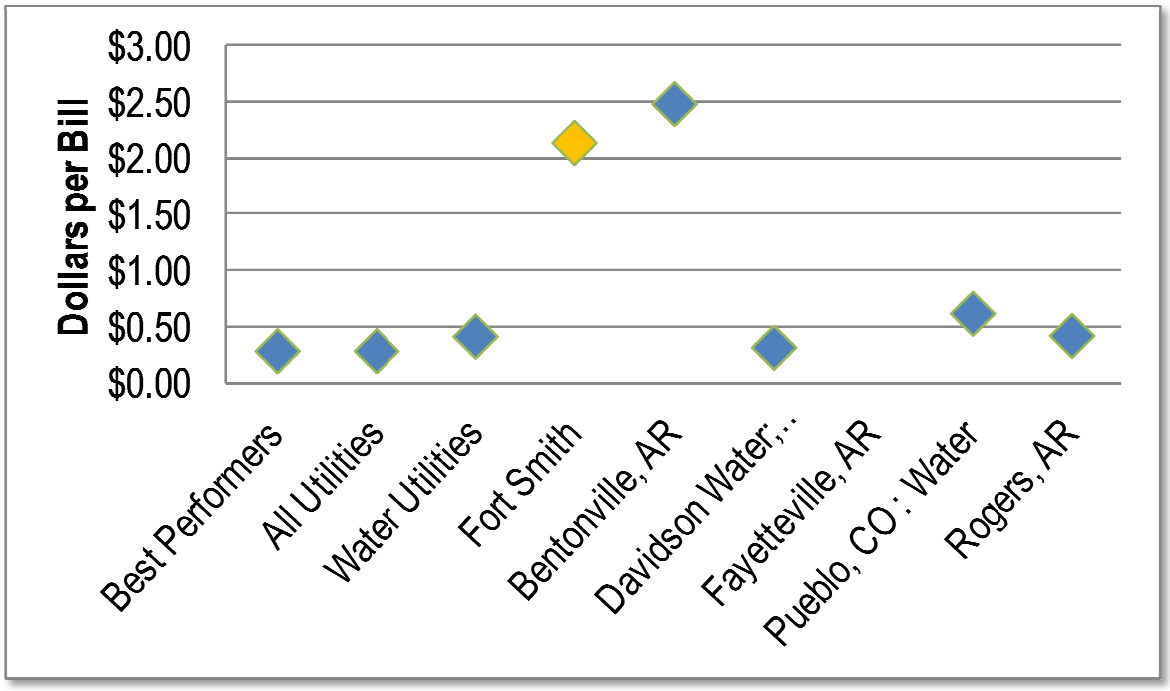
Metric:

$$\frac{\text{cost of produce annual billings}}{\text{total number of billings issued}}$$

Importance: This performance measure provides an understanding of the cost to produce a bill. However, it excludes the cost of meter reading and customer service, which are the major costs associated with billing and customer and dealing with any customer service issues.

Provided below in Figure 6-12 is a summary of the performance indicator for the monthly cost per bill.

Figure 6-12 Cost per Bill Issued



As can be seen, the cost of the AWWA surveyed utilities is relatively low, and again, reflects data from 2004. By comparison, the City's costs are significantly greater. However, the City

does not currently capture costs in a manner that is comparable to the AWWA survey. The City's costs include customer service, which as noted previously, is a major component of the overall billing and customer service costs. Generally, HDR considers the total cost to read meters, send out a bill and provide customer service to be in the range of $3.00 to $5.00 per month. Given that, the City's costs certainly do not seem out of line with industry averages, when all of these cost components of the customer service and billing function are included.

B-2 Bad debt or write-offs as a percentage of total annual billings

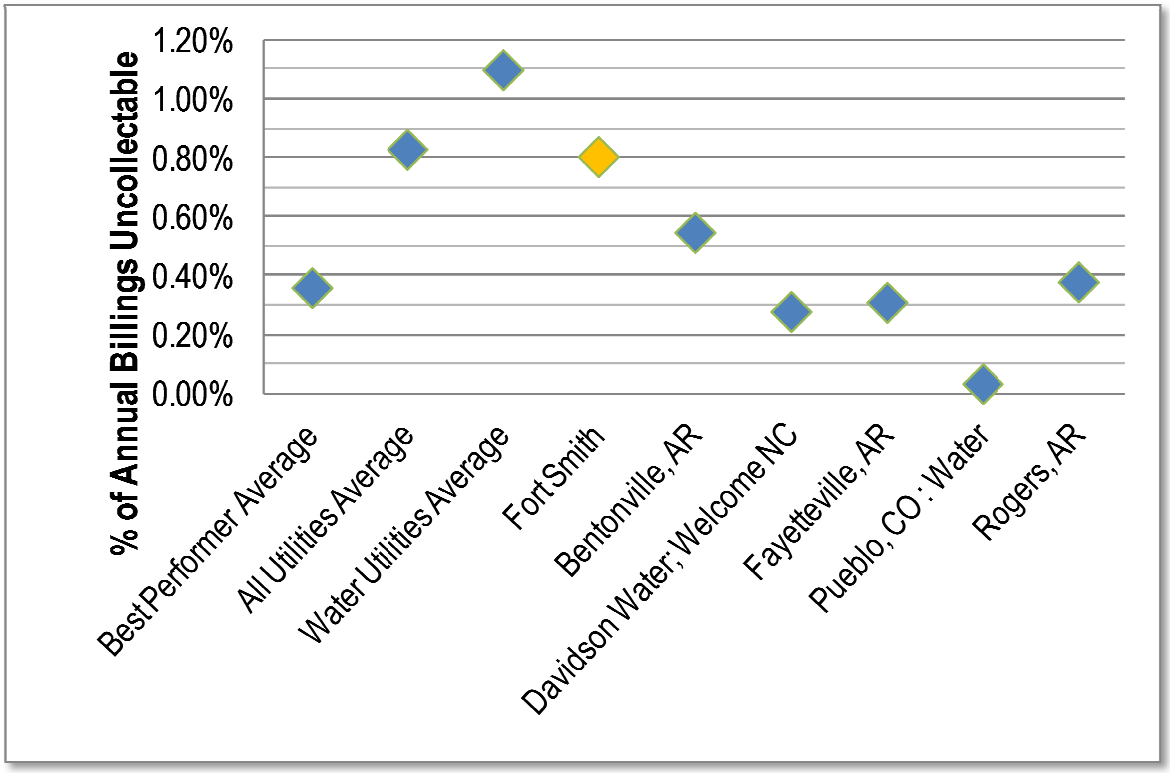
Purpose: This performance indicator divides bad debt (or write-offs) by the total annual billings to provide the utility with an understanding of how much potential revenue is lost in unpaid bills. This can provide information about the affordability of the utility service for the service area, the effectiveness of the billing cycle, and other important financial data.

Metric:

$$\frac{\text{total annual write-offs or bad debt}}{\text{total annual billings in same reporting period}}$$

Importance: Write-offs are typically determined on an annual basis, for bills that have not been paid, collections have been attempted, and the utility believes there is little or no opportunity of recovering these billed services. A high bad debt write-off can indicate a number of financial, rate or policy issues (e.g. notification, shut-off, etc.). Figure 6-13 presents the results from the AWWARF Study and the responding utilities.

Figure 6-13 Percentage of Total Billing Resulting as Uncollectable



Based upon the information recorded, it appears that the City's utilities have a bad-debt ratio that is very reasonable and appears to be well managed. A bad debt write-off percentage of less than 1% is very good. However, as noted above, bad debt write-offs can be a function of many things including the size of monthly bills, local income levels, late-payment policies, etc.

6.2.4.4 Performance Measurement Summary

This performance measurement review has accomplished a number of important items for the City. First, the performance measures as identified in this report will be used by the City going forward to monitor for continuous improvement. Next, this review has identified the difficulty in attempting to measure performance against other utilities. Many utilities are unwilling to participate in surveys, and then if they do, the data they provide may or may not be consistent with the data or definition that the City is using or attempting to capture. For those reasons, the City should internally focus on consistently measuring against themselves for purposes of continuous improvement.

While it is difficult to use this exercise to reach firm conclusions, HDR is of the opinion that the performance measures help to indicate that the City's overall utilities are relatively well managed and there are no indicators to suggest major problems or major deficiencies. Having said that, the performance did indicate some areas that the City may want to explore further. These include the following:

- The water distribution system has slightly higher than average water losses. This may be a function of many factors, but the performance measure of main breaks and leaks indicated a higher level than other utilities. This likely suggests the need for greater funding and focus on the water distribution system main repairs and replacements.
- The sewer system had a significantly higher level of overflow events. The City is currently working on controlling these over-flow events and over the years has made significant investments to meet the requirements of the consent decree.

HDR is of the opinion that the performance measures help to indicate that the City's overall utilities are relatively well managed and there are no indicators to suggest major problems or major deficiencies. There were areas identified that the City may certainly want to explore further.

The City should continue to gather data and review these measures over-time to monitor effectiveness and to measure improvements.

6.3 CURRENT FINANCIAL POLICIES

The adoption of a strong and complete set of written financial policies provides a foundation for the long-term financial sustainability of the utilities and provides the outside financial community with a better understanding of the City's commitment to managing each of the utilities in a financially prudent manner. At the same time, it provides to the City's Board of Directors with a consistent decision-making framework for establishing the City's water and sewer rates. Finally, rate-setting financial policies can provide the City's customers with an understanding that the utilities will be operated in a "business-like" manner. Financial and rate-setting policies are also integral to the process of developing a comprehensive rate study. Financial policies are intended to provide guidance in the financial planning and rate-setting process, and in the day-to-day financial management of the City's utilities.

The City has a set of financial policies to guide the overall financial management of the City as a whole. These financial policies appear to be targeted more toward the General Fund needs of the City. While some of the policies could be applied to the utilities, the utilities are enterprise funds, and as such, must be financially self-sustaining. For prudent utility management it is important to develop "utility specific" financial policies that provide guidance to the:

- Management of funds and maintenance of minimum reserve levels,
- Capital funding and financing, with a focus on renewal and replacement funding,
- Debt financing, and
- Rate setting process

A set of written financial/rate setting policies established for the City's utilities will be a major improvement and provide clearer guidance to utility management staff regarding the financial

planning and rate setting process. Written financial policies provide a consistent framework for decision making, while moving the utilities to a more "business-like" approach. Financial policies are not meant to be set in stone, but like all policies should be reviewed on a routine basis to assure that the policies remain relevant and appropriate.

6.4 FINANCIAL PLANNING PROCESS

The financial planning process provides a foundation for informed decision-making of the financial elements of the City's utilities. HDR reviewed the financial planning process the City undertakes for each utility to consider how well it conformed to generally accepted industry practices, along with those areas where the financial planning process could be improved.

The City conducts a five-year financial (rate) planning process for the utilities. The use of a five-year planning horizon is not unusual for purposes of setting rates. Rates are generally set for no more than a five year period, and more typically, may be established on an annual basis.

The City has utilized outside consultants for their rate setting and wholesale "true-up" process. HDR received a hard copy of the true-up process the City's outside consultant performs. This copy appears to have included the use of the financial model components, with a four year historical look back, and the current "review period" year as the final year. The true-up process allows the City to see how the Utility compared to the rate projections.

We understand from talking with staff that the water utility model is also used to prepare a five-year projection. However, we were not provided with an electronic or hard copy of the model projections for review.

It appears that the City has a number of significant future capital improvements (an average of $8 million per year between 2012 and 2016 funded by revenue bonds, and an additional $5 million per year funded through sales tax bonds) and the need to plan for infrastructure renewal and replacement as the system ages, the City may want to lengthen the review period beyond the 5-year time period. The objective of a longer review period (e.g. 10 to 20 years) would be to view costs over a longer time frame and attempt to minimize rates over time.

The City continues to incur additional long-term debt and it was unclear to HDR whether the City has considered the long-term implications of continuing to fund capital improvements via long-term debt, while also attempting to minimize capital improvements funded from rates. At some point, and it is unclear when, the City will be over-burdened with outstanding debt and long-term debt service. A long-term financial planning process, beyond the existing 5-year approach will aid the City in better understanding the long-term implications of their current financing approach.

As a part of the financial planning process, a debt service coverage (DSC) ratio test is a simple financial measure of the utility's ability to repay long-term debt. More importantly, a DSC is a legal bond covenant in that the City has legally pledged to maintain their rates to meet or exceed this minimum. As the City continues to add long-term debt, the minimum DSC ratio test places more pressure upon the City's rates. In the Board's most recent rate adjustment discussion, the City was projected to fail meet this test and was adjusting the rates, in part, to meet this test.

The DSC will continue to be an issue for the City until such time that the need for long-term borrowing is reduced or eliminated, or the City moves to a stronger position related to rate funding of capital improvements. As the City increases their funding of capital improvements from rates, at the same time, the City will also be increasing their debt service coverage ratio. Development of a written financial policy regarding a minimum target DSC for financial planning purposes, along with a written policy on minimum funding for capital improvements from rates will jointly address this issue.

6.5 INFRASTRUCTURE REPLACEMENT FUNDING

In recent years there has been greater focus on the failing infrastructure within the U.S. The water and sewer utility industry is not immune from the concerns raised about failing infrastructure. Historically, governments and utilities have looked to the Federal government to provide grants or financial "life preservers". As everyone is aware, all levels of government, including the Federal government, are under increasing financial pressure. That means that local government and utilities will need to address their local infrastructure issues.

The problem with infrastructure funding is that many components of a utility system may have a life span of 30 to 75 years, yet the level of funding for the replacement of those items may be on a 150 to 300 year replacement cycle. Simply stated, utilities have significantly under-funded for the renewal and replacement of their existing utility infrastructure.

From a financial and rate setting perspective, it is important to establish at least minimum funding levels of renewals and replacements of utility infrastructure in order to be able to sustain existing levels of service. The funding of on-going renewal and replacement capital projects should primarily be from rate revenue. Whenever possible, the use of long-term debt issues to fund renewal and replacement projects should be minimized. Long-term debt is generally best used to fund major new capital infrastructure.

Generally accepted rate-setting principles include the practice of funding replacement of existing utility assets at a minimum level of depreciation expense, or alternatively as a percentage of the asset's original cost (e.g. 1.5%). Using 1.5% of original cost of an asset assumes a useful service life of approximately 65 years. In this sense, these assets are being

renewed or replaced as their useful service life expires, and they are being funded by those customers currently benefitting from their use. Therefore, a minimum of depreciation expense should be funded from rates and replaced annually, or put into a replacement reserve for future replacements. Such a systematic process can be used to maintain the existing level of infrastructure in a financially sustainable manner. In actuality, there is a difference between an asset's depreciation expense and its *replacement* cost. Depreciation expense generally reflects the value of an asset that may have been purchase 20 to 30 years ago. Obviously the replacement cost of the asset will be much higher than the original cost of the asset. In many cases, the replacement cost of utility assets is typically at least twice the level of depreciation expense. Therefore, depreciation expense must be considered a *minimum* level of funding through rates for renewal and replacement.

HDR analyzed the City's current rate funding level of capital compared to current depreciation expense for each utility. The water utility funds, for the past few years, has funded between $200,000 and $500,000 toward capital, while the depreciation expense for fiscal year (FY) 2010 was $5.5 million. Most of the rate funding for capital was for equipment replacement, rather than applied toward infrastructure renewal and replacement. For the sewer utility, the total rate funding of capital over the past few years has been similar to that of water, funding equipment replacement needs, while infrastructure capital is funded with debt. The sewer utility's FY 2010 depreciation expense was approximately $3 million.

The City, during the time period reviewed by HDR, appears to be significantly under-funding the amount of capital improvements financed with rates (i.e. pay-as-you-go). This has long-term implications upon the City's infrastructure and the overall efficiency and operating costs of the system.

It is important for the City to begin to transition their rates to fund at a greater level for renewal and replacement capital projects. This will help to establish a more sustainable funding source for utility renewal and replacement.

6.6 DEBT/RATE FINANCING

In very simplistic terms, a utility has two ways in which it can fund a major capital project. The first approach is to simply pay cash for the project. This implies that rates or capital reserves are sufficient to meet the year-to-year cash-flow requirements of the City's capital projects. Alternatively, a utility may borrow funds (i.e. incur long-term debt) and repay that debt over an extended period of time (e.g. 20 to 30 years). From a financial planning perspective, two important items should be noted regarding these two methods of funding capital projects. First, generally some combination of rate and debt financing will provide the lowest rates over time. Simply stated, it is often difficult to pay for major capital projects directly from rates without the need for large significant adjustments to rates. Hence, the use of long-term debt not only eliminates the need for these large spikes in rates, but also spreads the cost of the

capital project over the useful life of the asset via annual debt service payment, which some may argue is the most equitable method of assessing major capital infrastructure costs. The second important point to be made in this discussion is that while the use of long-term debt may be a more equitable method of assessing the costs of major capital projects, the reality is a utility can not borrow funds (i.e. incur long-term debt) for 100% of their capital projects. Some combination of rate funding (equity) and long-term debt will produce the least cost mix of funding/financing.

The City has relied heavily on debt financing for a majority of capital project funding. Some bonds are funded through sales tax bonds, as opposed to revenue bonds supported by the revenue of the utilities. One concern considered during this study is whether the City's citizens will continue to support sales tax bonds for utility infrastructure projects. As additional debt is issued, the City may need to have another vote to increase the sales tax to support the bond. At some point, "voter fatigue" will likely settle in and the City will need to consider other potential funding sources (e.g. revenue bonds). A financial policy establishing appropriate use of sales tax bonding would benefit the utilities and provide guidance to use of this particular funding source.

The City is interested in determining the most appropriate mix of long-term debt financing and equity (rate) financing. A long-term financial planning model (10 to 20 years) is the best tool for determining an appropriate debt to equity ratio for the City's utilities. As noted in the above discussion, the need to meet minimum debt service coverage ratios will reach a tipping point and the City will need to either increase rates to support more debt and the coverage ratio, or use other funding mechanisms that may not contain a DSC requirement (e.g. low-interest state loans).

Over-reliance upon long-term debt will reach a "tipping point" when the City needs to increase their rates simply to meet debt service coverage requirements. The City is currently at or near that point, yet the City has been significantly under-funding their capital improvement projects from rates, which directly effects the City's debt service coverage ratio (DSC).

Currently the City has an umbrella policy that debt should not exceed 25% of operating revenue. However, in the past two years this policy has been exceeded by 10%. Typically an "optimal" debt to equity ratio ranges between 40% debt to 60% equity and 60% debt to 40% equity. Using financial information from the City's FY 2011 financial statement, HDR calculated a debt to equity ratio of approximately 60% debt to 40% equity for the City's utilities. This debt/equity ratio implies that the City may be nearing the upper limits of their ability to fund long-term debt. There certainly are utilities that exceed the 60% debt ratio, but HDR is of the opinion that the 60% debt ratio is an important demarcation point for a municipal utility.

Utilities that are typically in this higher debt range have incurred large capital investments necessary to expand/maintain infrastructure or to meet regulatory requirements. If the City does not want to exceed this upper range, some adjustments in funding of capital will need to begin. If the utilities were to begin to work toward funding depreciation expense, a $1 million level of funding would mean approximately a 3.2% rate adjustment for the water utility and approximately an 8.2% adjustment for the sewer utility. This action would improve the DSC ratio while helping the City to maintain its bond rating.

6.7 RATE AFFORDABILITY

There are a number of different measures of "affordability" which is an important consideration to setting rates and in funding of capital projects. Measuring affordability may trigger more favorable funding terms or implementation time periods for regulatory related capital projects. In the past, consent decrees have largely ignored the financial/rate impacts to communities and the issue of affordability. This may be slowly changing. As an example, recent federal legislation has been introduced to amend the Federal Water Pollution Control Act to assist municipalities that cannot meet unfunded mandates to improve their wastewater infrastructure projects. If approved, the impact may extend repayment periods on loans, extension of time periods for implementation, and potentially, the availability of grant funding. While this legislation is not currently passed, it is important to understand the issue of affordability and how it may impact the City in the financing and funding of the legally mandated projects.

The Environmental Protection Agency (EPA), the Community Development Block Grant (CDBG) funding agency, the United States Department of Agriculture Rural Development (USDA RD) grant programs and state agencies tasked with implementing infrastructure funding programs each have various measures of affordability. In general, the guidelines that are used to measure affordability are typically based on a certain percentage of median household income (MHI) for the locale applying for the grant or low-interest loan funding. Affordability measures generally range from 1.5% to 2.5% of median household income. Affordability is also typically measured by these percentages on an individual utility basis. That is, if the monthly water utility bill is $35.00 and the median household income is $36,000, then the water utility rates represent 1.2% of the median household income. If the sewer utility were applying for grant or low-interest loan funding, it would be measured on its own. However, it is also important to be aware of the utility bill impact to a typical household from an affordability standpoint.

HDR developed an evaluation of the City's existing utility rates for an average utility household to determine if the City's rates "pass" the affordability test. In this test HDR used the existing residential rates for each utility and compared them to 1.5% to 2.5% of the Fort Smith median household income. Figure 6-14 below indicates that each utility individually passes all affordability tests at 1.1% of the median household income (that the monthly rates are less

than 1.5% of median household income). That is approaching the first threshold, and most conservative measure, of affordability.

Figures 6-14 Water and Sewer Utility Rate Affordability Test

City of Fort Smith
Review of Utility Rate Affordability

		Range of Affordability		
		1.50%	2.00%	2.50%
Median Household Income	$36,200			
Annual Bill at Affordability Limit		$543.00	$724.00	$905.00
Monthly Bill at Affordability Limit		$45.25	$60.33	$75.42
Water Utility				
Residential rate: 3/4" meter, 7,500 gallons - 2011 was $23.77				
Average Rate - 2011 - 2015; 5-year period	**$33.07**	Pass	Pass	Pass
Percentage of median household income	**1.10%**			
Sewer Utility				
Residential rate: 3/4" meter, 7,500 gallons - 2011 was $25.51				
Average Rate - 2011 - 2015; 5-year period	**$33.61**	Pass	Pass	Pass
Percentage of median household income	**1.11%**			

Under any measure of "affordability" the City's water and sewer rates appear to be "affordable" on a community-wide basis. This implies that the City still has room to increase their rates before they would be considered "unaffordable" on a community-wide basis.

6.8 SYSTEM DEVELOPMENT CHARGES

System development charges (SDCs) are a one-time charge assessed against new customers connecting to the utility system, or existing customers that are significantly expanding their capacity use. System development charges are a means of balancing the cost requirements for new utility infrastructure between existing customers and new customers.

The portion of existing infrastructure and future capital improvements that will provide service (capacity) to new customers is included within the SDC. In contrast to this, a utility will have future capital improvement projects that are related to renewal and replacement of existing infrastructure in service. These infrastructure costs are typically included within the rates charged to the utility's customers, and are not included within the SDC. By establishing cost-based SDCs, a utility is taking the position that "growth should pay for growth" and existing

utility customers should, for the most part, be sheltered from the financial impacts of system capacity expansion and growth.

Simply stated, SDCs are a contribution of capital to either reimburse existing customers for the available capacity in the existing system, or help finance planned future growth-related capacity improvements. At some utilities, SDCs may be referred to as impact fees, plant investment fees, etc. Regardless of the label used to identify them, their objective is the same. That is, these charges are intended to provide funds to the utility to finance all or a part of the "backbone" infrastructure needed to serve and accommodate new customer growth. Absent SDCs, the existing ratepayers (customers) assume the risk and a majority of the costs associated with growth. Most utilities have "tap" or "meter" fees which is simply the cost of the meter and service line. An SDC is to pay for the capacity of the backbone infrastructure (e.g. sewer treatment plant capacity, major interceptors, etc.).

At the present time, the City does not charge water or sewer SDCs to their customers. Some communities believe that SDCs hinder growth and may actually push growth to the outlying areas that do not have SDCs. The City has considered these fees in the past, but for policies reasons decided not to pursue or implement SDCs.

At the present time, the City does not impose system development charges (impact fees) for new water and sewer connections. Given the current financial and rate pressure upon the water and sewer utilities, this is a potential source of revenue that could be used to fund growth-related capital projects and/or debt service, and help to minimize the City's water and sewer rates, now and into the future. Each dollar of SDCs collected, may translate into a dollar less of long-term borrowing for the City's utilities.

As a point of reference concerning the fees, if the City had implemented SDCs in the past, the financial benefit would have been fairly significant. From 2006 – 2010, the City had 1,129 new residential connections. Assuming a combined water and sewer SDC of $2,000 per new connection, the City would have collected $2.3 million for growth related infrastructure. The $2,000 for a combined water and sewer SDC is not unreasonable and fairly comparable to the SDCs or impact fees charged by Rogers, Bentonville and Fayetteville[4].

[4] The combined water and sewer SDCs fees for these NW Arkansas utilities range from $1,387 to $2,900.

6.9 FINANCIAL/RATE SUMMARY

The overall financial and rates efficiency rating would range from a "Defined Approach" to "Managed."

- The City has identified performance measures to gage its future progress.
- The City's overall utilities are relatively well managed and there are no indicators to suggest major problems or deficiencies.
- The City has a set of financial policies to guide them but it appears to be targeted more toward the General Fund needs.
- The City conducts a 5-year financial rate planning process.
- The City has relied heavily on debt financing for a majority of capital project funding.
- The City has been under funding the capital improvement projects from rates.
- The City's water and sewer rates appear to be "affordable" on a community wide basis.
- The City does not impose system development charges at this time.
- The City continues to incur additional long-term debt and it is unclear whether the City has considered the long-term implications and the potential financial issues associated with continuing to fund the vast majority of major capital improvements via long-term debt.

6.10 FINANCIAL/RATE RECOMMENDATIONS

Based on the review of financial planning, policies and practices for the water and sewer utilities, HDR has the following observations and recommendations.

- Continue collecting and developing performance measures. The Utility can compare its performance to its past performance as well as to similar Utilities. The Carnegie Mellon Capability Maturity Model can be used to assess the Utility's performance from year to year. HDR has provided an initial assessment that can serve as a starting point (refer to Appendix A). The Utility should collect data for the performance measures that have been identified for tracking.
- The City should develop a set of financial and rate-setting policies to guide the decision making processes for the utilities. Most importantly, at a minimum the policies should address:
  - ✓ Reserve funds and minimum target balances
  - ✓ Funding renewal and replacement infrastructure projects at a minimum level equal to depreciation expense; gradually implementing this policy to avoid rate shock
  - ✓ For financial planning purposes, establish a target DSC ratio, above the minimum required rate covenant
  - ✓ Establish debt financing policies and targets, and review debt equity ratios.
  - ✓ Consider system development charges (connection charges) for both utilities

- Develop a long-term financial planning model (e.g. 10 – 20 years) to better understand the financial and rate implications of the City's long-term financing strategy and the issuance of debt.
- Continue to pursue outside funding sources for capital projects, grants and low-interest loans, to aide in keeping rates as low as possible.
- The rate model results presented to Council should provide an affordability test to help provide a context as to the appropriateness of the level of the rates.

The City should develop a set of financial and rate-setting policies to guide the decision making processes for the utilities.

HDR would recommend that the City develop specific and written financial policies for the City's water and sewer utilities. There are many benefits to the City and the Board from having (adopting) a set of written financial policies for the utilities. These include:

- Provide clear policy guidance to management and staff concerning the financial planning and rate setting process.
- Create a foundation for consistent and logical financial and rate decision making.
- Provide future Board's with an understanding of the policy basis for past Board decisions and rate adjustments.
- Demonstrate prudent and sustainable financial planning and management practices to the outside financial community and bond rating agencies.

In making this recommendation, there are several specific areas that HDR recommends the City develop utility financial rate-setting policies around. Those include, but are not limited to:

- **Minimum Funding of Reserves**: Establishing the specific reserves to be maintained by the utility (e.g. operating reserve, capital reserve, bond reserve, rate stabilization reserve, etc.) and the financial basis for the establishment of a minimum reserve level for each of the reserves (e.g. operating reserve = 90 days of O&M expenses).
- **Minimum Renewal and Replacement Funding:** Create a specific basis or method to establish a minimum level of funding from rates for renewal and replacement projects (e.g. ≥ annual depreciation expense, % of total plant investment, asset management plan, etc.).
- **Short-Term and Long-Term Debt Financing Policies:** Establish a clear policy concerning the appropriate use or types of projects to be funded with long-term or short-term debt. This may include the establishment of a specific debt/equity ratio, along with a minimum target debt service coverage ratio (e.g. 1.50 for financial planning purposes).
- **Growth and System Expansion Policy** – The cost of system expansion to create capacity for new customers connecting to the water or sewer system can be significant. Given that, it may be prudent for the City to establish a policy statement regarding growth and system expansion – i.e. should "growth pay for growth"? If the City determines that

"growth pays for growth" then a policy regarding the establishment of system development (capacity) charges should be established.

- **Accounting and Reporting** – Provide a policy statement regarding standards and practices for budgeting, accounting and reporting of the utilities.
- **Rate Reviews:** Establishing the frequency of rate review (recommended to be annual) and comprehensive rate studies (typically recommended to be at least once every five years)
  - ✓ Identifying the elements of a comprehensive rate study and the methodologies and approaches to apply to the City's utilities (note: there are contractual requirements for wholesale rate setting).

Develop a long-term financial planning model (e.g. 10 – 20 years) to better understand the financial and rate implications of the City's long-term financing strategy and the issuance of debt.

The City should develop specific financial policies regarding the use of long-term debt. This does not necessarily imply a specific debt/equity ratio, but rather, the situations or conditions around which long-term debt should be considered. The development of a long-term financial planning model (10 – 20 years) should be used to assess the full financial and rate implications of any new debt issue and its impact upon future CIP and rates. The City should strive to improve their debt service coverage ratio (DSC) to well above minimum covenant levels. This will require the Board to increase water and sewer rates beyond current levels.

The City should begin to increase the component within their water and sewer rates for the rate funding of capital improvement projects. As this component of the rates is increased, the City will have a greater amount of funding available to maintain existing infrastructure, while at the same time, reducing the City's reliance upon long-term debt issues for these types of capital improvement projects (R&R). An additional benefit of increased rate funding for capital improvement projects is a corresponding improvement in the City's debt service coverage ratio (SSC)

The rate model results presented to Council should provide an affordability test to help provide a context as to the appropriateness of the level of the rates.

The City should incorporate an affordability test into its rate setting process. This will help inform the Board of the rate impact on lower income households, possibly aide in development of low-income/elderly assistance programs or rates.

7 CITIZEN'S ADVISORY COMMITTEE

7.1 INTRODUCTION

The City of Fort Smith currently uses a Citizen's Advisory Committee, which functions as a lead to the community and the City's Board of Directors. The Citizen's Advisory Committee and the Utility have developed a level of trust, which is critical for a Utility and its customers.

Similar to the existing citizen's advisory committee model, a project-specific Citizen's Advisory Committee was organized for the Water and Sewer Operations Efficiency Study. The committee was kept informed about the progress of the report through periodic updates, reviewed the report, and provided recommendations.

7.2 MEETING SUMMARIES

Five meetings held involving the Citizen's Advisory Committee. They are as follows:

- Kickoff Meeting (October 18, 2011)
  - Defined Efficiency
  - Outlined the Advisory Committee's Roles and Responsibilities
  - Provided an Overview of the Scope of the Study
- Advisory Committee Update Meeting 1 (December 8, 2011)
  - Elected Advisory Committee Chairperson
  - Provided Overview of High Level Business Processes Section
  - Provided Overview of Planning Section
- Advisory Committee Update Meeting 2 (February 13, 2012)
  - Provided Overview of Operations Section
  - Provided Overview of Financial Section
- Advisory Committee Update Meeting 3 (November 15, 2012)
  - Provided an Overview of Report and Recommendations
- Joint Meeting of the Board and Advisory Committee (February 7, 2013)
  - Presented Report Recommendations from HDR and the Committee

Appendix G contains copies of each of the five presentations.

7.3 COMMITTEE RECOMMENDATIONS

Please refer to Appendix G for the recommendations from the Citizen's Advisory Committee, which are contained in the February 7, 2013 presentation.

8 SUMMARY RECOMMENDATIONS

8.1 RECOMMENDATIONS

The highest priority recommendations are compiled in this summary. Recommendations are ordered by report section. HDR believes the Utility should implement the priority recommendations listed below as a starting point to improve overall efficiency:

SECTION 3

- Develop an Asset Management Plan as part of the Utility Strategic Plan with demonstrated commitment from management and a system of continuous improvement.
- Include Asset Management information in the Capital Improvement Plan
- Create Levels of Service and a process for updating the targets as part of the Utility Strategic Plan.
- Improve the Utility Billing and Collection Process.
- Create a Succession Plan as part of the Utility Strategic Plan

SECTION 4

Water Recommendations

- An additional 1 log credit can be obtained for the Lee Creek Treatment Facility by utilizing a Watershed Control Program and a Combined Filter Performance standard, which do not require large capital projects to be undertaken.
- Respond more quickly to changing influent conditions through the addition of in-line raw water monitoring for turbidity and/or pH. These samples are currently lab tested and returned.
- A micro-turbine should be investigated to see if it is cost-effective to take advantage of the head from the Lake Fort Smith Water Treatment Plant.

Wastewater Recommendations

- Further investigation should be undertaken to see if using the in-line chlorine analyzer for sodium bisulfite could reduce the quantity of chemical used.
- The P St Plant could increase electrical efficiency through the addition of VFDs to blowers (if possible with operating conditions) and in-plant water pumps.

SECTION 5

- Assess project management and staffing needs.

- Examine unaccounted for water and better identify areas of unaccounted for water.

SECTION 6

- Continue collecting and developing performance measures. The Utility can compare its performance to its past performance as well as to similar Utilities. The Carnegie Mellon Capability Maturity Model can be used to assess the Utility's performance from year to year. HDR has provided an initial assessment that can serve as a starting point (refer to Appendix A). The Utility should collect data for the performance measures that have been identified for tracking.
- The City should develop a set of financial and rate-setting policies to guide the decision making processes for the utilities. Most importantly, at a minimum the policies should address:
  - ✓ Reserve funds and minimum target balances
  - ✓ Funding renewal and replacement infrastructure projects at a minimum level equal to depreciation expense; gradually implementing this policy to avoid rate shock
  - ✓ For financial planning purposes, establish a target DSC ratio, above the minimum required rate covenant
  - ✓ Establish debt financing policies and targets, and review debt equity ratios.
  - ✓ Consider system development charges (connection charges) for both utilities
- Develop a long-term financial planning model (e.g. 10 – 20 years) to better understand the financial and rate implications of the City's long-term financing strategy and the issuance of debt.
- Continue to pursue outside funding sources for capital projects, grants and low-interest loans, to aide in keeping rates as low as possible.
- The rate model results presented to Council should provide an affordability test to help provide a context as to the appropriateness of the level of the rates.

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RJN Group, 2010 Flow Monitoring and Analysis Final Report. Prepared for the City of Fort Smith Arkansas, February, 2011.

City of Fort Smith

Water and Sewer Operations Efficiency Study

February 2013

Final Report

Volume 2 of 2

Prepared by: HDR Engineering, Inc.

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Appendix A

Fort Smith Business Management Evaluation

Ft. Smith Business Management Evaluation

Attribute	Score	Vision and Mission	Long Term Goals	Annual Business Plan	Service Levels	Business Results	Business Processes	Performance Metrics	Benchmarking	Regulatory Compliance	Risk Management	Change Management
		Business Strategy										
Optimizing	100											
	90											
	80											
Managed	70											
	60											
	50											
Defined Approach	40											
	30											
Initial	20											
No Defined Processes	10											
Current Score (2)		20	20	20	10	20	10	20	20	30	20	20

Attribute	Score	Customer Information	Billing and Collection	Meter Reading	Customer Service and Response	Customer Satisfaction	e-Commerce	Customer Education	Permitting	Customer / Neighbor Complaints
		Customers								
Optimizing	100									
	90									
	80									
Managed	70									
	60									
	50									
Defined Approach	40									
	30									
Initial	20									
No Defined Processes	10									
Current Score (2)		30	30	40	30	30	10	20	40	20

Attribute	Score	Growth Needs	Stakeholder Information	Scenario Planning	Rate Structure	Regulatory Interface Management	Funding Policy	Funding Plan
		Planning						
Optimizing	100							
	90							
	80							
Managed	70							
	60							
	50							
Defined Approach	40							
	30							
Initial	20							
No Defined Processes	10							
Current Score (2)		50	40	40	50	40	10	30

Attribute	Score	Asset Plans	Short-interval Activities	Long-interval Activities	Life Cycle Costing	Data Management	Design Specifications	Construction Specifications	Facility Drawings	Flow/Rainfall Monitoring	Hydraulic Modeling	Infiltration/Inflow	System Evaluation and Inspection	System Performance Management	Project Management	Project Prioritization	Project Updates
		Engineering															
Optimizing	100																
	90																
	80																
Managed	70																
	60																
	50																
Defined Approach	40																
	30																
Initial	20																
No Defined Processes	10																
Current Score (2)		10	20	50	10	30	40	40	40	40	40	60	60	60	50	30	40

Attribute	Score	E-Mail Infrastructure	Web Site	External Communication Plan	Internal Communication Plan	Business Policy Manuals	General Announcements	Strategy Awareness	Enterprise Content Management	Staff Education
		Communication								
Optimizing	100									
	90									
	80									
Managed	70									
	60									
	50									
Defined Approach	40									
	30									
Initial	20									
No Defined Processes	10									
Current Score (2)		40	30	20	20	20	20	20	10	20

Attribute	Score	Operations Reports	Operations Cost	Spill Response	Emergency Response Planning	Safety Program	Facility Security	Emissions Management	Energy Management	SCADA / Automation	Operability and Maintainability	Pretreatment System	Fat Oil and Grease Program	Laboratory Information System	O&M Manuals	Inventory/Stores Management	Bar Coding/ RFID
		Operation															
Optimizing	100																
	90																
	80																
Managed	70																
	60																
	50																
Defined Approach	40																
	30																
Initial	20																
No Defined Processes	10																
Current Score (2)		40	20	40	40	50	50	10	10	30	40	30	10	30	30	20	20

Notes:

(1) Develop appropriate score with Strategy Team

(2) Establish current scores based on interviews

(3) Assume criticality weighing between 1 (low) to 5 (high)

Priority

1 > 100

2 >60, <100

3 < 60

Optimizing	Processes continuously improve and refinements are made with documented standards and procedures
Managed	Processes are managed with quantitative measurements defined and used for setting quality standards
Defined Approach	Most processes organized with defined systems supported with a repeatable approach that is documented and communicated within the organization
Initial	Some organized processes but without a systematic approach
No Defined Processes	Total unawareness of the processes within organization

Ft. Smith Business Management Evaluation

Attribute	Score
Optimizing	100
	90
	80
Managed	70
	60
	50
Defined Approach	40
	30
Initial	20
No Defined Processes	10

Category	Attribute	Current Score (2)
Asset Knowledge	Asset Detail	30
	Asset Criticality	10
	Asset Categorization	30
	Asset Classes	30
	Asset Hierarchy	30
	Asset Identification	30
Maintenance	Preventive Maintenance	30
	Predictive Maintenance	20
	Corrective Maintenance	50
	Maintenance Costs	40
	Failure Codes	40
	GIS Interface	10
	Fleet Maintenance	40
	Field Communications	30
	Resource Management	30
	Reliability Analysis	20
Condition Monitoring	Condition Monitoring Program	20
	Condition Rating and Scoring	20
	Condition Tracking	20
	Maintenance Strategy	20
	Corrective Actions	30
Capital	Capital Improvement Program	30
	Capital Funds	30
	Life Cycle Costs	20
	R&R Planning	40
	Life Extensions	20
	Capital Needs Forecast and Analysis	20
	Project Controls	20
Administration	Human Resources	30
	Organization Chart	30
	Succession Planning	20
	Payroll	20
	Time Keeping	30
	Procurement System	30
	Skills, Knowledge and Competencies	10
	Training Program	30
	Employee Satisfaction	20
	Employee Security	30
Financial	Purchase Requests	30
	Purchasing	30
	Financial Accounting	40
	Financial Reporting	30
	Auditing	40
	Budgeting	40
	Fixed Asset Inventory	30
	Materials Inventory	30
	Cost Forecasting	20
Business Information Systems	Information System Plan	30
	Data Collection Tools	30
	IT Operating Costs	40
	Standards and Protocols	40
	License Management	40
	System Integration Plan	20
	Data Warehousing	20
	Intranet Communication	50
	Staff Internet Access	40
	Office Automation Tools	40
	Mobile Access	20
	Data Standards	10
	IT Project Planning Process	20
	Infrastructure Reliability	40
	LAN Reliability	40
	WAN Reliability	50
	Data Backup and Storage	50
	Data Security	50
	Disaster Recovery	50
	Help Desk	60
	User Training	20
	Hardware/Software Acquisition	30
	IT Policy Manual	20

Priority

1	> 200
2	>100, <200
3	< 100

Optimizing	Processes continuously improve and refinements are made with documented standards and procedures
Managed	Processes are managed with quantitative measurements defined and used for setting quality standards
Defined Approach	Most processes organized with defined systems supported with a repeatable approach that is documented and communicated within the organization
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Ft. Smith
Business Process Descriptions
HDR Engineering, Inc.

Process Name: CIP and Financial Planning	
Description of Process and Major Functions	• Bond Rating AA- • 250,000 tax base • $63 million for sewer for next 5 years. Sales tax is used with additional funds by rate increases this past year.
Required Process Interactions	• Masterplanning process • City Engineer CIP • Transportation • O&M process
Timing	
Starting Event	• Created for budget cycle October starts in June
Timing	• Annual
Ending Event	• Approval is through the Board or through issuance of bond sales
Input Information and Data	• No asset plans • Masterplan • Long Range Plan • CDM Wastewater Management Plan – 1993 and to be updated 2012 • Water Master plan for Capacity of treatment and transmission lines – 1998
Supporting Tool	• Excel Spreadsheets
Tasks	• Jack gathers data for CIP • O&M feeds some information • There is an informal process for looking at historical data and analysis • A review of all the projects is done • There is an estimate of the project amount • Look at easement through Property Management • Compare to funding • Prioritization is done by committee of 2-3 people • Need to look at impact on rates and staff to manage the project • Water Masterplan used for planning water • Contracts are set up to look at sewer system with reports generated to determine R&R work. • There is a revenue rates CIP that can be used to do emergency project • Readjustments are done as needed based on priorities • Change orders must go back to the board
Success Measurements	• How much was spent or not spent
Problems with the current process	• No funding policy • No risk quantification to help prioritize

	• Limited resources to manage the projects • Don't ask for money that cannot be done • Need resources to do projects so Jack can do long range planning • Need more justification

Process Name: Condition Assessment	
Description of Process and Major Functions	• Manhole inspection • CCTV inspection • Draw down test
Tasks	Manhole inspections • Information store on Lucity • Good fair poor score for manholes • Adds no voice to tape. • Track repairs or water lines. Will look at SCADA • Age and material • Rod cleaning for sewer jet truck. • 10-15 years of inspection 15 • CDM has a report including a sewer model simulation of 10" and above to look at capacity related • RJN is doing basin by basin doing SSES and they will develop a list of projects • Damage report for back-up leads to further investigation, sewer back up vehicle damage or overland. Locations of back-up are tracked but not on a map. There is a policy that homeowner needs to follow in order to process the claim. • Data goes into Lucity • WO created before going into the field. Paper copies used. Dispatch will update Lucity.
Tools	• 1 Track system CCTV rig does 15" up to 48" plus push rods • Lucity
Problems with the current process	• No risk identification • Lucity keeps track of inventory but not linked to finance • Form used to track what was used. Operators assign material to WO • Don't know how many line breaks • Don't track condition of assets on paper • Old cast iron pipe down town is failing. • Contractors cause problems • Need asset tables • No easement clearing program. Tree removal is a touchy issue. • No valve exercise program. Valves on maps but not in GIS • No PACP or MACP • No condition assessment of water lines

Process Name: Customer Complaint	
Description of Process and Major Functions	One person to handle calls. 5 people to handle dispatch. Critical person. Training is done one the job. 96 hours Grade IV water distribution because they are operating the water distribution system. Level of service • 10 gpm at residual • Response time of 40 minutes • Legal does not want to state level of service • Same day response for safety issue • One person on call all day long so response time is 1 hour • Lead person is responsible for communication to customer if more time than intended is going to impact service • Supervisor may be the one to respond to customer • If flushing is needed then lab requires the field staff to do work Communication • Door hanger when crews will be there the next day or when customer is not home. Notice two days before shutdown • Day of shutoff the work is done on the water line and then sample • No customer survey is done • Web site upgrade going on now. Information is pushed out as needed. Typically monthly updates. Construction information will be provided in the future • Steve becomes the public spokes person • No public outreach • Environmental quality is done through the lab with interaction with student such as tours of lab • Citizens academy • Customer complaint may come to Dispatch such as an observation in the field. • Letters of accommodation on bulletin board
Supporting Tool	• Lucity • Phone Recording System
Tasks	Customer calls • Customer complaint are logged in Lucity • Water quality issues go to Lab • Water complaints can come through web site complaint form is generated. Excel spreadsheet. Hotspot issues can be tracked • Wholesale customer typically come to Lab

	• If sampling is done then a report goes back to customer Sewer • Complaint comes in • Logged into Lucity • First responder

Success Measurements	• Complaints can be used a measure of success, but no true measures of complaints other than personal memory
	  o Internal and External
	  o Residential
	  o Rural
	  o Industrial
	  o Commercial – hospital, university

Problems with the current process	• Lots of calls handled that are not utilities • 4 incoming phone lines JEI phone recording system • Educate the public – community meetings, better use of website, citizens academy • PR person? • Education at school systems • No measure of customer satisfaction • No resolution time standards

Process Name: Finance Billing and Collection	
Description of Process and Major Functions	• Billing • Collection • Customer information • Meter installation • Meter reads • Turn on turn off • Meter repair • Some meter calibration • No AMR. Pilot test of AMR is South Sebastian County. They are not working (Itron) • 36,000 meters being read. • No AMI projects in place • 6 people in customer service/billing • 8 meter readers • 5 different phone numbers • 4 window clerks • 1 drop box/lock box • There are 158 book routes. • 75% of billing is for water and sewer • Monthly cycle for read and billing • Rotate of routes to keep up with quality control and learn whole city • Re reads, cleaning of box. Outside of box is owner
Input Information and Data	• 500 disconnects per month • Main city number has IVR • Water quality • After 90 days account is written off goes to collection agency • 122 meters are not billed • 15 wholesale customers are metered
Supporting Tool	• Lucity • UBS - Datatronics • Itron handheld • Excel spreadsheet • Email

Tasks	New Service
	• Customer comes to main office to ask for service
	• Will first go to Records coordinator for service address and to determine water tap fee and irrigation meter if needed
	  o $423 water tap
	  o $780 sewer tap will go up to $940 in 2012 and $1,110 in 2014
	  o A deposit may be held for 12 months then credited to

	account
	  - Checks the customer identity
	• Tony creates a tap order using an email form
	• Send order to Bill, Kevin, and John.
	• Bill sets up an account in UBS
	  - commercial
	  - industrial
	  - residential
	  - irrigation
	• Set up Reps with rep number
	• Input Account and information into UBS
	• Set time to turn on water
	• Create a work ticket UBS
	• Water line maintenance does the tap, sets the box and installs the meter.
	• Water line maintenance supervisor assigns to a crews
	• Obtains meter from store room clerk
	  - Meter inventory is stored in UBS
	  - There is also another spreadsheet inventory sheet
	• Assigns meter to the account
	• Meter service order (MSO)is created on the UBS
	• Line is tapped and type of pipe is noted
	• Form is completed in the field
	• A work order is created in Lucity with labor hours and rate, materials used, main pipe type.
	• System Control dispatch creates Work Order and then closes. Paper copy is stored in a file.
	• Meter is set as contractor account, but then the builder can transfer the account to the home owner as active account
	
	Meter Read
	• Rep will verify meter
	• Rep will set meter read
	• Activate the account
	• The meter route is read
	• Rep synchronizes UBS and Datatronics
	• A re-read report is done daily from Datatronics
	• Update corrections as necessary
	• A MSO (meter service order) is generated as appropriate
	• If meter is broken by customer there is no charge
	• Meter is read
	• Any defects are entered into the Itron with a code
	• Door hanger is trimming of bushes are needed

	• When sync with UBS a Meter service Order (MSO) is created First response • If there is a leak then on call crew comes to site within 40 minutes. Bill's first-responder will record information in UBS. John's first responder will record information in Lucity. Third first responder in water line maintenance. • First response is a one person crew. • Highway work needs permit and traffic plan • Arkansas One Call may need to be contacted. Emergency locate is 2 hours. 48 hours normal
Success Measurements	• Target is 2 re-reads per day • Codes used to track defects in meter • 1/2 of 1% bad debt ratio is good • Revenue • Number of returned checks
Problems with the current process	• Need ability to test meters. The equipment they have is old. Large meters are important and need to be tested. They do not see any reason to test obsolete meters. Fayetteville has equipment $200,000 for testing meters. That would be a separate building to do the testing. • Waiting too long to turn off a meter. Board does not want to do this. • Need AMI • If add one more crew, could get more jobs quicker. Need to look at aging work orders. Done lots of reactive work. No reports run like that. • No charge for customer requested turn off water or turn on of service • No information is entered into Lucity all data in UBS. If there is an excavation then it will go into Lucity • No call tracking system in CIS or any other system • Limited space for customer service people • Need more service windows • No measures of success

Process Name: Human Resources	

Description of Process and Major Functions	• Human Resources done by the City – 4 people
	  o Training and Safety – 1 person
	  o Works compensation
	  o 3rd party insurance carrier
	  o HR handles accident after safety is involved

Supporting Tool	• Access • DB Squared – looks statewide but • Datatronics is used for HR
Tasks	Adding New Position • Have to have a need • Add position to budget • Make request to board • Add a position • If new position, then there is an adjustment • Look at similar position • Position is created • Look internally • Need to interview the people how apply • Nation job • Only hired recruiter once • May pay relocation • Orientation process through City first on Tuesday • Department defines the specific orientation • City handles CDL drug screen program • Every two years then every five years • Permitted site and non permitted entry – 3 people • Supervisor must sign permit Training • Training log for each person • Separate safety training for supervisors • Safety training is done • Confined space training Church Safety OSHA Performance Review • Performance review process is annually • Some core and some department • The person gets a score • Initial draft is done by employee then modified by supervisor • Preliminary is used only between supervisor and employee

	Training • Chemical training • CPR every two years • No sewer line certification • Water treatment and distribution • Participation is more in state level conventions • CIUs are done through district meetings • Courses are given internally to get CIUs • Time is given to employee • Paid for training and safety
Success Measurements	• Spot observation • Spot observations • Worker comp claims • Claims per year
Problems with the current process	• No HR Metrics • Not enough time for people to do all the training • Need a hands on training facility • Need succession plan • Risk management plan and policy • Most training in on the job and there is not always resources to train people • There is no city wide leadership training • There is no DL programs • No succession plan • No progression path • Need SOPs

Process Name: Maintenance Management Distributed Assets	
Description of Process and Major Functions	• There are separate Sewer and Water crews • Fleet maintenance is at Service Center with adequate space to store the vehicles. There is one fleet maintenance manager and a fleet mechanic to service all the vehicles Maintenance of the liner assets includes: • Water Meters • In-house performed CCTV, typically as part of cleaning • Water line maintenance • Sewer line maintenance • Proactive cleaning list based on customer complaints and known areas of problems. There are 3 cleaning crews. One for CCTV • Field Dispatch with a call center and SCADA operations 24 hours a day. • Data is collected that will help define problems with water service such as the analysis of water quality complaints and tracking of pressure problems. • The condition assessment of the tanks is contracted out. • All sampling and monitoring is done by the laboratory. Lab report are regularly sent to management. • All work is done in house, unless special project is needed. There is no pipe bursting equipment at the moment, but it has been considered. R&R work and repair work has been under the direction of specific projects such as SSES and I/I projects • Planning is done with daily discussions as needed • If more than two sewer pipe sections is in need of repair the work is typically done as a CIP project. • One person is responsible for backflow prevention devices. The commercial customer are set up on a self monitoring program. There are some fees generated, but at first glance it does not appear to cover the cost of the program. Some of the sources of revenue includes the following: • Water meters • Sewer tapping • Backflow permitting • Turn on turn off • Not private service line work • Fire hydrant meter fee • Fees for pretreatment

	Work hours • Weekends have stand-by • Work hours at 7:30 – 4:00 • System controls are 24 hours The crews seem to be adequately staff on the water side, but short staffed on the sewer side Dispatch typically handles the calls and filter them before sending the request to field crews. They use Lucity for recording information from customer. The Water Bill has phone number on it, but there are also additional numbers that the customer could call
Tasks	The following describes the general work order process • Dispatch creates a work order • Paper communication is typically used unless there is an emergency • The Supervisor does the prioritization • Supervisor gives the work order to crew • Crew goes to field to perform the work • Cause codes are used as appropriate • The crew completes the work order in the field using the paper form • Equipment cost and material cost are added as appropriate • A person's specific hourly rate is used to track labor cost • The Supervisor reviews the work order and gives the completed form to Dispatch • Dispatch enters data • The supervisors and managers have access to CMMS to look at reports and historical data
Supporting Tool	• Lucity used for work orders • Datatronic for meter readings • Record system in AutoCAD • Granite CCTV software
Success Measurements	• Aging of work orders • Over time is indicator
Problems with the current process	• Dispatch does all the data • Not all the information needed is in Lucity • Lucity not connected to GIS • Risk management is not a normal protocol • Root cutting is done, but no treatment program for roots. • Root and grease is major cause of SSOs with more residential grease areas popping up especially in multi-family use areas

	• There is no FOG program and no coordination between code enforcement and sewer cleaning activities • There are no know dead zones in the water service, but there are 2 points in the system that are flushed routinely • There are no documented Levels of Service, but the utility targets State requirements. • Not enough people on Sewer side • There does not seem to be enough crews to keep up with the Water Meter Change-out Program. This may be having an impact on revenue and water loss. It is unclear and should be investigated further. • The sewer crews main role is for system maintenance. There is no preplanned condition assessment program of the sewer lines unless it is part of a specific project. PACP and MACP condition codes are not used. The CCTV work that is performed will have a video that is referenced to Manhole number in AutoCAD, not to GIS. • There is no tracking of the condition or documented condition assessment of the water lines. • At the moment there is approximately 14-16% unaccounted for water • Crews will take a coupon of the water line during a tap if larger than 2 inch. It is not clear how the data is used. • There is a limited valve exercise program. One crew typically goes around and chases valves • There is an aging water service infrastructure. The downtown system includes pipes installed between 1880 -1920. It is in a separate pressure zone (90psi) with some sand cast iron pipe. There are no plans to replace the pipes.

Process Name: Mapping	
Description of Process and Major Functions	• All water and sewer assets in AutoCAD • No plan to move assets into GIS • 100% of sewer and water assets are in the AutoCAD system • Create Maps • Does special maps and drawings as needed.
Tasks	The general process for a new asset is as follows: • A handwritten drawing is prepared by the field crew or it can come as engineering drawing • Tom Adkins creates the manhole in AutoCAD • An 8 digit manhole manhole number is used. The first 4 is letters is the basin with the four as sequential numbers. Sewer lines are identified by the upstream manhole. • Water line is structured by ID 5 digit. • Water valves are numbers with geocoded • Not all valves are geocoded • Tom creates a TIFF image for the map books, mostly horizontal changes • Tom sends a .wdg file to a server shared site for IT to update the GIS • There are typically quarterly updates of GIS The Redlining process in as follows: • Field will use verbal communication for redline updates • Some information will come in from contractors Information is input as follows: • Typically uses State Plan coordinates • Scan and store onto shared file server, O-Drive • Scanner gives a default ID, but it is changed to Plan name • Stored under Records Folder with no data standard • Paper copies are stored in file cabinets with drawer number identified on drawing • ID number is the driver and used for identifying where drawings are stored. CIP projects are entered as a construction layer when the drawings are available. When as-builts come in then the asset ID is stored on shared drive
Required Process Interactions	• IT interaction for GIS • Interaction with Field Crews • Interaction with contractors

	• City Engineer division
Supporting Tool	• ArcGIS 10.2 • AutoCAD 2005 • MapBooks • Plotters HP 4000 • Engineering Copier/Scanner
Success Measurements	• X-Y coordinates in system • QA/QC is done as needed by field crew
Problems with the current process	• Short staffed in updating maps • Limited resources for moving to GIS • Takes time to generate data due to data amounted • No data standards of methodologies for how contractors/consultants send in data

Process Name: Plant O&M Management	
Description of Process and Major Functions	• 24 sewer lift stations • Mechanics 9 including 1 lead, 1 PM and 7 repair (4 needed for plants) • 2 Electrician 2 techs • Water Mechanics 4 • Preventative Maintenance guy takes care of wet wells. • Vactor trucks take to land fill
Supporting Tool	• Lucity • Wonderware SCADA • Schneider PLC • Krohne Magmeters • 2 Sewer Pump Stations with meters. Pump run hours. • Larger stations are variable speed pumps • Thermography

Tasks	Ground Maintenance
	• Mowing and lawncare of Utilities owned property
	• Lawn care
	  o Cemetery within lake Ft. Smith old Becky Wright Cemetery
	  o Lake property is owned by Utilities
	  o Rental property at Lake area. Revenues go to Utilities
	  o Don't mow inside plant grounds
	
	Maintenance
	• Operators will do some maintenance
	• Some equipment still under warranty
	• Peachtree sends hand written work order
	• In some cases, Brian Dispatch will create work order and email to
	• Work order is completed.
	• Brian reviews WO and then takes to dispatch
	• PMs are generated to do calibration and such
	• Keith has a paper copy of PMs.
	  o Check oil
	  o Grease u joints
	  o Sump pump operation
	  o Start stop pump
	  o Some pump stations are visited daily
	  o Assist with PM at plants
	  o Operators of PM at plants
	• If operator needs maintenance, Phone call to electric or mechanical
	• Call out person for after hours
	• Emails are sent for work orders which are paper copies. Excel spreadsheet format.

	• Work order is completed and give to store keeper • Store keeping enters data into Lucity (Marty) • Lucity used for inventory stores • Use of electronic documents if given by vendor • Some work orders are generated based on SCADA alarm • Hours on a work order included • Vehicles have rolling stock • Bruce Rogers (plumbing supply) use of purchase order. Some parts are not priced. No credit cards are not used • Several store rooms, but no accounting for each store room. No reorder points defined at this stage. • Some parts need to be manufactured but not many. There are location machine shops that can do the custom supplies. Procurement • Each department has a different secretary for PO • Person fills out PO • Gets approved Steve Parkes has to sign everything above $750 • Then it goes to City purchaser • Order comes in but not added to Lucity or inventory costs
Success Measurements	• Regular meetings • No measures of work performance • No measures of reliably. There are expected to last a certain time, but don't know when it was installed • Certain brands have better reliability
Problems with the current process	• No data analysis of Lucity is done • Word of mouth used to identify problems • Cause codes are not necessarily used for Wastewater • Some predictive failure analysis • Cause codes not added for wastewater but are added for water • No standard job plans • No critical spare parts list is kept • No idea of the total cost of inventory for mechanical and electrical. Parts for line maintenance are well known. • Run equipment until it reaches failure. Then repair it. There is little estimate of predictive failure • No turn on\off of sewer pump stations. Have to manually reset the equipment • Need people to enter data into the Lucity • If one person over maintenance that would be helpful • Staff feels each plant should have their own electrician. Especially

	drive time. Need electricians to be familiar with the way to plant operates • Odor scrubbers constantly down due to electronic problems • At least one more electronic tech needed dues to more technical parts

Process Name: Regulatory Reporting and Regulator Interface Management	
Description of Process and Major Functions	• Submits DMR reports • Annual Pretreatment Report • Record Keeping • Drinking water regulation • Sample collections – upstream and downstream of outfall locations
Process Outcome or Output	• Reports
Required Process Interactions	• Regulatory agencies • Health department on water • Web site updates with annual water quality report
Supporting Tool	• Scanning of files
Tasks	Water Regulatory • Monthly water report • Summary of compliance • Health department Wastewater Regulatory • DMR – state provided format no electronic signatures allowed. • SSO • Non-compliance activities • No air permitting • Biomonitoring Landfill Regulatory • No permit for Utilities to send to landfill Pretreatment Regulatory • Annual performance require to ADEG and EPA • 17 Significant industrial users 22 non-significant IU • Permits for 5 years are issued, fee is paid that covers 60% of cost • Bills go through normal billing tool
Problems with the current process	• Nutrient pending regulations • No FOG program • Difficult to verify septic haulers • Lab to work with plants to optimize the process • Need LIMS for data access

Process Name: Spill Response	
Description of Process and Major Functions	• SSO response and reporting– Anything leaving the system • Dry weather generally 500 gal per hour times duration
Supporting Tool	• Telemetered rain gauges that come into gauge • Lucity • SSO database tool
Tasks	Spill Response • Dispatch takes call • Work order is created • Rod truck responds • Use Dry weather form or Wet weather form • Take pictures to help define situation • Attempt to clear debris or cause • Work order created to clean line the next day • Overflow form goes to engineering Jimmie 56 in 2011 • Wet weather picture stick rod to look at the height of discharge • Jimmie does the calculation then communities to Leroy • Reports within 24hours to Region 6 and State • Report in a written letter within 5 days with more details. • If there is significant flow or call from citizen such as to receiving water then a sample is collected by environmental. • OERP may require public notice • ¾ inch in 24 hours • Two constructed overflow still to be removed • Several equalization points created • Blending is not allowed
Success Measurements	• No metrics
Problems with the current process	• RJN has done modeling • No notification to health department • No FOG program • SSO database not connected to Lucity (module not used) • No trending of data or analysis of data • No space to put people • Need more people to handle the CMOM program

1.1.1 Customer comes to main office to ask for service

Will first go to Tony for new service address

Tony will get tapping WO through email

$423 water tap

$780 sewer tap will go up to $940 in 2012 and $1,110 in 2014

A deposit held for 12 months then credited to account

Check the customer identity

Set up account

- ***commercial***
- ***industrial***
- ***Residential***
- ***Irrigation***

Input Account and information into UBS

Set time to turn on water

Create a work ticket UBS

Set up Reps with rep number

Rep will verify meter

Rep will set meter read

Activate the account

1.1.2 30 day read

1.1.3 Itron reading system

read route

synch UBS and Datatronics

re-read report daily from Datatronics

update corrections

MSO

meter service order

John Beard

has to update UBS to comment on repairs

1.1.4 Credits

1 month 100%

up to 3 months 50%

1.1.5 5 times a month

monthly cycle

1.1.6 set billing cycle
1.1.7 Dataform

third party bill print

since 2003

1.1.8 Bill goes out

first miss is a disconnect fee

$5

fee from Dataform

Don't charge for 30 days overdue

10% penalty

if don't pay two cycles then $5 fee

reconnect $30

$100 tamper meter fee

insufficient fee

$29

Letter is manually sent

1.1.9 No charge for water shut-off
1.1.10 Bills crew will shut off water

a list shut offs are sent by email.

accounting tech converts UBS Data into Excel and emails the file

1.1.11 In some cases John Beards crew will do the turn off and then information to Bills office
1.1.12 Using new Datatronics System

Datatronics

600-700,000 per year

33,000 accounts

1.2 Process Outputs
1.3 Required Process Interactions
1.4 Location
1.5 Timing
1.5.1 Starting or Precipitating Event
1.5.2 Timing
1.5.3 Ending Event
1.5.4 Schedule Constraints

holidays

1.5.5 Anticipated Frequency

monthly

1.6 Input Information and Data
1.6.1 500 disconnects per month

6 people

$148,000/year

1.6.2 75% for water and sewer
1.6.3 8 meter readers
1.6.4 5 different phone numbers
1.6.5 4 window clerks
1.6.6 1 drop box/lock box
1.6.7 No call tracking system

missed calls and received calls

1.6.8 main city number has IVR
1.6.9 pass to maintenance

water quality

1.6.10 After 90 days account is written off

goes to collection agency

1.7 Supporting Tools
1.7.1 Itron
1.7.2 UBS
1.8 Success Measurements (Metrics)
1.8.1 1/2 of 1% bad debt ratio is good
1.8.2 revenue
1.8.3 no metrics used to track success
1.8.4 returned checks
1.9 Problems with Existing Process
1.9.1 why so long to turn off water
1.9.2 limited space for service people

no more service windows

cannot add people

1.9.3 Not tracking calls in the CIS
1.9.4 No measures of success
1.9.5 Subtopic

Appendix B

Non-Priority Recommendations

Summary of Non-Priority Recommendations – Organizational Structure

- A plan for the future of the customer service center should be identified. Customer service people have very limited space to work. A call tracking system may also be useful. Additional space/personnel could aid in keeping track of information on calls that come in such as number of calls, customer wait time, rings before answering, missed calls, etc. This could lead to increased customer service. Additional space must be provided for additional staff. A plan is required to weigh the pros/cons of expanding the service center or contracting the work out. The initial cost would consist of office space for 3 additional FTEs and their salary, as set by the Utility. The annual return would be quantified by measuring improved service levels and improved customer response time.

Summary of Non-Priority Recommendations – Water and Sewer Operations

Water Operations

- A study could be undertaken to see if adding chloramines, while more expensive at the plants, could limit the amount of sampling and the number of failing tests in the distribution system. Chloramines persist longer in a distribution system than free chlorine, which could reduce the likelihood of failing tests in the distribution system and eliminate the need for repeat tests. Changing disinfectants requires an engineering evaluation to examine plant hydraulics, water chemistry, and other issues. The initial capital cost would be the cost of an engineering evaluation. The evaluation would make a final determination on the feasibility and cost of changing disinfectants. Required equipment would likely cost approximately $75,000/plant. The cost of the chemical will increase the operating costs, which may be accounted for in labor.

- Re-use of filter-to-waste water as well as decanted water from sludge holding tanks could be examined. Recycling the water would reduce water loss and may reduce chemical usage. Evaluate costs during next rehabilitation or expansion of the plant.

- Examine adding one smaller finished water pump to the Lee Creek Plant. The pump would have a smaller motor and operate closer to its optimum efficiency point during periods of low flow from the plant. The pump and motor would likely cost between $150,000 - $200,000. The smaller pump would likely be 10% more efficient, depending on existing and proposed pump curves.

- Pump stations should be rehabilitated with premium efficiency pumps and motors as part of their normal replacement cycle when the existing equipment is beyond its useful life.

- It is suggested that a critical spare parts list be kept at each facility.

- Maximize the use of the Lake Fort Smith Plant during periods of low demands to take advantage of the electrical savings.

Wastewater Operations

- Electrical loads could be monitored through SCADA, and written protocols should be developed for the operation of non-essential equipment during lower usage periods.
- Lift stations should be rehabilitated with premium efficiency pumps and motors as part of their normal replacement cycle when the existing equipment is beyond its useful life.
- Inventory management practices could be improved to quantify inventory, assure critical parts are kept, and avoid unnecessary ordering of parts or expiration from excessive shelf life.
- System controls could be added to the lift stations to reset them automatically in the case of a power outage, and to turn them on and off remotely through SCADA, which is already monitored at the treatment plants.
- The City is already planning on updating their wastewater management plan in 2012; however, at the time of the update it would be prudent to ensure the management plan has the following:
    - Population projections that have considered previous population planning documents the City has already paid for, specifically the Burns & McDonnell report from 2009.
    - Flow projections that account for I&I reduction that has already begun and I&I projects planned for in the near future.
    - Examine current wastewater planning documents (Mickle Wagner Coleman, 2010) and incorporate the significant amount of anticipated flow into the planning document.
- The City should update their Wastewater Master Plan at regular intervals (i.e. every 5 years).

Summary of Non-Priority Recommendations – Planning

- The City should develop a formal, documented capital planning process.
- The City should update their Master Plans at regular intervals (i.e. every 5 years).
- More closely coordinate key assumptions contained within the City's different planning documents.
- The water conservation program could be expanded to reduce long-term water usage. The program does not have to expand with more regulation, but rather, the enforcement of the regulation and public education, so that the regulations already implemented are followed. Once this step is successful, further expansion of the program could occur, and could vary from City ordinances requiring low flow fixtures in public buildings to adjusting billing rates to encourage industry to use less water, rather

than more. Achieving significant metrics from conservation programs in Fort Smith may be somewhat difficult, due to the large amount of flow that is provided to contract customers. Expansion of the conservation program would require further study to identify areas that would provide the most benefit.

- The City may see benefit in standardizing a system peaking factor for projections.

Summary of Non-Priority Recommendations – Financing and Rates

- The City should review the issue of system development charges for the water and sewer utilities. This is a potential funding source for growth-related infrastructure that is commonly used by utilities to have "growth pay for growth".

Appendix C

Chemical and Electrical Usage Data

Lee Creek WTP- Arkansas Valley Electric

2010	Invoice Total	Energy Charge	KWH	Cost per KWH
Sept	$40,552	$17,545	459,900	$0.0882
Oct	$40,733	$16,961	444,600	$0.0916
Nov	$38,627	$17,614	461,700	$0.0837
Dec	$32,895	Note 1	Note 1	Note 1
2011				
Jan	$38,058	$16,858	441,900	$0.0861
Feb	$39,151	$18,301	479,700	$0.0816
Mar	$28,650	$13,150	344,700	$0.0831
Apr	$43,358	$19,434	509,400	$0.0851
May	$33,147	$16,034	420,300	$0.0789
Jun	$45,862	$24,165	622,800	$0.0736
Jul	$59,796	$33,523	864,000	$0.0692
Aug	$44,357	$19,695	507,600	$0.0874
Total/Average:	$485,187			$0.0757

Notes:

1 Detailed information not available; invoice not provided

Lake Fort Smith- OG&E

2010	Invoice Total	KWH	Cost per KWH
Sept	$5,505	74,729	$0.0737
Oct	$7,334	106,204	$0.0691
Nov	$7,366	125,048	$0.0589
Dec	$8,915	153,667	$0.0580
2011			
Jan	$9,226	160,207	$0.0576
Feb	$10,235	156,622	$0.0653
Mar	$7,860	108,304	$0.0726
Apr	$5,978	88,884	$0.0673
May	$6,886	87,404	$0.0788
Jun	$7,669	113,548	$0.0675
Jul	$7,921	112,686	$0.0703
Aug	$8,140	119,683	$0.0680
Total/Average:	$93,035	1,406,986	$0.0673

WTP

CHEMICAL	COMPANY	Lee Creek WTP	Lake Fort Smith WTP
Hydrated Bulk Lime	Arkansas Lime Company	x	x
Chlorine	Brentag Southwest	x	x
Potassium Permagante	Carus	x	x
Soda Ash	Harcros		x
Coagulant Polymer	Klar Water	x	
Liquid Ferric Sulfate	Kemira*		x

Hydrated Bulk Lime- Arkansas Lime Company

Lee Creek	Invoice Date	Invoice No.	Quantity	Quanity Units		Unit Price		Total Price
	21-Sep-10		24.51	TONS	$	189.39	$	5,120.57
	20-Oct-10		23.64	TONS	$	189.39	$	4,938.81
	7-Dec-10		23.26	TONS	$	189.39	$	4,859.42
	1-Mar-11		23.80	TONS	$	189.39	$	4,972.24
	1-May-11		24.25	TONS	$	189.39	$	5,066.25
	25-Jun-11	218158	24.20	TONS	$	189.39	$	5,055.80
	3-Jul-11	218416	24.50	TONS	$	189.39	$	5,118.48
	15-Jul-11	218793	23.02	TONS	$	189.39	$	4,809.29
	22-Jul-11	219040	22.98	TONS	$	189.39	$	4,800.92
	27-Jul-11	219183	23.77	TONS	$	189.39	$	4,965.97
	10-Aug-11	219917	24.08	TONS	$	189.39	$	5,030.73
	23-Aug-11	220053	23.78	TONS	$	189.39	$	4,968.06
	29-Aug-11	220240	25.36	TONS	$	189.39	$	5,405.15
			311.15				$	65,111.70

Lake Fort Smith	Invoice Date	Invoice No.	Quantity	Quanity Units		Unit Price		Total Price
	3-Sep-10		25.10	TONS	$	189.39	$	5,243.83
	1-Sep-10		24.35	TONS	$	189.39	$	5,087.14
	18-Sep-10		24.34	TONS	$	189.39	$	5,085.05
	15-Sep-10		24.66	TONS	$	189.39	$	5,151.91
	7-Oct-10		48.14	TONS	$	189.39	$	10,057.29
	9-Oct-10		24.38	TONS	$	189.39	$	5,093.41
	21-Oct-10		24.70	TONS	$	189.39	$	5,160.27
	26-Oct-10		25.33	TONS	$	189.39	$	5,291.88
	10-Dec-10		25.15	TONS	$	189.39	$	5,254.28
	1-Jan-11		24.69	TONS	$	189.39	$	5,158.18
	1-Feb-11		24.53	TONS	$	189.39	$	5,124.75
	1-Apr-11		23.72	TONS	$	189.39	$	4,955.53
	1-May-11		24.27	TONS	$	189.39	$	5,070.43
	15-Jun-11	217800	24.40	TONS	$	189.39	$	5,097.59
	4-Aug-11	219453	24.99	TONS	$	189.39	$	5,220.84
	3-Aug-11	219412	24.11	TONS	$	189.39	$	5,037.00
	11-Aug-11	219676	23.12	TONS	$	189.39	$	4,830.16
			439.98				$	91,919.54

Chlorine- Brentag Southwest

Lee Creek	Invoice Date	Invoice No.	Quantity	Quanity Units		Unit Price		Price
	4-Nov-10	BSW225217	24000	LBS	$	0.4250	$	10,200.00
	1-Feb-11		24000	LBS	$	0.4250	$	10,200.00
	1-Aug-11		24000	LBS	$	0.4250	$	10,200.00
			72000				$	30,600.00

Lake Fort Smith	Invoice Date	Quantity	Quanity Units		Unit Price		Price
	1-Sep-10	24,000	LBS	$	0.4250	$	10,200.00
	Nov-10	24,000	LBS	$	0.4250	$	10,200.00
	2/1/2011	24,000	LBS	$	0.4250	$	10,200.00
	5/1/2011	24,000	LBS	$	0.4250	$	10,200.00
	7/1/2010	24,000	LBS	$	0.4250	$	10,200.00
		120,000				$	51,000.00

Potassium Permagante- Carus

Lee Creek	Invoice Date	Invoice No.	Quantity	Quanity Units		Unit Price		Price
	24-May-10	10002934	19845.00	LB	$	2.6900	$	53,383.05
	29-Nov-10	10007387	19845.00	LB	$	3.2500	$	64,496.25
	28-Jun-11	1011574	19845.00	LB	$	3.2500	$	64,496.25
	21-Jul-11	10012100	19845.00	LB	$	3.2500	$	64,496.25
			59535.00					$193,488.75

Lake Fort Smith	Invoice Date	Invoice No.	Quantity	Quanity Units		Unit Price		Price
	15-Feb-10	1000893	6615.00	LB	$	2.6900	$	17,794.35
	4-Jun-10	10003246	6615.00	LB	$	2.6900	$	17,794.35
	5-Nov-10	10007022	6615.00	LB	$	3.2500	$	21,498.75
	18-Jul-11	10012007	6615.00	LB	$	3.2500	$	21,498.75
			13230.00				$	42,997.50

Soda Ash- Harcros

Lee Creek	Invoice Date	Invoice No.	Quantity	Quanity Units	Unit Price	Price
			None			

Lake Fort Smith	Invoice Date	Invoice No.	Quantity	Quanity Units		Unit Price		Price
	12-Oct-10	60058754	43680	LB	$	0.23500	$	11,028.60
	17-Nov-10	60058964	49260	LB	$	0.23500	$	12,386.43
	14-Dec-10	60059082	47920	LB	$	0.23500	$	12,049.48
	5-Jan-11	60059187	48660	LB	$	0.23500	$	12,235.56
	23-Feb-11	60059452	47040	LB	$	0.23500	$	11,828.20
	17-Mar-11	60059576	47920	LB	$	0.23500	$	12,049.48
	7-Jun-11	60060009	49220	LB	$	0.23500	$	12,376.37
	21-Jun-11	60060089	48100	LB	$	0.23500	$	12,094.75
	11-Jul-11	60060202	48040	LB	$	0.23500	$	12,079.65
	22-Jul-11	60060283	48100	LB	$	0.23500	$	12,094.75
	3-Aug-11	60060345	49980	LB	$	0.23500	$	12,567.47
	25-Aug-11	60060460	48500	LB	$	0.22450	$	11,650.43
			576420				$	144,441.17

PAC - Brenntag Southwest

Lee Creek	Invoice Date	Quantity	Quanity Units	Unit Price	Price
	6/29/2011	2000	LBS	0.56	$1,120
	7/6/2011	4000	LBS	0.56	$2,240
	8/10/2011	6000	LBS	0.56	$3,360
		12,000			$6,720

Sodium Hydroxide - Brenntag Southwest

Lee Creek	Invoice Date	Quantity	Quanity Units	Unit Price	Price
	1/31/2011	220	GAL	1.85	$407
		220			$407

Coagulant Polymer- Klar Water Inc.

Lee Creek	Invoice Date	Invoice No.	Quantity	Quanity Units	Unit Price	Price	
	9-Sep-10	426-44243	43760	lbs	$ 0.287	$ 12,559.12	
	30-Sep-10		44440	lbs	$ 0.287	$ 12,754.28	$ 25,313.40
	29-Oct-10	436-44358	45600	lbs	$ 0.287	$ 13,087.20	
	9-Dec-10	440-44448	45220	lbs	$ 0.287	$ 12,978.14	
	27-Jan-11	447-44873	45380	lbs	$ 0.287	$ 13,024.06	
	15-Mar-11	458-44923	46120	lbs	$ 0.287	$ 13,236.44	
	14-Apr-11	461-44965	44780	lbs	$ 0.287	$ 12,851.86	
	9-May-11	465-44965	44980	lbs	$ 0.287	$ 12,909.26	$ 25,984.98
	31-May-11	473-45043	45560	lbs	$ 0.287	$ 13,075.72	
	5-Jul-11	481-45089	41980	lbs	$ 0.287	$ 12,048.26	$ 24,928.82
	22-Jul-11	484-45268	44880	lbs	$ 0.287	$ 12,880.56	
			492,700			$ 141,404.90	

Lake Fort Smith	Invoice Date	Invoice No.	Quantity	Quanity Units	Unit Price	Price
		None				

Polymer S/W 102 - Water Tech, Inc. (Coagulant)

Lee Creek	Invoice Date	Quantity	Quanity Units	Unit Price	Price	
	13-Sep-10	13890	LBS	$ 0.514	$ 7,139.46	WT
	6-Dec-10	14400	LBS	$ 0.514	$ 7,401.60	WT
	1-May-11	14400	LBS	$ 0.514	$ 7,401.60	
	1-Jun-11	9840	LBS	$ 0.514	$ 5,055.80	
	1-Jul-11	38320	LBS	$ 0.514	$ 19,694.66	
	1-Aug-11	29970	LBS	$ 0.514	$ 15,403.94	
		120820			$ 62,097.06	

Lake Fort Smith	Invoice Date	Invoice No.	Quantity	Quanity Units	Unit Price	Price
			None			

Liquid Ferric Sulfate - Kemira

Lee Creek	Invoice Date	Invoice No.	Quantity	Quanity Units	Unit Price	Price
		None				

Lake Fort Smith	Invoice Date	Quantity	Quanity Units		Unit Price per TON		Price
	9/1/2010	206.64	TON	$	159.990	$	33,059.55
	10/1/2010	207.86	TON	$	159.990	$	33,255.04
	11/1/2010	93.54	TON	$	159.990	$	14,964.97
	12/1/2010	139.16	TON	$	159.990	$	22,264.04
	1/1/2011	165.02	TON	$	159.990	$	26,400.92
	2/1/2011	92.18	TON	$	159.990	$	14,747.40
	3/1/2011	138.92	TON	$	159.990	$	22,225.17
	4/1/2011	45.64	TON	$	159.990	$	7,301.78
	5/1/2011	95.28	TON	$	159.990	$	15,243.53
	6/1/2011	186.16	TON	$	159.990	$	29,783.10
	7/1/2011	229.70	TON	$	159.990	$	36,750.19
	8/1/1900	115.65	TON	$	159.990	$	18,502.37
		1715.72				$	274,498.06

Lake Ft Smith WTP

Chemical	Vendor	Annual Quantity[1]	Unit	Unit Price	Annual Cost[1]
Hydrated Bulk Lime	Arkansas Lime Company	440	TON	$189.39 + Service Fee	$91,900
Chlorine	Brenntag Southwest	120,000	LBS	$0.425	$51,000
Potassium Permanganate	Carus	13,230	LBS	$3.25	$43,000
Soda Ash	Harcros	576,420	LBS	$0.235 - 0.2245 (Varies)	$144,400
Ferric Sulfate	Kemira	1,716	TON	$159.99	$274,500
Total Annual Cost:					$604,800

Hydrated Lime	$91,900	15%
Chlorine	$51,000	8%
Potassium Permanganate	$43,000	7%
Soda Ash	$144,400	24%
Ferric Sulfate	$274,500	45%
	$604,800	

Lee Creek WTP

Chemical	Vendor	Annual Quantity[1]	Unit	Unit Price	Annual Cost[1]
Hydrated Bulk Lime	Arkansas Lime Company	311	TON	$189.39 + Service Fee	$65,100
Chlorine	Brenntag Southwest	72,000	LBS	$0.425	$30,600
Potassium Permanganate	Carus	59,540	LBS	$3.25	$193,500
Sodium Hydroxide	Brenntag Southwest	220	GAL	$1.85	$407
Powdered Activated Carbon	Brenntag Southwest	12,000	LBS	$0.56	$6,720
Polymer (S/W 102)	Water Tech, Inc.	120,820	LBS	$0.514	$62,100
Polymer (CF 150)	Klar Water, Inc.	492,700	LBS	$0.287	$141,400
Total Annual Cost:					$499,827

Hydrated Lime	$65,100	13%
Chlorine	$30,600	6%
Potassium Permanganate	$193,500	39%
Sodium Hydroxide	$407	0%
Powdered Activated Carbon	$6,720	1%
S/W 102	$62,100	12%
CF 150	$141,400	28%
	$499,827	

P St WWTP

2010	Dollars	KWH	Cost per KWH
Sept	$27,080	378,100	$0.0716
Oct	$24,435	331,640	$0.0737
Nov	$19,934	340,380	$0.0586
Dec	$21,893	384,000	$0.0570
2011			
Jan	$23,338	415,680	$0.0561
Feb	$21,678	357,340	$0.0607
Mar	$19,600	335,640	$0.0584
Apr	$20,469	359,900	$0.0569
May	$27,362	447,060	$0.0612
June	$22,513	301,960	$0.0746
July	$22,346	335,880	$0.0665
Aug	$23,270	342,040	$0.0680
Total/Average:	$273,918	4,329,620	$0.0636

Massard

2010	Dollars	KWH	Cost per KWH
Sept	$26,702	399,920	$0.0668
Oct	$21,776	335,960	$0.0648
Nov	$23,747	400,720	$0.0593
Dec	$21,913	386,360	$0.0567
2011			
Jan	$22,374	387,160	$0.0578
Feb	$21,634	376,080	$0.0575
Mar	$20,834	364,240	$0.0572
Apr	$22,948	429,440	$0.0534
May	$24,062	458,480	$0.0525
June	$24,799	379,600	$0.0653
July	$25,725	410,120	$0.0627
Aug	$23,733	346,800	$0.0684
Total:	$280,248	4,674,880	$0.0602

WWTPs

CHEMICAL	COMPANY	P St WWTP	Massard WWTP
Quicklime	US Lime Company	X	X
Caustic Soda (NaOH)	Brentag Southwest	X	X
Sodium Hypochlorite	Brentag Southwest	X	X
Chlorine	Brentag Southwest	X	
Sodium BiSufite	Brentag Southwest/Thatcher	X	
Dry Polymer (Clarifloc)	Polydyne Inc	X	X
Sulfuric Acid	Water Tech, Inc.		X
Odor Control Maint.	BioAdd, L.L.C.	X	
Liquid Ferric Sulfate	Kemira Water Solutions	X	

CHEMICAL	COMPANY	P St WWTP	Use
Quicklime	US Lime Company	X	solids stabilization
Caustic Soda (NaOH)	Brentag Southwest	X	assume pH adjustment?
Sodium Hypochlorite	Brentag Southwest	X	
Chlorine	Brentag Southwest	X	disinfection
Sodium BiSufite	Brentag Southwest/Thatcher	X	dechlorination
Dry Polymer (Clarifloc)	Polydyne Inc	X	flocculat (high rate) or solids dewatering?
Odor Control Maint.	BioAdd, L.L.C.	X	headworks odor control
Liquid Ferric Sulfate	Kemira Water Solutions	X	flocculat (high rate)

CHEMICAL	COMPANY	Massard WWTP	Use
Quicklime	US Lime Company	X	solids stabilization
Caustic Soda (NaOH)	Brentag Southwest	X	
Sodium Hypochlorite	Brentag Southwest	X	
Dry Polymer (Clarifloc)	Polydyne Inc	X	
Sulfuric Acid	Water Tech, Inc.	X	

Caustic Soda Use

P St WWTP

Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
12-Apr-10	3500.00	LBS	$ 0.27	$ 945.00
23-Jun-10	3200.00	LBS	$ 0.21	$ 674.56
19-Jul-10	3200.00	LBS	$ 0.21	$ 674.56
4-Aug-10	3200.00	LBS	$ 0.21	$ 674.56
25-Aug-10	313.72	GAL	$ 1.85	$ 580.39

Massard WWTP

Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
19-May-10	6400.00	LBS	$ 0.21	$ 1,349.12
21-Jun-10	6400.00	LBS	$ 0.21	$ 1,349.12
19-Jul-10	3200.00	LBS	$ 0.21	$ 674.56

Sodium Hypochlorite Use

P St WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	24-May-10	1906.75	GAL	$ 1.25	$ 2,383.44
	2-Aug-10	320.00	GAL	$ 1.25	$ 400.00

Massard WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	6-Oct-09	2523.03	GAL	$ 1.25	$ 3,153.79
	24-May-10	1906.75	GAL	$ 1.25	$ 2,383.44
	21-Jun-10	2003.26	GAL	$ 1.25	$ 2,504.08
	1-Nov-10	1813.68	GAL	$ 1.20	$ 2,176.42
	9-Mar-11	3231.57	GAL	$ 1.20	$ 3,877.88
	6-Jun-11	4267.31	GAL	$ 1.20	$ 5,120.77
		9312.56			$ 11,175.07

Polymer Use

P St WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	24-Sep-09	9000.00	LBS	$ 0.97	$ 8,730.00
	17-Nov-09	4400.00	LBS	$ 1.59	$ 6,996.00
	11-Jan-10	9000.00	LBS	$ 0.97	$ 8,730.00
	16-Mar-10	7200.00	LBS	$ 0.97	$ 6,984.00
	8-Jul-10	2200.00	LBS	$ 1.59	$ 3,498.00
	20-Sep-10	2200.00	LBS	$ 1.59	$ 3,498.00
	29-Nov-10	2200.00	LBS	$ 1.59	$ 3,498.00
	20-Jan-11	2200.00	LBS	$ 1.72	$ 3,784.00
	22-Feb-11	2200.00	LBS	$ 1.72	$ 3,784.00
	21-Apr-11	2200.00	LBS	$ 1.72	$ 3,784.00
	8/24/2011	3850.00	LBS	$ 2.13	$ 8,200.50
		14850.00	LBS		$ 26,548.50

Massard WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	14-Oct-09	7200.00	LBS	$ 0.97	$ 6,984.00
	16-Mar-10	7200.00	LBS	$ 0.97	$ 6,984.00
	17-Aug-10	7200.00	LBS	$ 1.18	$ 8,496.00
	9-Feb-11	7200.00	LBS	$ 1.18	$ 8,496.00
	7-Jun-11	7200.00	LBS	$ 1.18	$ 8,496.00
		14400.00			$ 16,992.00

Quicklime Use

P St WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	2-Sep-09	25.02	TON	$ 171.26	$ 4,413.53
	11-Sep-09	24.22	TON	$ 171.26	$ 4,272.41
	17-Sep-09	23.97	TON	$ 171.26	$ 4,228.31
	23-Sep-09	24.50	TON	$ 171.26	$ 4,321.80
	1-Oct-09	26.02	TON	$ 171.26	$ 4,589.93
	8-Oct-09	24.54	TON	$ 171.26	$ 4,328.86
	27-Oct-09	25.94	TON	$ 171.26	$ 4,575.82
	29-Oct-09	24.86	TON	$ 171.26	$ 4,385.31
	6-Nov-09	26.02	TON	$ 171.26	$ 4,589.93
	17-Nov-09	24.19	TON	$ 171.26	$ 4,267.12
	25-Nov-09	24.83	TON	$ 171.26	$ 4,380.01
	1-Dec-09	24.42	TON	$ 171.26	$ 4,307.69
	9-Dec-09	24.61	TON	$ 171.26	$ 4,341.21
	14-Dec-09	25.97	TON	$ 171.26	$ 4,581.11
	21-Dec-09	24.14	TON	$ 171.26	$ 4,258.30
	29-Dec-09	24.63	TON	$ 171.26	$ 4,344.73
	8-Jan-10	24.51	TON	$ 171.26	$ 4,323.57
	15-Jan-10	24.29	TON	$ 171.26	$ 4,284.76
	20-Jan-10	24.07	TON	$ 171.26	$ 4,245.95
	27-Jan-10	25.11	TON	$ 171.26	$ 4,429.41
	1-Feb-10	24.98	TON	$ 171.26	$ 4,406.47
	5-Feb-10	24.98	TON	$ 171.26	$ 4,406.47
	17-Feb-10	25.76	TON	$ 171.26	$ 4,544.07
	24-Feb-10	25.34	TON	$ 171.26	$ 4,469.98
	27-Feb-10	24.84	TON	$ 171.26	$ 4,381.78
	8-Mar-10	24.18	TON	$ 171.26	$ 4,265.35
	12-Mar-10	25.99	TON	$ 171.26	$ 4,584.64
	19-Mar-10	23.90	TON	$ 171.26	$ 4,215.96
	30-Mar-10	25.25	TON	$ 171.26	$ 4,454.10
	1-Apr-10	24.23	TON	$ 171.26	$ 4,274.17
	8-Apr-10	24.59	TON	$ 171.26	$ 4,337.68
	13-Apr-10	25.15	TON	$ 171.26	$ 4,436.46
	20-Apr-10	24.66	TON	$ 171.26	$ 4,350.03
	28-Apr-10	24.89	TON	$ 171.26	$ 4,390.60
	6-May-11	24.84	TON	$ 171.26	$ 4,381.78
	13-May-10	24.42	TON	$ 171.26	$ 4,307.69
	19-May-11	25.20	TON	$ 171.26	$ 4,445.28
	25-May-11	24.87	TON	$ 171.26	$ 4,387.07
	2-Jun-10	24.69	TON	$ 171.26	$ 4,355.32
	10-Jun-10	25.78	TON	$ 171.26	$ 4,547.59
	18-Jun-10	25.19	TON	$ 171.26	$ 4,443.52
	24-Jun-10	24.95	TON	$ 171.26	$ 4,401.18
	7-Jul-10	25.08	TON	$ 171.26	$ 4,424.11
	16-Jul-10	24.35	TON	$ 171.26	$ 4,295.34
	2-Sep-10	24.31	TON	$ 175.96	$ 4,409.84
	8-Sep-10	24.28	TON	$ 175.96	$ 4,404.40
	16-Sep-10	25.78	TON	$ 175.96	$ 4,676.50
	29-Sep-10	25.35	TON	$ 175.96	$ 4,598.49
	6-Oct-10	24.81	TON	$ 175.96	$ 4,500.54
	12-Oct-10	25.37	TON	$ 175.96	$ 4,602.12
	20-Oct-10	24.57	TON	$ 175.96	$ 4,457.00
	25-Oct-10	25.65	TON	$ 175.96	$ 4,652.91
	3-Nov-10	24.71	TON	$ 175.96	$ 4,482.40
	10-Nov-10	24.71	TON	$ 175.96	$ 4,482.40
	17-Nov-10	24.78	TON	$ 175.96	$ 4,495.10
	30-Nov-10	24.74	TON	$ 175.96	$ 4,487.84
	2-Dec-10	24.89	TON	$ 175.96	$ 4,515.05
	10-Dec-10	25.79	TON	$ 175.96	$ 4,678.31
	14-Dec-10	24.57	TON	$ 175.96	$ 4,457.00
	20-Dec-10	23.77	TON	$ 175.96	$ 4,311.88
	22-Dec-10	24.8	TON	$ 175.96	$ 4,498.72
		422.88			$ 76,710.49

Massard WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	14-Sep-09	25.56	TON	$ 171.26	$ 4,508.79
	30-Sep-09	24.03	TON	$ 171.26	$ 4,238.89
	13-Oct-09	24.70	TON	$ 171.26	$ 4,357.08
	23-Oct-09	23.81	TON	$ 171.26	$ 4,200.09
	3-Nov-09	24.68	TON	$ 171.26	$ 4,353.55
	4-Nov-09	24.00	TON	$ 171.26	$ 4,233.60
	25-Nov-09	25.15	TON	$ 171.26	$ 4,436.46
	9-Dec-09	25.32	TON	$ 171.26	$ 4,466.45
	14-Dec-09	25.07	TON	$ 171.26	$ 4,422.35
	4-Jan-10	24.20	TON	$ 171.26	$ 4,268.88
	11-Jan-10	24.35	TON	$ 171.26	$ 4,295.34
	25-Jan-10	24.91	TON	$ 171.26	$ 4,394.13
	8-Feb-10	24.18	TON	$ 171.26	$ 4,265.35
	12-Feb-10	24.85	TON	$ 171.26	$ 4,383.54
	23-Feb-10	24.67	TON	$ 171.26	$ 4,351.79
	27-Feb-10	24.22	TON	$ 171.26	$ 4,272.41
	12-Mar-10	25.14	TON	$ 171.26	$ 4,434.70
	2-Apr-10	25.66	TON	$ 171.26	$ 4,526.43
	12-Apr-10	25.20	TON	$ 171.26	$ 4,445.28
	16-Apr-10	23.97	TON	$ 171.26	$ 4,228.31
	4-May-10	24.38	TON	$ 171.26	$ 4,300.63
	12-May-10	24.86	TON	$ 171.26	$ 4,385.31
	25-May-10	24.11	TON	$ 171.26	$ 4,253.01
	7-Jun-10	24.78	TON	$ 171.26	$ 4,371.19
	21-Jun-10	25.16	TON	$ 171.26	$ 4,438.23
	7-Jul-10	24.43	TON	$ 171.26	$ 4,309.45
	12-Jul-10	25.24	TON	$ 171.26	$ 4,452.34
	31-Jul-10	25.88	TON	$ 171.26	$ 4,565.23
	9-Aug-10	25.50	TON	$ 171.26	$ 4,498.20
	17-Aug-10	24.22	TON	$ 171.26	$ 4,272.41
	8-Sep-10	24.56	TON	$ 175.96	$ 4,455.19
	27-Aug-10	25.23	TON	$ 175.96	$ 4,576.73
	21-Sep-10	25.00	TON	$ 175.96	$ 4,535.00
	5-Oct-10	25.66	TON	$ 175.96	$ 4,654.73
	20-Oct-10	24.32	TON	$ 175.96	$ 4,411.65
	25-Oct-10	24.55	TON	$ 175.96	$ 4,453.37
	10-Nov-10	24.28	TON	$ 175.96	$ 4,404.40
	19-Nov-10	24.73	TON	$ 175.96	$ 4,486.03
	23-Nov-10	25.63	TON	$ 175.96	$ 4,649.29
	8-Dec-10	24.14	TON	$ 175.96	$ 4,379.00
	20-Dec-10	24.71	TON	$ 175.96	$ 4,482.40
		272.81			$ 49,487.77

Sulfuric Acid Use

P St WWTF	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	None				

Massard WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	22-Sep-10	750.00	LBS	$ 0.50	$ 375.00

Odor Control System Service Fee

P St WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	1-Oct-09	1.00	LS	$ 1,250.00	$ 1,250.00
	1-Nov-09	1.00	LS	$ 1,250.00	$ 1,250.00
	1-Dec-09	1.00	LS	$ 1,250.00	$ 1,250.00
	1-Jan-10	1.00	LS	$ 1,250.00	$ 1,250.00
	2/1/2010	1.00	LS	$ 1,250.00	$ 1,250.00
	3/1/2010	1.00	LS	$ 1,250.00	$ 1,250.00
	4/1/2010	1.00	LS	$ 1,250.00	$ 1,250.00
	5/1/2010	1.00	LS	$ 1,250.00	$ 1,250.00
	6/1/2010	1.00	LS	$ 1,250.00	$ 1,250.00
	7/1/2010	1.00	LS	$ 1,250.00	$ 1,250.00
	8/1/2010	1.00	LS	$ 1,250.00	$ 1,250.00
	9/1/2010	1.00	LS	$ 1,250.00	$ 1,250.00
	10/1/2010	1.00	LS	$ 1,250.00	$ 1,250.00

Massard WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
			NONE		

Chlorine Usage

P St WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	1-Oct-09	24,000.0	LBS	$ 0.40	$ 9,552.00
	21-Dec-09	24,000.0	LBS	$ 0.40	$ 9,552.00
	17-Feb-10	24,000.0	LBS	$ 0.40	$ 9,552.00
	3-May-10	24,000.0	LBS	$ 0.40	$ 9,552.00
	9/29/2010	24,000.0	LBS	$ 0.43	$ 10,200.00
	2/23/2011	24,000.0	LBS	$ 0.43	$ 10,200.00
	5/12/2011	24,000.0	LBS	$ 0.43	$ 10,200.00
	8/10/2011	24,000.0	LBS	$ 0.43	$ 10,200.00
		96,000.0	LBS	$ 0.43	$ 40,800.00

Massard WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
			NONE		

Sodium Bisfulfite Usage

P St WWTF	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	12-Oct-09	31,760.0	LBS	$ 0.12	$ 3,855.66
	29-Oct-09	31,900.0	LBS	$ 0.12	$ 3,872.66
	19-Nov-09	32,240.0	LBS	$ 0.12	$ 3,913.94
	21-Dec-09	32,760.0	LBS	$ 0.12	$ 3,977.06
	1/12/2010	30,060.0	LBS	$ 0.12	$ 3,649.28
	2/5/2010	32,100.0	LBS	$ 0.12	$ 3,896.94
	2/26/2010	39,960.0	LBS	$ 0.12	$ 4,851.14
	4/1/2010	32,080.0	LBS	$ 0.12	$ 3,894.51
	4/20/2010	31,980.0	LBS	$ 0.12	$ 3,882.37
	5/24/2010	32,380.0	LBS	$ 0.12	$ 3,930.93
	6/14/2010	31,340.0	LBS	$ 0.12	$ 3,804.68
	7/13/2010	33,160.0	LBS	$ 0.12	$ 4,025.62
	8/12/2010	47,060.0	LBS	$ 0.12	$ 5,713.08
	9/1/2010	27,849.0	LBS	$ 0.12	$ 3,380.87
	10/1/2010	54,551.9	LBS	$ 0.12	$ 6,622.60
	11/1/2010	55,468.8	LBS	$ 0.12	$ 6,733.91
	12/1/2010	54,977.6	LBS	$ 0.12	$ 6,674.28
	1/1/2010	1,949.0	GAL	$ 1.70	$ 3,313.29
	2/1/2010	4,301.4	GAL	$ 1.70	$ 7,312.30
	3/1/2010	2,040.2	GAL	$ 1.70	$ 3,468.32
	4/1/2010	5,849.3	GAL	$ 1.70	$ 9,943.85
	5/9/2011	3,229.6	GAL	$ 1.70	$ 5,490.24
	5/31/2011	1,976.5	GAL	$ 1.70	$ 3,360.00
	6/17/2011	3641.81	GAL	$ 1.70	$ 6,191.08
	7/15/2011	2878.18	GAL	$ 1.70	$ 4,892.91
	7/27/2011	2914.54	GAL	$ 1.70	$ 4,954.72
	8/5/2011	3265.45	GAL	$ 1.70	$ 5,551.27
	8/23/2011	2781.82	GAL	$ 1.70	$ 4,729.09

Massard WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
			NONE		
192,847.3	LBS		$ 0.12	$ 23,411.66	
34,827.7	GAL		$ 1.70	$ 59,207.06	

Ferric Sulfate Usage

P St WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
	28-Oct-09	47,198.0	LBS	$ 0.11	$ 5,026.59
	3-Dec-09	45,139.0	LBS	$ 0.11	$ 4,807.20
	1-Feb-10	46,098.0	LBS	$ 0.11	$ 4,909.44
	1-Apr-10	46,279.0	LBS	$ 0.11	$ 4,928.61
	22-Nov-10	46,319.2	LBS	$ 0.09	$ 4,168.39
	28-Feb-11	46,740.0	LBS	$ 0.09	$ 4,206.37
	11-Apr-11	45,219.1	LBS	$ 0.09	$ 4,069.39
	3-May-11	46,339.0	LBS	$ 0.09	$ 4,170.19
		184,617.2			$ 16,614.34

Massard WWTP	Invoice Date	Quantity	Quanity Units	Unit Price	Total Price
			NONE		

Table 4X – P Street WWTP Chemical Quantities and Costs, September 2010 – August 2011

Chemical	Vendor	Annual Quantity[1]	Unit	Unit Price	Annual Cost[1]
Quicklime[2]	US Lime Company	423	TON	$176+Service Fee	$76,800
Caustic Soda[3]	Brentag Southwest	0	N/A	N/A	$0
Sodium Hypochlorite[3]	Brentag Southwest	0	N/A	N/A	$0
Chlorine	Brentag Southwest	96,000	LBS	$0.43	$40,800
Sodium Bisufite	Brentag Southwest/Thatcher	192,847	LBS	$0.12	$23,400
Sodium Bisufite	Brentag Southwest/Thatcher	34,828	GAL	$1.70	$59,200
Dry Polymer (Clarifloc)	Polydyne Inc	14,850	LBS	$1.59-$2.13 (varies)	$26,600
Ferric Sulfate	Kemira Water Solutions	184,617	LBS	$0.09	$16,600
Odor Control Maint.[4]	BioAdd, L.L.C.	2	Monthly Fee	$1,250.00	$2,500
Total Annual Cost:					$245,900

Quicklime	$76,800	31%
Chlorine	$40,800	17%
Sodium Bisulfite	$82,600	34%
Dry Polymer	$26,600	11%
Ferric Sulfate	$16,600	7%
Odor Control	$2,500	1%
	$245,900	

Chemical	Vendor	Annual Quantity[1]	Unit	Unit Price	Annual Cost[1]
Quicklime[2]	US Lime Company	273	TON	$176+Service Fee	$49,500
Caustic Soda[3]	Brentag Southwest	0	N/A	N/A	$0
Sodium Hypochlorite	Brentag Southwest	9,313	GAL	$1.20	$11,200
Dry Polymer (Clarifloc)	Polydyne Inc	14,400	LBS	$1.18	$17,000
Sulfuric Acid	Kemira Water Solutions	750	LBS	$0.05	$375
Total Annual Cost:					$78,100

Quicklime	$49,500	63%
Sodium Hypochlorite		
	$11,200	14%
Dry Polymer	$17,000	22%
Sulfuric Acid	$375	0%
	$78,075	

Appendix D

Operations Benchmarking Methods

City of Fort Smith
Utility Department
DRAFT FTE Assignment Worksheet
February 28, 2012

Full-Time Equivalent (FTE) in Utility Department

Year 2010

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	1.00													1.00
Asst. Director of Utilities	1.00													1.00
Superintendent		1.00										1.00		2.00
Senior Project Engineer	2.00													2.00
Training and Safety Coordinator	1.00													1.00
Supervisor: Environmental Manager							1.00							1.00
Property Manager	1.00													1.00
Rate and Financial Analyst														
Supervisor			1.00	2.00		1.00		1.00	2.00		1.00	1.00	1.00	10.00
Administrative Coordinator	1.00													1.00
Cross Connection Technician	1.00													1.00
Environmental Chemist: Lab Manager					1.00									1.00
Chief Mechanic						1.00								1.00
Chief Operator			2.00	2.00										4.00
Chief Process Operator			1.00											1.00
Chief Solids Operator			2.00											2.00
Chief System Control Operator														
Electronic Technician													2.00	2.00
Electrician													2.00	2.00
Environmental Coordinator							1.00							1.00
Utility Technician	1.00													1.00
Water Biologist					2.00									2.00
AutoCAD Technician	1.00													1.00
Lab Analyst					1.00									1.00
Plant Operator			19.00	18.00										37.00
Swing Shift Operator			1.00											1.00
System Control Operator												5.00		5.00
Technician									1.00					1.00
Environmental Technician							2.00							2.00
Equipment Mechanic Body Repair												1.00		1.00
Heavy Equipment Mechanic												1.00		1.00
Leadperson									3.00	1.00				4.00
Utility Service Leadperson								7.00			4.00			11.00
Maintenance Machinist/Mechanic						8.00							4.00	12.00
Records Coordinator	1.00													1.00
Sampling Technician (Seasonal)							1.69							1.69
Chief Meter Reader											1.00			1.00
Equipment Operator III									3.00					3.00
Grounds Maintenance Leadperson						1.00								1.00
Lab Technician					3.00									3.00
Secretary	2.00	1.00										1.00		4.00
Senior Maintenance Person									4.00		2.00			6.00
Equipment Operator II			2.00					5.00	2.00	1.00	1.00			11.00
Grounds Maintenance Person						2.00								2.00
Maintenance Person								9.00	9.00			2.00		20.00
Service Person										2.00	4.00			6.00
Meter Reader											8.00			8.00
Storekeeper		1.00												1.00
Laborer (Seasonal)			1.00	1.00	2.00	1.00					0.50			5.50
Total	13.00	3.00	29.00	23.00	9.00	14.00	5.69	22.00	24.00	4.00	21.50	12.00	9.00	189.19

Year 2011

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	1.00													1.00
Asst. Director of Utilities	1.00													1.00
Superintendent		1.00										1.00		2.00
Senior Project Engineer	2.00													2.00
Training and Safety Coordinator	1.00													1.00
Supervisor: Environmental Manager							1.00							1.00
Property Manager	1.00													1.00
Rate and Financial Analyst	1.00													1.00
Supervisor			1.00	2.00		1.00		1.00	2.00		1.00	1.00	1.00	10.00
Administrative Coordinator	1.00													1.00
Cross Connection Technician	0.25													0.25
Environmental Chemist: Lab Manager					1.00									1.00
Chief Mechanic						1.00								1.00
Chief Operator			2.00	2.00										4.00
Chief Process Operator			1.00											1.00
Chief Solids Operator			2.00											2.00
Chief System Control Operator														
Electronic Technician													2.00	2.00
Electrician													2.00	2.00
Environmental Coordinator							1.00							1.00
Utility Technician	1.00													1.00
Water Biologist					2.00									2.00
AutoCAD Technician	1.00													1.00
Lab Analyst					1.00									1.00
Plant Operator			19.00	18.00										37.00
Swing Shift Operator			1.00											1.00
System Control Operator												5.00		5.00
Technician									1.00					1.00
Environmental Technician							2.00							2.00
Equipment Mechanic Body Repair												1.00		1.00
Heavy Equipment Mechanic												1.00		1.00
Leadperson									3.00	1.00				4.00
Utility Service Leadperson								7.00			4.00			11.00
Maintenance Machinist/Mechanic						8.00							4.00	12.00
Records Coordinator	1.00													1.00
Sampling Technician (Seasonal)							0.69							0.69
Chief Meter Reader											1.00			1.00
Equipment Operator III									3.00					3.00
Grounds Maintenance Leadperson						1.00								1.00
Lab Technician					3.00									3.00
Secretary	2.00	1.00										1.00		4.00
Senior Maintenance Person									4.00		2.00			6.00
Equipment Operator II			2.00					5.00	2.00	1.00	1.00			11.00
Grounds Maintenance Person						2.00								2.00
Maintenance Person								9.00	9.00			2.00		20.00
Service Person										2.00	4.00			6.00
Meter Reader											8.00			8.00
Storekeeper		1.00												1.00
Laborer (Seasonal)			1.00	0.00	2.00	1.00					0.50			4.50
Total	13.25	3.00	29.00	22.00	9.00	14.00	4.69	22.00	24.00	4.00	21.50	12.00	9.00	187.44

Year 2012

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	1.00													1.00
Asst. Director of Utilities	1.00													1.00
Superintendent		1.00										1.00		2.00
Senior Project Engineer	2.00													2.00
Training and Safety Coordinator	1.00													1.00
Supervisor: Environmental Manager							1.00							1.00
Property Manager	1.00													1.00
Rate and Financial Analyst	1.00													1.00
Supervisor			1.00	2.00		1.00		1.00	2.00		1.00	1.00	1.00	10.00
Administrative Coordinator	1.00													1.00
Cross Connection Technician	2.00													2.00
Environmental Chemist: Lab Manager					1.00									1.00
Chief Mechanic						1.00								1.00
Chief Operator			4.00	2.00										6.00
Chief Process Operator			1.00											1.00
Chief Solids Operator			2.00											2.00
Chief System Control Operator												1.00		1.00
Electronic Technician													2.00	2.00
Electrician													2.00	2.00
Environmental Coordinator							1.00							1.00
Utility Technician	1.00													1.00
Water Biologist					2.00									2.00
AutoCAD Technician	1.00													1.00
Lab Analyst					1.00									1.00
Plant Operator			17.00	18.00										35.00
Swing Shift Operator			1.00											1.00
System Control Operator												5.00		5.00
Technician									1.00					1.00
Environmental Technician							2.00							2.00
Equipment Mechanic Body Repair												1.00		1.00
Heavy Equipment Mechanic												1.00		1.00
Leadperson									3.00	1.00				4.00
Utility Service Leadperson								7.00			4.00			11.00
Maintenance Machinist/Mechanic						8.00							4.00	12.00
Records Coordinator	1.00													1.00
Sampling Technician (Seasonal)							1.69							1.69
Chief Meter Reader											1.00			1.00
Equipment Operator III									3.00					3.00
Grounds Maintenance Leadperson						1.00								1.00
Lab Technician					3.00									3.00
Secretary	2.00	1.00										1.00		4.00
Senior Maintenance Person									4.00		2.00			6.00
Equipment Operator II			2.00					5.00	2.00	1.00	1.00			11.00
Grounds Maintenance Person						3.00								2.00
Maintenance Person								9.00	9.00			2.00		20.00
Service Person										2.00	4.00			6.00
Meter Reader											8.00			8.00
Storekeeper		1.00												1.00
Laborer (Seasonal)			1.00	0.00	2.00	1.00					0.50			4.50
Total	15.00	3.00	29.00	22.00	9.00	15.00	5.69	22.00	24.00	4.00	21.50	13.00	9.00	192.19

City of Fort Smith
Utility Department
DRAFT FTE Assignment Worksheet
February 28, 2012

FTE Allocated to Water

Year 2010

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	50%													50%
Asst. Director of Utilities	50%													50%
Superintendent		40%										80%		60%
Senior Project Engineer	50%													50%
Training and Safety Coordinator	50%													50%
Supervisor: Environmental Manager							50%							50%
Property Manager	50%													50%
Rate and Financial Analyst														
Supervisor			0%	100%		0%		100%	0%		100%	50%	70%	52%
Administrative Coordinator	50%													50%
Cross Connection Technician	100%													100%
Environmental Chemist: Lab Manager					100%									100%
Chief Mechanic						0%								0%
Chief Operator			0%	100%										50%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator														
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							0%							0%
Utility Technician	50%													50%
Water Biologist					100%									100%
AutoCAD Technician	50%													50%
Lab Analyst					75%									75%
Plant Operator			0%	100%										49%
Swing Shift Operator			0%											0%
System Control Operator												78%		78%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									0%	0%				0%
Utility Service Leadperson								100%			100%			100%
Maintenance Machinist/Mechanic						0%							100%	33%
Records Coordinator	50%													50%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											100%			100%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					75%									75%
Secretary	50%	50%										50%		50%
Senior Maintenance Person									0%		100%			33%
Equipment Operator II			0%					100%	0%	0%	100%			55%
Grounds Maintenance Person						0%								0%
Maintenance Person								100%	0%			50%		50%
Service Person										0%	100%			67%
Meter Reader											100%			100%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	100%	100%	0%					100%			64%
Total water	7.00	0.90	0.00	23.00	8.00	0.00	0.50	22.00	0.00	0.00	21.50	7.70	6.70	97.30
Total water as % of program	54%	30%	0%	100%	89%	0%	9%	100%	0%	0%	100%	64%	74%	51%

Year 2011

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	50%													50%
Asst. Director of Utilities	50%													50%
Superintendent		50%										80%		65%
Senior Project Engineer	50%													50%
Training and Safety Coordinator	50%													50%
Supervisor: Environmental Manager							50%							50%
Property Manager	50%													50%
Rate and Financial Analyst	50%													50%
Supervisor			0%	100%		0%		100%	0%		100%	50%	70%	52%
Administrative Coordinator	50%													50%
Cross Connection Technician	100%													100%
Environmental Chemist: Lab Manager					100%									100%
Chief Mechanic						0%								0%
Chief Operator			0%	100%										50%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator														
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							0%							0%
Utility Technician	50%													50%
Water Biologist					100%									100%
AutoCAD Technician	50%													50%
Lab Analyst					75%									75%
Plant Operator			0%	100%										49%
Swing Shift Operator			0%											0%
System Control Operator												78%		78%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									0%	0%				0%
Utility Service Leadperson								100%			100%			100%
Maintenance Machinist/Mechanic						0%							100%	33%
Records Coordinator	50%													50%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											100%			100%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					75%									75%
Secretary	50%	50%										50%		50%
Senior Maintenance Person									0%		100%			33%
Equipment Operator II			0%					100%	0%	0%	100%			55%
Grounds Maintenance Person						0%								0%
Maintenance Person								100%	0%			50%		50%
Service Person										0%	100%			67%
Meter Reader											100%			100%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	100%	100%	0%					100%			56%
Total water	6.75	1.00	0.00	22.00	8.00	0.00	0.50	22.00	0.00	0.00	21.50	7.70	6.70	96.15
Total water as % of program	51%	33%	0%	100%	89%	0%	11%	100%	0%	0%	100%	64%	74%	51%

Year 2012

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	50%													50%
Asst. Director of Utilities	50%													50%
Superintendent		50%										80%		65%
Senior Project Engineer	50%													50%
Training and Safety Coordinator	50%													50%
Supervisor: Environmental Manager							50%							50%
Property Manager	50%													50%
Rate and Financial Analyst	50%													50%
Supervisor			0%	100%		0%		100%	0%		100%	50%	70%	52%
Administrative Coordinator	50%													50%
Cross Connection Technician	100%													100%
Environmental Chemist: Lab Manager					100%									100%
Chief Mechanic						0%								0%
Chief Operator			0%	100%										33%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator												78%		78%
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							0%							0%
Utility Technician	50%													50%
Water Biologist					100%									100%
AutoCAD Technician	50%													50%
Lab Analyst					75%									75%
Plant Operator			0%	100%										51%
Swing Shift Operator			0%											0%
System Control Operator												78%		78%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									0%	0%				0%
Utility Service Leadperson								100%			100%			100%
Maintenance Machinist/Mechanic						0%							100%	33%
Records Coordinator	50%													50%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											100%			100%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					75%									75%
Secretary	50%	50%										50%		50%
Senior Maintenance Person									0%		100%			33%
Equipment Operator II			0%					100%	0%	0%	100%			55%
Grounds Maintenance Person						0%								0%
Maintenance Person								100%	0%			50%		50%
Service Person										0%	100%			67%
Meter Reader											100%			100%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	100%	100%	0%					100%			56%
Total water	8.50	1.00	0.00	22.00	8.00	0.00	0.50	22.00	0.00	0.00	21.50	8.48	6.70	98.68
Total water as % of program	57%	33%	0%	100%	89%	0%	9%	100%	0%	0%	100%	65%	74%	51%

City of Fort Smith
Utility Department
DRAFT FTE Assignment Worksheet
February 28, 2012

FTE Allocated to Wastewater

Year 2010

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	50%													50%
Asst. Director of Utilities	50%													50%
Superintendent		60%										20%		40%
Senior Project Engineer	50%													50%
Training and Safety Coordinator	50%													50%
Supervisor: Environmental Manager							50%							50%
Property Manager	50%													50%
Rate and Financial Analyst														
Supervisor			100%	0%		100%		0%	100%		0%	50%	30%	48%
Administrative Coordinator	50%													50%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						100%								100%
Chief Operator			100%	0%										50%
Chief Process Operator			100%											100%
Chief Solids Operator			100%											100%
Chief System Control Operator														
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							100%							100%
Utility Technician	50%													50%
Water Biologist					0%									0%
AutoCAD Technician	50%													50%
Lab Analyst					25%									25%
Plant Operator			100%	0%										51%
Swing Shift Operator			100%											100%
System Control Operator												22%		22%
Technician									100%					100%
Environmental Technician							100%							100%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									100%	100%				100%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						100%							0%	67%
Records Coordinator	50%													50%
Sampling Technician (Seasonal)							100%							100%
Chief Meter Reader											0%			0%
Equipment Operator III									100%					100%
Grounds Maintenance Leadperson						100%								100%
Lab Technician					25%									25%
Secretary	50%	50%										50%		50%
Senior Maintenance Person									100%		0%			67%
Equipment Operator II			100%					0%	100%	100%	0%			45%
Grounds Maintenance Person						100%								100%
Maintenance Person								0%	100%			50%		50%
Service Person										100%	0%			33%
Meter Reader											0%			0%
Storekeeper		100%												100%
Laborer (Seasonal)			100%	0%	0%	100%					0%			36%
Total wastewater	6.00	2.10	29.00	0.00	1.00	14.00	5.19	0.00	24.00	4.00	0.00	4.30	2.30	91.89
Total wastewater as % of program	46%	70%	100%	0%	11%	100%	91%	0%	100%	100%	0%	36%	26%	49%

Year 2011

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	50%													50%
Asst. Director of Utilities	50%													50%
Superintendent		50%										20%		35%
Senior Project Engineer	50%													50%
Training and Safety Coordinator	50%													50%
Supervisor: Environmental Manager							50%							50%
Property Manager	50%													50%
Rate and Financial Analyst	50%													50%
Supervisor			100%	0%		100%		0%	100%		0%	50%	30%	48%
Administrative Coordinator	50%													50%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						100%								100%
Chief Operator			100%	0%										50%
Chief Process Operator			100%											100%
Chief Solids Operator			100%											100%
Chief System Control Operator														
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							100%							100%
Utility Technician	50%													50%
Water Biologist					0%									0%
AutoCAD Technician	50%													50%
Lab Analyst					25%									25%
Plant Operator			100%	0%										51%
Swing Shift Operator			100%											100%
System Control Operator												22%		22%
Technician									100%					100%
Environmental Technician							100%							100%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									100%	100%				100%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						100%							0%	67%
Records Coordinator	50%													50%
Sampling Technician (Seasonal)							100%							100%
Chief Meter Reader											0%			0%
Equipment Operator III									100%					100%
Grounds Maintenance Leadperson						100%								100%
Lab Technician					25%									25%
Secretary	50%	50%										50%		50%
Senior Maintenance Person									100%		0%			67%
Equipment Operator II			100%					0%	100%	100%	0%			45%
Grounds Maintenance Person						100%								100%
Maintenance Person								0%	100%			50%		50%
Service Person										100%	0%			33%
Meter Reader											0%			0%
Storekeeper		100%												100%
Laborer (Seasonal)			100%	0%	0%	100%					0%			44%
Total wastewater	6.50	2.00	29.00	0.00	1.00	14.00	4.19	0.00	24.00	4.00	0.00	4.30	2.30	91.29
Total wastewater as % of program	49%	67%	100%	0%	11%	100%	89%	0%	100%	100%	0%	36%	26%	49%

Year 2012

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	50%													50%
Asst. Director of Utilities	50%													50%
Superintendent		50%										20%		35%
Senior Project Engineer	50%													50%
Training and Safety Coordinator	50%													50%
Supervisor: Environmental Manager							50%							50%
Property Manager	50%													50%
Rate and Financial Analyst	50%													50%
Supervisor			100%	0%		100%		0%	100%		0%	50%	30%	48%
Administrative Coordinator	50%													50%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						100%								100%
Chief Operator			100%	0%										67%
Chief Process Operator			100%											100%
Chief Solids Operator			100%											100%
Chief System Control Operator												22%		22%
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							100%							100%
Utility Technician	50%													50%
Water Biologist					0%									0%
AutoCAD Technician	50%													50%
Lab Analyst					25%									25%
Plant Operator			100%	0%										49%
Swing Shift Operator			100%											100%
System Control Operator												22%		22%
Technician									100%					100%
Environmental Technician							100%							100%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									100%	100%				100%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						100%							0%	67%
Records Coordinator	50%													50%
Sampling Technician (Seasonal)							100%							100%
Chief Meter Reader											0%			0%
Equipment Operator III									100%					100%
Grounds Maintenance Leadperson						100%								100%
Lab Technician					25%									25%
Secretary	50%	50%										50%		50%
Senior Maintenance Person									100%		0%			67%
Equipment Operator II			100%					0%	100%	100%	0%			45%
Grounds Maintenance Person						100%								100%
Maintenance Person								0%	100%			50%		50%
Service Person										100%	0%			33%
Meter Reader											0%			0%
Storekeeper		100%												100%
Laborer (Seasonal)			100%	0%	0%	100%					0%			44%
Total wastewater	6.50	2.00	29.00	0.00	1.00	15.00	5.19	0.00	24.00	4.00	0.00	4.52	2.30	93.51
Total wastewater as % of program	43%	67%	100%	0%	11%	100%	91%	0%	100%	100%	0%	35%	26%	49%

City of Fort Smith
Utility Department
DRAFT FTE Assignment Worksheet
February 28, 2012

Total water	7.00	0.90	0.00	23.00	8.00	0.00	0.50	22.00	0.00	0.00	21.50	7.70	6.70	97.30	6.75	1.00	0.00	22.00	8.00	0.00	0.50	22.00	0.00	0.00	21.50	7.70	6.70	96.15	8.50	1.00	0.00	22.00	8.00	0.00	0.50	22.00	0.00	0.00	21.50	8.48	6.70	98.68
Total wastewater	6.00	2.10	29.00	0.00	1.00	14.00	5.19	0.00	24.00	4.00	0.00	4.30	2.30	91.89	6.50	2.00	29.00	0.00	1.00	14.00	4.19	0.00	24.00	4.00	0.00	4.30	2.30	91.29	6.50	2.00	29.00	0.00	1.00	15.00	5.19	0.00	24.00	4.00	0.00	4.52	2.30	93.51
Sum	13.00	3.00	29.00	23.00	9.00	14.00	5.69	22.00	24.00	4.00	21.50	12.00	9.00	189.19	13.25	3.00	29.00	22.00	9.00	14.00	4.69	22.00	24.00	4.00	21.50	12.00	9.00	187.44	15.00	3.00	29.00	22.00	9.00	15.00	5.69	22.00	24.00	4.00	21.50	13.00	9.00	192.19
Total	13.00	3.00	29.00	23.00	9.00	14.00	5.69	22.00	24.00	4.00	21.50	12.00	9.00	189.19	13.25	3.00	29.00	22.00	9.00	14.00	4.69	22.00	24.00	4.00	21.50	12.00	9.00	187.44	15.00	3.00	29.00	22.00	9.00	15.00	5.69	22.00	24.00	4.00	21.50	13.00	9.00	192.19
Check difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

City of Fort Smith
Utility Department
DRAFT FTE Assignment Worksheet
February 28, 2012

FTE Allocated to Utility Administration

Year 2010

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	100%													100%
Asst. Director of Utilities	100%													100%
Superintendent		0%										0%		0%
Senior Project Engineer	100%													100%
Training and Safety Coordinator	100%													100%
Supervisor: Environmental Manager							0%							0%
Property Manager	100%													100%
Rate and Financial Analyst														
Supervisor			0%	0%		0%		0%	0%		0%	0%	0%	0%
Administrative Coordinator	100%													100%
Cross Connection Technician	100%													100%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						0%								0%
Chief Operator			0%	0%										0%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator														
Electronic Technician													0%	0%
Electrician													0%	0%
Environmental Coordinator							0%							0%
Utility Technician	100%													100%
Water Biologist					0%									0%
AutoCAD Technician	100%													100%
Lab Analyst					0%									0%
Plant Operator			0%	0%										0%
Swing Shift Operator			0%											0%
System Control Operator												0%		0%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												0%		0%
Heavy Equipment Mechanic												0%		0%
Leadperson									0%	0%				0%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						0%							0%	0%
Records Coordinator	100%													100%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											0%			0%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					0%									0%
Secretary	100%	0%										0%		50%
Senior Maintenance Person									0%		0%			0%
Equipment Operator II			0%					0%	0%	0%	0%			0%
Grounds Maintenance Person						0%								0%
Maintenance Person								0%	0%			0%		0%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	0%	0%	0%					0%			0%
Total utility administration	13.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.00
Total utility administration as % of program	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	7%

Year 2011

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	100%													100%
Asst. Director of Utilities	100%													100%
Superintendent		0%										0%		0%
Senior Project Engineer	100%													100%
Training and Safety Coordinator	100%													100%
Supervisor: Environmental Manager							0%							0%
Property Manager	100%													100%
Rate and Financial Analyst	100%													100%
Supervisor			0%	0%		0%		0%	0%		0%	0%	0%	0%
Administrative Coordinator	100%													100%
Cross Connection Technician	100%													100%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						0%								0%
Chief Operator			0%	0%										0%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator														
Electronic Technician													0%	0%
Electrician													0%	0%
Environmental Coordinator							0%							0%
Utility Technician	100%													100%
Water Biologist					0%									0%
AutoCAD Technician	100%													100%
Lab Analyst					0%									0%
Plant Operator			0%	0%										0%
Swing Shift Operator			0%											0%
System Control Operator												0%		0%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												0%		0%
Heavy Equipment Mechanic												0%		0%
Leadperson									0%	0%				0%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						0%							0%	0%
Records Coordinator	100%													100%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											0%			0%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					0%									0%
Secretary	100%	0%										0%		50%
Senior Maintenance Person									0%		0%			0%
Equipment Operator II			0%					0%	0%	0%	0%			0%
Grounds Maintenance Person						0%								0%
Maintenance Person								0%	0%			0%		0%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	0%	0%	0%					0%			0%
Total utility administration	13.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.25
Total utility administration as % of program	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	7%

Year 2012

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	100%													100%
Asst. Director of Utilities	100%													100%
Superintendent		0%										0%		0%
Senior Project Engineer	100%													100%
Training and Safety Coordinator	100%													100%
Supervisor: Environmental Manager							0%							0%
Property Manager	100%													100%
Rate and Financial Analyst	100%													100%
Supervisor			0%	0%		0%		0%	0%		0%	0%	0%	0%
Administrative Coordinator	100%													100%
Cross Connection Technician	100%													100%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						0%								0%
Chief Operator			0%	0%										0%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator												0%		0%
Electronic Technician													0%	0%
Electrician													0%	0%
Environmental Coordinator							0%							0%
Utility Technician	100%													100%
Water Biologist					0%									0%
AutoCAD Technician	100%													100%
Lab Analyst					0%									0%
Plant Operator			0%	0%										0%
Swing Shift Operator			0%											0%
System Control Operator												0%		0%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												0%		0%
Heavy Equipment Mechanic												0%		0%
Leadperson									0%	0%				0%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						0%							0%	0%
Records Coordinator	100%													100%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											0%			0%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					0%									0%
Secretary	100%	0%										0%		50%
Senior Maintenance Person									0%		0%			0%
Equipment Operator II			0%					0%	0%	0%	0%			0%
Grounds Maintenance Person						0%								0%
Maintenance Person								0%	0%			0%		0%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	0%	0%	0%					0%			0%
Total utility administration	15.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.00
Total utility administration as % of program	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	8%

City of Fort Smith
Utility Department
DRAFT FTE Assignment Worksheet
February 28, 2012

FTE Allocated to Water Treatment Operation and Maintenance

Year 2010

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		40%										0%		20%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							0%							0%
Property Manager	0%													0%
Rate and Financial Analyst														
Supervisor			0%	100%		0%		0%	0%		0%	0%	0%	20%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						0%								0%
Chief Operator			0%	100%										50%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator														
Electronic Technician													0%	0%
Electrician													0%	0%
Environmental Coordinator							0%							0%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					0%									0%
Plant Operator			0%	100%										49%
Swing Shift Operator			0%											0%
System Control Operator												0%		0%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												0%		0%
Heavy Equipment Mechanic												0%		0%
Leadperson									0%	0%				0%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						0%							0%	0%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											0%			0%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					0%									0%
Secretary	0%	50%										0%		13%
Senior Maintenance Person									0%		0%			0%
Equipment Operator II			0%					0%	0%	0%	0%			0%
Grounds Maintenance Person						0%								0%
Maintenance Person								0%	0%			0%		0%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	100%	0%	0%					0%			18%
Total water treatment O&M	0.00	0.90	0.00	23.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23.90
Total water treatment % of program	0%	30%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	13%

Year 2011

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		40%										0%		20%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							0%							0%
Property Manager	0%													0%
Rate and Financial Analyst	0%													0%
Supervisor			0%	100%		0%		0%	0%		0%	0%	0%	20%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						0%								0%
Chief Operator			0%	100%										50%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator														
Electronic Technician													0%	0%
Electrician													0%	0%
Environmental Coordinator							0%							0%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					0%									0%
Plant Operator			0%	100%										49%
Swing Shift Operator			0%											0%
System Control Operator												0%		0%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												0%		0%
Heavy Equipment Mechanic												0%		0%
Leadperson									0%	0%				0%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						0%							0%	0%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											0%			0%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					0%									0%
Secretary	0%	50%										0%		13%
Senior Maintenance Person									0%		0%			0%
Equipment Operator II			0%					0%	0%	0%	0%			0%
Grounds Maintenance Person						0%								0%
Maintenance Person								0%	0%			0%		0%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	100%	0%	0%					0%			0%
Total water treatment O&M	0.00	0.90	0.00	22.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.90
Total water treatment % of program	0%	30%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	12%

Year 2012

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		40%										0%		20%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							0%							0%
Property Manager	0%													0%
Rate and Financial Analyst	0%													0%
Supervisor			0%	100%		0%		0%	0%		0%	0%	0%	20%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						0%								0%
Chief Operator			0%	100%										33%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator												0%		0%
Electronic Technician													0%	0%
Electrician													0%	0%
Environmental Coordinator							0%							0%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					0%									0%
Plant Operator			0%	100%										51%
Swing Shift Operator			0%											0%
System Control Operator												0%		0%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												0%		0%
Heavy Equipment Mechanic												0%		0%
Leadperson									0%	0%				0%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						0%							0%	0%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											0%			0%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					0%									0%
Secretary	0%	50%										0%		13%
Senior Maintenance Person									0%		0%			0%
Equipment Operator II			0%					0%	0%	0%	0%			0%
Grounds Maintenance Person						0%								0%
Maintenance Person								0%	0%			0%		0%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	100%	0%	0%					0%			0%
Total water treatment O&M	0.00	0.90	0.00	22.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.90
Total water treatment % of program	0%	30%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	12%

City of Fort Smith
Utility Department
DRAFT FTE Assignment Worksheet
February 28, 2012

FTE Allocated to Wasterwater Treatment Operation and Maintenance

Year 2010

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		40%										0%		20%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							0%							0%
Property Manager	0%													0%
Rate and Financial Analyst														
Supervisor			100%	0%		0%		0%	0%		0%	0%	0%	10%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						0%								0%
Chief Operator			100%	0%										50%
Chief Process Operator			100%											100%
Chief Solids Operator			100%											100%
Chief System Control Operator														
Electronic Technician													0%	0%
Electrician													0%	0%
Environmental Coordinator							0%							0%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					0%									0%
Plant Operator			100%	0%										51%
Swing Shift Operator			100%											100%
System Control Operator												0%		0%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												0%		0%
Heavy Equipment Mechanic												0%		0%
Leadperson									0%	0%				0%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						0%							0%	0%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											0%			0%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					0%									0%
Secretary	0%	50%										0%		13%
Senior Maintenance Person									0%		0%			0%
Equipment Operator II			100%					0%	0%	0%	0%			18%
Grounds Maintenance Person						0%								0%
Maintenance Person								0%	0%			0%		0%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		0%												0%
Laborer (Seasonal)			100%	0%	0%	0%					0%			18%
Total wastewater treatment O&M	0.00	0.90	29.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.90
Total wastewater as % of program	0%	30%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	16%

Year 2011

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		40%										0%		20%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							0%							0%
Property Manager	0%													0%
Rate and Financial Analyst	0%													0%
Supervisor			100%	0%		0%		0%	0%		0%	0%	0%	10%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						0%								0%
Chief Operator			100%	0%										50%
Chief Process Operator			100%											100%
Chief Solids Operator			100%											100%
Chief System Control Operator														
Electronic Technician													0%	0%
Electrician													0%	0%
Environmental Coordinator							0%							0%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					0%									0%
Plant Operator			100%	0%										51%
Swing Shift Operator			100%											100%
System Control Operator												0%		0%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												0%		0%
Heavy Equipment Mechanic												0%		0%
Leadperson									0%	0%				0%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						0%							0%	0%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											0%			0%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					0%									0%
Secretary	0%	50%										0%		13%
Senior Maintenance Person									0%		0%			0%
Equipment Operator II			100%					0%	0%	0%	0%			18%
Grounds Maintenance Person						0%								0%
Maintenance Person								0%	0%			0%		0%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		0%												0%
Laborer (Seasonal)			100%	0%	0%	0%					0%			18%
Total wastewater treatment O&M	0.00	0.90	29.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.90
Total wastewater as % of program	0%	30%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	16%

Year 2012

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		40%										0%		20%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							0%							0%
Property Manager	0%													0%
Rate and Financial Analyst	0%													0%
Supervisor			100%	0%		0%		0%	0%		0%	0%	0%	10%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						0%								0%
Chief Operator			100%	0%										67%
Chief Process Operator			100%											100%
Chief Solids Operator			100%											100%
Chief System Control Operator												0%		0%
Electronic Technician													0%	0%
Electrician													0%	0%
Environmental Coordinator							0%							0%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					0%									0%
Plant Operator			100%	0%										49%
Swing Shift Operator			100%											100%
System Control Operator												0%		0%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												0%		0%
Heavy Equipment Mechanic												0%		0%
Leadperson									0%	0%				0%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						0%							0%	0%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											0%			0%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					0%									0%
Secretary	0%	50%										0%		13%
Senior Maintenance Person									0%		0%			0%
Equipment Operator II			100%					0%	0%	0%	0%			18%
Grounds Maintenance Person						0%								0%
Maintenance Person								0%	0%			0%		0%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		0%												0%
Laborer (Seasonal)			100%	0%	0%	0%					0%			22%
Total wastewater treatment O&M	0.00	0.90	29.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.90
Total wastewater as % of program	0%	30%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	16%

City of Fort Smith
Utility Department
DRAFT FTE Assignment Worksheet
February 28, 2012

FTE Allocated to Water Distribution System Operation and Maintenance

Year 2010

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		0%										80%		40%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							50%							50%
Property Manager	0%													0%
Rate and Financial Analyst														
Supervisor			0%	0%		0%		100%	0%		100%	50%	70%	32%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					0%									0%
Chief Mechanic						0%								0%
Chief Operator			0%	0%										0%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator														
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							0%							0%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					75%									75%
Plant Operator			0%	0%										0%
Swing Shift Operator			0%											0%
System Control Operator												75%		75%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									0%	0%				0%
Utility Service Leadperson								100%			100%			100%
Maintenance Machinist/Mechanic						0%							100%	33%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											25%			25%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					75%									75%
Secretary	0%	0%										50%		13%
Senior Maintenance Person									0%		100%			33%
Equipment Operator II			0%					100%	0%	0%	100%			55%
Grounds Maintenance Person						0%								0%
Maintenance Person								100%	0%			50%		50%
Service Person										0%	100%			67%
Meter Reader											25%			25%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	0%	100%	0%					100%			45%
Total water distribution system O&M	0.00	0.00	0.00	0.00	5.00	0.00	0.50	22.00	0.00	0.00	14.75	7.55	6.70	56.50
Total water distribution as % of program	0%	0%	0%	0%	56%	0%	9%	100%	0%	0%	69%	63%	74%	30%

Year 2011

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		0%										80%		40%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							50%							50%
Property Manager	0%													0%
Rate and Financial Analyst	0%													0%
Supervisor			0%	0%		0%		100%	0%		100%	50%	70%	32%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					75%									75%
Chief Mechanic						0%								0%
Chief Operator			0%	0%										0%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator														
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							0%							0%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					75%									75%
Plant Operator			0%	0%										0%
Swing Shift Operator			0%											0%
System Control Operator												75%		75%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									0%	0%				0%
Utility Service Leadperson								100%			100%			100%
Maintenance Machinist/Mechanic						0%							100%	33%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											25%			25%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					75%									75%
Secretary	0%	0%										50%		13%
Senior Maintenance Person									0%		100%			33%
Equipment Operator II			0%					100%	0%	0%	100%			55%
Grounds Maintenance Person						0%								0%
Maintenance Person								100%	0%			50%		50%
Service Person										0%	100%			67%
Meter Reader											25%			25%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	0%	100%	0%					100%			56%
Total water distribution system O&M	0.00	0.00	0.00	0.00	5.75	0.00	0.50	22.00	0.00	0.00	14.75	7.55	6.70	57.25
Total water distribution as % of program	0%	0%	0%	0%	64%	0%	11%	100%	0%	0%	69%	63%	74%	31%

Year 2012

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		0%										80%		40%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							50%							50%
Property Manager	0%													0%
Rate and Financial Analyst	0%													0%
Supervisor			0%	0%		0%		100%	0%		100%	50%	70%	32%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					75%									75%
Chief Mechanic						0%								0%
Chief Operator			0%	0%										0%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator												75%		75%
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							0%							0%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					75%									75%
Plant Operator			0%	0%										0%
Swing Shift Operator			0%											0%
System Control Operator												75%		75%
Technician									0%					0%
Environmental Technician							0%							0%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									0%	0%				0%
Utility Service Leadperson								100%			100%			100%
Maintenance Machinist/Mechanic						0%							100%	33%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							0%							0%
Chief Meter Reader											25%			25%
Equipment Operator III									0%					0%
Grounds Maintenance Leadperson						0%								0%
Lab Technician					75%									75%
Secretary	0%	0%										50%		13%
Senior Maintenance Person									0%		100%			33%
Equipment Operator II			0%					100%	0%	0%	100%			55%
Grounds Maintenance Person						0%								0%
Maintenance Person								100%	0%			50%		50%
Service Person										0%	100%			67%
Meter Reader											25%			25%
Storekeeper		0%												0%
Laborer (Seasonal)			0%	0%	100%	0%					100%			56%
Total water distribution system O&M	0.00	0.00	0.00	0.00	5.75	0.00	0.50	22.00	0.00	0.00	14.75	8.30	6.70	58.00
Total water distribution as % of program	0%	0%	0%	0%	64%	0%	9%	100%	0%	0%	69%	64%	74%	30%

City of Fort Smith
Utility Department
DRAFT FTE Assignment Worksheet
February 28, 2012

FTE Allocated to Wastewater Collection System Operation and Maintenance

Year 2010

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		20%										20%		20%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							50%							50%
Property Manager	0%													0%
Rate and Financial Analyst														
Supervisor			0%	0%		100%		0%	100%		0%	50%	30%	38%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					100%									100%
Chief Mechanic						100%								100%
Chief Operator			0%	0%										0%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator														
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							100%							100%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					25%									25%
Plant Operator			0%	0%										0%
Swing Shift Operator			0%											0%
System Control Operator												25%		25%
Technician									100%					100%
Environmental Technician							100%							100%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									100%	0%				75%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						100%							0%	67%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							100%							100%
Chief Meter Reader											0%			0%
Equipment Operator III									100%					100%
Grounds Maintenance Leadperson						100%								100%
Lab Technician					25%									25%
Secretary	0%	0%										50%		13%
Senior Maintenance Person									100%		0%			67%
Equipment Operator II			0%					0%	100%	0%	0%			18%
Grounds Maintenance Person						100%								100%
Maintenance Person								0%	100%			50%		50%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		100%												100%
Laborer (Seasonal)			0%	0%	0%	100%					0%			18%
Total wastewater collection system O&M	0.00	1.20	0.00	0.00	2.00	14.00	5.19	0.00	24.00	0.00	0.00	4.45	2.30	53.14
Total wastewater collection as % of program	0%	40%	0%	0%	22%	100%	91%	0%	100%	0%	0%	37%	26%	28%

Year 2011

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		20%										20%		20%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							50%							50%
Property Manager	0%													0%
Rate and Financial Analyst	0%													0%
Supervisor			0%	0%		100%		0%	100%		0%	50%	30%	38%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					25%									25%
Chief Mechanic						100%								100%
Chief Operator			0%	0%										0%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator														
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							100%							100%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					25%									25%
Plant Operator			0%	0%										0%
Swing Shift Operator			0%											0%
System Control Operator												25%		25%
Technician									100%					100%
Environmental Technician							100%							100%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									100%	0%				75%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						100%							0%	67%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							100%							100%
Chief Meter Reader											0%			0%
Equipment Operator III									100%					100%
Grounds Maintenance Leadperson						100%								100%
Lab Technician					25%									25%
Secretary	0%	0%										50%		13%
Senior Maintenance Person									100%		0%			67%
Equipment Operator II			0%					0%	100%	0%	0%			18%
Grounds Maintenance Person						100%								100%
Maintenance Person								0%	100%			50%		50%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		100%												100%
Laborer (Seasonal)			0%	0%	0%	100%					0%			18%
Total wastewater collection system O&M	0.00	1.20	0.00	0.00	1.25	14.00	4.19	0.00	24.00	0.00	0.00	4.45	2.30	51.39
Total wastewater collection as % of program	0%	40%	0%	0%	14%	100%	89%	0%	100%	0%	0%	37%	26%	27%

Year 2012

Position	5501	5601	5603	5604	5605	5606	5609	5610	5611	5612	5613	5615	5616	Total
Director of Utilities	0%													0%
Asst. Director of Utilities	0%													0%
Superintendent		20%										20%		20%
Senior Project Engineer	0%													0%
Training and Safety Coordinator	0%													0%
Supervisor: Environmental Manager							50%							50%
Property Manager	0%													0%
Rate and Financial Analyst	0%													0%
Supervisor			0%	0%		100%		0%	100%		0%	50%	30%	38%
Administrative Coordinator	0%													0%
Cross Connection Technician	0%													0%
Environmental Chemist: Lab Manager					25%									25%
Chief Mechanic						100%								100%
Chief Operator			0%	0%										0%
Chief Process Operator			0%											0%
Chief Solids Operator			0%											0%
Chief System Control Operator												25%		25%
Electronic Technician													50%	50%
Electrician													50%	50%
Environmental Coordinator							100%							100%
Utility Technician	0%													0%
Water Biologist					0%									0%
AutoCAD Technician	0%													0%
Lab Analyst					25%									25%
Plant Operator			0%	0%										0%
Swing Shift Operator			0%											0%
System Control Operator												25%		25%
Technician									100%					100%
Environmental Technician							100%							100%
Equipment Mechanic Body Repair												50%		50%
Heavy Equipment Mechanic												50%		50%
Leadperson									100%	0%				75%
Utility Service Leadperson								0%			0%			0%
Maintenance Machinist/Mechanic						100%							0%	67%
Records Coordinator	0%													0%
Sampling Technician (Seasonal)							100%							100%
Chief Meter Reader											0%			0%
Equipment Operator III									100%					100%
Grounds Maintenance Leadperson						100%								100%
Lab Technician					25%									25%
Secretary	0%	0%										50%		13%
Senior Maintenance Person									100%		0%			67%
Equipment Operator II			0%					0%	100%	0%	0%			18%
Grounds Maintenance Person						100%								100%
Maintenance Person								0%	100%			50%		50%
Service Person										0%	0%			0%
Meter Reader											0%			0%
Storekeeper		100%												100%
Laborer (Seasonal)			0%	0%	0%	100%					0%			22%
Total wastewater collection system O&M	0.00	1.20	0.00	0.00	1.25	15.00	5.19	0.00	24.00	0.00	0.00	4.70	2.30	53.64
Total wastewater collection as % of program	0%	40%	0%	0%	14%	100%	91%	0%	100%	0%	0%	36%	26%	28%

City of Fort Smith
Utility Department
DRAFT FTE Assignment Worksheet
February 28, 2012

Total utility administration	13.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.00	13.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.25	15.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.00
Total water treatment O&M	0.00	0.90	0.00	23.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23.90	0.00	0.90	0.00	22.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.90	0.00	0.90	0.00	22.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.90
Total wastewater treatment O&M	0.00	0.90	29.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.90	0.00	0.90	29.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.90	0.00	0.90	29.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.90
Total water distribution system O&M	0.00	0.00	0.00	0.00	5.00	0.00	0.50	22.00	0.00	0.00	14.75	7.55	6.70	56.50	0.00	0.00	0.00	0.00	5.75	0.00	0.50	22.00	0.00	0.00	14.75	7.55	6.70	57.25	0.00	0.00	0.00	0.00	5.75	0.00	0.50	22.00	0.00	0.00	14.75	8.30	6.70	58.00
Total wastewater collection system O&M	0.00	1.20	0.00	0.00	2.00	14.00	5.19	0.00	24.00	0.00	0.00	4.45	2.30	53.14	0.00	1.20	0.00	0.00	1.25	14.00	4.19	0.00	24.00	0.00	0.00	4.45	2.30	51.39	0.00	1.20	0.00	0.00	1.25	15.00	5.19	0.00	24.00	0.00	0.00	4.70	2.30	53.64
Sum	13.00	3.00	29.00	23.00	7.00	14.00	5.69	22.00	24.00	0.00	14.75	12.00	9.00	176.44	13.25	3.00	29.00	22.00	7.00	14.00	4.69	22.00	24.00	0.00	14.75	12.00	9.00	174.69	15.00	3.00	29.00	22.00	7.00	15.00	5.69	22.00	24.00	0.00	14.75	13.00	9.00	179.44
Total	13.00	3.00	29.00	23.00	9.00	14.00	5.69	22.00	24.00	4.00	21.50	12.00	9.00	189.19	13.25	3.00	29.00	22.00	9.00	14.00	4.69	22.00	24.00	4.00	21.50	12.00	9.00	187.44	15.00	3.00	29.00	22.00	9.00	15.00	5.69	22.00	24.00	4.00	21.50	13.00	9.00	192.19
Check Difference	0.00	0.00	0.00	0.00	-2.00	0.00	0.00	0.00	0.00	-4.00	-6.75	0.00	0.00	-12.75	0.00	0.00	0.00	0.00	-2.00	0.00	0.00	0.00	0.00	-4.00	-6.75	0.00	0.00	-12.75	0.00	0.00	0.00	0.00	-2.00	0.00	0.00	0.00	0.00	-4.00	-6.75	0.00	0.00	-12.75

City of Fort Smith
Utility Department
DRAFT Budget Assignment Worksheet
February 24, 2012
Full-Time Equivalent (FTE) in Utility Department

Year 2010

Position	G101	G601	G628	G604	G605	G606	G608	G610	G611	G612	G613	G615	G616	Total
Personnel	$ 843,596	$ 175,348	$ 1,580,101	$ 1,345,226	$ 415,206	$ 703,955	$ 257,087	$ 1,036,577	$ 1,225,022	$ 170,875	$ 808,240	$ 666,676	$ 516,447	$ 9,842,856
Operating	$ 518,809	$ 25,768	$ 1,762,367	$ 1,233,209	$ 238,132	$ 455,765	$ 51,418	$ 609,098	$ 426,655	$ 132,230	$ 296,355	$ 88,140	$ 398,367	$ 7,440,316
Capital Outlay						$ 14,337			$ 220,000		$ 43,565			$ 277,902
Total	$ 1,362,405	$ 201,116	$ 3,342,468	$ 2,578,435	$ 653,338	$ 1,174,057	$ 308,505	$ 1,645,675	$ 1,871,677	$ 303,105	$ 1,147,160	$ 754,816	$ 914,814	$ 17,561,074

Year 2011

	G101	G601	G628	G604	G605	G606	G609	G610	G611	G612	G613	G615	G616	Total
Personnel	$ 948,862.85	$ 175,503.15	$ 1,572,215.46	$ 1,117,606.91	$ 410,014.96	$ 698,047.20	$ 281,135.49	$ 1,090,660.75	$ 1,216,264.06	$ 147,408.69	$ 862,468.24	$ 669,901.55	$ 535,623.62	$ 9,728,712
Operating	$ 666,671.12	$ 26,052.29	$ 1,262,724.65	$ 1,315,841.96	$ 299,641.92	$ 521,057.50	$ 49,623.30	$ 460,030.85	$ 455,786.08	$ 120,648.87	$ 349,592.02	$ 77,356.54	$ 538,947.06	$ 7,617,174
Capital Outlay			$ 388,750.00	$ 38,456.86	$ 33,210.00	$ 69,896.00	$ 0	$ 107,796.25	$ 593,480.07	$	$ 329,044.05	$ 26,685.37	$ 64,631.28	$ 1,651,429
Total	$ 1,615,536.00	$ 201,555.39	$ 3,224,690.11	$ 2,471,905.73	$ 742,872.88	$ 1,289,070.50	$ 330,758.17	$ 1,657,477.85	$ 2,265,530.21	$ 268,057.57	$ 1,540,677.31	$ 753,779.44	$ 1,139,190.96	$ 18,993,315

Year 2012

Position	G101	G601	G628	G604	G605	G606	G609	G610	G611	G612	G613	G615	G616	Total
Personnel	$ 1,051,905	$ 172,420	$ 1,591,110	$ 1,296,360	$ 432,110	$ 742,400	$ 280,240	$ 1,168,835	$ 1,302,080	$ 185,110	$ 921,430	$ 745,580	$ 529,340	$ 10,172,520
Operating	$ 551,600	$ 23,130	$ 1,628,480	$ 1,648,190	$ 389,760	$ 632,760	$ 79,720	$ 486,200	$ 488,800	$ 150,030	$ 349,350	$ 108,140	$ 491,560	$ 8,231,910
Capital Outlay	$ 21,800		$ 35,800	$ 49,600	$ 63,800	$ 28,000	$ 16,800	$ 87,600	$ 501,600	$	$ 307,200	$ 230,000	$ 30,000	$ 1,369,700
Total	$ 1,629,310	$ 195,550	$ 3,255,390	$ 3,094,150	$ 885,850	$ 1,386,150	$ 377,760	$ 1,742,635	$ 2,292,480	$ 335,140	$ 1,577,980	$ 979,720	$ 1,050,900	$ 20,314,130

City of Fort Smith
Utility Department
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Annual Performance Indicator	Data Year 2010						Data Year 2011					
MGD water delivered per employee												
Average daily volume water distributed (MGD all plants finished effluent)					26.473						29.523	
Number of FTEs supporting water service	97.30						96.15					
MGD water delivered per employee						**0.27**						**0.31**
MGD wastewater processed per employee												
Average daily volume wastewater processed (MGD influent)												
Average daily volume wastewater processed (MGD P St plant influent)	9.668						9.365					
Average daily volume wastewater processed (MGD Massard plant influent)	7.753						7.954					
Average daily volume wastewater processed (MGD influent)					17.42						17.32	
Number of FTEs supporting wastewater service												
Total number of FTEs supporting wastewater service	91.89						91.29					
Less number of FTEs wastewater collection system construction: Program 5612	-4.00						-4.00					
Number of FTEs supporting wastewater service					87.89						87.29	
MGD wastewater processed per employee						**0.20**						**0.20**
Customer service complaints per 1,000 customers												
Number of active customer accounts					32,887						33,294	
Number of customer service-associated complaints					n/a						n/a	
Customer service complaints per 1,000 customers						**#VALUE!**						**#VALUE!**
Technical quality complaints per 1,000 customers												
Number of active customer accounts					32,887						33,294	
Number of technical quality-associated complaints					n/a						n/a	
Technical quality complaints per 1,000 customers						**#VALUE!**						**#VALUE!**
Residential water bill (7,500 gallons monthly)												
Monthly water base charge					$4.97						$4.97	
Volume charges 0 - 5 CCF (0 - 3,740 gallons)	5.000	CCF @	$2.17	=	$10.85		5.000	CCF @	$2.28	=	$11.40	
Volume charges 5 - 10.027 CCF (3,740 - 7,500 gallons)	5.027	CCF @	$2.82	=	$14.18		5.027	CCF @	$2.96	=	$14.88	
Water sales tax	$30.00	@	9.250%	=	$2.78		$31.25	@	9.250%	=	$2.89	
Monthly safe drinking water fee					$0.30						$0.30	
Residential water bill (7,500 gallons monthly)						**$33.08**						**$34.44**
Residential sewer bill (7,500 gallons monthly)												
Monthly sewer base charge					$1.43						$1.43	
Volume charges 0 - 10.027 CCF (0 - 7,500 gallons)	10.027	CCF @	$3.17	=	$31.79		10.027	CCF @	$3.33	=	$33.39	
Residential sewer bill (7,500 gallons monthly)						**$33.22**						**$34.82**
Drinking water compliance rate (% days)												
Number of days in full compliance					365						365	
Number of days per year					365						365	
Drinking water compliance rate (% days)						**100.0%**						**100.0%**

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Annual Performance Indicator	Data Year 2010					Data Year 2011				
Distribution system water loss (%)										
Total volume of water distributed for customer use (MG all plants finished effluent)										
Average daily volume water distributed (MGD all plants finished effluent)	26.473					29.523				
Number of days per year	365					365				
Total volume of water distributed for customer use (MG all plants finished effluent)				9,663					10,776	
Total volume of water metered to customers (MG)										
Average daily volume water metered to customers (MGD)	22.851					?				
Number of days per year	365					365				
Total volume of water metered to customers (MG)				8,341					#VALUE!	
Total volume of unbilled authorized water to customers (MG)				0					0	
Distribution system water loss (%)					13.7%					#VALUE!
Water distribution system integrity (leaks per 100 miles)										
Total length of distribution piping (mile)										
Total length distribution mains (feet)				3,594,475					3,594,475	
Total length water services (feet) (number of services x average length per service)	37,205	cnt @	22.5	837,113		37,697	cnt @	22.5	848,183	
Feet per mile				5,280					5,280	
Total length of distribution piping (mile)				839					841	
Total number of leaks and pipeline breaks										
Number of leaks and pipeline breaks Program 5610	938					1,017				
Number of leaks and pipeline breaks Program 5613	471					277				
Number of pipeline breaks	0					0				
Total number of leaks and pipeline breaks				1,409					1,294	
Water distribution system integrity (leaks per 100 miles)					167.9					153.9

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Annual Performance Indicator	Data Year 2010					Data Year 2011				
Water O&M cost per MG distributed (all plants finished effluent)										
Total volume of water distributed for customer use (MG all plants finished effluent)				9,663					10,776	
O&M costs										
O&M water treatment personnel: Program 5601	30%					30%				
O&M water distribution personnel: Program 5601	0%					0%				
O&M costs for water and wastewater treatment administration: Program 5601 personnel	$ 175,368	@	30%	$52,610		$ 175,503	@	30%	$52,651	
O&M costs for water and wastewater treatment administration: Program 5601 operating	$ 25,768	@	30%	$7,730		$ 26,062	@	30%	$7,819	
O&M water treatment personnel: Program 5604	100%					100%				
O&M water distribution personnel: Program 5604	0%					0%				
O&M costs for water treatment: Program 5604 personnel	$ 1,345,229	@	100%	$1,345,229		$ 1,317,607	@	100%	$1,317,607	
O&M costs for water treatment: Program 5604 operating	$ 2,233,209	@	100%	$2,233,209		$ 2,625,442	@	100%	$2,625,442	
O&M water treatment personnel: Program 5605	0%					0%				
O&M water distribution personnel: Program 5605	56%					64%				
O&M costs for water service support: Program 5605 personnel	$ 413,206	@	56%	$231,395		$ 410,015	@	64%	$262,410	
O&M costs for water service support: Program 5605 operating	$ 238,132	@	56%	$133,354		$ 299,442	@	64%	$191,643	
O&M water treatment personnel: Program 5609	0%					0%				
O&M water distribution personnel: Program 5609	9%					11%				
O&M costs for water service support: Program 5609 personnel	$ 267,087	@	9%	$24,038		$ 281,136	@	11%	$30,925	
O&M costs for water service support: Program 5609 operating	$ 51,414	@	9%	$4,627		$ 49,623	@	11%	$5,459	
O&M water treatment personnel: Program 5610	0%					0%				
O&M water distribution personnel: Program 5610	100%					100%				
O&M costs for water line maintenance: Program 5610 personnel	$ 1,036,557	@	100%	$1,036,557		$ 1,093,661	@	100%	$1,093,661	
O&M costs for water line maintenance: Program 5610 operating	$ 609,098	@	100%	$609,098		$ 660,021	@	100%	$660,021	
O&M water treatment personnel: Program 5613	0%					0%				
O&M water distribution personnel: Program 5613	69%					69%				
O&M costs for metering and transmission line maintenance: Program 5613 personnel	$ 808,240	@	69%	$557,686		$ 862,468	@	69%	$595,103	
O&M costs for metering and transmission line maintenance: Program 5613 operating	$ 296,101	@	69%	$204,310		$ 349,366	@	69%	$241,062	
O&M costs for metering and transmission line maintenance: Program 5613 meters	$ 43,565	@	100%	$43,565		$ 129,044	@	100%	$129,044	
O&M water treatment personnel: Program 5615	0%					0%				
O&M water distribution personnel: Program 5615	63%					63%				
O&M costs for water service support: Program 5615 personnel	$ 666,674	@	63%	$420,005		$ 669,903	@	63%	$422,039	
O&M costs for water service support: Program 5615 operating	$ 88,149	@	63%	$55,534		$ 77,192	@	63%	$48,631	
O&M water treatment personnel: Program 5616	0%					0%				
O&M water distribution personnel: Program 5616	74%					74%				
O&M costs for water service support: Program 5616 personnel	$ 516,447	@	74%	$382,171		$ 535,622	@	74%	$396,360	
O&M costs for water service support: Program 5616 operating	$ 398,393	@	74%	$294,811		$ 538,967	@	74%	$398,836	
Less depreciation	$ -	@	100%	$0		$ -	@	100%	$0	
Total O&M costs				$7,635,929					$8,478,713	
Water O&M cost per MG distributed (all plants finished effluent)					$790					$787
Water O&M treatment cost per million gallons distributed										
Total volume of water distributed for customer use (MG all plants finished effluent)				9,663					10,776	
Total O&M costs for water treatment										
O&M water treatment personnel: Program 5601	30%					30%				
O&M costs for water and wastewater treatment administration: Program 5601 personnel	$ 175,368	@	30%	$52,610		$ 175,503	@	30%	$52,651	
O&M costs for water and wastewater treatment administration: Program 5601 operating	$ 25,768	@	30%	$7,730		$ 26,062	@	30%	$7,819	
O&M water treatment personnel: Program 5604	100%					100%				

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Annual Performance Indicator	Data Year 2010					Data Year 2011				
O&M costs for water treatment: Program 5604 personnel	$ 1,345,229	@	100%	$1,345,229		$ 1,317,607	@	100%	$1,317,607	
O&M costs for water treatment: Program 5604 operating	$ 2,233,209	@	100%	$2,233,209		$ 2,625,442	@	100%	$2,625,442	
Total O&M costs for water treatment				$3,638,778					$4,003,519	
Water O&M treatment cost per million gallons distributed					$377					$372

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Annual Performance Indicator	Data Year 2010					Data Year 2011				
Wastewater overflow rate (overflows per 100 miles)										
Total length of collection piping (mile)										
Total length collection mains (miles)				499					499	
Total length wastewater services (feet) (number of services x average length per service)	30,345	cnt	@ 18.3	555,314		30,464	cnt	@ 18.3	557,491	
Feet per mile				5,280					5,280	
Total length of collection piping (mile)				604					605	
Total number of sewer overflows (wet weather + dry weather)				373					291	
Wastewater overflow rate (overflows per 100 miles)					61.75					48.10
Wastewater treatment effectiveness rate (% days P Street Plant)										
Standard Noncompliance Day factor defined by AWWA			SND Factor					SND Factor		
Number of daily effluent limit violations	0	@	1	0		0	@	1	0	
Number of weekly effluent limit violations	0	@	7	0		3	@	7	21	
Number of monthly effluent limit violations	2	@	30	60		3	@	30	90	
Number of quarterly effluent limit violations	0	@	90	0		0	@	90	0	
Total number of standard noncompliance days				60					111	
Number of days per year				365					365	
Wastewater treatment effectiveness rate (% days P Street Plant)					83.6%					69.6%
Wastewater treatment effectiveness rate (% days Massard Plant)										
Standard Noncompliance Day factor defined by AWWA			SND Factor					SND Factor		
Number of daily effluent limit violations	0	@	1	0		6	@	1	6	
Number of weekly effluent limit violations	0	@	7	0		4	@	7	28	
Number of monthly effluent limit violations	1	@	30	30		0	@	30	0	
Number of quarterly effluent limit violations	0	@	90	0		0	@	90	0	
Total number of standard noncompliance days				30					34	
Number of days per year				365					365	
Wastewater treatment effectiveness rate (% days Massard Plant)					91.8%					90.7%

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Annual Performance Indicator	Data Year 2010					Data Year 2011				
Wastewater O&M cost per MG processed (all plants influent)										
Total volume of wastewater processed (MG all plants influent)										
Average daily volume wastewater processed (MGD influent)	17.42					17.32				
Number of days per year	365					365				
Total volume of wastewater processed (MG all plants influent)				6,359					6,321	
O&M costs										
O&M wastewater treatment personnel: Program 5601	30%					30%				
O&M wastewater collection personnel: Program 5601	40%					40%				
O&M costs for water and wastewater treatment administration: Program 5601 personnel	$ 175,368	@	70%	$122,758		$ 175,503	@	70%	$122,852	
O&M costs for water and wastewater treatment administration: Program 5601 operating	$ 25,768	@	70%	$18,038		$ 26,062	@	70%	$18,244	
O&M wastewater treatment personnel: Program 5603	100%					100%				
O&M wastewater collection personnel: Program 5603	0%					0%				
O&M costs for wastewater treatment: Program 5603 personnel	$ 1,580,151	@	100%	$1,580,151		$ 1,572,235	@	100%	$1,572,235	
O&M costs for wastewater treatment: Program 5603 operating	$ 1,762,847	@	100%	$1,762,847		$ 1,263,718	@	100%	$1,263,718	
O&M wastewater treatment personnel: Program 5605	0%					0%				
O&M wastewater collection personnel: Program 5605	22%					14%				
O&M costs for wastewater service support: Program 5605 personnel	$ 413,206	@	22%	$90,905		$ 410,015	@	14%	$57,402	
O&M costs for wastewater service support: Program 5605 operating	$ 238,132	@	22%	$52,389		$ 299,442	@	14%	$41,922	
O&M wastewater treatment personnel: Program 5606	0%					0%				
O&M wastewater collection personnel: Program 5606	100%					100%				
O&M costs for wastewater service support: Program 5606 personnel	$ 703,955	@	100%	$703,955		$ 698,047	@	100%	$698,047	
O&M costs for wastewater service support: Program 5606 operating	$ 455,765	@	100%	$455,765		$ 522,048	@	100%	$522,048	
O&M wastewater treatment personnel: Program 5609	0%					0%				
O&M wastewater collection personnel: Program 5609	91%					89%				
O&M costs for wastewater service support: Program 5609 personnel	$ 267,087	@	91%	$243,049		$ 281,136	@	89%	$250,211	
O&M costs for wastewater service support: Program 5609 operating	$ 51,414	@	91%	$46,787		$ 49,623	@	89%	$44,165	
O&M wastewater treatment personnel: Program 5611	0%					0%				
O&M wastewater collection personnel: Program 5611	100%					100%				
O&M costs for wastewater line maintenance: Program 5611 personnel	$ 1,225,502	@	100%	$1,225,502		$ 1,216,264	@	100%	$1,216,264	
O&M costs for wastewater line maintenance: Program 5611 operating	$ 436,105	@	100%	$436,105		$ 403,796	@	100%	$403,796	
O&M wastewater treatment personnel: Program 5615	0%					0%				
O&M wastewater collection personnel: Program 5615	37%					37%				
O&M costs for wastewater service support: Program 5615 personnel	$ 666,674	@	37%	$246,669		$ 669,903	@	37%	$247,864	
O&M costs for wastewater service support: Program 5615 operating	$ 88,149	@	37%	$32,615		$ 77,192	@	37%	$28,561	
O&M wastewater treatment personnel: Program 5616	0%					0%				
O&M wastewater collection personnel: Program 5616	26%					26%				
O&M costs for wastewater service support: Program 5616 personnel	$ 516,447	@	26%	$134,276		$ 535,622	@	26%	$139,262	
O&M costs for wastewater service support: Program 5616 operating	$ 398,393	@	26%	$103,582		$ 538,967	@	26%	$140,131	
Less depreciation	$0	@	100%	$0		$0	@	100%	$0	
O&M costs				$7,255,393					$6,766,722	
Wastewater O&M cost per MG processed (all plants influent)					$1,141					$1,071
Wastewater O&M treatment cost per million gallons processed										
Total volume of wastewater processed (MG all plants influent)				6,359					6,321	
Total O&M costs for wastewater treatment										
O&M wastewater treatment personnel: Program 5601	30%					30%				
O&M costs for water and wastewater treatment administration: Program 5601 personnel	$ 175,368	@	30%	$52,610		$ 175,503	@	30%	$52,651	

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Annual Performance Indicator	Data Year 2010					Data Year 2011				
O&M costs for water and wastewater treatment administration: Program 5601 operating	$ 25,768	@	30%	$7,730		$ 26,062	@	30%	$7,819	
O&M wastewater treatment personnel: Program 5603	100%					100%				
O&M costs for wastewater treatment: Program 5603 personnel	$ 1,580,151	@	100%	$1,580,151		$ 1,572,235	@	100%	$1,572,235	
O&M costs for wastewater treatment: Program 5603 operating	$ 1,762,847	@	100%	$1,762,847		$ 1,263,718	@	100%	$1,263,718	
Less O&M costs for biosolids disposal: Program 5603 operating				$ (359,448)					$ (76,000)	
Total O&M costs for wastewater treatment				$3,043,890					$2,820,423	
Wastewater O&M treatment cost per million gallons processed					$479					$446

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Annual Performance Indicator	Data Year 2010	Data Year 2011

Notes:

City of Fort Smith
Utility Department
AWWA Benchmarking Performance Indicators Report[1][2]
February 15, 2012

Report Year	Performance Indicator	Sample Category																												Balanced Scorecard Type
		Operations												Region 3: South				Size of Population Served								All Participants				
		Water Operations				Wastewater Operations				Combined Operations								50,001-100,000				100,001-500,000								
		25th Percentile	Median	75th Percentile	Sample Size	25th Percentile	Median	75th Percentile	Sample Size	25th Percentile	Median	75th Percentile	Sample Size	25th Percentile	Median	75th Percentile	Sample Size	25th Percentile	Median	75th Percentile	Sample Size	25th Percentile	Median	75th Percentile	Sample Size	25th Percentile	Median	75th Percentile	Sample Size	
2005	MGD water delivered per employee	0.19	0.28	0.46	67				0	0.18	0.24	0.36	114	0.16	0.23	0.36	66	0.18	0.23	0.36	27	0.20	0.28	0.51	64	0.18	0.25	0.39	181	Internal Process
2005	MGD wastewater processed per employee				0	0.21	0.31	0.47	15	0.14	0.20	0.33	109	0.13	0.22	0.32	54	0.18	0.22	0.41	22	0.18	0.24	0.40	42	0.14	0.22	0.35	124	Internal Process
2005	Customer service complaints per 1,000 customers	1.0	5.9	24.3	53	0.3	1.7	20.5	8	0.7	5.4	32.7	90	0.5	7.0	43.7	53	1.6	8.4	30.4	23	0.5	4.5	50.9	49	0.7	5.7	27.3	151	Customer
2005	Technical quality complaints per 1,000 customers	2.8	6.1	18.5	56	0.7	2.7	12.3	9	2.9	7.6	16.7	100	3.0	9.8	35.9	56	3.1	6.9	10.9	25	2.3	8.6	38.1	56	2.8	7.2	17.4	165	Customer
2005	Residential cost of water service (7,500 gallons monthly)	$17.40	$22.20	$28.30	60				1	$17.60	$21.60	$26.60	113	$16.60	$20.70	$25.60	64	$19.50	$21.40	$26.00	26	$17.60	$20.50	$25.70	62	$17.40	$21.90	$27.40	174	Customer
2005	Residential cost of sewer service (7,500 gallons monthly)				9	$15.20	$19.80	$28.30	14	$18.80	$26.80	$33.00	110	$21.00	$27.40	$33.50	58	$22.80	$27.00	$29.10	23	$17.70	$20.70	$28.30	47	$18.10	$25.70	$32.70	133	Customer
2005	Drinking water compliance rate (% days)	100.0%	100.0%	100.0%	70				0	100.0%	100.0%	100.0%	113	100.0%	100.0%	100.0%	68	100.0%	100.0%	100.0%	27	100.0%	100.0%	100.0%	65	100.0%	100.0%	100.0%	183	Internal Process
2005	Distribution system water loss (%)	5.2%	8.4%	12.6%	43				0	5.8%	9.3%	14.0%	78	5.6%	8.3%	14.2%	48	6.6%	9.6%	13.1%	17	4.1%	7.0%	11.2%	44	5.7%	9.1%	13.4%	121	Internal Process
2005	Water distribution system integrity (leaks per 100 miles)	16.2	36.7	60.0	53				0	24.1	50.8	112.3	99	32.9	63.6	137.7	53	30.2	37.8	57.3	25	27.7	52.1	94.2	51	22.9	43.6	78.7	153	Internal Process
2005	Water O&M cost per million gallons distributed	$849	$1,428	$2,081	66				0	$884	$1,388	$2,025	105	$869	$1,417	$2,023	64	$883	$1,531	$2,088	24	$862	$1,308	$1,989	60	$860	$1,399	$2,053	171	Financial
2005	Water O&M treatment cost per million gallons distributed	$174	$336	$447	66				0	$275	$466	$826	105	$363	$518	$794	54	$315	$602	$816	20	$212	$369	$539	57	$238	$385	$713	171	Financial
2005	Wastewater overflow rate (per 100 miles)				0	3.36	7.61	12.45	15	1.75	4.00	9.25	95	2.45	5.66	10.52	48	1.68	2.26	8.96	19	1.36	3.50	7.35	41	1.8	4.3	9.5	110	Internal Process
2005	Wastewater treatment effectiveness rate (% days)				0	98.0%	99.0%	99.8%	12	98.1%	99.5%	99.7%	66	98.4%	99.5%	99.7%	32	96.4%	99.5%	99.7%	13	98.1%	99.5%	99.7%	30	98.1%	99.5%	99.7%	78	Internal Process
2005	Wastewater O&M cost per million gallons processed				0	$706	$1,053	$1,523	16	$1,119	$1,887	$2,781	105	$853	$1,200	$1,672	19	$1,258	$2,001	$3,003	20	$925	$1,472	$2,284	40	$930	$1,719	$2,621	121	Financial
2005	Wastewater Q&M treatment cost per million gallons processed				0	$501	$715	$783	16	$511	$893	$1,689	105	$540	$838	$1,478	47	$561	$925	$1,552	18	$500	$631	$1,005	37	$508	$759	$1,513	121	Financial
2007	MGD water delivered per employee	0.15	0.24	0.33	57				1	0.19	0.25	0.40	105	0.17	0.24	0.34		0.14	0.19	0.29		0.19	0.26	0.38		0.18	0.25	0.38		Internal Process
2007	MGD wastewater processed per employee				0	0.20	0.27	0.36	14	0.13	0.20	0.33	102	0.12	0.18	0.28		0.14	0.20	0.39		0.15	0.23	0.33		0.14	0.21	0.34		Internal Process
2007	Customer service complaints per 1,000 customers	0.9	5.0	14.5	49	0.1	0.3	0.8	9	0.8	5.2	18.6	85	0.8	7.0	20.3		0.6	3.0	8.2		0.4	3.2	11.0		0.7	4.3	15.6		Customer
2007	Technical quality complaints per 1,000 customers	1.9	4.4	11.2	51	0.3	1.9	5.0	10	2.3	6.2	16.4	95	2.1	8.8	23.1		1.3	3.9	28.3		2.0	4.4	9.0		2.0	5.4	14.0		Customer
2007	Residential cost of water service (7,500 gallons monthly)	$21.44	$26.41	$32.04	59				13	$19.69	$24.39	$32.26	104	$18.75	$24.34	$30.14		$20.89	$23.77	$28.69		$18.77	$23.55	$29.07		$20.01	$24.55	$32.21		Customer
2007	Residential cost of sewer service (7,500 gallons monthly)				59	$18.85	$26.25	$33.25	13	$21.98	$30.61	$38.55	104	$24.75	$29.97	$37.00		$21.00	$28.09	$35.00		$20.10	$26.41	$32.75		$20.54	$29.25	$36.92		Customer
2007	Drinking water compliance rate (% days)	100.0%	100.0%	100.0%	58				1	100.0%	100.0%	100.0%	104	100.0%	100.0%	100.0%		100.0%	100.0%	100.0%		100.0%	100.0%	100.0%		100.0%	100.0%	100.0%		Internal Process
2007	Distribution system water loss (%)	4.9%	8.6%	12.4%	52				0	3.7%	8.5%	13.0%	97	3.8%	8.9%	14.1%		4.0%	8.9%	15.0%		4.0%	7.2%	10.2%		4.2%	8.5%	12.5%		Internal Process
2007	Water distribution system integrity (leaks per 100 miles)	21.7	34.3	56.1	52				0	16.6	41.9	101.2	96	28.2	52.8	103.7		14.8	32.7	69.6		22.1	35.6	60.0		18.6	37.7	71.0		Internal Process
2007	Water O&M cost per million gallons distributed	$1,037	$1,506	$2,310	54				2	$863	$1,431	$2,089	98	$739	$1,371	$1,978		$667	$1,373	$2,286		$994	$1,370	$1,951		$942	$1,459	$2,114		Financial
2007	Water O&M treatment cost per million gallons distributed	$100	$322	$550	54				2	$245	$500	$781	98	$289	$496	$758		$130	$353	$660		$162	$370	$698		$158	$380	$698		Financial
2007	Wastewater overflow rate (per 100 miles)				0	0.87	2.98	5.20	13	1.04	2.73	7.56	101	1.32	3.19	10.71		0.98	2.79	3.91		1.13	2.28	5.35		1.0	2.8	7.1		Internal Process
2007	Wastewater treatment effectiveness rate (% days)				0	99.5%	99.7%	100.0%	11	95.8%	98.8%	99.7%	68	95.8%	99.2%	100.0%		99.5%	100.0%	100.0%		98.2%	99.5%	100.0%		96.7%	99.2%	99.8%		Internal Process
2007	Wastewater O&M cost per million gallons processed				1	$1,067	$1,960	$2,615	14	$1,200	$2,022	$3,044	99	$1,072	$2,058	$2,919		$1,157	$2,165	$3,370		$1,292	$2,039	$2,494		$1,148	$2,022	$2,986		Financial
2007	Wastewater Q&M treatment cost per million gallons processed				1	$622	$924	$1,471	14	$648	$1,006	$1,636	99	$672	$976	$1,804		$687	$892	$2,105		$707	$991	$1,512		$631	$991	$1,630		Financial

Notes:

[1] Angela K. Lafferty and William C. Lauer. *Benchmarking: Performance Indicators for Water and Wastewater Utilities: Survey Data and Analyses Report.* Prepared by Qualserve Benchmarking program (Joint program of the American Water Works Association and the Water Environment Federation) and APQC. Definitions of performance indicators and data. American Water Works Association, Denver, Colorado, 2005.

[2] American Water Works Association. *Benchmarking: Performance Indicators for Water and Wastewater Utilities: 2007 Annual Survey Data and Analyses Report. Prepared by* Qualserve Benchmarking program (Joint program of the American Water Works Association and the Water Environment Federation) and APQC. Definitions of performance indicators and data. American Water Works Association, Denver, Colorado, 2008.

Appendix E

Benchmarking Survey Response Data

Drinking Water Compliance Rate

	South Region	50k-100k Population	100k-500k Population	Combined Utility	All Participants	Fort Smith	Bentonville, AR	Davidson Wtr, Welcome, NC	Fayetteville, AR	Pueblo, CO : Water	Rogers, AR
25th%	100%	100%	100%	100%	100%	100%	100%	100%		100%	100%
75th%	100%	100%	100%	100%	100%	100%	100%	100%		100%	100%
Med	100%	100%	100%	100%	100%	100%	100%	100%		100%	100%
Med-25th%	0	0	0	0	0	0	0	0	0	0	0
75th%-Med	0	0	0	0	0	0	0	0	0	0	0

Distribution System Water Loss (%)

Source	AWWA South Region	AWWA 50k-100k Population	AWWA 100k-500k Population	AWWA Combined Utility	AWWA All Participants	Kevin Fort Smith	Mike Bender Bentonville, AR	Mary/Gregg - received Davidson Wtr, Welcome, NC	Rainy Fayetteville, AR	Alan Pueblo, CO : Water	Tom Rogers, AR
25th%	5.6%	6.6%	4.1%	5.8%	5.7%						
75th%	14.2%	13.1%	11.2%	14.0%	13.4%						
Med	8.3%	9.6%	7.0%	9.3%	9.1%	13.7%	17.5%	16.7%		7.0%	10.8%
Med-25th%	2.7%	3.0%	2.9%	3.5%	3.4%						
75th%-Med	5.9%	3.5%	4.2%	4.7%	4.3%						

		14.8%	Vol Distributed		Vol Distributed
		17.7%			3,127,474,000
	2011	16.7%	Vol Billed		Vol Billed
			3,978,178,500		2,711,982,800
			Vol Unbilled	Authorized unbillled removed	Vol Unbilled
2008	13%				78,272,859
2009	24.5%		% Losses		% Losses
2010	11.4%				10.8%
2011	21.3%				
	17.5%				

Water leaks/breaks per 100 miles of pipe

Source	AWWA South Region	AWWA 50k-100k Population	AWWA 100k-500k Population	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Mary/Gregg - received Davidson Wtr; Welcome, NC	Rainy - next week Fayetteville, AR	Alan Pueblo, CO : Water	Mike Rogers, AR	
25th%	32.9	30.2	27.7	24.1	22.9							
75th%	137.7	57.3	94.2	112.3	78.7							
Med	63.6	37.8	52.1	50.8	43.6	206.9		26.37		181.8	19.1	
Med-25th%	30.7	7.6	24.4	26.7	20.7		0					
75th%-Med	74.1	19.5	42.1	61.5	35.1		0					
										Calculation	Calculation	
										182	19.1	
							Miles			Miles	Miles	
							287	26.37485971		577	496	
							breaks				breaks	average of 3 years
												27 is actual 2011, but much lower than previous 2 years
							Not tracked - w.o. leaks			49	49.7 leaks	
							Not tracked - w.o.			1,000	45	

Direct cost of treatment per MG

Source	AWWA South Region	AWWA 50k-100k Population	AWWA 100k-500k Population	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Mary/Gregg - received Davidson Wtr; Welcome, NC	Rainy - next week Fayetteville, AR	Alan Pueblo, CO : Water	Mike Rogers, AR
25th%	363	315	212	275	238						
75th%	794	816	569	826	713						
Med	518	602	369	466	385	$370	$1,082.42	$522		$401.90	$1,215.04
Med-25th%	155	287	157	191	147						
75th%-Med	276	214	200	360	328						

				Emailed 2/15 for cost to Beaver Lake
	$3,100,000	$1,909,068	$3,793,086	$3,800,000
	$1,082.42	$522	Not including labor	Not including labor
			$401.90	$1,215.04
	MG		MG	
	2,863,952,000	3,657,180,474	9,438,000,000	3,127,474,000
	2,864	3,657	9,438	3,127

Cost of Water - Monthly Residential Bill for 7,500 gallons of usage 17.9%

Source	AWWA South Region	AWWA 50k-100k Population	AWWA 100k-500k Population	AWWA Water Utility	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Mary/Gregg - received Davidson Wtr; Welcome, NC	Rainy - next week Fayetteville, AR	Alan Pueblo, CO : Water	Mike Rogers, AR
25th%	$16.60	$19.50	$17.60	$17.40	$17.60	$17.40						
75th%	$25.60	$26.00	$25.70	$28.30	$26.60	$27.40						
Med	$20.70	$21.40	$20.50	$22.20	$21.60	$21.90	$33.07	$33.28	$32.85	$28.29	$20.69	$21.18
Escalated to 2011*	$24.41	$25.23	$24.17	$26.17	$25.47	$25.82						
Med-25th%	4.1	1.9	2.9	4.8	4	4.5						
75th%-Med	4.9	4.6	5.2	6.1	5	5.5						

2011 rates from code
5.06
18.48
4.75

Technical Quality Complaints per 1,000 customers

Source	AWWA South Region	AWWA 50k-100k Population	AWWA 100k-500k Population	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Mary/Gregg - received Davidson Wtr; Welcome, NC	Rainy - next week Fayetteville, AR	Alan Pueblo, CO : Water	Mike Rogers, AR
25th%	3	3.1	2.3	2.9	2.8						
75th%	35.9	10.9	38.1	7.6	17.4						
Med	9.8	6.9	8.6	16.7	7.2			4.00		0.48	0.07
Med-25th%	6.8	3.8	6.3	13.8	4.4						
75th%-Med	26.1	4	29.5	-9.1	10.2						

	total customers	total customers		total customers	total customers
	16,987	54,283		39,554	28,093
		Technical complaints		19	Technical complaints
not tracked	**not tracked**	134		**<20**	2
		Above is average of three years			
		2.47		0.48	0.07
		2011 # of complaints			2011 # of complaints
		217			None available
		3.997568299			

Source	AWWA South Region	AWWA 50k-100k Population	AWWA 100k-500k Population	AWWA Water Utility	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Mary/Gregg - received Davidson Wtr; Welcome, NC	Rainy - next week Fayetteville, AR	Alan Pueblo, CO : Water	Tom Rogers, AR
25th%	0.5	1.6	0.5	1.0	0.7	0.7						
75th%	43.7	30.4	50.9	24.3	32.7	27.3						
Med	7.0	8.4	4.5	5.9	5.4	5.7			1.0			
Med-25th%	6.5	6.8	4	4.9	4.7	5						
75th%-Med	36.7	22	46.4	18.4	27.3	21.6						
								total customers	total customers			
								16,987	54,283			
									customer service complains			
								not tracked	55		**no response**	**Not available**
									1.013208555			

Cost per Bill

Source	AWWARF Best Performers	AWWARF All Utilities	AWWARF Water Utilities	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Mary/Gregg - received Davidson Water; Welcome NC	Rainy - next week Fayetteville, AR	Alan Pueblo, CO : Water	Mike Rogers, AR
25th%									
75th%									
Med	$0.29	$0.29	$0.42	$2.13	$2.49	$0.32		$0.62	$0.43
Med-25th%									
75th%-Med									

Total Billing Cost	Total Billing Cost	Total Billing Cost	Total Billing Cost	Total Billing Cost	Total Billing Cost	Total Billing Cost
$843,414	$560,264	$200,000		$231,410	$143,000	
Bills Issued	Bills Issued	Bills Issued	Bills Issued	Bills Issued	Bills Issued	
$396,000	224,991	621,600		477,673	335,360	
$2.13	$2.49	$0.32	#DIV/0!	$0.48	$0.43	
labor @ 50%						
$349,637			Number of customers			
O&M	Includes all billings:			Labor cost addt'l		
$493,777	finals, rebills, etc.			0.14		
$843,414						

From Mitzi's emails

Bad Debt

Source	AWWARF Best Performer Average	AWWARF All Utilities Average	AWWARF Water Utilities Average	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Mary/Gregg - received Davidson Water; Welcome NC	Rainy - next week Fayetteville, AR	Alan Pueblo, CO : Water	Mike Rogers, AR
25th%									
75th%									
Med	0.36%	0.83%	0.011	0.80%	0.55%	0.28%	0.31%	0.03%	0.38%
Med-25th%									
75th%-Med									
				Bad Debt	Bad Debt	Bad Debt	Bad Debt Water	Bad Debt	Bad Debt
				$297,707	$52,374	$39,413	$47,013	$7,262	$30,479
				Annual Billings	Annual Billings	Annual Billings	Annual Billings	Annual Billings	Annual Billings
				$37,033,670	$9,561,805	$14,126,701	$15,161,951	$21,637,933	$8,033,365
				% bad debt	% bad debt	% bad debt	% bad debt	% bad debt	% bad debt
				0.80%	0.55%	0.28%	0.31%	0.03%	0.38%
							water		
							47,013.07		

Sewer Overflow Rate

Source	AWWA South Region	AWWA 50k-100k Population	AWWA Sewer Utility	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Rainy - next week Fayetteville, AR	Rogers, AR
25th%	2.45	1.68	3.36	1.75	1.80				
75th%	10.52	8.96	12.45	9.25	9.50				
Med	5.66	2.26	7.61	4.00	4.30	33.00	8.33		4.50
Med-25th%	3.21	0.58	4.25	2.25	2.50				
75th%-Med	4.86	6.70	4.84	5.25	5.20				

		2010		
		6		
	2010	2011		
		23		15
	Miles of Pipe		Miles of Pipe	
		276		333

Sewer Treatment Effectiveness Rate

Source	AWWA South Region	AWWA 50k-100k Population	AWWA Sewer Utility	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith: Massard	Kevin Sandy Fort Smith: P St Plant	Mike Bender Bentonville, AR	Rainy - next week Fayetteville, AR	Tom Rogers, AR
25th%	98.4%	96.4%	98.0%	98.1%	98.1%					
75th%	99.7%	99.7%	99.8%	99.7%	99.7%					
Med	99.5%	99.5%	99.0%	99.5%	99.5%	91.8%	83.6%	99.7%		100.0%
Med-25th%	0.01	0.03	0.01	0.01	0.01					
75th%-Med	0.00	0.00	0.01	0.00	0.00					

Direct Cost of Sewer Treatment per MG

Source	AWWA South Region	AWWA 50k-100k Population	AWWA Sewer Utility	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Rainy - next week Fayetteville, AR	Tom Rogers, AR
25th%	$540	$561	$501	$511	$508				
75th%	$1,478	$1,552	$783	$1,689	$1,513				
Med	$838	$925	$715	$893	$759	$518			
Med-25th%	$298	$364	$214	$382	$251				
75th%-Med	$640	$627	$68	$796	$754				

	NACA		Total Cost
	$3,700,000		$8,445,272
	Est City addtl costs		Less depreciation
	$1,000,000		$3,156,000
	Total Cost		Less debt
	$4,700,000		$1,590,000
	MGD		
	1.5	3,033,376,000	Direct Cost
days in a month	30.4		$3,699,272
total days June - Dec	213		
days * 1.5 MGD	319		MG treated
MG	319		2,798,416
	MG		
	1,787		
	Calc		Calc
	$2,629.81		$1.32

Cost of Sewer - Monthly Residential Bill for 7,500 gallons of usage

Source	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Rainy Fayetteville, AR	Mike Rogers, AR
			17.90%			
25th%	$17.60	$17.40				
75th%	$26.60	$27.40				
Med	$21.60	$21.90	$33.61	$56.20	$42.47	$40.05
Escalated Media	$25.47	$25.82				
Med-25th%	4	4.5				
75th%-Med	5	5.5				

	From City Code on-line	
10.6	6.28	12.1
45.6	22.99	28.95
	13.2	
56.20		41.05

Cost per Bill

Source	AWWA 100k-500k Population	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Rainy - next week Fayetteville, AR	Mike Rogers, AR
25th%							
75th%							
Med					$1.31		$0.59
Med-25th%	0	0	0				
75th%-Med	0	0	0				

Total Billing Cost	Total Billing Cost
$295,054	$143,000
Bills Issued	Bills Issued
224,991	240,612
$1.31	$0.59

Includes all billings:
finals, rebills, etc.

Bad Debt

Source	AWWARF Best Performer Averag	AWWARF All Utilities Average	AWWARF Water Utilities Average	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Rainy - next week Fayetteville, AR	Mike Rogers, AR
25th%							
75th%							
Med	0.36%	0.83%	0.011	0.80%	0.79%	0.45%	0.50%
Med-25th%							
75th%-Med							

Bad Debt	Bad Debt	Bad Debt	Bad Debt	
$297,707	$84,325	$68,478	$48,228	
Annual Billings	Annual Billings	Annual Billings	Annual Billings	
$37,033,670	$10,620,708	$15,310,528	$9,696,324	
% bad debt	% bad debt	% bad debt	% bad debt	
0.80%	0.79%	0.45%	0.50%	

water	
47,013.07	

Technical Quality Complaints per 1,000 customers

Source	AWWA South Region	AWWA 50k-100k Population	AWWA 100k-500k Population	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Rainy - next week Fayetteville, AR	Tom - WW Rogers, AR
25th%	3	3.1	2.3	2.9	2.8				
75th%	35.9	10.9	38.1	7.6	17.4				
Med	9.8	6.9	8.6	16.7	7.2				0.99
Med-25th%	6.8	3.8	6.3	13.8	4.4				
75th%-Med	26.1	4	29.5	-9.1	10.2				

	total customers	total customers
	16,987	20,162
		Technical complaints
not tracked	**not tracked**	20
		0.99
		0

Customer Service complaints per 1,000 customers

Source	AWWA South Region	AWWA 50k-100k Population	AWWA 100k-500k Population	AWWA Water Utility	AWWA Combined Utility	AWWA All Participants	Kevin Sandy Fort Smith	Mike Bender Bentonville, AR	Rainy Fayetteville, AR	Tom - WW only Rogers, AR
25th%	0.5	1.6	0.5	1.0	0.7	0.7				
75th%	43.7	30.4	50.9	24.3	32.7	27.3				
Med	7.0	8.4	4.5	5.9	5.4	5.7				3.2
Med-25th%	6.5	6.8	4	4.9	4.7	5				
75th%-Med	36.7	22	46.4	18.4	27.3	21.6				

total customers	20,162
not tracked	**65**

Appendix F

Planning Tables

Table E-1 – Population Projections in the Long-Term Demand Projections report (2009)

Projection	Projection Type	Projected Annual Growth Rate (for comparison)	Comments (Projections Through)
U.S. Census Bureau National Population Projection	Linear	0.8% - 1.0%	2050
Fort Smith 1993 Water System Master Plan	Linear	1.1%	2040
Decennial Census Data	Linear and Exponential	1.3%	Published in 2002; through 2030
Bi-State Metropolitan Planning Organization	Linear and Exponential	1.6%	2030
Long Term Demand Projections, High Projection	Linear	0.97%	Selected for Demand Study

Table E-2 – Population Projections in the Master Plan for Water & Sewer Service in the Southern Growth Area & Chaffee Crossing (2010)

Projection	Projection Type	Projected Exponential Annual Growth Rate (for comparison)	Comments (Projections Through)
1880-2000 Fort Smith Census Data	Linear	0.73%	2030
Bi-State Metropolitan Planning Organization	Linear and Exponential	1.30% (High); 0.84% (Low)	2025
Updated Bi-State Metropolitan Planning Organization	Linear and Exponential	1.40% (High); 0.83% (Low)	2030

Table E-3 – Service Population. Metered Sales, and Per Capita Usage, 2002-2008 (data from Burns & McDonnell, 2009)

Year	Service Area Population	Metered Water Sales (MGD)	Fort Smith Per Capita Usage Gal/person/day	Contract Customers Per Capita Usage Gal/person/day	Average Per Capita Usage Gal/person/day
2002	139,815	23.05	176.8	148.2	164.9
2003	139,627	25.10	203.2	146.4	179.8
2004	138,538	23.51	185.8	145.9	169.7
2005	143,448	24.29	185.9	146.4	169.3
2006	145,356	23.91	182.6	139.8	164.5
2007	146,106	23.06	171.1	139.6	157.8
2008	149,175	22.81	165.7	136.0	152.9
Average:			181.5	143.0	165.4

Table E-4 – Historical Fort Smith Non-Metered Water Percentage and Peaking Factor, 2002-2008 (data from Burns & McDonnell, 2009)

Year	Non-Metered Water (%)	Maximum Day/ Average Day Factor
2002	20.0%	1.54
2003	8.4%	1.51
2004	12.9%	1.39
2005	15.9%	1.44
2006	14.9%	1.53
2007	8.5%	1.59
2008	3.2%	1.57
Average:	12.0%	1.51

Appendix G

Citizen's Advisory Committee Presentations

ADVISORY COMMITTEE MEETING

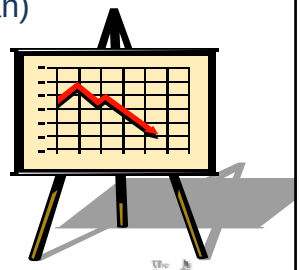
Water and Sewer Operations Efficiency Study

October 18, 2011

Presented by
HDR Engineering, Inc.

Overview of the Presentation

- Introductions – Getting to know us and you!
- Understanding the Advisory Committee's expectations, your areas of interest and role in this study
- Overview of HDR and our experience and qualifications
- Project Scope of Services (Work Plan)
- Overview of the City's water and sewer system
- Next Steps



Key City Project Team Members

- Mitzi Kimbrough, CPA, Internal Auditor
  - (479) 784-2271 mkimbrough@fortsmith.gov

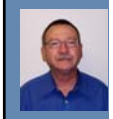
- Ray Gosack, City Administrator

- Alie Bahsoon, Dept. of Finance; Purchasing Mgr.

- Kevin Sandy, M.B.A., Rate & Financial Analyst

Key City Project Team Members

- Steve Parke, Director of Utilities



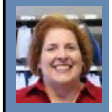
- Jack Dillon, P.E., Civil Engineer / Assistant Director of Utilities

- Steve Floyd, Superintendent

- Leroy Jeremiah, Superintendent

Key City Project Team Members

- Bill Hon, Business Manager



- Kara Bushkuhl, Director of Finance

- Chuck Guillory, Collections Manager

- Jackie Joyce, Assistant Finance Director

Key HDR Project Team Members

- Don Lindeman, P.E. – Project Manager and Task Manager: Planning

- Tom Gould – Assistant Project Manager

- Glenn Dostal, P.E. – Task Manager: Operations

- Scott Bash, Task Manager: Organizational

Key HDR Project Team Members
(continued)

- Chris Sheridan, Operations Specialist

- Priscilla (Cil) Pierce, Task Manager – Finance/Rates

Should other personnel or other areas of expertise be required HDR has significant resources and experts

Advisory Committee Members

- Dave Burrell
  - 452-1400 (H)
  - burrell.dc@gmail.com
- Gary Campbell
  - 459-7314 (W)
  - gwc@garycampbell.com
- Michelle Cernak
  - 646-5151 (W)
  - westarkplumbing@att.net
- Tim Dooley
  - 784-1322 (W)
  - tdooley@okfoods.com
- Matthew Garner
  - 434-8618 (H)
  - mgarner@baldor.com
- Patrick Jacobs
  - 719-5385 (W)
  - pjacobs@carcoint.com
- Bruce King
  - 573-2809 (W)
  - bdking@mosleyabstract.com
- Bill Maddox
  - 452-4173 (H)
  - bilox@cox.net
- Kevin Moran
  - 784-6401 (W)
  - kmoran@sparks.org
- C. Leo Patterson
  - 783-6661 (H)
  - caliban@cox.net
- Lorie Robertson
  - 242-2167 (W)
  - lorie@rightmindsads.com

Role of the Advisory Committee

- Goal: To provide an effective public involvement process during the study
- An Advisory Committee should:
  - Fully participate and have two-way communication (listen and provide input/feedback)
  - Take into consideration differing viewpoints, along with local community values and needs
  - Recognize the challenges of providing safe drinking water and wastewater collection and treatment services in a cost-effective and efficient manner
  - Receive Committee recommendations throughout process
  - Review draft final report and study recommendations

Advisory Committee "Ground Rules"

- Have a fun and enjoyable experience!
- Be on time for meetings; if you can't attend, please let us know
- Be respectful of all opinions and viewpoints
- HDR will manage the discussion of the group to keep the group focused
- All Committee communications should go through Mitzi Kimbrough
  - (479) 784-2271 mkimbrough@fortsmith.gov

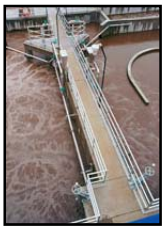
About HDR Engineering, Inc.

About HDR Engineering

- Founded in 1917. Based in Omaha
- Diverse engineering and management consulting firm
- HDR consists of more than 7,800 employees in 165 offices
- Experts in all areas of utility engineering and operations
- Nationally recognized experts in financial planning and rate setting
- Constantly growing and changing to meet our client's ever changing needs

HDR Provides Expertise in Several Areas of Service

- Utility Management Services
- Water Supply and Treatment
- Wastewater Treatment and Disposal
- Pump Stations and Pipelines
- Alternate Delivery
- Construction Services
- Utility Financial Planning and Rate Setting
- Efficiency Studies



HDR's Experience With Other Utilities

- HDR Clients
  - City of Fayetteville AR
  - City of Bentonville AR
  - Rogers Water Utilities AR
  - City of Tontitown AR
  - Hope Water and Light AR
  - City of Clarksville AR
  - City of Jacksonville AR
  - City of Russellville AR
  - City of North Little Rock AR
  - City of Wichita KS
  - City of Salina KS
  - City of Neosho MO
  - City of Charlotte NC
  - San Diego Public Utilities Department
  - City of Branson MO

Key Components of Efficiency

Putting the Pieces of the Puzzle Together

Defining "Efficiency" and the Main Focus of this Study

- Efficiency can be defined in different ways
  - Improvements leading to direct cost savings
  - Improvement to a process leading to improved levels of service, but potentially not significant cost savings
- Main focus of this study
  - Identify those areas where major improvements can be made
    - Not intended to identify all areas, only those with significant potential (i.e. a "sifting" process)
    - City should begin with improvements to those areas with greatest potential
    - "Continuous improvement" and performance measurement should be an organization's culture

Finance/Rates

Gaining Efficiency – Sources of Cost/Rate Impacts

- Rate impacts are primarily driven by:
  - Regulatory requirements
  - Increasing energy, chemical, fuel prices
  - Bond covenants – need to meet debt service coverage

  Costs outside the control of the City

  - Operating costs – electrical usage, chemical consumption, wages/benefits, etc.
  - Growth/expansion
  - Capital improvement plans
  - Utility programs
  - Financial policies

  Costs managed and controlled by the City (where major efficiencies may be found)

Overview of Technical Approach

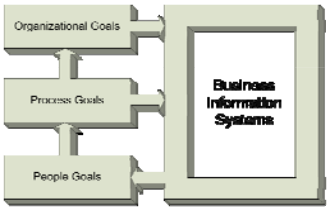
EFFICIENCY

- Task 1 – Initial Project Meeting
- Task 2 – Data Collection and Review
- Task 3 – Review of Organizational Structure/Issues
- Task 4 – Review of Water and Sewer Operations
- Task 5 – Review of Planning
- Task 6 – Review of Finance/Rates
- Task 7 – Written Report
- Task 8 – Citizen's Advisory Committee
- Task 9 – Board (Public) Presentation

At the conclusion of the study, the City will have a prioritized list of the specific steps/actions to be taken to gain efficiency in costs and the organization

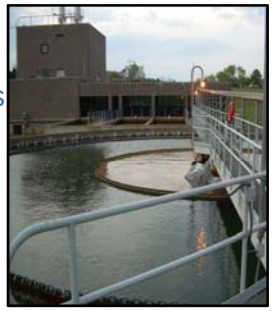
Task 3 – Review of Organizational Structures/Issues

- **Task Objective:** Review the organizational structure to better understand and define the levels of responsibility for Utility's, Finance and other support services at three levels of the utility's performance; strategic, process and people
- Subtasks
  - 3.1 – Strategy (Org.) Review
  - 3.2 – Business Process Review
  - 3.3 – Staff Interviews



Task 4 – Review of Water and Sewer Operations

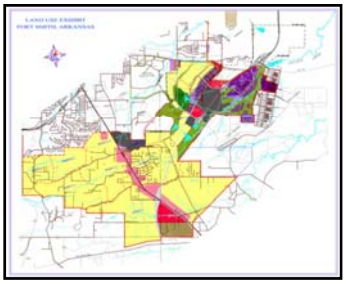
- **Task Objective:** Review the key operating costs of the two water treatment facilities and the two wastewater treatment facilities. Key costs typically include staffing, power and chemicals
- Subtasks
  - 4.1 – Review of Staffing for Facilities
  - 4.2 – Review of Power Costs
  - 4.3 – Review of Chemical Costs
  - 4.4 – Review of Residuals Handling and Disposal Costs



Planning

Task 5 – Review of Planning

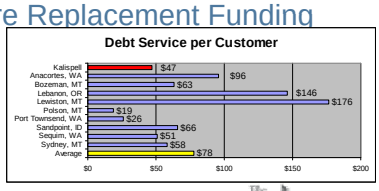
- **Task Objective:** Review and assess the City's past practices as it relates to water and wastewater master/comprehensive planning. The planning process influences and directly impacts the short and long-term efficiencies of the organization.
- Subtasks
  - 5.1 – Review of Demand Forecasts
  - 5.2 – Capital Planning Process
  - 5.3 – Financial Capability



Task 6 – Review of Finance/Rates

Finance/Rates

- **Task Objective** – Provide a review of the role of finance and rates in the efficiency process. Identify areas of financial/rate deficiency and specific areas of potential improvement
- Subtasks
  - 6.1 – Benchmarking of Financial/Performance Indicators
  - 6.2 – Review of Current Financial Policies
  - 6.3 – Review of the Financial Planning Process
  - 6.4 – Review of Infrastructure Replacement Funding
  - 6.5 – Review of Debt/Rate Financing
  - 6.6 – Review of Rate Affordability



Task 8 – Citizen's Advisory Committee

EFFICIENCY

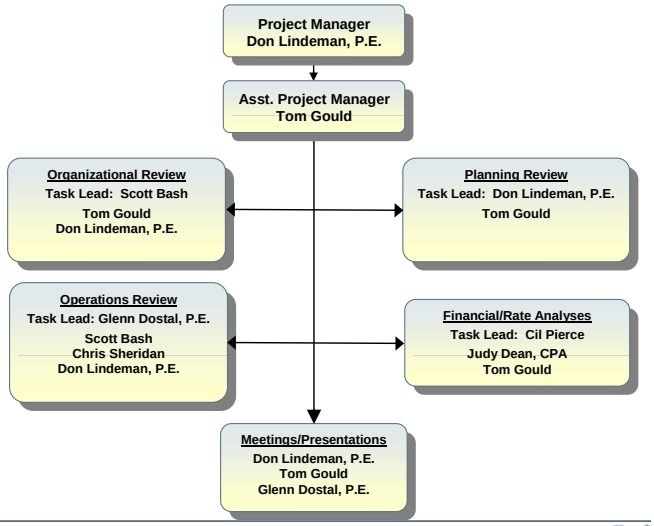
- **Task Objective –** Provide an effective public involvement process by working closely with a Citizen's Advisory Committee to be formed by the City. Gain input and feedback from the Advisory Committee during the study process
- Assumes up to four (4) meetings
  - Review current operations and purpose of study
  - Preliminary review of organizational structure and planning process
  - Preliminary review of operations and financial/rate review
  - Review draft final report and study recommendations

EFFICIENCY

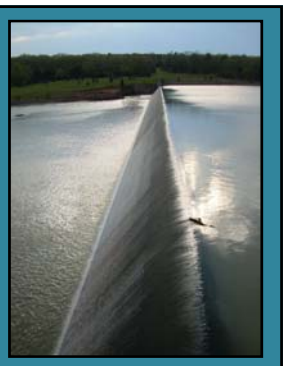
Deliverables from the City's Study

- An understanding of the overall level of efficiency for each utility and supporting functions of other departments
- A prioritized list of potential:
  - Areas for efficiency improvement
  - Policy modifications
  - Financial planning/rate modifications
  - Operational improvements
- Provide a final report documenting
  - Areas needing additional evaluation
  - Potential improvements
  - Clear set of findings, conclusions and recommendations

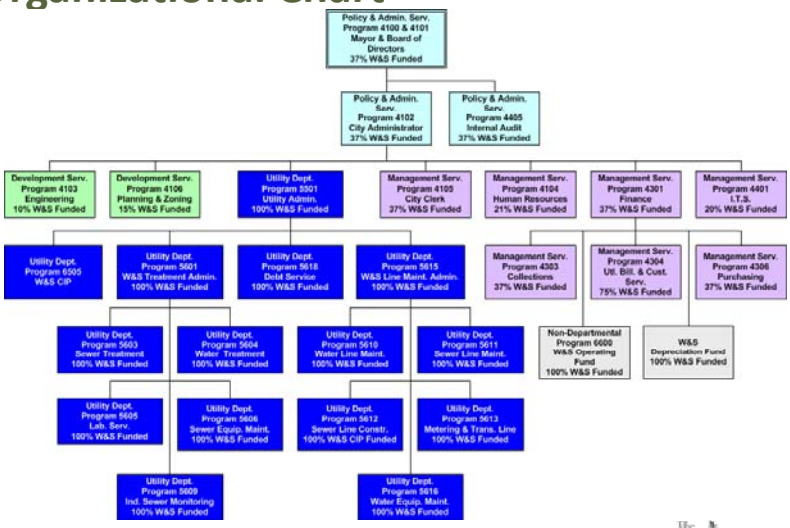
Project Team Organization



Overview of the City's Water and Sewer Operations



Water and Sewer Operating Fund Organizational Chart



Utility Department Interdepartmental Processes

Overview of the City's Water System

- Overview
  - 156,000 Service Population (Includes Wholesale)
  - 9.7 Billion gallons/yr (170gpd/per person)
  - Several Large Industrial Users
- Infrastructure Description
  - Two WTP's – Capacity 63.5 MGD
  - Storage & Pumping – 18 Pump Stations
  - Mains/Services – 680 Miles 1 ½ - 48"
  - Valves/Hydrants
- Regulatory Compliance
  - SDWA
  - Sanitary Survey – ADH
  - Laboratory Certification
  - Operator Certification

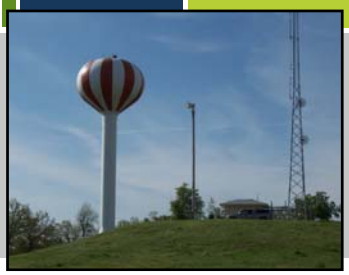
Overview of the City's Wastewater System

- Overview
  - 91,000 Service Population
  - Average Day Treatment – 15 MGD
- Infrastructure Description
  - Two Wastewater Plants – Capacity 22 MGD
  - Collection System
    - Mains/Manholes – 500 miles 6-60"
    - Pumping – 24 Stations
  - Solids Process/Disposal
- Regulatory Compliance
  - Sanitary Sewer Overflows – Wet Weather 65 MGD
  - NPDES Permit
  - Operator Certification
  - Nutrient Limits

Wastewater Costs Are Driven by Regulatory Issues

- Capital Costs
  - Sewer Overflows
  - Nutrient Removal
- Operation & Maintenance Efficiency

Next Steps



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Next Steps

1. HDR has lots of work and research
2. Next meeting will begin to focus on planning and organization
3. Selection of a Chairperson at next meeting

ADVISORY COMMITTEE MEETING

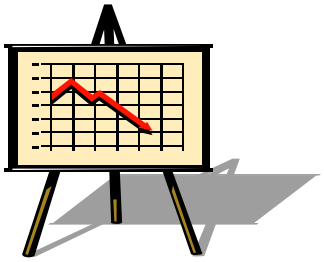
Water and Sewer Operations Efficiency Study

December 8, 2011

Presented by
HDR Engineering, Inc.

Overview of the Presentation

- Review of Last Meeting
- Selection of Advisory Committee Chairperson
- Efficiency Study Topics for Today:
  - Review of Organizational Structures
  - Review of the Planning Process
- Next Steps



Review of Introductory Meeting

- Introduced Personnel
  - Key City Project Team Members
  - Key HDR Project Team Members
- Discussed Advisory Committee Role (will review again)
- Discussed Efficiency and what it means
- Discussed Technical Approach Including:
  - Overview of Organizational Structures
  - Overview of Planning
- Presented the City's Water and Wastewater Systems

Role of the Advisory Committee

- Goal: To provide an effective public involvement process during the study
- An Advisory Committee should:
  - Participate and have two-way communication (listen and provide input/feedback)
  - Consider differing viewpoints
  - Consider local community values and needs
  - Recognize the challenges of providing safe drinking water and wastewater collection and treatment services in a cost-effective and efficient manner
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Advisory Committee "Ground Rules"

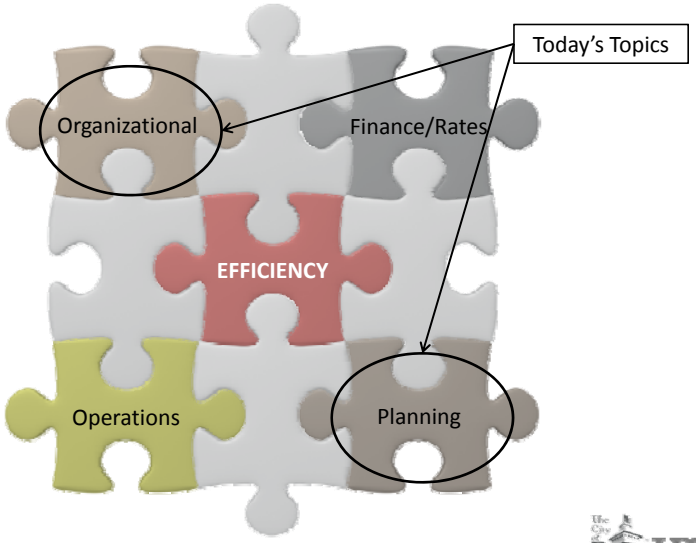
- Have a fun and enjoyable experience!
- Be on time for meetings; if you can't attend, please let us know
- Be respectful of all opinions and viewpoints
- HDR will manage the discussion of the group to keep the group focused

Selection of the Advisory Committee Chairperson

- Roles of Chairperson
  - Responsible for collecting and summarizing Committee's recommendations on the Draft Report
- All Committee communications should go through Mitzi Kimbrough
  - (479) 784-2271 mkimbrough@fortsmith.gov

Key Components of Efficiency

Putting the Pieces of the Puzzle Together



Efficiency Evaluation

Most Efficient

Capability Maturity Model – Carnegie Mellon

Level	Definition
Optimized	Continual improvement and refinement with documented standards and procedures
Managed	Quantitative measurements are defined and used for business improvement and setting quality standards
Defined Approach	Defined systems supported with a repeatable approach that is documented and communicated within the organization
Repeatable	Reactionary and without a documented approach
Initial	Limited awareness within organization

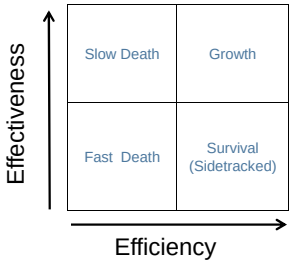
Least Efficient

Efficiency Evaluation

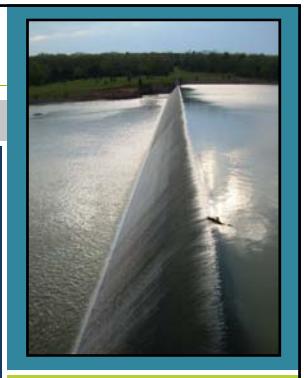
- Evaluations of Cities are subjective
- Reaching "Optimized" level in every category may not always be practical or beneficial
  - Example – Fleet Maintenance of vehicles
    - Changing oil on regular schedule is a “defined approach”
    - Testing the oil to determine a more “optimized” frequency for oil changes will not bring additional value over the manufacturer’s recommendation
- Organizational benchmarking is different than benchmarking chemical or power consumption
- Benchmarking against yourself is more meaningful
  - Establishes a baseline to measure improvement
  - Helps identify strengths weaknesses in the organization
  - Sets up parameters for organizational planning
  - Allows you to see how you have improved as an organization

What are these observations and recommendations based on?

- Interviews with City staff
- Review of documents provided by the City
  - Organization
  - Planning
- Discussed the interview results internally to HDR
- HDR conducted efficiency evaluation



Review of Organizational Structures



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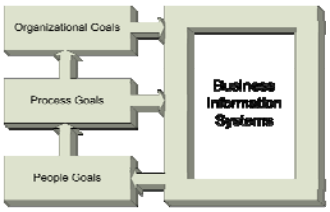


Review of Organizational Structures/Issues

- Evaluate the following areas:
  - Strategic Goals and High Level Business Processes
  - Billing/Collection Process Efficiency
  - Operational Business Procedures
  - Critical Business Information Systems
  - Benchmarking
- The study is not complete:
  - This is a preview of what will be explained in the report
  - Efficiency savings have not yet quantified (determined the amount of savings or efficiency)

Strategic Goals and High Level Business Processes

- Examples of Goals and Processes:
  - Vision and Mission
  - Long Term Goals
  - Annual Business Plan
  - Service Levels
  - Performance Metrics
  - Regulatory Compliance
  - Risk Management
  - Organizational Flexibility
- Efficiency Rating
  - Repeatable to Defined Approach

From: Fort Smith Strategic Management Development Plan

Strategic Goals and High Level Business Processes

- Examples of Positive Areas
  - Regulatory Compliance
    - Working on consent decree for wastewater improvements
    - Meeting Water quality requirements
  - Customer Concerns
    - Defined approach for handling customer concerns
- Areas for Improvement
  - Risk Management
    - Risk management plan and policy needed – Current decision process does not include defined risk component
  - Customer Satisfaction
    - No way to quantify – can't tell if improving
  - Human Relations
    - Succession plan would protect utility from personnel losses

Metering/Billing/Collection Process Efficiency

- Finance (Billing and Collection):
  - Activation and deactivation of service
  - Collections
  - Manage 3rd party billing system
- Utility Responsibilities
  - Meter reading/repair
  - Meter replacement
  - New service connection installation
- Efficiency Rating
  - Defined Approach

Metering/Billing/Collection Process Efficiency

- Examples of Positive Areas
  - Defined Protocols
    - Meter reading
    - New service installation
    - First responders
  - Staff levels seem appropriate on the billing side
- Areas for Improvement
  - Additional staff may be required to limit time on work orders
  - No measure of "billing" success
  - Meter readers
    - Least efficient meter reading system (compared to AMI)
    - Further investigation to implement automatic meter reading
    - May free persons to aid in understaffed areas
    - Short-term loss but potentially long-term gain
  - Meter Testing
    - Large meters cannot initially be tested before installed
    - Could help identify lost revenue

Operational/Business Procedures

- Procedures occurring day-to-day, including:
  - Operations and Maintenance of the System
    - Cleaning
    - Responding to Customer Complaints
    - Repairing/replacing old meters
  - Spill Response and Reporting (Sanitary Sewer Overflows)
  - Emergency Response Planning
  - Safety Program
  - Stormwater Management
- Efficiency Rating
  - Defined approach

Operational/Business Procedures

- Examples of Positive Areas
  - Performance reviews are done for City Staff
  - Proactive cleaning lists for sewers
  - Collecting data in areas of poor water quality or low pressure for future study
- Areas for Improvement
  - Interviews indicated more staff was needed in the following areas:
    - Mapping (GIS)
    - Sewer maintenance
    - Water meter change-out
    - CMOM (Capacity, Management, Operation, and Maintenance)
  - Activities are reactive rather than proactive.
  - Programs that could be implemented to limit future maintenance include:
    - Root treatment program (sewers)
    - Fats, oils, and grease cleaning program
    - Sewer preplanned condition assessment
    - Water main assessment
    - Valve exercise program

Critical Business Information Systems

- Key Business Information Systems:
  - Lucity:
    - Program is an asset and maintenance management tool
    - Software allows City to organize and manage data
    - Should be fully integrated with GIS to provide geographical relationships and spatial analysis
    - Can track infrastructure items and produce a history including data on all inspections and work performed
    - Only as useful as the data that is entered into it
  - GIS (Geographical Information System):
    - Geographical based data management system; works as a "data source" with Lucity; very powerful tool
  - Others: AutoCAD, Datatronics billing, MVRS reading, phone recording system, Email
- Efficiency Rating
  - Defined Approach

Critical Business Information Systems

- Examples of Positive Areas
  - Lucity is used to track inventory and condition assessment
- Areas for Improvement
  - City has very powerful management tools, but needs to utilize their full capability to gain efficiency

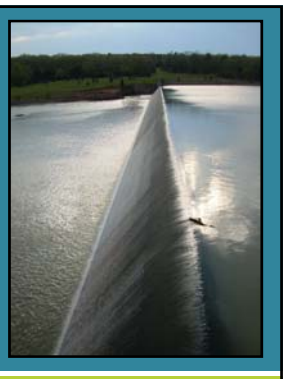
Critical Business Information Systems

- Areas for Improvement (continued)
  - Lucity needs to be more fully utilized
    - Currently tied to inventory; also needs to be tied to a value
    - Needs to be interconnected to GIS system
    - Some data gaps need to be rectified
    - Sanitary Sewer Overflow locations need to be tied to an asset (need GIS information)
  - Water and sewer assets are in AutoCAD
    - Have not been transferred over to GIS
  - Limited staff for this task
  - Defined Standards for As-Built Drawings should make integration from AutoCAD to GIS easier.

Benchmarking

- Where does Fort Smith want to be?
  - Strategic Goals and High Level Business Processes
  - Billing/Collection Process Efficiency
  - Operational Business Procedures
  - Staff Interviews and Ideas for Improvement
  - Critical Business Information Systems

Review of Planning



Task 5 – Review of Planning

- **Task Objective:** Review and assess the City's past practices as it relates to water and wastewater master/comprehensive planning. The planning process influences and directly impacts the short and long-term efficiencies of the organization.
- Subtasks
  - Review of Demand Forecasts
  - Capital Planning Process
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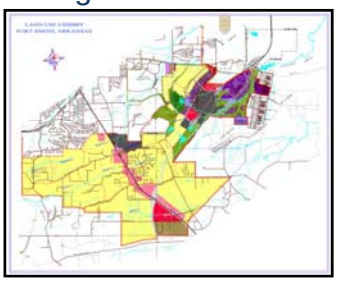


Review of Planning

- We will address the following issues:
  - Water Demand and Wastewater Flow Projection Forecasting
  - Planning Process for Developing the Capital Improvements Program (CIP)
  - Financial Capability of the City
- We have not yet quantified efficiencies (determined the amount of savings or efficiency to be gained)

Water Demand and Wastewater Flow Projection Forecasting

- Verifying Water Demand and Wastewater Flow Projection Data
  - Projecting Water Demands and Wastewater Flows into the future is useful in anticipating infrastructure needs
  - Recent trends in water usage reflect changes in the economy as well as public awareness towards water resources
  - Projecting water and wastewater flows begins with projecting population
    - 2010 Water/Sewer Master Plan by Mickle, Wagner, & Coleman, Inc. discussed three methods of projection
    - Other studies also exist with similar values (Burns & McDonnell, 2009)
    - 0.94% annual growth rate is a reasonable value

Year	Linear Regression	Comprehensive Plan		Bi-State MPO	
		Low	High	Low	High
2000	80,268	-	-	-	-
2025	97,000	99,000	110,300	-	-
2030	100,000	-	-	103,000	121,000
Rate	0.81%	0.93%	1.50%	0.94%	1.69%

Water Demand and Wastewater Flow Projection Forecasting (Continued)

- Population projections are used to make demand projections:
  - Water
    - Currently serve 156,000 customers (including wholesale)
    - Supplies approximately 26.57 million gallons per day (mgd)
    - 170 gallons per person per day (high)
    - Arkansas Average 135 gal/person/d (Qasim et al, 2000).
    - Per capita water usage is likely high due, in part, to large industrial users
  - Current Trends in the Market
    - Per capita water usage is remaining constant or decreasing over time
    - Due to conservation measures
  - Results
    - 170 gallons/person/day is likely to remain constant or decrease (assume it remains constant)
    - At projected growth rate, there will be 186,400 customers in 2030.
    - City would need to produce 31.7 mgd in 2030 (water loss not included)
    - Consistent with Burns and McDonnell report
    - Water Plants current capacity of 63.5 mgd
    - Incentives to Industries to decrease their usage may be beneficial
    - The Utility could undertake other measures to more accurately measure usage, such as assuring the accuracy of meters and working to decrease water loss

Water Demand and Wastewater Flow Projection Forecasting (Continued)

- Water demand projections can be used to make wastewater flow projections:
  - Wastewater
    - Currently serve 91,000 customers
    - City treats approximately 15 mgd on an average day, and has capacity for 22 mgd
    - 165 gallons per person per day (high); would expect value between 100 and 155 gallons/person/day, (M&E, 2003)
    - Potential reasons for higher flows
  - Current Trends in the Market
    - Wastewater trends are more system specific, greatly depends on condition of the system
  - Results
    - At the growth rate indicated, there will be 108,700 customers in 2030.
    - City would need to treat 17.9 mgd in 2030, not considering adding customers from other sewer systems
    - Wastewater Plants have a current capacity of 22 mgd, and will continue to experience issues during wet weather
    - Per capita flow may be reduced through water conservation and system rehabilitation

Water Demand and Wastewater Flow Projection Forecasting (Continued)

- Efficiency Rating
  - Managed
- Examples of Positive Areas
  - Population projections are not unreasonably aggressive
  - Water demand projections have been investigated through the year 2060 (Burns & McDonnell, 2009)
- Areas for Improvement
  - Wastewater capacity (wet weather) will continue to be an issue into the future, sewer system rehabilitation should be examined
  - Water loss is somewhat high 14%-16% for planning and rate calculations (10% considered to be an average amount)
  - Per capita water usage is higher than would be expected
    - Offer incentives to large users to conserve
    - Check accuracy of meters
    - Identify locations of water loss

Planning Process for Developing the Capital Improvements Program (CIP)

- Capital Planning Process (General)
  - Infrastructure improvements should be prioritized based on need
    - "Need" can have several meanings, from failing infrastructure to meeting a government issued consent decree to providing new service
    - Thus, an organized way to assess "need" is required, to properly prioritize projects (the financial aspect of this decision will be discussed next)
- Current Process
  - City has Water and Sewer Master Plans
  - Utilities Department gathers data, reviews historical data and analysis, including O&M, and reviews all projects
  - Projects are then compared to the amount of funding available
  - Committee of 2-3 knowledgeable people then prioritize the projects
- Efficiency Rating
  - Defined Approach

Planning Process for Developing the Capital Improvements Program (CIP)

- Examples of Positive Areas
  - Wastewater Master Plan to be updated in 2012
  - Utility is doing the best with the information and systems available
- Areas for Improvement
  - CIPs are evaluated each year, But should be updated every 5 years
  - Risk Management is needed:
    - Current process does not appear to take into account any risk management
    - Risk management would allow for a transparent process taking into account available knowledge about the system
    - Helpful in justifying project funding
    - Would allow the CIP to include significant maintenance issues

Financial Capability Of the Utility

- A Capital Improvements Program is only useful if it can be funded at reasonable utility rates or with a reasonable amount of debt service
  - Should include the following:
    - Funding Plans
    - Capital Funds Set Aside
    - Rehabilitation and Replacement Funding
    - Maintenance Costs
- Efficiency Rating
  - Defined Approach

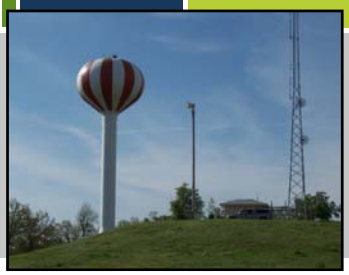
Financial Capability of the City

- Examples of Positive Areas
  - Favorable Bond Rating (AA-)
  - Some renewal and replacement funds
  - Rate and sales tax increases were made to fund the required debt service requirements
- Areas for Improvement
  - It is difficult to identify how prioritization decisions are made
    - Levels of service
    - Criticality of need
    - Risk management planning
    - Asset management planning
  - Resources are limited to manage improvement projects
  - Board sets budget based on their perceived budget constraints rather than clearly identified procedures

Summary of Recommendations

- The Utility is not broken, in fact, it is doing well in many areas
  - Qualified, experienced, and knowledgeable staff
  - Good facilities
  - In the next 20 years, staff will be retiring and equipment will be aging, so the time to plan is now
- Major Recommendations
  - Need to improve the use of information systems the Utility already has to take advantage of the knowledge in the Utility
  - Risk and Asset Management Planning is needed so that decisions (CIP, staffing obligations) are more transparent and based on documented procedures and information
  - Need to prioritize improvement projects based on risk management or service level goals – working hard (which they are) versus working efficiently.

Next Steps



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Next Steps

1. HDR still has lots of work and research
2. Financial quantification of recommendations
3. Board Briefing – January 10, 2012
4. Next meeting:
   1. Water and Sewer Operations
   2. Financing/Rates
   3. January ???????

QUESTIONS?????

ADVISORY COMMITTEE MEETING

Water and Sewer Operations Efficiency Study

February 13, 2012

Presented by
Don Lindeman, P.E.
Glenn Dostal, P.E.
Tom Gould, P.E.
HDR Engineering, Inc.

Overview of the Presentation

- Review of Last Meeting
  - Review of Organizational Structures
  - Review of the Planning Process
- Efficiency Study Topics for Today:
  - Review of Water and Sewer Operations
  - Review of Finance/Rates
- Next Steps

Review of Second Meeting

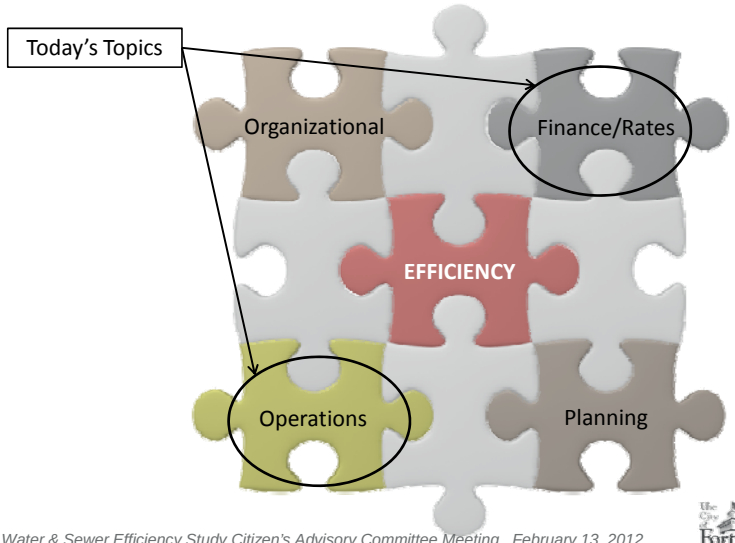
- Discussed Preliminary Findings and Recommendations in the Following Areas:
  - Organizational Structure
    - Need to improve the use of information systems the Utility already has to take advantage of the knowledge in the Utility
  - Planning Process
    - Risk and Asset Management Planning is needed so that decisions (CIP, staffing obligations) are more transparent and based on documented procedures and information
    - Need to prioritize improvement projects based on risk management or service level goals

Advisory Committee Goals

- Goal: To provide an effective public involvement process during the study
- The Advisory Committee should continue to:
  - Participate and have two-way communication
  - Consider differing viewpoints
  - Consider local community values and needs
  - Recognize the challenges of providing safe drinking water and wastewater collection and treatment services in a cost-effective and efficient manner
  - Provide Committee recommendations throughout
  - Review draft final report and study
- All Committee communications should go through Mitzi Kimbrough
  - (479) 784-2271 mkimbrough@fortsmith.gov

Key Components of Efficiency

Putting the Pieces of the Puzzle Together



Efficiency Evaluation

Most Efficient

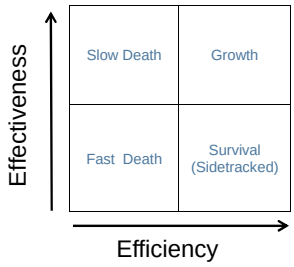
Least Efficient

Capability Maturity Model – Carnegie Mellon

Level	Definition
Optimized	Continual improvement and refinement with documented standards and procedures
Managed	Quantitative measurements are defined and used for business improvement and setting quality standards
Defined Approach	Defined systems supported with a repeatable approach that is documented and communicated within the organization
Repeatable	Reactionary and without a documented approach
Initial	Limited awareness within organization

Efficiency Evaluation

- Efficiency Evaluations of Cities are subjective
  - Based on interviews with City staff as well as documents such as water and wastewater master plans
  - HDR conducted evaluation based on information provided, internal discussions, and professional experience
- Reaching "Optimized" level in every category may not always be practical or beneficial (car oil change example)



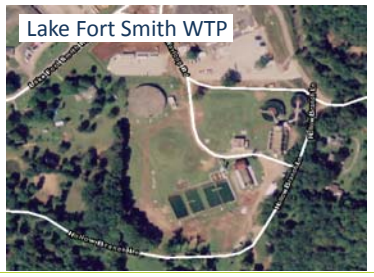
Review of Water and Sewer Operations

Review of Water and Sewer Operations

- **Task Objective:** Review the key operating costs of the two water treatment facilities and the two wastewater treatment facilities. Key costs typically include chemicals, power, residuals disposal, and staffing.
- Subtasks
  - Review of Power Costs
  - Review of Chemical Costs
  - Review of Residuals Handling and Disposal Costs
  - Review of Staffing for Facilities

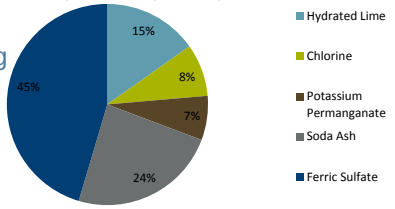
Water Treatment and Distribution

- Two Water Treatment Plants
  - Lee Creek Plant
    - Capacity of 23.5 (15) MGD; Average of 7-9 MGD
  - Lake Fort Smith Plant
    - Capacity of 40 MGD; Average of 15-17 MGD
- Water Distribution System
  - Pumping and Elevated Storage
  - Topography dictates multiple booster stations



Chemical Consumption (Water)

- Both plants use chemicals for treatment (sedimentation, coagulation, and filtration)
- Annual Costs
  - Lake Fort Smith: $605,000
  - Lee Creek: $500,000
- Positive Areas
  - Chemicals are used efficiently; staff has good knowledge of quantities of chemicals used
  - Reverse bidding is resulting in competitive pricing
- Areas for Improvement
  - Quicker response to changing influent conditions (increased in-line monitoring)
  - Plant Water Reuse
    - Filter to Waste



Annual percentage of Chemical Costs (Lee Creek)

Power Consumption (Water)

- Power represents a significant cost to the Utility and is primarily used for pumping
- Positive Areas
  - Staff is aware of electrical costs
  - Operation is adjusted to avoid excessive demand charges
  - Plan in place to prioritize Lake Ft. Smith Plant operation when reservoir levels permit (lower pumping costs)
- Areas for Improvement
  - City aware that "peaking" is costly, examine real-time monitoring of electrical loads
  - Lake Ft. Smith could consider in-line energy recovery
  - Lee Creek could consider smaller high service pump once Lake Ft. Smith Construction is Complete

Electrical Costs (Sept 2010 – Aug 2011)

Facility	Annual Cost	Percentage of Annual Cost
Lake Fort Smith	$93,035	12%
Lee Creek	$444,635	58%
Pumping Facilities	$224,744	30%
Total:	$762,414	100%

Note: 13 pumping facilities; each <5% of Annual Cost

Residual Disposal (Water)

- Residuals are created from the material that settles out or is removed from the water during the treatment process
- City currently landfills materials
- Positive Areas
  - City has conducted recent studies (2008), which determined the current method of residual disposal to be the most cost effective
- Areas for Improvement
  - No recommendations at this time

Residual Disposal Costs (2010 – 2011)

Year	Cubic Yards	Residuals Handling Costs
2010	8,000	$177,100; $22/cy
2011	11,000	$320,120; $29/cy

Staffing (Water)

- Staffing levels were investigated to determine if facilities are significantly under or overstaffed
  - Each Plant has 11.5 FTE assignments
  - Distribution System has 56 FTE assignments
  - Laboratory is versatile and performs many tasks
    - Watershed Monitoring
    - Hydroelectric Operation Limitations
- Positive Areas
  - Staff is attentive and knowledgeable

Staffing (Continued) (Water)

- Areas for improvement
  - Explore the addition of composite sampling to the plants to decrease operator workload
  - Inventory practices, including keeping critical spare parts lists, should be implemented
  - Consider operating the plants over the night shift unattended

Benchmarking Introduction (Water)

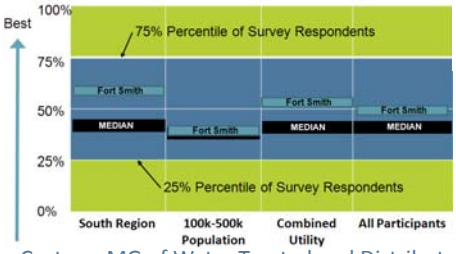
- Benchmarking was conducted in three areas to see where Ft. Smith compared to other Utilities
  - Based on American Water Works Association Standards in three areas:
    - Million Gallons per Day (MGD) per FTE
      - Water produced per employee
    - Cost per Volume of Water Treated
      - Measure of the cost of water treatment alone
      - Cost includes chemicals, power, and labor
    - Cost per Volume of Water Distributed
      - Measure of treatment costs and distribution costs (i.e. line maintenance, system pumping, and the labor required)

Benchmarking - Water (continued)

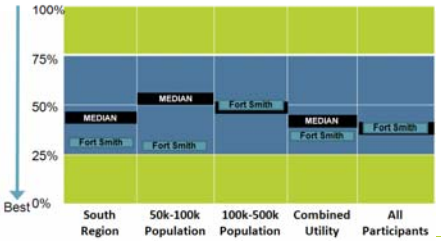
Operations

- Water Benchmarking shows Ft. Smith's staffing levels and costs are reasonable
- "Median" value vs. "Most Efficient" value
- Benchmarking compared to four or five groups of utilities

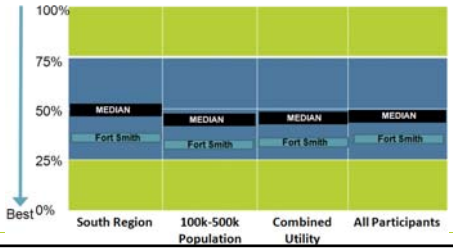
MGD per FTE
(Percentage Range)



Cost per MG of Water Treated
(Percentage Range)



Cost per MG of Water Treated and Distributed
(Percentage Range)



Operations Review - Water

Operations

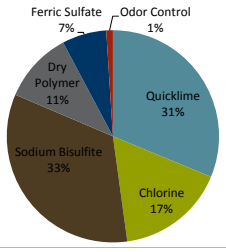
- Overall, Water Treatment Operations appears to be an area in which the Utility is performing well
- Efficiency Rating
  - Defined to Managed Approach
- The Utility has staffing levels and costs that are reasonable when compared to AWWA standards
- Major Recommendation:
  - Improve or take advantage of automation to potentially save staff time, chemical usage, and electrical demand charges

Wastewater Treatment and Collection

- Two Wastewater Treatment Plants
  - P Street Plant
    - Capacity: 12 MGD (83 MGD Wet Weather)
    - Average: 8 MGD
  - Massard Creek Plant
    - Capacity: 12 MGD (20 MGD Wet Weather)
    - Average: 6 MGD
- Collection System
  - 24 Lift Stations

Chemical Consumption (Wastewater)

- Chemicals are used for chlorination/dechlorination as well as coagulation (settling aids)
- Positive Areas
  - Since 2011, Arkansas is allowing disposal of solids without lime treatment, significantly decreasing chemical costs
  - Other chemical usage appears reasonable
- Areas for Improvement
  - Analysis should be done to see if adding a chlorine analyzer could reduce sodium bisulfite quantities



Annual percentage of Chemical Costs (P Street)
September 2010 – August 2011

Power Consumption (Wastewater)

- Like the water system, power represents a significant cost and demand charges are an issue
- Power used for pumping, UV disinfection
- Positive Areas
  - Most pumps in plants controlled by VFDs, which saves energy
  - Staff aware of demand charges and postpone some activities until high demand passes
- Areas for Improvement
  - Aeration blowers could be throttled (P Street)
  - City could review policy on odor control
  - City should examine adding a VFD to the plant water pumps

Electrical Costs (Sept 2010 – Aug 2011)

Facility	Annual Cost	Percentage of Annual Cost
P St WWTP	$273,918	41%
Massard WWTP	$280,248	42%
Lift Stations	$112,451	17%
Total:	$666,617	100%

Residual Disposal (Wastewater)

- Solids are created from material that settles out and from bacteria used to treat the wastewater
- City currently landfills materials
- Positive Areas
  - Lime stabilization no longer required; solids disposal costs are limited to state-required tipping fees and hauling (very cost effective)
  - Current method is most cost effective.

Staffing (Wastewater)

- Staffing levels were investigated to determine if facilities are significantly under or overstaffed
  - Together, the wastewater plants have 30 FTE assignments
  - Collection System has 56 FTE assignments
- Positive Areas
  - Staff is attentive and performs frequent maintenance checks and on-site measurement
  - Staff, in some areas, is shared with the water system, which increases flexibility

Staffing (continued) (Wastewater)

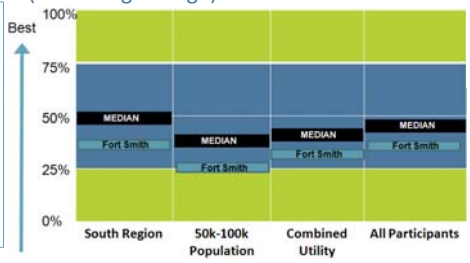
- Areas for improvement
  - Fully utilize the automatic samplers that already are installed at the P Street Plant
  - Consider adding lift station controls to SCADA to be able to remotely start and stop pumps and restart in case of power loss
  - Consider the adequacy of the preventative maintenance plan and its coordination with risk analysis
  - Automation is in place at the P St. Plant to consider operating the plant over the night shift unattended (4 to 8 hours)

Operations Review - Wastewater

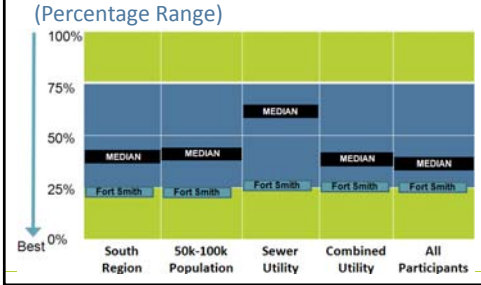
Operations

- Wastewater Benchmarking shows Ft. Smith's staffing levels and costs are reasonable
- MGD per FTE may be lower due to operating two plants
- Cost for wastewater collected and treatment is generally low compared to other utilities

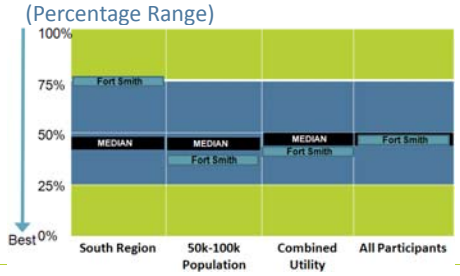
MGD Processed per FTE (Percentage Range)



Cost per MG of Wastewater Treated (Percentage Range)



Cost per MG of Wastewater Processed (Percentage Range)

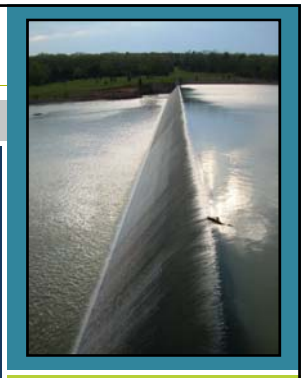


Operations Review - Wastewater

Operations

- Like Water Treatment, Wastewater Treatment appears to be a relatively efficient area
- Efficiency Rating
  - Defined to Managed Approach
- AWWA benchmarking standards show that staffing levels and costs are generally appropriate
- Overall Recommendations:
  - In general, efficiency could be gained through increased use of the existing automation, this may require employee training
  - There are also minor chemical and power efficiencies that could be obtained, all of which would include some level of capital investment

Review of Finance/Rates



Review of Finance/Rates

- **Task Objective** – Provide a review of the role of finance and rates in the efficiency process. Identify areas of financial/rate deficiency and specific areas of potential improvement
- Subtasks
  - 6.1 – Benchmarking of Financial/Performance Indicators
  - 6.2 – Review of Current Financial Policies
  - 6.3 – Review of the Financial Planning Process
  - 6.4 – Review of Infrastructure Replacement Funding
  - 6.5 – Review of Debt/Rate Financing
  - 6.6 – Review of Rate Affordability

Finance/Rate Review

Finance/Rates

- Definition and Purpose of Performance Measures
  - Performance measures, or indicators, are a particular value or characteristic to measure outcomes, efficiency or effectiveness
  - Benchmarking compares performance measures across organizations or sectors. Can lead to:
    - Identification of best practices
    - Where organization fits in a set of "norms"
    - Help to establish improvement targets
    - Can measure progress over time
  - Ultimate goal is to verify effective application of utility resources in providing defined level of service

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HDR

Finance/Rate Review

Finance/Rates

- Benchmarking/Performance Indicators
  - HDR and City staff mutually selected 12 measures for survey purposes
  - Intent is to use these measures after the study is completed (continuous measure and improvement)
  - Survey measure results utilize American Water Works Association (AWWA) national, regional and utility benchmark indicators, along with selected and "comparable" surveyed utilities
  - HDR contacted 10 utilities for comparison[1]; 4 provided responses to date. Not all utilities track all needed data. Anticipating more responses soon; verifying data with a few utilities.

[1]From the AWWA 2010 Water and Wastewater Rate Survey

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HDR

Finance/Rate Review

Finance/Rates

1. Utilities selected based on population served, MGD, state and/or southern region

City	Service Population	Participant Status
Dalton, GA	92,000	Too busy, cannot participate
Lancaster, SC	94,000	Never responded
Decatur, AL	98,000	Not participating
Rogers, AR	55,000	Not received yet
Pueblo, CO	108,000	W
Provo, UT	121,000	Not received; Unsure participation
Savannah, GA	133,000	Not participating
Davidson Water Inc. (Welcome NC)	150,000	W
Fayetteville, AR	75,000	Some data received, not complete
Bentonville, AR	35,000	W & S

– All responses not yet received. Some responses incomplete.

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Finance/Rate Review

Finance/Rates

- Selected Performance/Benchmark Indicators
  1. Drinking Water Compliance Rate (%)
  2. Sewer Overflow Rate (#)
  3. Distribution System Water Losses (%)
  4. Sewer Treatment Effectiveness Rate (%)
  5. Water Distribution System Integrity (leaks and breaks/100 miles of line)
  6. Direct Cost of Water Treatment Per MG ($)
  7. Direct Cost of Sewer Treatment Per MG ($)
  8. Residential Cost of Water Service (Monthly $)
  9. Technical Quality Complaints Per 1,000 Customers (#)
  10. Customer Service Complaints Per 1,000 Customers (#)
  11. Cost Per Bill (Billing Cost)
  12. Bad Debt As a % of Total Annual Billing (%)
  13. Residential Sewer Rate

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Finance/Rate Review

1. Benchmarking/Performance Qualifying Notes:
   - For water utilities, AWWA Report sample size ranges from 19 to 183
     - Majority in the range of 25 to 56 respondents
   - Sewer utility sample size for all measures was less than number of utilities responding for water (both in AWWA Report and HDR survey)
   - AWWARF sample size for financial measures much smaller: 2 to 15 utilities
   - AWWA and AWARF studies from 2005; Data is not adjusted for inflation. Important for financial data.
   - HDR Survey: All utilities have different data systems; Verified data to degree possible.

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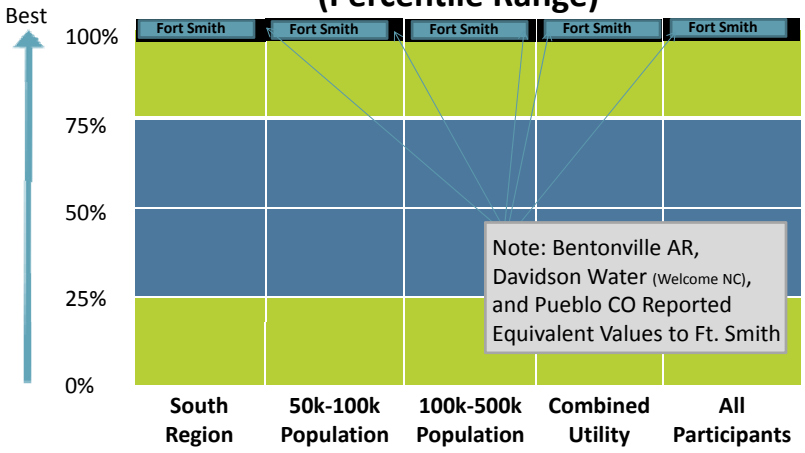
Finance/Rate Review

Drinking Water Compliance Rate (Percentile Range)



- Metric: $\frac{100 * \text{(number of days in compliance)}}{365 \text{ Days}}$

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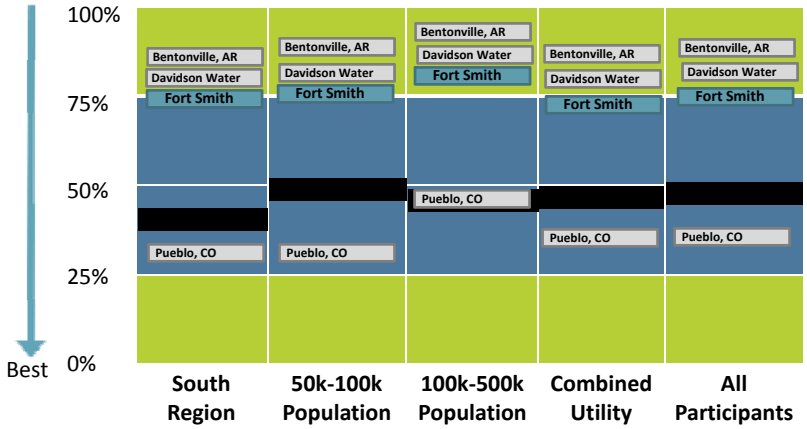
Median Value for Category

Finance/Rate Review

Distribution System Water Losses (Percentile Range)

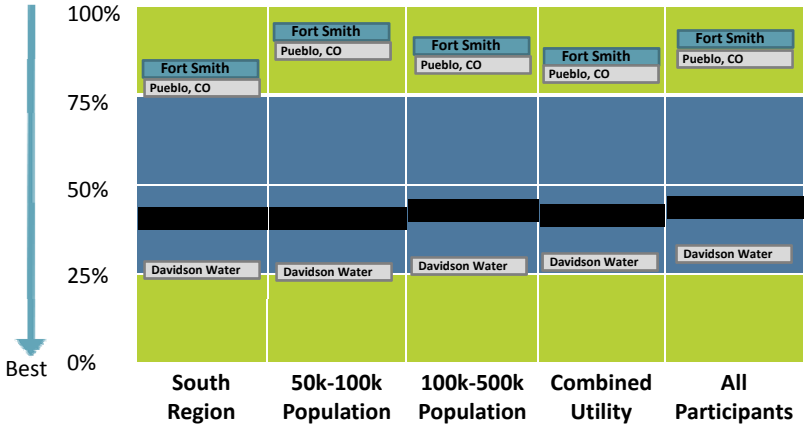


– Metric: 100 (volume distributed-(volume billed + authorized unbilled)) / volume distributed

35 Median Value for Category

Finance/Rate Review

Water Distribution System Integrity (Percentile Range)



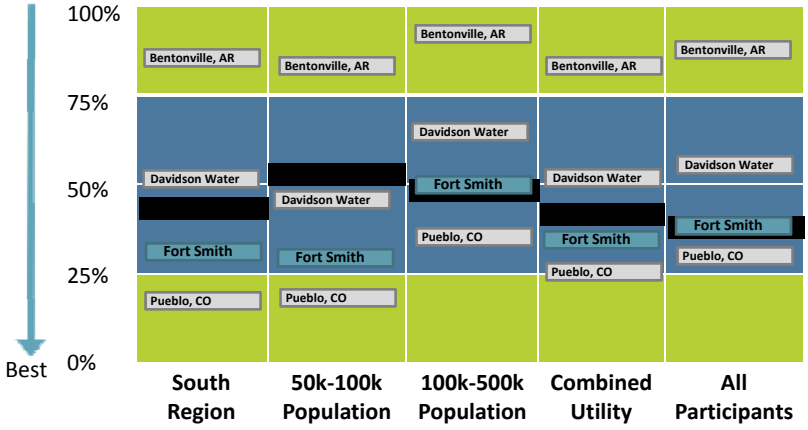
– Bentonville - Not tracked specifically; handled as work order.

– Metric: 100 * (number of annual leaks and breaks) / total miles of distribution piping

36 Median Value for Category

Finance/Rate Review

Direct Cost of Water Treatment per MG (Percentile Range)



– Metric: Direct treatment costs / MG treated

Median Value for Category

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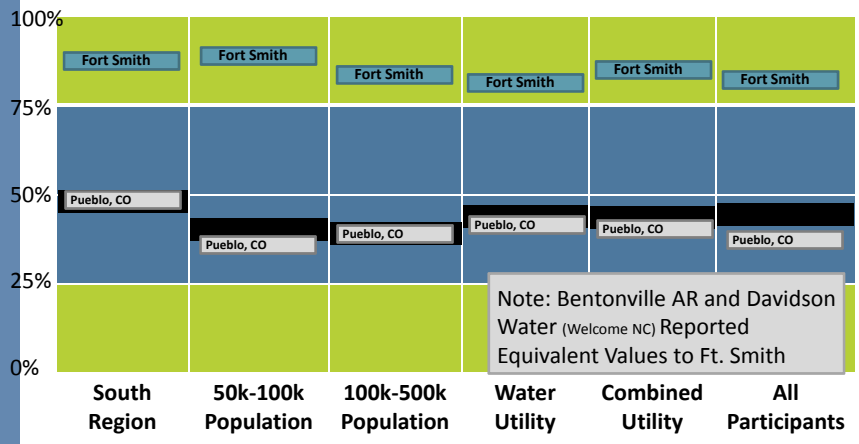
Finance/Rate Review

Residential Water Rate – 2011 Monthly Bill (Percentile Range)



– Metric: 3/4-inch meter and 7,500 gallons usage

Median Value for Category

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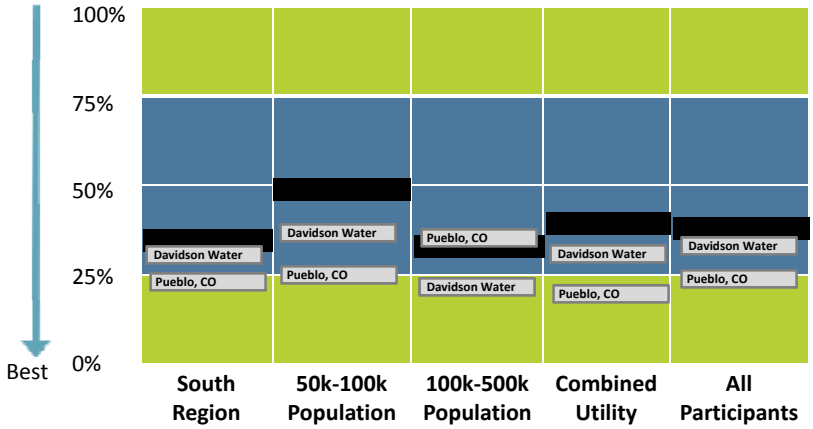
Finance/Rate Review

Technical Quality Complaints/1,000 Customers (Percentile Range)



- Fort Smith & Bentonville – work orders not tracked whether initiated by customer complaint or other factor.
- Metric: 1,000 * (number of technical water quality complaints) / number of active customer accounts

Median Value for Category

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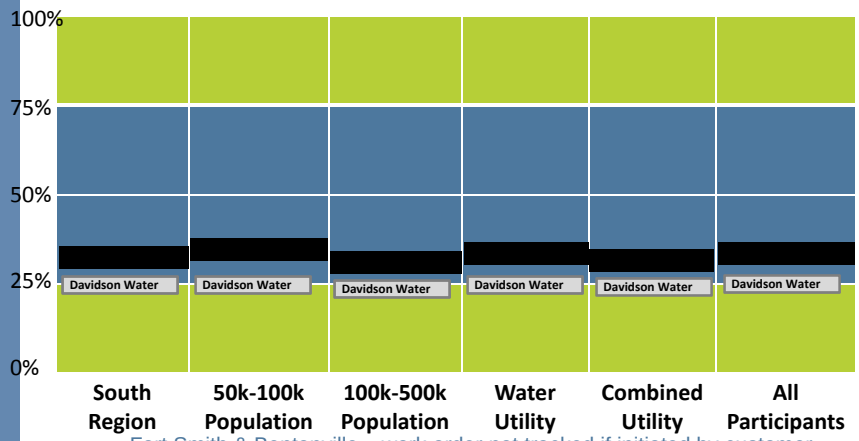
Finance/Rate Review

Customer Service Complaints/1,000 Customers(Percentile Range)



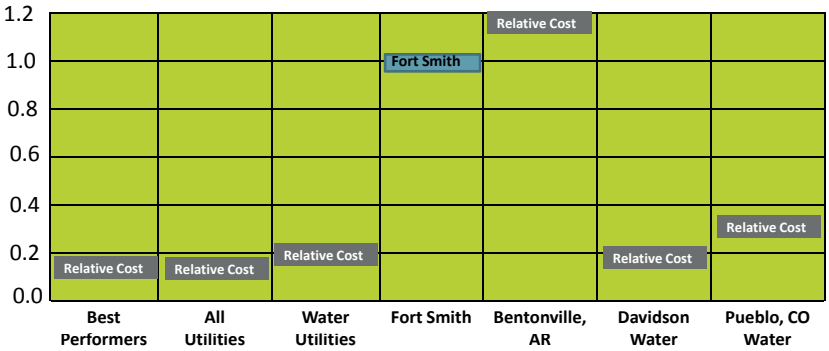
- Fort Smith & Bentonville – work order not tracked if initiated by customer complaint; Pueblo Water did not respond to this item.
- Metric: 1,000 * (number of customer service complaints) / number of active customer accounts

Median Value for Category

40

Finance/Rate Review

Relative Cost Per Bill (Ft. Smith = 1.0)

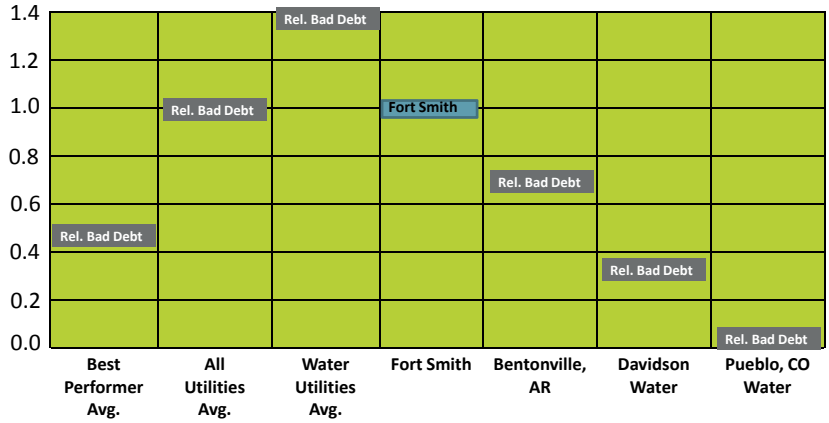


- AWWA reports customer service cost per account, not bill
- Data from AWWARF Benchmarking Water Utility Customer Relations Best Practices, 2006; 15 utilities, 10 water utilities
- Bentonville has all customer service labor costs included
- Metric: total annual cost to issue bills / annual # of bills issued

41 Median Value for Category

Finance/Rate Review

Bad Debt (Ft. Smith = 1.0)

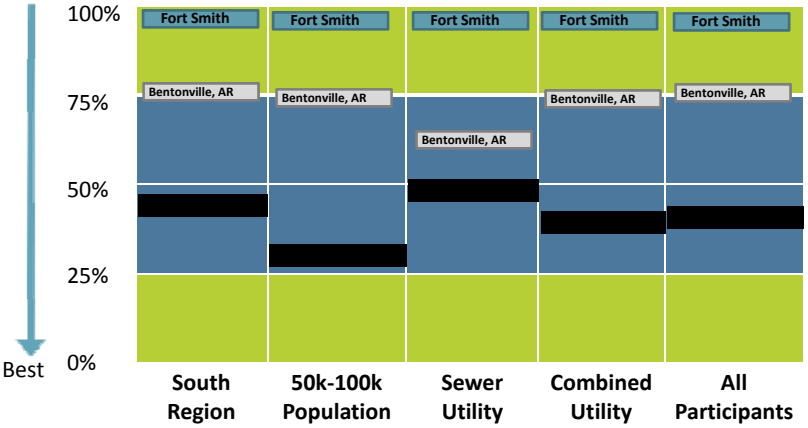


- Not included in the AWWA Benchmarking report
- Data from AWWARF Benchmarking Water Utility Customer Relations Best Practices, 2006; 9 utilities reporting, 6 water utilities.
- Metric: Write-offs / total annual billings

42 Median Value for Category

Finance/Rate Review

Sewer System Overflows per 100 Miles of Pipe (Percentile Range)

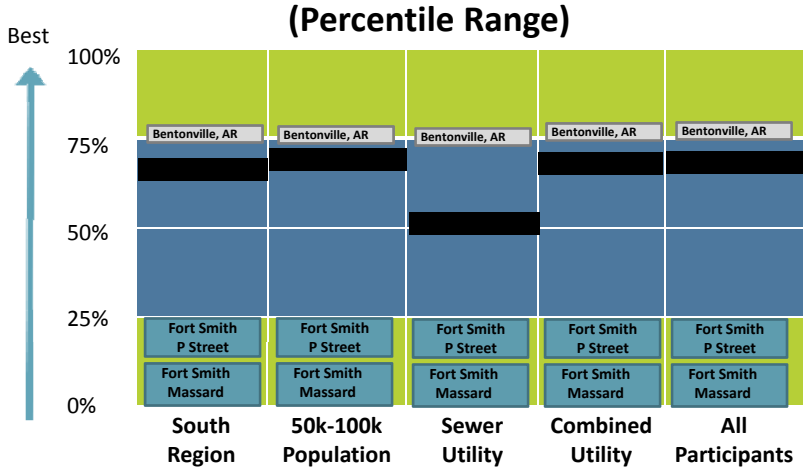


- Fort Smith data 75 overflows.
- Metric: 100 * (number of overflows) / Miles of Pipeline

43 Median Value for Category

Finance/Rate Review

Sewer System Effectiveness Rate (Percentile Range)

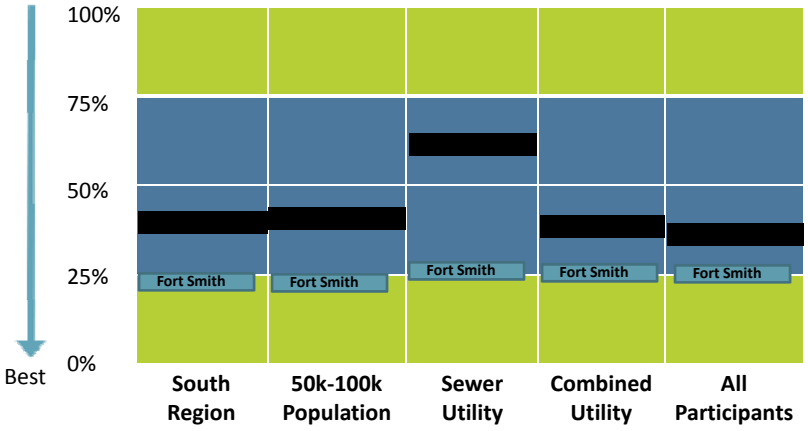


- Metric: 100 * (number of days in compliance) / 365 Days

44 Median Value for Category

Finance/Rate Review

Sewer Treatment Cost per MG (Percentile Range)



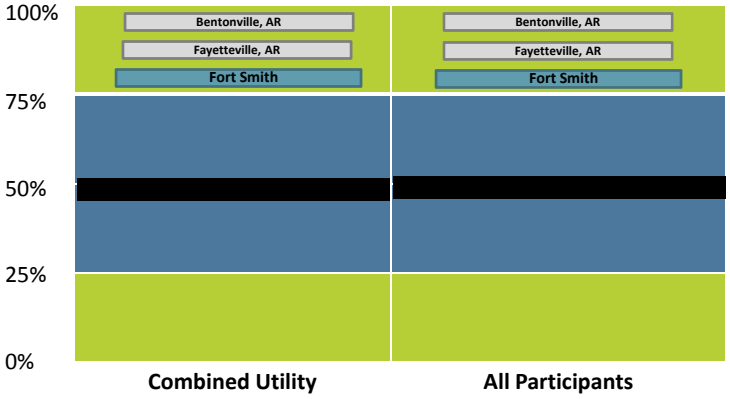
– Metric: Direct treatment costs / MG collected

Median Value for Category

45

Finance/Rate Review

Residential Sewer Rate – 2011 Monthly Bill (Percentile Range)



– Metric: 7,500 gallons usage

Median Value for Category

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Finance/Rate Review

Finance/Rates

1. Benchmarking/Performance Summary:
   - Each utility has unique characteristics and methods of measuring costs; some purchase water, some sewer treatment – numerous variables impact results
   - **WATER:**
     - Utility appears to be above in some measures
     - Utility needs to add resources to maintaining distribution system (R&R funding needed?)
   - **SEWER:**
     - City is working to improve sewer utility performance to meet compliance requirements.
   - Separating technical complaints and customer service complaints by utility may be helpful in the future

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Finance/Rate Review (continued)

Finance/Rates

2. Review of Financial Policies
   - City currently has "City-wide" financial policies
   - Current policies are not well-suited for the utilities
     - At times, too broad and not specific enough for the utilities on certain key financial and rate parameters
   - Benefits from the establishment of utility specific financial/rate policies
     - Board will provide clear policy direction for financial planning and rate setting
     - Demonstrates prudent and sustainable financial planning to the bond rating agencies
     - Creates more consistency in decision-making

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HDR

Finance/Rate Review (continued)

Finance/Rates

2. Review of Financial Policies continued:
   - Example Financial policies:
     - ✓ City policy for debt not to exceed 25% of Operating Revenue:
       - ❖ Utilities have exceeded by 10% last two years
     - ✓ Growth Related policy – "growth pay for growth"
       - ❖ Establish system development charges for new customers to pay equitable share of cost of capacity
     - ✓ Financial planning targets for DSC ratios

➢ Recommendation: Establish utility specific financial policies

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HDR

Finance/Rate Review (continued)

Finance/Rates

3. Review of the Financial Planning Process
   - City has a financial planning model developed by outside expertise
   - Uses "generally accepted" methodologies
   - Review CIP for a projected 5 year period
   - City may want to develop a financial/rate planning model for a longer term to better understand impacts of future capital and regulatory projects
     - Objective: Potential savings by minimizing rates through time using best combination of funding sources (rates, low-interest loans, sales tax bonds, revenue bonds)

50

HDR

Finance/Rate Review (continued)

Finance/Rates

4. Infrastructure Replacement Funding
   - The need for adequate and prudent funding to maintain existing infrastructure (renewal and replacement [R&R])
   - No clear financial plan or policy on this issue
     - No asset management plan in place
     - No minimum rate funding policy (e.g. ≥ annual depreciation expense, a % of total plant assets, etc.)
   - Level of rate funding for R&R appears inadequate
     - Water = $286,000 vs. 2010 Dep. Exp. = $5.5 M
     - Sewer = $986,000 vs. 2010 Dep. Exp. = $3.0 M
     - $1 Million CIP Funding in Water ~ 3.8% adjustment
     - $1 Million CIP Funding in Sewer ~ 8.2% adjustment

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HDR

Finance/Rate Review (continued)

Finance/Rates

6. Benefits of Renewal and Replacement Funding
   - Stronger DSC ratio
   - Reduced reliance on debt
     - ✓ Utilities already exceed the policy of not exceeding 25% of operating revenue for debt by 10%; total 35%
     - ✓ Future year's rate adjustments could be driven by need to meet debt payments and DSC requirements
   - Maintain utility level of service at most effective cost
     - ✓ Reduced water losses/sewer I&I
     - ✓ Replacing assets at optimal time – avoids excessive maintenance costs

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Finance/Rate Review (continued)

Finance/Rates

5. Debt/Equity Financing
   - City has relied upon long-term debt for funding of major capital infrastructure (not unexpected)
     - Use of sales tax bonds vs. revenue bonds
     - Will the citizens continue to support sales tax bonds?
   - City is beginning to feel the pressure of debt and meeting minimum debt service coverage (DSC) requirements
     - Rates will likely need to continue to increase to meet additional capital infrastructure funding, debt issuance and DSC requirements
   - Over the long-term, City's ability to meet DSC may drive debt versus equity (rate) financing

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Finance/Rate Review (continued)

Finance/Rates

5. Debt/Equity Financing continued
   - City's current debt to equity ratio is 60%
     - Typical Range – i.e. considered "optimal"

Debt	Equity	
40%	60%	Conservative
60%	40%	Less Conservative

   - City's debt/equity tends is on the high end due to the high level of infrastructure investment from the consent decree
   - Financial planning process can help to define the goals and target debt/equity ratio(s)

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Finance/Rate Review (continued)

Finance/Rates

6. Rate Affordability
   - Affordability is generally measured on a community-wide basis as a % of median household income
   - Percentage may range from 1.5% to 2.5% of MHI
   - If average monthly residential bill exceeds this measure, the utility's rate may be considered "unaffordable"
   - Current bill compared to a MHI of $36,200
     - ✓ Water – Average Monthly Bill $33.07 = 1.1% of MHI
     - ✓ Sewer – Average Monthly Bill $33.61 = 1.1% of MHI
   - Conclusion: Rates remain affordable and could be increased to address R&R issues
     - ✓ Incorporate affordability test into future Board rate presentations

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Finance/Rate Review (continued)

Finance/Rates

6. Rate Affordability

City of Fort Smith
Review of Utility Rate Affordability

		Range of Affordability		
		1.50%	2.00%	2.50%
Median Household Income	$36,200			
Annual Bill at Affordability Limit		$543.00	$724.00	$905.00
Monthly Bill at Affordability Limit		$45.25	$60.33	$75.42
Water Utility				
Residential rate: 3/4" meter, 7,500 gallons - 2011 was $23.77				
Average Rate - 2011 - 2015; 5-year period	**$33.07**	Pass	Pass	Pass
Percentage of median household income	**1.10%**			
Sewer Utility				
Residential rate: 3/4" meter, 7,500 gallons - 2011 was $25.51				
Average Rate - 2011 - 2015; 5-year period	**$33.61**	Pass	Pass	Pass
Percentage of median household income	**1.11%**			

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Finance/Rate Review (continued)

Finance/Rates

- Other Financial/Rate Issues
  - System development charges (capacity fees)
    - Fee for new customers connecting to the City's water and sewer system to "buy into" the City's available capacity (i.e. existing customers paid for the capacity that is available and should be reimbursed for the value of that available capacity
    - City has discussed this type of fee in the past, but felt it would hinder customer growth
    - From 2006 – 2010, the City had 1,129 new residential connections
      - Conservatively assuming a combined fee of $2,000 per new connection for water and sewer, the City could have collected approximately $2.3 million for growth-related capital infrastructure

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Finance/Rate Review (continued)

Finance/Rates

- Conclusions and Summary Recommendations –
  - For several measures the City compares favorably
    - Focus improvements on leaks and breaks/distribution
    - Adjust data tracking to account for tracking all measures
    - Continue to monitoring progress over time
    - Add new measures as feasible to continue improvements
  - Develop utility specific financial policies
  - Prepare longer-range financial planning/rate forecasts to account for asset renewal and replacement
  - Improve funding from rates for R&R. Transition to funding, at a minimum, annual depreciation expense
  - Consider inclusion of rate affordability test
  - Review policy decision to develop system development charges

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Next Steps

Next Steps

- HDR is working to finalize the draft report
- Next meeting: Draft Report Presentation

QUESTIONS?????

ADVISORY COMMITTEE MEETING

Water and Sewer Operations Efficiency Study

November 15, 2012

Presented by
Don Lindeman, P.E.
HDR Engineering, Inc.

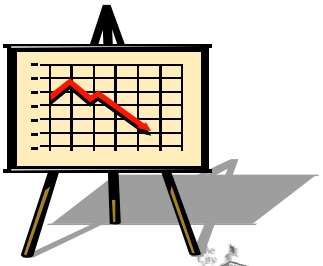
Advisory Committee Goals

- Goal: To provide an effective public involvement process during the study
- The Advisory Committee should continue to:
  - Participate and have two-way communication
  - Consider differing viewpoints
  - Consider local community values and needs
  - Recognize the challenges of providing safe drinking water and wastewater collection and treatment services in a cost-effective and efficient manner
  - Provide Committee recommendations throughout
  - Review draft final report and study
- All Committee communications should go through Mitzi Kimbrough
  - (479) 784-2271 mkimbrough@fortsmith.gov

2

Overview of the Presentation

- Review of Last Two Meetings
- Efficiency Study Topics for Today:
  - Overall Efficiency
  - Recommendations
- Next Steps



3

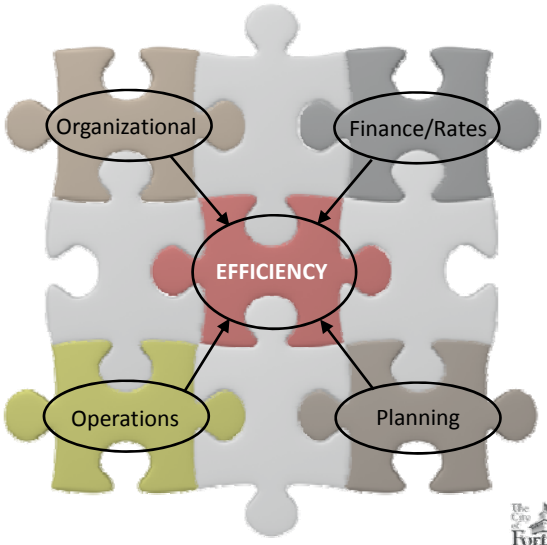
Review of Meetings

- Preliminary Findings and Recommendations:
- Meeting Two – December 8, 2011
  - Organizational Structure
  - Planning Process
- Meeting Three – February 13, 2012
  - Water And Sewer Operations
  - Financing/Rates

4

Overall Efficiency

Putting the Pieces of the Puzzle Together



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Efficiency Evaluation

Most Efficient

Least Efficient

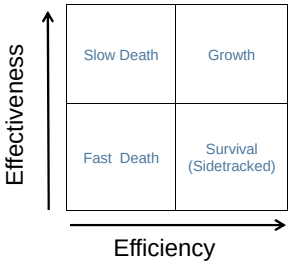
Capability Maturity Model – Carnegie Mellon

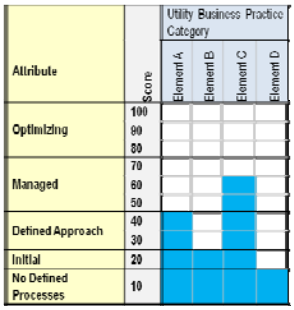
Level	Definition
Optimized	Continual improvement and refinement with documented standards and procedures
Managed	Quantitative measurements are defined and used for business improvement and setting quality standards
Defined Approach	Defined systems supported with a repeatable approach that is documented and communicated within the organization
Repeatable	Reactionary and without a documented approach
Initial	Limited awareness within organization

6

Efficiency Evaluation

- Efficiency Evaluations of Cities are subjective
  - Based on interviews with City staff as well as documents such as water and wastewater master plans
  - HDR conducted evaluation based on information provided, internal discussions, and professional experience
- Reaching "Optimized" level in every category may not always be practical or beneficial (car oil change example)



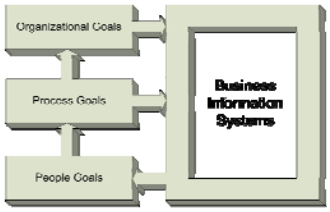


Organizational Structure Recommendations

Organizational

Task 3 – Review of Organizational Structures

- **Task Objective:** Review the organizational structure to better understand and define the levels of responsibility for the Utility, Finance, and other support services, at three levels of performance; strategic, process and staffing
  - Organizational Review
  - Business Process Review



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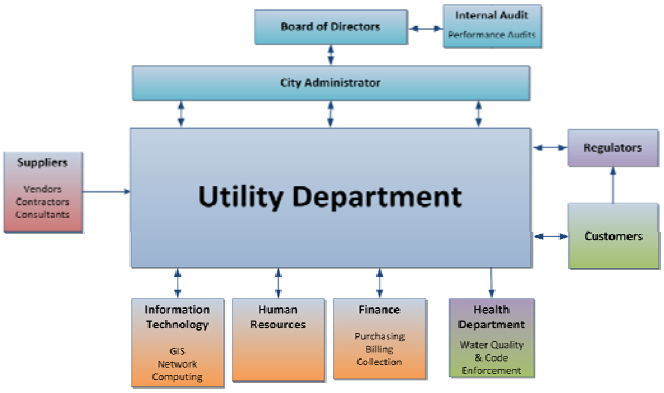
Organizational Interactions

Organizational

- Internal Interactions
- External Interactions



10

Strategic

Organizational

- Business Plans
  - Strategic Management Plan
    - Levels of service – meet regulations
    - Define additional levels of service
    - Managing citizens service expectations
- Master Plans
  - Capital improvement plan
  - System needs analysis

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Business Process

Organizational

- Engineering
  - Project Management
  - Collection and distribution systems
  - Condition assessment
  - Data management
  - Inventory
  - Customer complaints

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Business Process

Organizational

- Meter Reading/Billing/Collection
  - Utility
    - Customer service
    - Meter reading
    - Meter installation and repair
    - Service termination (2-inch and larger meters)
  - Finance
    - New customer accounts
    - Maintenance requests
    - Service terminations (2-inch and smaller)
    - Collection
  - Data Tronics, Inc.
    - Billing
    - Customer Information
  - Information Systems
    - Lucity – work orders, cost of materials, inventory
    - Arc GIS
    - AutoCAD
  - Procedural documentation

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Staffing

Organizational

- Performance
  - Appraisals
  - Training
- Succession planning

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Efficiency Evaluation

Organizational

Efficiency Evaluations

- Defined Approach

Major Report Recommendations

Recommendation	Advantage	Investment Required
Develop an Asset Management Plan as part of the Utility Strategic Plan	Efficient and uniform data management; first step towards condition and risk assessments	Funding of an Asset management team for a year = $100,000
Include Asset Management information in the Capital Improvement Plan	Asset management/risk quantification plans allow resources to be assigned on a quantifiable and repeatable process.	Funding the creation of the plans would require significant investment (estimated $700,000); some staffing time

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Efficiency Evaluation (Cont'd)

Organizational

Recommendation	Advantage	Investment Required
Create Levels of Service and a process for updating the targets as part of the Utility Strategic Plan.	Allows determination of goals for service levels, feedback, and cost comparisons for different service levels	Time and effort would require approximately $20,000
Improve the Utility Billing and Collection Process.	Improvements in efficiency in the meter reading process; provides ability to communicate consumption information	Other AMI studies have indicated capital costs in a range of $450 - $550 per meter; would require evaluation
Create a Succession Plan as part of the Utility Strategic Plan	Limit the strain when key members retire or leave; help to distribute institutional knowledge	Time and effort would require approximately $40,000

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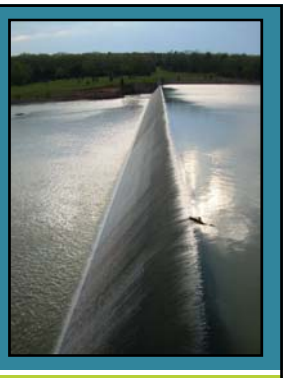
Planning Recommendations



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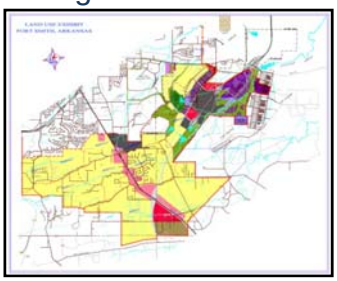
Task 5 – Review of Planning

- **Task Objective:** Review and assess the City's past practices as it relates to water and wastewater master/comprehensive planning. The planning process influences and directly impacts the short and long-term efficiencies of the organization.
- Subtasks
  - Review of Demand Forecasts
  - Capital Planning Process
  - Financial Capability



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Forecasting

Planning

- Water Demand
  - Population projections
  - Water demand projections
    - Historical demands
    - Future demand projections
- Wastewater Forecast
  - Historical
  - Future

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Forecasting (cont)

Planning

- Capital Planning
  - Review historical data
  - Review Master Plan documents
  - Review projects list
    - Current
    - Future
  - Compare needs to available funds
  - Senior staff prioritize projects
- Financial Capability
  - Water/Sewer revenue bonds
  - Sales and use tax construction funds
  - Financial capability testing

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Efficiency Evaluation

Planning

Efficiency Evaluations

- Defined Approach

Major Report Recommendations

Recommendation	Advantage	Investment Required
Identify infrastructure at risk to be included as repair and replacement projects in the CIP	Assign resources based on a quantifiable and repeatable process	Once asset management and risk quantification is implemented there is no additional cost to use it in the CIP planning process
Assess project management and staffing needs	Evaluation of project management can confirm if staff is being over/under utilized and if more staff are required	Study can be done in conjunction with performance reviews
Examine unaccounted for water	Detecting faulty meters early prevents the loss of revenue	Previous reports estimated $250/meter in 2003; Error of 1% of high use meters = $58,000 in savings

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Smith HDR

Water and Sewer Operations Recommendations

22

HDR

Task 4 – Review of Operations

- **Task Objective:** Review the key operating costs of the two water treatment facilities and the two wastewater treatment facilities. Key costs typically include chemicals, power, residuals disposal, and staffing.

23

Water Operation

Lee Creek/Lake Fort Smith WTPs and Pump Stations

- Chemical Consumptions
- Power Consumption
- Residuals Disposal
- Staffing

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Wastewater Operation

Operation

P Street/Massard WWTPs and Lift Stations

- Chemical Consumptions
- Power Consumption
- Residuals Disposal
- Staffing

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Efficiency Evaluation

Operation

Efficiency Evaluations

- Defined Approach

Major Report Recommendations - Water

Recommendation	Advantage	Investment Required
Develop a Watershed Control Program and a Combined Filter Performance Standard for an additional 1.0 log credit.	Help the Utility meet the LT2ESWTR regulation, without a capital upgrade. Development of Watershed Control Program is underway.	Cost of turbidity meters for filtration; cost of studies for regulatory approval. (avoids more costly capital expenditures)
Add an in-line raw water monitor for turbidity and/or pH.	Real-time information could be used to more adequately dose chemicals.	A 1% reduction in chemical would result in a savings of $11,000 annually at the water treatment plants.
Investigate a micro-turbine to see if it is cost-effective to take advantage of the head from the Lake Fort Smith Water Treatment Plant.	Makes use of the hydraulic energy already available in the pipeline	Payback would be defined in the study

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Efficiency Evaluation

Operation

Major Report Recommendations - Wastewater

Recommendation	Advantage	Investment Required
Investigate using the in-line chlorine analyzers for sodium bisulfite dosing	Flow pacing bisulfite based on chlorine demand can reduce chemical usage	Requires evaluation of existing equipment and some additional computer programming
The P St Plant could increase electrical efficiency through the addition of VFDs to blowers (if possible with operating conditions) and in-plant water pumps.	VFDs can decrease electrical usage and thus operating costs.	Initial Investment approaches $80,000; a 5% energy savings would result in an annual savings of $6,500/yr/blower and $1,700/yr/pump

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Finance/Rates Recommendations

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Review of Finance/Rates

Finance/Rates

- **Task Objective** – Provide a review of the role of finance and rates in the efficiency process. Identify areas of financial/rate deficiency and specific areas of potential improvement
- Subtasks
  - 6.1 – Benchmarking of Financial/Performance Indicators
  - 6.2 – Review of Current Financial Policies
  - 6.3 – Review of the Financial Planning Process
  - 6.4 – Review of Infrastructure Replacement Funding
  - 6.5 – Review of Debt/Rate Financing
  - 6.6 – Review of Rate Affordability

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Performance Measures

Finance/Rates

- Selection Process
  - HDR submitted list for City consideration
  - City reviewed 96 performance measures
  - City prioritized 12 measures from AWWA benchmarking report
- Selected Measures
  - Drinking Water Compliance Rate (% Days)
  - Sewer Overflow Rate
  - Distribution System Water Loss (%)
  - Sewer Treatment Effectiveness Rate (%)
  - Water Distribution System Integrity
  - Direct Cost of Water Treatment per MG
  - Direct Cost of Sewer Treatment per MG
  - Residential Cost of Water Service (Monthly for 7,500 gal)
  - Technical Water and Sewer Quality Complaints per 1000 Customers
  - Customer Water and Sewer Service Complaints per 1000 Customers
  - Cost / Bill
  - Bad debt or write-offs as a percentage of total annual billings

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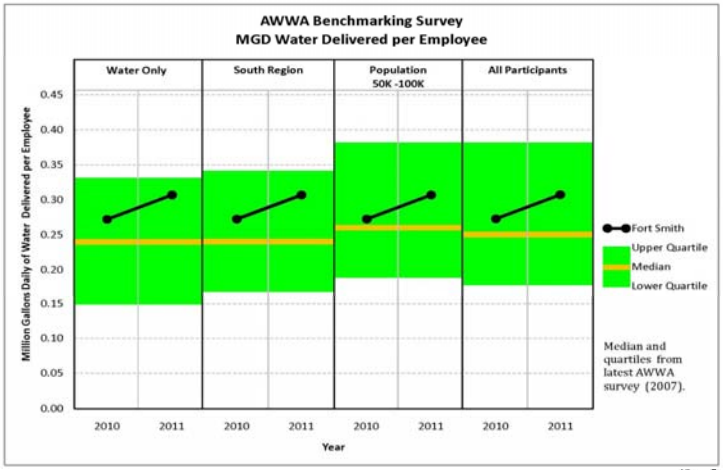
The City of Fort Smith Arkansas HDR

Water - Performance Measures Benchmarking

Finance/Rates

Million Gallons per Day Delivered per Employee



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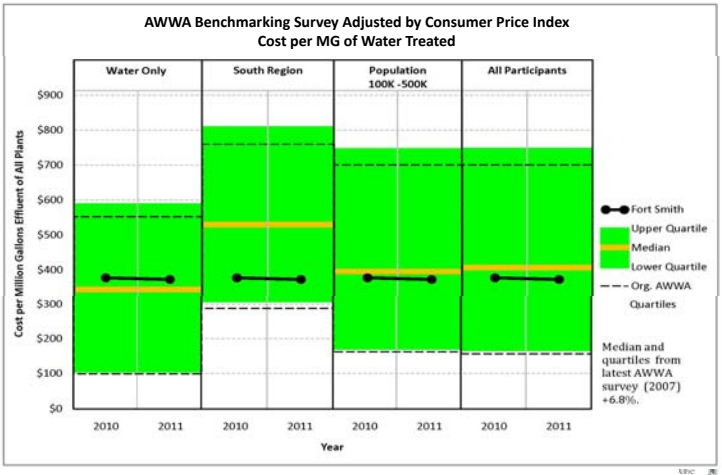
Water - Performance Measures Benchmarking

Finance/Rates

Cost per Million Gallons of Water Treated



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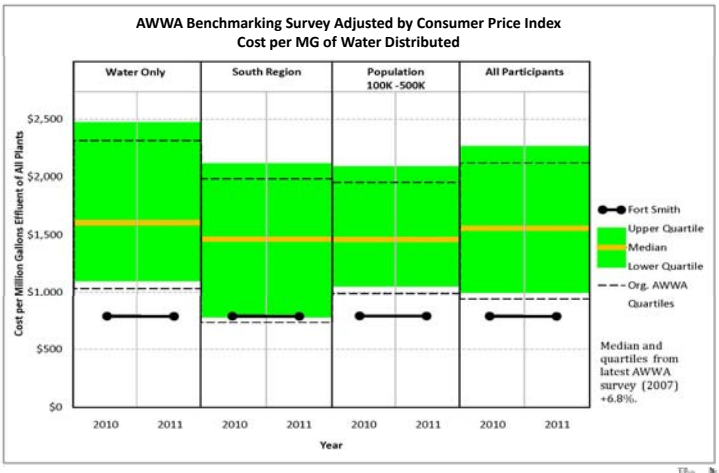
Water - Performance Measures Benchmarking

Finance/Rates

Cost per Million Gallons of Water Distributed



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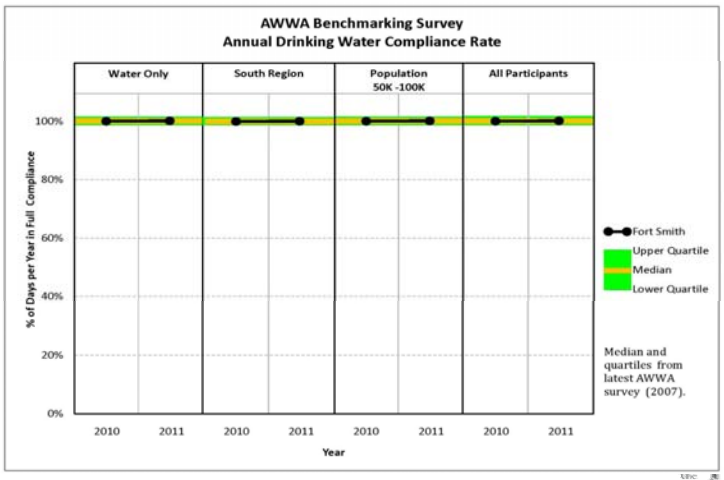
Water - Performance Measures Benchmarking

Finance/Rates

Percentage of Days in Regulatory Compliance



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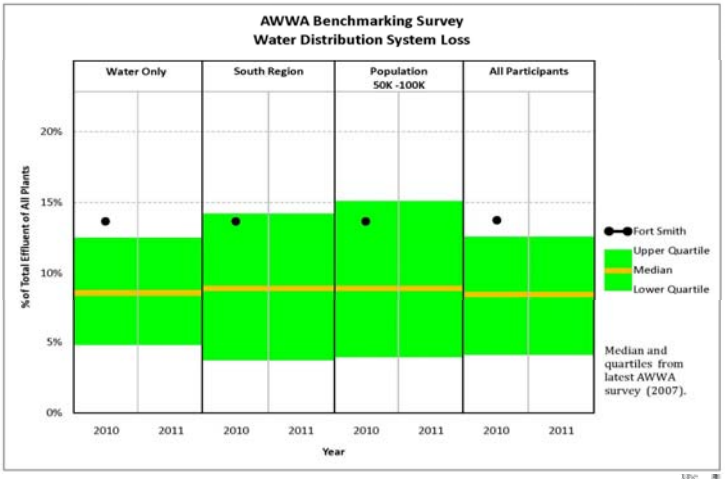
Water - Performance Measures Benchmarking

Finance/Rates

Percentage of Total Distributed Water Lost



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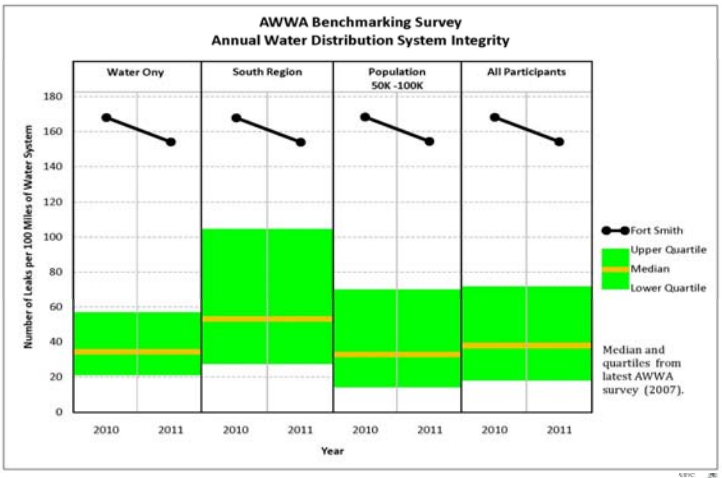
Water - Performance Measures Benchmarking

Finance/Rates

Distribution System Integrity: Number of Leaks and Breaks per mile of line



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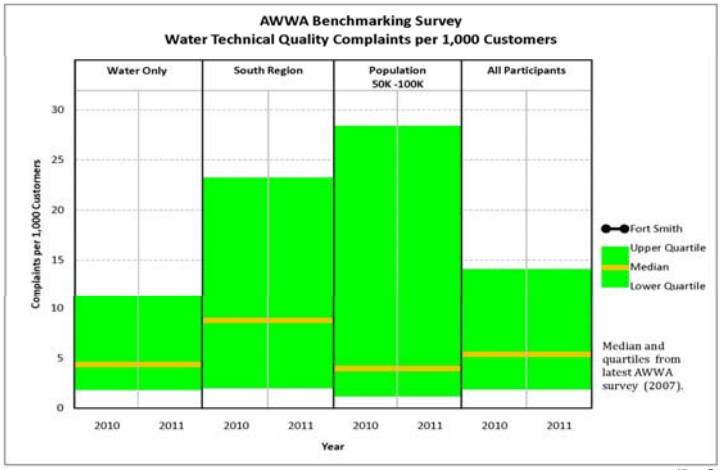
Water - Performance Measures Benchmarking

Finance/Rates

Technical Water Quality Complaints

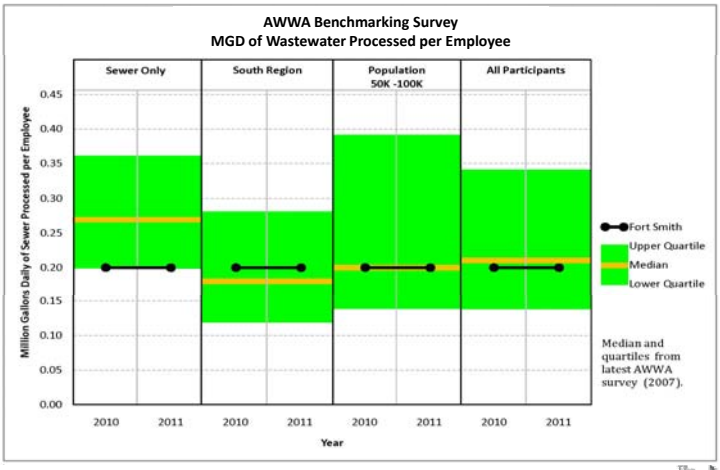


37

Wastewater - Performance Measures Benchmarking

Finance/Rates

Million Gallons per Day Processed per Employee

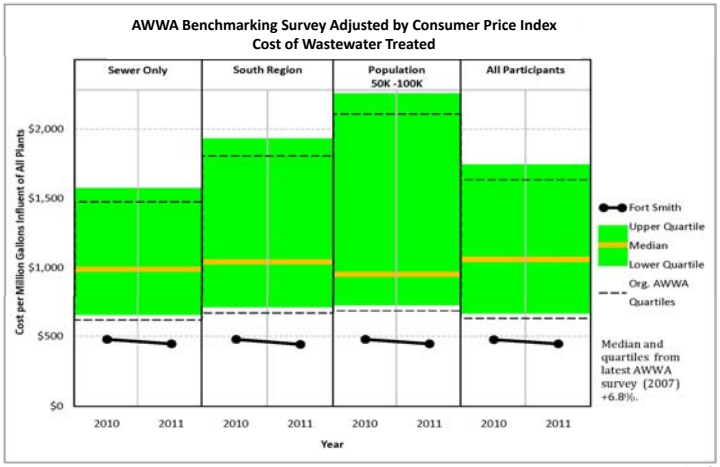


38

Wastewater - Performance Measures Benchmarking

Finance/Rates

Cost per Million Gallons of Wastewater Treated

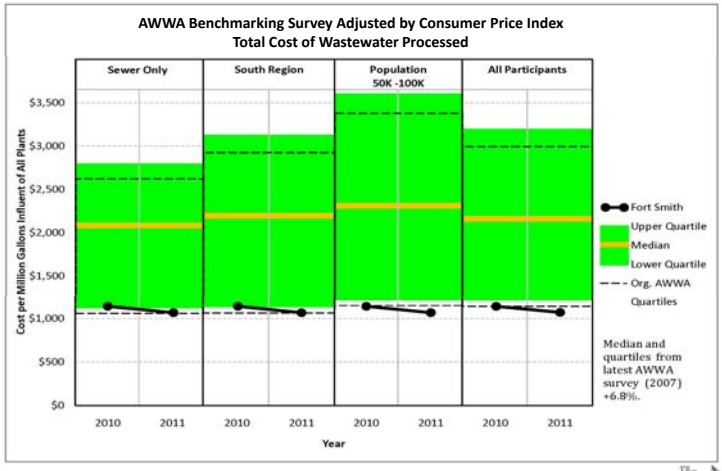


39

Wastewater - Performance Measures Benchmarking

Finance/Rates

Cost per Million Gallons of Wastewater Processed



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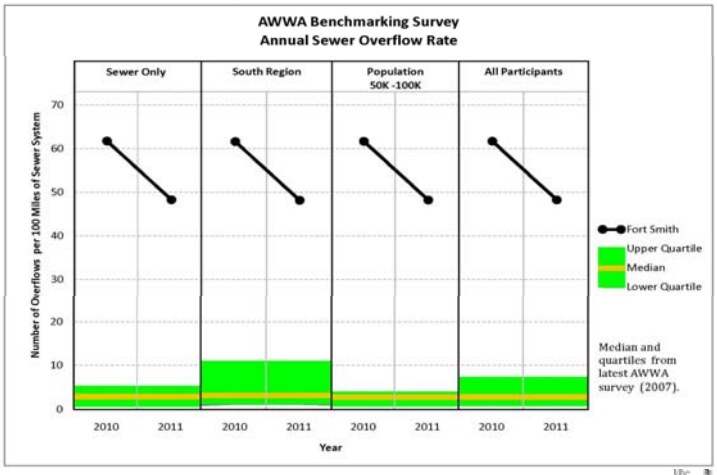
Sewer- Performance Measures Benchmarking

Finance/Rates

Annual Sewer Overflow Rate



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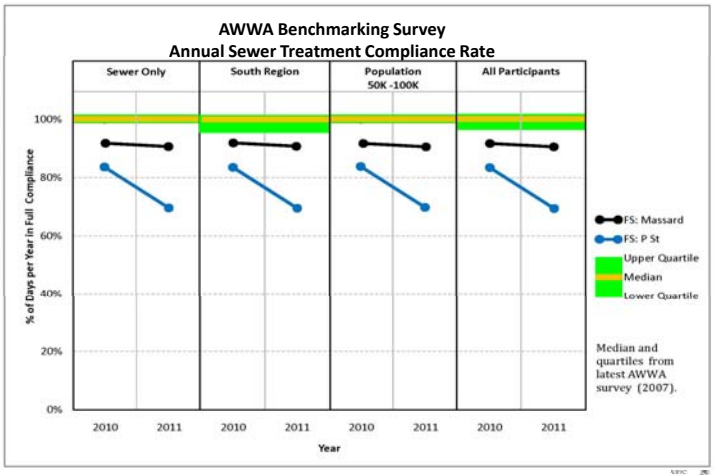
Sewer- Performance Measures Benchmarking

Finance/Rates

Annual Sewer Treatment Compliance Rate



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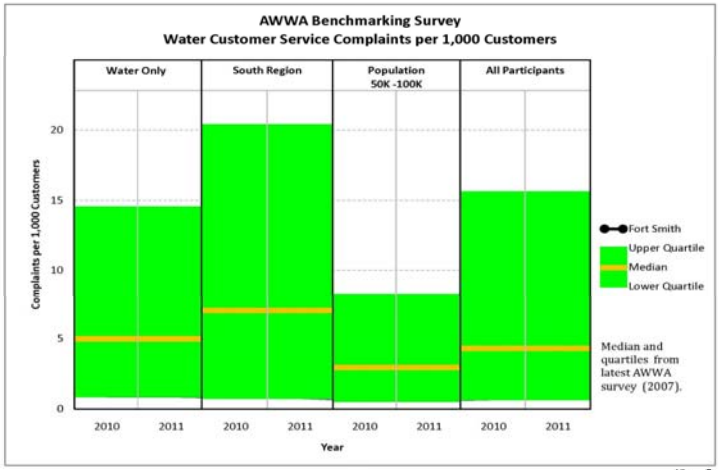
Performance Measures Benchmarking

Finance/Rates

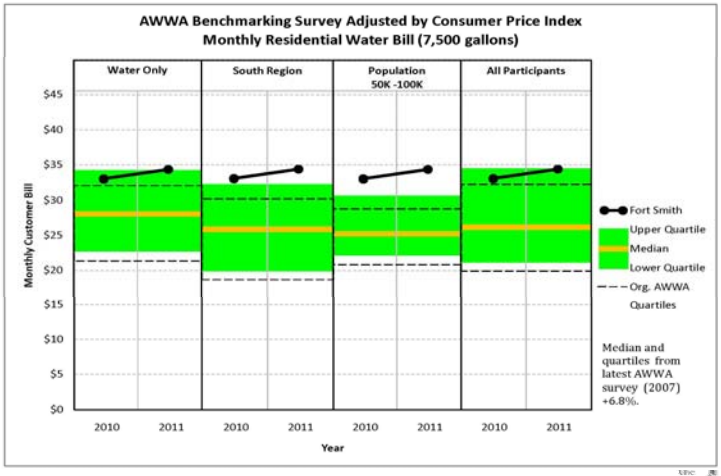
Customer Service Complaints



Water - Performance Measures Benchmarking

Finance/Rates

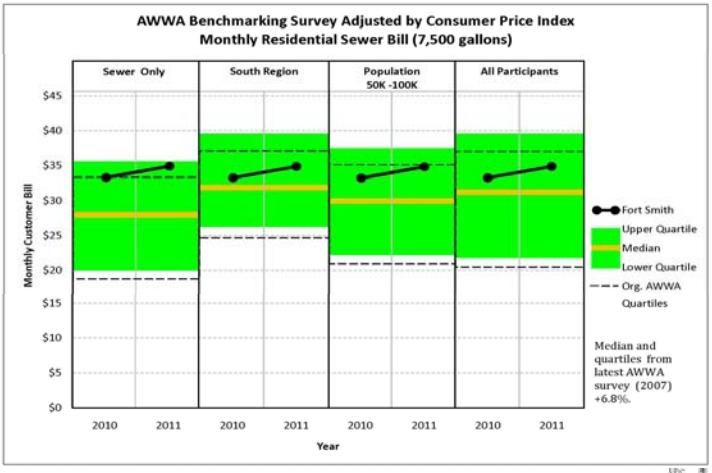
Monthly Residential Water Bill – ¾ Inch Meter



Sewer- Performance Measures Benchmarking

Finance/Rates

Monthly Residential Sewer Bill



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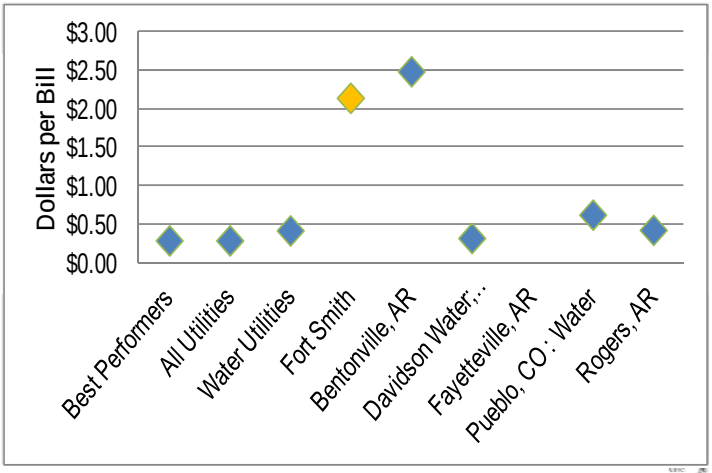
Sewer- Performance Measures Benchmarking

Finance/Rates

Cost per Issued Bill



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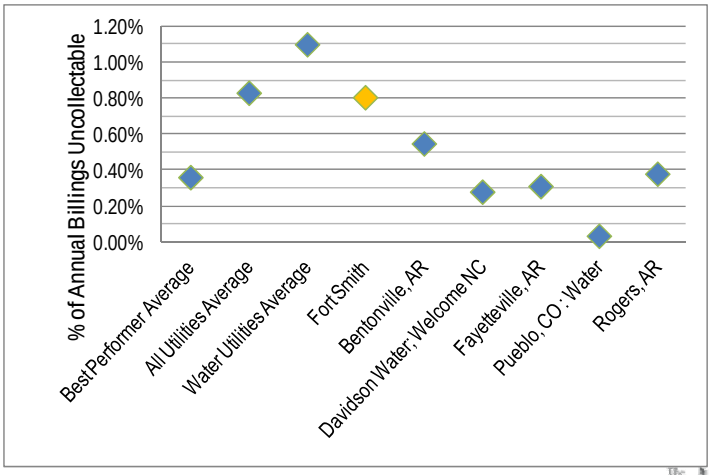
Sewer- Performance Measures Benchmarking

Finance/Rates

Percentage of Total Billing that is Uncollectable



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Financial and Rate Setting Policies

Finance/Rates

- Foundation for financial stability
- Decision making framework
- Day to day financial management
- Utility Specific Policies
  - Management of funds
  - Reserve levels
  - Capital funding/financing
  - Renewal and replacement funding
  - Debt financing
  - Rate setting process
  - Affordability
  - System development charges

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Rate Affordability

Finance/Rates

City of Fort Smith
Review of Utility Rate Affordability

		Range of Affordability		
		1.50%	2.00%	2.50%
Median Household Income	$36,200			
Annual Bill at Affordability Limit		$543.00	$724.00	$905.00
Monthly Bill at Affordability Limit		$45.25	$60.33	$75.42
Water Utility				
Residential rate: 3/4" meter, 7,500 gallons - 2011 was $23.77				
Average Rate - 2011 - 2015; 5-year period	**$33.07**	Pass	Pass	Pass
Percentage of median household income	**1.10%**			
Sewer Utility				
Residential rate: 3/4" meter, 7,500 gallons - 2011 was $25.51				
Average Rate - 2011 - 2015; 5-year period	**$33.61**	Pass	Pass	Pass
Percentage of median household income	**1.11%**			

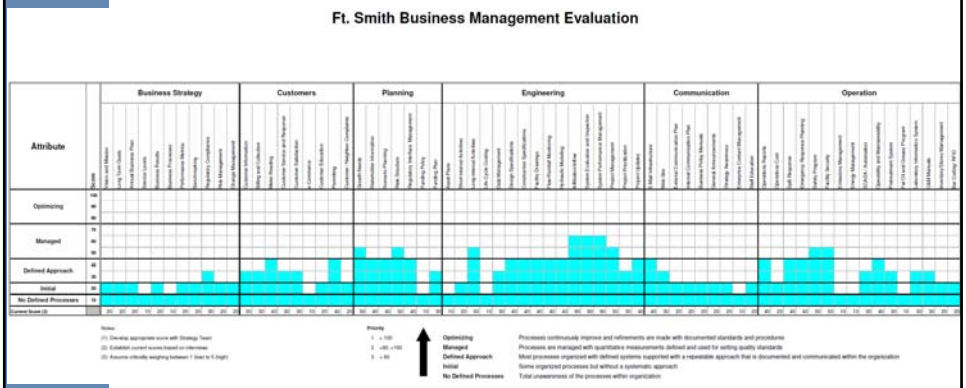
Efficiency Evaluation

Finance/Rates

Recommendations

- Continue collecting and developing performance measures.
  - The Utility should collect data for the performance measures that have been identified for tracking.
  - The Carnegie Mellon Capability Maturity Model can be used by the Utility to assess performance from year to year.
- The City should develop a set of financial and rate-setting policies to guide the decision making processes for the utilities. Most importantly, at a minimum the policies should address:
  - Reserve funds and minimum target balances
  - Funding renewal and replacement infrastructure projects at a minimum level equal to depreciation expense; gradually implementing this policy to avoid rate shock
  - For financial planning purposes, establish a target DSC ratio, above the minimum required rate covenant
  - Establish debt financing policies and targets, and review debt equity ratios.
  - Consider system development charges (connection charges) for both utilities
- Develop a long-term financial planning model (e.g. 10 – 20 years) to better understand the financial and rate implications of the City's long-term financing strategy and the issuance of debt.
- Continue to pursue outside funding sources for capital projects, grants and low-interest loans, to aide in keeping rates as low as possible.
- The rate model results presented to Council should provide the affordability test to help provide a context as to the appropriateness of the level of the rates.

City Self Evaluation Tool



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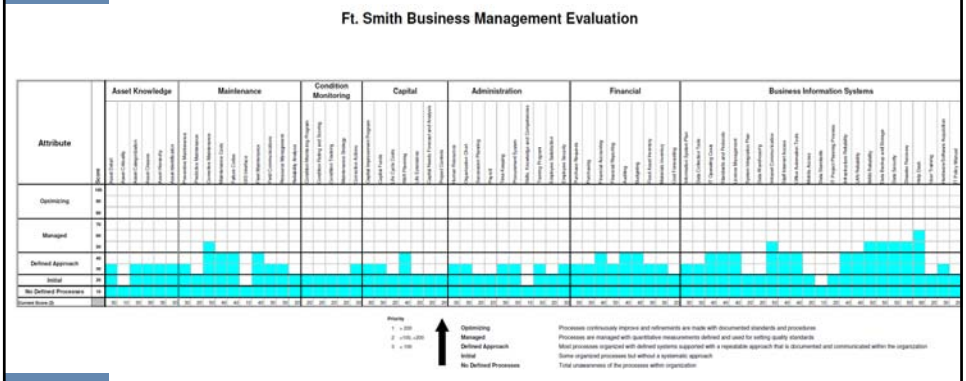
City Self Evaluation Tool



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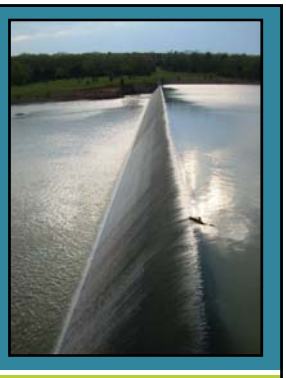
Summary of Recommendations



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Organizational Structure

Organization

- Develop an Asset Management Plan as part of the Utility Strategic Plan with demonstrated commitment from management and a system of continuous improvement.
- Include Asset Management information in the Capital Improvement Plan
- Create Levels of Service and a process for updating the targets as part of the Utility Strategic Plan.
- Improve the Utility Billing and Collection Process.
- Create a Succession Plan as part of the Utility Strategic Plan

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Planning Process

Planning

- Assess project management and staffing needs.
- Examine water loss and better identify areas of unaccounted for water.
- Update Master Plans on regular intervals (i.e. 5 years)

55

Water and Sewer Operations

Operations

Water Recommendations

- An additional 1 log credit can be obtained for the Lee Creek Treatment Facility by utilizing a Watershed Control Program and a Combined Filter Performance standard, which do not require large capital projects to be undertaken.
- Respond more quickly to changing influent conditions through the addition of in-line raw water monitoring for turbidity and/or pH. These samples are currently lab tested and returned.
- A micro-turbine should be investigated to see if it is cost-effective to take advantage of the head from the Lake Fort Smith Water Treatment Plant.

Wastewater Recommendations

- Further investigation should be undertaken to see if using the in-line chlorine analyzer for sodium bisulfite could reduce the quantity of chemical used.
- The P St Plant could increase electrical efficiency through the addition of VFDs to blowers (if possible with operating conditions) and in-plant water pumps.

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Finance and Rates

- Continue collecting and developing performance measures.
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  - For financial planning purposes, establish a target DSC ratio, above the minimum required rate covenant
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- Continue to pursue outside funding sources for capital projects, grants and low-interest loans, to aide in keeping rates as low as possible.
- The rate model results presented to Council should provide the affordability test to help provide a context as to the appropriateness of the level of the rates.

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Next Steps

- Committee Feedback
- Recommendations to the Board of Directors
- Finalize Report

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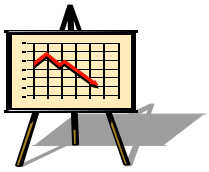
ADDITIONAL QUESTIONS??



Joint Meeting of the Board and Efficiency Study Committee

Water and Sewer Operations Efficiency Study

February 7, 2013

Presented by
Michelle Cernak, Citizen's Advisory Committee
Don Lindeman, P.E., HDR Engineering, Inc.
Tom Gould, HDR Engineering, Inc.

Overview of the Meeting

- Introductions and Purpose of the Study
- HDR Presentation
  - Defining Efficiency
  - Capability Maturity Model
  - Summary Recommendations
- Advisory Committee Discussion
  - Usefulness of the Report
  - Overview of Recommendations
  - Committee Recommendations
- Questions

2

Advisory Committee Members

- Dave Burrell
- Gary Campbell
- Michelle Cernak
- Tim Dooley
- Matthew Garner
- Patrick Jacobs
- Bruce King
- Bill Maddox
- Kevin Moran
- C. Leo Patterson
- Lorie Robertson

3

Key City Project Team Members

- Mitzi Kimbrough, CPA, Internal Auditor

- Ray Gosack, City Administrator

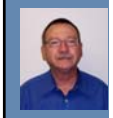
- Alie Bahsoon, Dept. of Finance; Purchasing Mgr.

- Kevin Sandy, Rate & Financial Analyst

4

Key City Project Team Members

- Steve Parke, Director of Utilities



- Jack Dillon, P.E., Civil Engineer / Assistant Director of Utilities

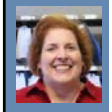
- Steve Floyd, Superintendent

- Leroy Jeremiah, Superintendent

5

Key City Project Team Members

- Bill Hon, Business Manager



- Kara Bushkuhl, Director of Finance

- Chuck Guillory, Collections Manager

- Jackie Joyce, Assistant Finance Director

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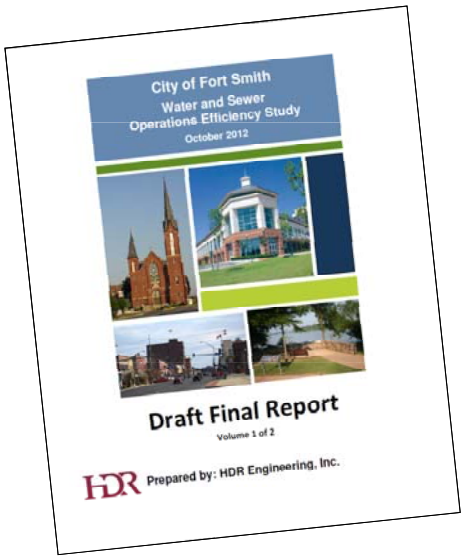
Overview of HDR's Efficiency Study



Defining "Efficiency" and the Main Focus of this Study

- Efficiency can be defined in different ways
  - Improvements leading to direct cost savings
  - Improvement to a process leading to improved levels of service, but potentially not significant cost savings
- HDR's main focus of this study
  - Identification of those areas where major improvements can be made
    - Not intended to identify all areas, only those with significant potential (i.e. a "sifting" process)
    - City should begin with improvements to those areas with greatest potential
    - "Continuous improvement" and performance measurement should be an organization's culture

Gaining Efficiency – Sources of Cost/Rate Impacts

- Rate impacts are primarily driven by:
  - Regulatory requirements
  - Increasing energy, chemical, fuel prices
  - Bond covenants – need to meet debt service coverage

  Costs outside the control of the City

  - Operating costs – electrical usage, chemical consumption, wages/benefits, etc.
  - Growth/expansion
  - Capital improvement plans
  - Utility programs
  - Financial policies

  Costs managed and controlled by the City (where major efficiencies may be found)

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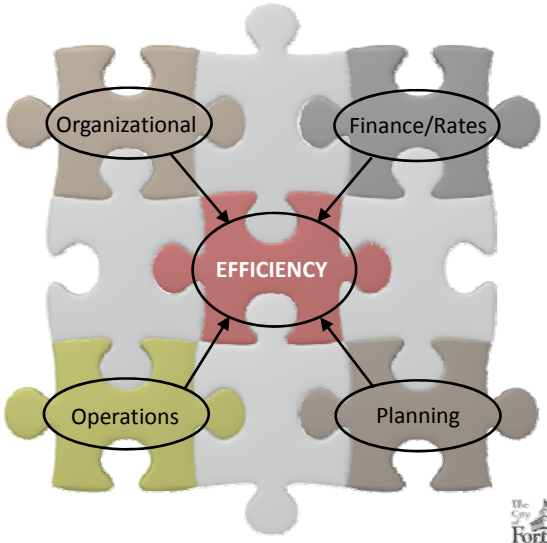
Overall Efficiency

Putting the Pieces of the Puzzle Together



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Efficiency Evaluation

Most Efficient

Least Efficient

Capability Maturity Model – Carnegie Mellon

Level	Definition
Optimized	Continual improvement and refinement with documented standards and procedures
Managed	Quantitative measurements are defined and used for business improvement and setting quality standards
Defined Approach	Defined systems supported with a repeatable approach that is documented and communicated within the organization
Repeatable	Reactionary and without a documented approach
Initial	Limited awareness within organization

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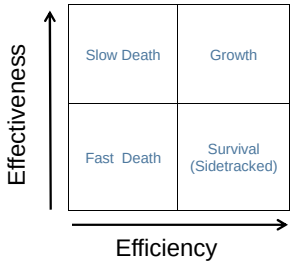
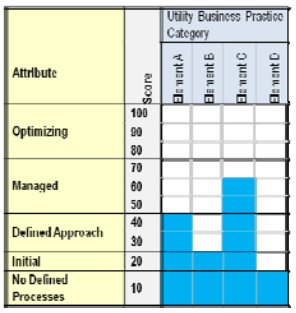
Efficiency Evaluation

- Efficiency Evaluations of Cities are subjective
  - Based on interviews with City staff as well as documents such as water and wastewater master plans
  - HDR conducted evaluation based on information provided, internal discussions, and professional experience
- Reaching "Optimized" level in every category may not always be practical or beneficial





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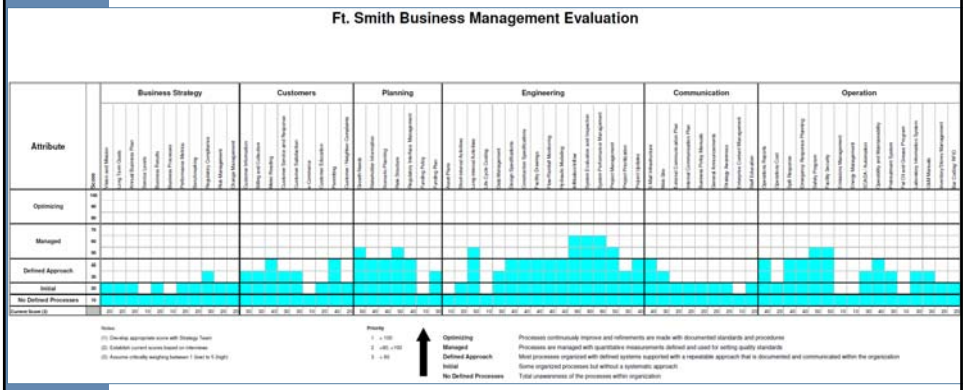
City Self Evaluation Tool



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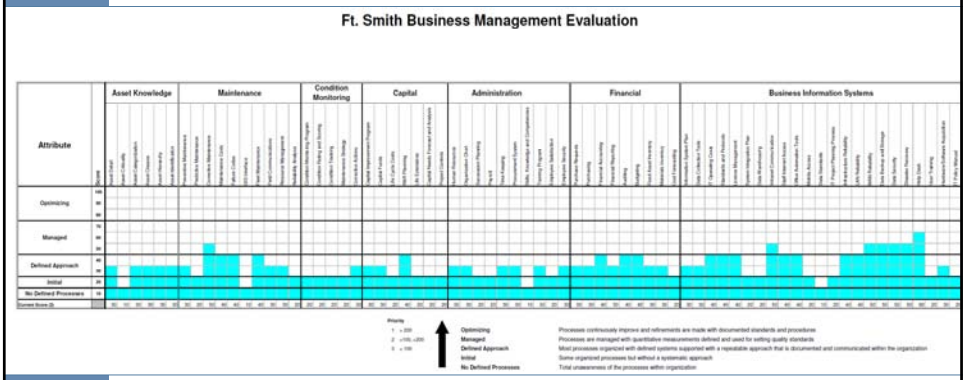
City Self Evaluation Tool



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Organizational Structure Recommendations

Efficiency Objective: Review the organizational structure to better understand and define the levels of responsibility for the Utility, Finance, and other support services, at three levels of performance; strategic, process and staffing

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Efficiency Evaluation

Major Report Recommendations - Organizational

Recommendation	Advantage	Investment Required
Develop an Asset Management Plan as part of the Utility Strategic Plan	Efficient and uniform data management; first step towards condition and risk assessments	Funding of an Asset management team for a year = $100,000
Include Asset Management information in the Capital Improvement Plan	Asset management/risk quantification plans allow resources to be assigned on a quantifiable and repeatable process.	Funding the creation of the plans would require significant investment (estimated $700,000); some staffing time

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Efficiency Evaluation (Cont.)

Recommendation	Advantage	Investment Required
Create Levels of Service and a process for updating the targets as part of the Utility Strategic Plan.	Allows determination of goals for service levels, feedback, and cost comparisons for different service levels	Time and effort would require approximately $20,000
Improve the Utility Billing and Collection Process.	Improvements in efficiency in the meter reading process; provides ability to communicate consumption information	Other AMI studies have indicated capital costs in a range of $450 - $550 per meter; would require evaluation
Create a Succession Plan as part of the Utility Strategic Plan	Limit the strain when key members retire or leave; help to distribute institutional knowledge	Time and effort would require approximately $40,000

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Water and Sewer Operations Recommendations

Efficiency Objective: Review the key operating costs of the two water treatment facilities and the two wastewater treatment facilities. Key costs typically include chemicals, power, residuals disposal, and staffing.

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Efficiency Evaluation

Operation

Major Report Recommendations - Water

Recommendation	Advantage	Investment Required
Develop a Watershed Control Program and a Combined Filter Performance Standard for an additional 1.0 log credit.	Help the Utility meet the LT2ESWTR regulation, without a capital upgrade. Development of Watershed Control Program is underway.	Cost of turbidity meters for filtration; cost of studies for regulatory approval. (avoids more costly capital expenditures)
Add an in-line raw water monitor for turbidity and/or pH.	Real-time information could be used to more adequately dose chemicals.	A 1% reduction in chemical would result in a savings of $11,000 annually at the water treatment plants.
Investigate a micro-turbine to see if it is cost-effective to take advantage of the head from the Lake Fort Smith Water Treatment Plant.	Makes use of the hydraulic energy already available in the pipeline	Payback would be defined in the study

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Efficiency Evaluation

Operation

Major Report Recommendations - Wastewater

Recommendation	Advantage	Investment Required
Investigate using the in-line chlorine analyzers for sodium bisulfite dosing	Flow pacing bisulfite based on chlorine demand can reduce chemical usage	Requires evaluation of existing equipment and some additional computer programming
The P St Plant could increase electrical efficiency through the addition of VFDs to blowers (if possible with operating conditions) and in-plant water pumps.	VFDs can decrease electrical usage and thus operating costs.	Initial Investment approaches $80,000; a 5% energy savings would result in an annual savings of $6,500/yr/blower and $1,700/yr/pump

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Planning Recommendations

Efficiency Objective: Review and assess the City's past practices as it relates to water and wastewater master/comprehensive planning. The planning process influences and directly impacts the short and long-term efficiencies of the organization.

21

Efficiency Evaluation

Major Report Recommendations - Planning

Recommendation	Advantage	Investment Required
Identify infrastructure at risk to be included as repair and replacement projects in the CIP	Assign resources based on a quantifiable and repeatable process	Once asset management and risk quantification is implemented there is no additional cost to use it in the CIP planning process
Assess project management and staffing needs	Evaluation of project management can confirm if staff is being over/under utilized and if more staff are required	Study can be done in conjunction with performance reviews
Examine unaccounted for water	Detecting faulty meters early prevents the loss of revenue	Previous reports estimated $250/meter in 2003; Error of 1% of high use meters = $58,000 in savings

22

Finance/Rates Recommendations

Efficiency Objective – Provide a review of the role of finance and rates in the efficiency process. Identify areas of financial/rate deficiency and specific areas of potential improvement

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Efficiency Evaluation

Finance/Rates

Major Report Recommendations – Finance/Rates

Recommendation	Advantage	Investment Required
Continue Collecting Performance Measures	Ability to compare performance to other utilities and measure internal improvements	Need to maintain City data in suitable format, gather data from other utilities and develop analyses
Develop a set of written financial and rate setting policies	Provides clear policy guidance to management of the financial planning and rate setting process. Creates a foundation for consistent and logical decisions by the Board.	Time and effort required to establish initial written policies. Could be developed during the budgeting or rate setting process.

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Efficiency Evaluation (cont.)

Recommendation	Advantage	Investment Required
Develop a long-term financial planning model (e.g. 10 – 20 years)	Better understand the financial and rate implications of the City's long-term financing strategy and the issuance of debt	$20,000 to $40,000 depending upon the complexity of the model. May be developed as a part of a comprehensive rate study.
Monitor "affordability" within the rate setting process	Provides the Board and outside regulators with an understanding of the community's "affordability" of capital programs and rates	Minimal

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Efficiency Evaluation (cont.)

Recommendation	Advantage	Investment Required
Review the City's policy on the cost of growth and new connections (i.e. system development charges / connection fees)	Opportunity to review the costs of growth and the sharing of costs between existing and new customers connecting to the system	A system development charge study to determine costs of growth on an equivalent residential unit (ERU) basis would likely be less than $50,000
Evaluate the use of debt and rate financing for capital improvements. Continue to pursue grants and low interest loans to minimize borrowing costs	Clarifies the City's use of long-term debt and the financial/rate impacts of the City's current financing strategy	Evaluation of the use of long-term debt is included within the financial planning/modeling process

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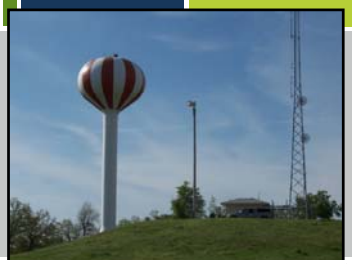
Advisory Committee Summary Findings and Recommendations



- Usefulness of the Report
- Overview of Recommendations
- Committee Recommendations

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Citizens Advisory Committee

Advisory Committee Recommendations

- Set timetable to implement review points
- Departmental Report of Achievements
- Identify Board Policy Actions and Timetables

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Citizens Advisory Committee

$$

QUESTIONS??

6D

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A AGREEMENT WITH THE WESTERN ARKANSAS TENNIS ASSOCIATION FOR OPERATION OF THE TENNIS CENTER AT CREEKMORE PARK

WHEREAS, Western Arkansas Tennis Association (WATA), Fort Smith, Arkansas has requested to operate the tennis center at Creekmore Park, and;

WHEREAS, the City of Fort Smith Parks and Recreation Commission recommends the approval of the agreement with WATA for the operation of the tennis center at Creekmore Park;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas that:

The Mayor is hereby authorized to execute an agreement with WATA for a period of three (3) years beginning March 1, 2013 and expiring February 29, 2016, in the form submitted to the Board at this meeting.

This Resolution adopted this _____ day of February, 2013.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM

_____npr

Memo:

February 14, 2013

To: Ray Gosack, City Administrator
From: Mike Alsup, Director of Parks and Recreation
Re: Renewal of the Western Arkansas Tennis Association (WATA) agreement to operate the Creekmore Tennis Center

The Parks and Recreation Commission recommends approval of an agreement with WATA to continue to manage and operate the tennis center at Creekmore Park. The tennis center building was opened in May of 2003; WATA has operated and managed the courts under this agreement since then.

The agreement covers operational topics like scheduling, hours of operation, services offered, maintenance, and safety, and managerial topics like record keeping, insurance, and reporting.

The Association promotes tennis in our region with tournaments, leagues, lessons, and scheduling school use of the courts. They are a good partner with the City providing recreation for all ages in the lifelong sport of tennis. Last year WATA hosted a junior level tournament that filled the courts at Creekmore Park for the weekend, and courts as far away as Alma were used to meet the demand for the tournament. WATA recently received the 2012 Event of the Year award at the annual state tennis association meeting for the second year in a row.

WATA raised the funds to build the building at the center and most recently raised funds to resurface the courts. The City paid for cleaning the courts and filling the cracks in the concrete surface, and WATA covered funding for the greater part of the project to resurface the courts. The City pays for the utilities and repairs to the building and courts, and WATA pays the daily operation and staffing costs.

Please call me if there are any questions.

Dear Board of Directors,

Thank you for the opportunities you have given WATA by letting us make a home at Creekmore Park for almost 10 years. Our goal is to promote the growth of tennis in the community by offering programs open to kids and adults and providing a safe place for all in the community to play. We are the most active Community Tennis Association (CTA) in Arkansas and have won several awards from the Arkansas Tennis Association. We've have a 3-star status with the ATA, which is attained each year according to our achievement of goals set by the state every year in five categories – junior tournaments, adult tournaments, junior team, adult team, and membership. Having a facility like Creekmore has helped us achieve our goals so we can remain in good standing as a CTA and receive funding from the USTA. We've grown so much at Creekmore that we hired an assistant pro in 2012 to help with programs and the high demand for lessons.

In the past three years, we have organized MANY programs for kids, teenagers, and adults at Creekmore Park, totaling about 2,000 total participants each year:

- Jr High Team Tennis
    - We are the only CTA in the state with a program like this, with about 130 kids participating each year, representing their area Junior High
- USTA Jr Team Tennis
    - WATA has about 200 kids playing on teams each year
- USTA Senior & Adult Team Tennis
    - 25 teams have used Creekmore as their home courts
- Two major junior tournaments each year
    - We use facilities all over the area to host these tournaments, with kids coming from all over the state, about 250 yearly participants in junior tournaments
- Two adult tournaments each year
    - About 150 yearly participants in adult tournaments
- Added a third adult tournament for charity this year to support Project Compassion
- Four Junior and four Adult Grand Prix tournaments
    - Mini, low cost tournaments for extra play time to improve state rankings
- Summer High School Camp and Ace Camp for kids
- Host and help with the FCA First Serve Summer Camps
- Tennis for $20
    - Saturday classes for beginning adults
- Year-round leagues for Men and Women
    - About 140 participants in leagues
- Junior Development program for advanced youth players
- Hosted first ever USTA sanctioned Adult Team Tennis Tournament
    - We had 10 teams enter with 90 players participating
- Tennis Night in America
    - Giving kids an opportunity for discount team registration

- After School Program
    - We give volunteer teachers the equipment and training to teach tennis to 3rd graders at their school
- WATA Play Day with the After School Program
    - End of the program tournament with over 120 3rd graders from the area elementary schools coming to Creekmore to play real games of tennis against each other, demonstrating sportsmanship and having fun
- Home facilities to the High School tennis teams
- Awards two college scholarships annually for graduating HS seniors
- Annual Oh WATA Night fundraiser
    - About 200 guests each year, raising about $20,000 to fund the programming and facility maintenance of WATA
- Funded the court resurfacing in 2010 for the Creekmore courts
    - Including lines for Quick Start courts for 10&under tennis
- Implemented an online court reservation program
- Sold windscreen advertising to help raise money for the courts
- Two full-time teaching pros and a part time pro for our high demand for lessons
- Yearly total of our daily head count of players on the courts is over 20,000 each year

Our recognitions over the last three years have included:

- 2012 ATA Special Event of the Year – WATA Play Day
- 2011 ATA Special Event of the Year – Oh WATA Night, *Down Under*
- 2011 ATA Pro of the Year – Melissa Kelly, WATA tennis pro
- 2012 ATA Hall of Fame inductee – Randy Jackson
- Two recipients for 2011 ATA Scholarships
- Three recipients for 2010 ATA Scholarships
- 2010 Victor Sheshunoff Meritorious Education Award – Melissa Kelly, WATA tennis pro
- 2010 WATA Hall of Fame inductees – Randy and Leslie Jackson Family
- 2009 Member Organization of the Year
- Diversity Grants from the USTA each year

We request to extend our lease with the City Parks department to allow WATA to continue operating at the Creekmore Tennis Center and to continue offering tennis opportunities to all in our community. We take pride in the facilities, our staff, and our programs. It is a great sport for any age and any skill level and we love to see it grow!

Sincerely,

Pam Riggs

WATA President

RESOLUTION NO. _____ 6 E

RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT BETWEEN THE CITY OF FORT SMITH AND THE ARKOMA MUNICIPAL AUTHORITY FOR THE TREATMENT OF WASTEWATER

BE IT RESOLVED BY THE BOARD OF DIRECTORS FOR THE CITY OF FORT SMITH, ARKANSAS, that:

The Mayor is hereby authorized to execute the attached Agreement between the City of Fort Smith and the Arkoma Municipal Authority to provide wastewater treatment for the Town of Arkoma.

This Resolution adopted this ____ day of February 2013.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** February 12, 2013

FROM: Steve Parke, Director of Utilities

SUBJECT: Town of Arkoma Wastewater Treatment Agreement

Fort Smith has provided wastewater treatment to the Town of Arkoma since the mid-1970s. Their wastewater system operations are structured under the Arkoma Municipal Authority. Staff has been working with representatives of Arkoma over the past several months to prepare an agreement for the renewal of wastewater treatment services. The wastewater agreement provides for Fort Smith to accept Arkoma's metered wastewater discharges and to be regulated under a permit in the same manner as our industrial users within the pretreatment program. Additionally, in anticipation of the possibility that Fort Smith may enter into a Consent Decree with the Department of Justice, the agreement contains provisions allowing Fort Smith to issue modifications to the agreement consistent with any directives or stipulations of any regulatory agency having authority over the operation of Fort Smith's wastewater system. The agreement has a term of ten years and contains provisions for earlier termination by Arkoma should they obtain an alternate method of disposing of the wastewater from its collection system.

The Wastewater Agreement has been reviewed by Arkoma and accepted by them. It is staff's recommendation that the agreement for wastewater treatment for the Town of Arkoma be submitted to the Board for approval.

Should you or members of the Board have any questions or desire additional information, please call.

attachment

pc: Jeff Dingman

WASTEWATER AGREEMENT

This Agreement made and entered into as of the ___ day of _____, 2013, by and between the City of Fort Smith, Arkansas, hereinafter referred to as the "Fort Smith", and the Arkoma Municipal Authority, hereinafter referred to as "Arkoma".

W I T N E S S E T H:

WHEREAS, the parties previously entered into an Agreement dated August 7, 1985, with reference to the accepting for treatment by Fort Smith sanitary wastes delivered by Arkoma to the Fort Smith wastewater collection system, and,

WHEREAS, the parties desire to continue this arrangement under the terms expressed in this Agreement;

NOW, THEREFORE,

In consideration of the mutual agreements and covenants hereinafter set forth, the parties agree as follows:

1. During the term of this Agreement identified in paragraph 2 below and continued effectiveness of the Municipal User Permit identified in paragraph 3 below, Fort Smith agrees to accept wastewater flow delivered by Arkoma to the Fort Smith wastewater system and to convey such flow in the same manner as wastewater flows within Fort Smith.

2. This Agreement shall have a term of ten (10) years unless earlier terminated according to its provisions. This Agreement may be renewed by Fort Smith after receiving written notice from Arkoma, delivered by registered mail, requesting an extension of the Agreement at least ninety (90) days in advance of the expiration date of the current Agreement. In the event Arkoma obtains an alternate method of disposing of the wastewater from its wastewater collection system, Arkoma may terminate this Agreement after first giving Fort Smith written notice 120 days prior to termination.

3. Municipal User Permit No. MUNP003101 issued by Fort Smith to Arkoma, effective February 1, 2008, in accordance with the provisions of Section 8, City of Fort Smith Ordinance 80-11, codified in Chapter 25, Article VI, Division 2 of the Fort Smith Municipal Code, shall continue in affect after execution of this Agreement, subject to Permit renewal and other requirements. Arkoma shall take all required actions to maintain the effectiveness of the Permit throughout the term of this Agreement. The Permit is subject to modification by Fort Smith for the reasons set forth in the Permit. The provisions of this Agreement shall be deemed to be modified to be consistent with any modifications to the Permit.

4. For wastewater services provided by Fort Smith as described herein, Arkoma agrees to pay Fort Smith at the Contract/Wholesale User Class rates as set forth in the sewer rate ordinance in effect on the date of execution of this Agreement by Fort Smith. Fort Smith will submit a billing each calendar month for wastewater volume received from Arkoma during the preceding calendar month and such billing shall be due and payable by Arkoma within twenty (20) days from the date of mailing. Any billing which is not paid by the due date shall be subject to a ten percent (10%) late payment fee. The total amount of the billing, plus late payment fee, shall be subject to interest at the rate of ten percent (10%) per annum from forty (40) days from the billing date until paid. It is agreed by the parties that, in the event Fort Smith adopts amended wastewater rates for Contract/Wholesale Users, the rate of payment for wastewater volume received as set forth in this paragraph and the rate for high-strength charges identified in paragraph 5 below shall be subject to modification. Upon thirty (30) days written notice to Arkoma of its adoption, or intent to adopt amended rates ordinance, the rates established by the ordinance shall become effective.

5. The high-strength charges for wastewater as established in the Fort Smith sewer rate ordinance for the Contract/Wholesale User Class shall be determined from Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) measurements taken by Arkoma at locations and

frequency as stipulated in Part 2 - Self-Monitoring Requirements of the Municipal User Permit No. MUNP003101. Samples taken by Fort Smith for the purpose of assuring permit compliance shall also be utilized in determining applicable high-strength charges for wastewater treatment.

6. Arkoma agrees to provide and maintain, at its expense and in accordance with specifications approved by Fort Smith, appropriate vaults and wastewater meters on public property or public easements at each point of connection, for properly registering the flow, in hundred cubic feet, of wastewater volume entering the Fort Smith system. The points of connection shall be located and constructed in such a manner to allow sampling of Arkoma's wastewater to ensure compliance with the requirements of the Municipal User Permit and this Agreement. It is agreed by Arkoma that Fort Smith, or its agents, employees, or servants, shall have unlimited right of access to such points of connection and physical facilities for meter readings and any other purpose of this Agreement. Furthermore, it is agreed that Arkoma will make no connections to the Fort Smith system other than at approved sites.

7. Fort Smith shall provide the monthly reading of the wastewater meters for the purpose of preparing billings pursuant to the rates established in paragraph 4 above or by subsequent amendments thereto. If it becomes evident that the wastewater meters are providing inaccurate measurement or are otherwise malfunctioning, then the payment for wastewater volume shall be based on (A) one-hundred percent (100%) of metered water usage from all water sources, or (B) the average metered wastewater usage over the previous twelve (12) months as a ratio to the average metered usage from all water sources for the same twelve (12) month period, whichever is the greater percentage, for those billing periods the wastewater meters inaccurately measure or malfunction. Billing based on (A) or (B) shall then continue for a reasonable time to repair the wastewater meters. The metered water usage in (A) or (B) shall mean the "net" water usage by Arkoma. "Net" shall be define as that water which is delivered to Arkoma from all water sources,

less that water delivered by Arkoma to users outside Arkoma's wastewater service area who do not return a contributing wastewater flow. Arkoma shall provide the monthly water meter readings from which the "net" water usage is determined for the purpose of preparing billings pursuant to this Agreement or by subsequent amendments thereto.

8. Arkoma shall have full responsibility for all construction, maintenance and operation of Arkoma's wastewater system, including all parts thereof necessary to deliver the wastewater to the Fort Smith system.

9. Arkoma agrees to adopt and enforce with reference to all users of its wastewater system requirements and restrictions which are, at least, as restrictive as those provisions of the ordinances of Fort Smith restricting and controlling discharges into the wastewater system of Fort Smith. It is recognized that the present Fort Smith controls are those established primarily by Ordinance 80-11 as codified. It is acknowledged that Arkoma's Ordinance No. 163 currently complies with the requirements of this paragraph. It is further recognized by the parties that the requirements of Ordinance No. 80-11 are subject to being amended by Fort Smith.

10. Arkoma acknowledges that Fort Smith is currently under enforcement actions stipulated by Administrative Orders issued by the Environmental Protection Agency related to the operation of its wastewater system. Arkoma further acknowledges that Fort Smith anticipates that Fort Smith will enter into a Consent Decree with the Department of Justice, Environmental Protection Agency and Arkansas Attorney General imposing further directives or stipulations for the operation of Fort Smith's wastewater system. Subject to the further enforcement actions and operational requirements imposed by said Administrative Orders or Consent Decree, Fort Smith may, upon written notice, issue modifications to the Agreement and Municipal User Permit No. MUNP003101 to be consistent with, and to achieve compliance with, any directives or stipulations of any regulatory agency having authority over the operation of Fort Smith's wastewater system.

11. This Agreement constitutes the full and entire agreement among the parties. Failure by either party to require strict compliance from the other party as to any of the terms of this agreement shall not constitute a waiver of any non-compliance of the applicable provisions of this Agreement. Should Arkoma fail to comply with the terms of this Agreement or the Municipal User Permit , Fort Smith shall serve Arkoma with written notice stating the nature of the non-compliance and providing a reasonable time frame for correcting the non-compliance. Arkoma may deliver in writing to Fort Smith within five (5) days of receipt of such notice a request for a hearing with Fort Smith representatives to show cause why notice should be rescinded or modified. Arkoma shall be liable to Fort Smith for any expense, loss, or damage occasioned by Fort Smith by reason of such non-compliance. In cases of repeated non-compliance, Fort Smith may revoke the Municipal User Permit and terminate wastewater treatment services by giving thirty (30) days notice in writing to Arkoma.

12. This Agreement shall be binding upon the successors of the parties hereto. This Agreement shall not be assignable by either party without the prior written consent of the other party hereto. It is agreed that in the event of any occurrence rendering Arkoma incapable of performing under this contract, any successor of Arkoma, whether the result of legal process, assignment, or otherwise, shall succeed to the rights, responsibilities and obligations of Arkoma hereunder.

13. Any notice required to be given by the provisions of this Agreement shall be effective as delivered to the following persons at the indicated addresses:

City Administrator
City of Fort Smith
P.O. Box 1908
Fort Smith, AR 72902-1980

Arkoma Municipal Authority
Attn: Mayor of Town of Arkoma
P. O. Box 277
Arkoma, OK 74901

14. Enforcement or interpretation of any portion of this Agreement shall be governed by the laws of the State of Arkansas. Any litigation relating to this Agreement brought by either party shall be filed and prosecuted in the Sebastian County Circuit Court, Fort Smith District.

IN WITNESS WHEREOF, the parties, pursuant to resolutions of their respective governing bodies, have caused this Agreement to be executed effective as of the first date set forth above by the Mayor and City Clerk of Fort Smith and the Mayor and City Recorder of Arkoma.

CITY OF FORT SMITH, ARKANSAS

By:_____
Mayor

ATTEST:

_____
City Clerk

ARKOMA MUNICIPAL AUTHORITY

BY: Floyd Lawrence
Chairman of the Authority

ATTEST:

Dottie Arnold
City ~~Recorder~~ Clerk

RESOLUTION NO. _____ 6 F

RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT BETWEEN THE CITY OF FORT SMITH AND THE ARKOMA MUNICIPAL AUTHORITY FOR THE PURCHASE OF SURPLUS WATER

BE IT RESOLVED BY THE BOARD OF DIRECTORS FOR THE CITY OF FORT SMITH, ARKANSAS, that:

The Mayor is hereby authorized to execute the attached Agreement between the City of Fort Smith and the Arkoma Municipal Authority to provide water to the Town of Arkoma.

This Resolution adopted this ____ day of February 2013.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** February 12, 2013

FROM: Steve Parke, Director of Utilities

SUBJECT: Town of Arkoma Water Sales Agreement

Fort Smith has provided water service to the Town of Arkoma under a surplus user water agreement since the early 1970s. Their water system operations are structured under the Arkoma Municipal Authority. Staff has been working with representatives of Arkoma over the past several months to prepare a new agreement. The water sales agreement follows the standard form that staff has developed to use for surplus water sales agreements. The agreement has a term of twenty years and contains limits for both volume of water sold and the rate of delivery so that their demand imposed on our system may be managed. The agreement also requires Arkoma to provide annual system reporting on topics such as system growth, water demand, water loss and water conservation to better assist Fort Smith in planning for supply side improvements within our system. A copy of the agreement is attached.

The Surplus User Water Agreement has been reviewed by Arkoma and accepted by them. It is staff's recommendation that the agreement for water sales to the Town of Arkoma be submitted to the Board for approval.

Should you or members of the Board have any questions or desire additional information, please call.

attachment

pc: Jeff Dingman

SURPLUS USER WATER AGREEMENT

This Agreement made and entered into as of the ____ day of _____2013, by and between the City of Fort Smith, Arkansas, hereinafter referred to as the "Fort Smith", and the Arkoma Municipal Authority, a non-retail customer of Fort Smith, hereinafter referred to as the "Arkoma".

W I T N E S S E T H:

WHEREAS, the parties desire to continue the sale and purchase of such water under the terms and as expressed in this Agreement;

NOW, THEREFORE,

In consideration of the mutual agreements and covenants hereinafter set forth, the parties agree as follows:

1. Subject to the restrictions on maximum use and connections and all other restrictions contained herein, Fort Smith agrees to supply to Arkoma treated water for the users of Arkoma's water system.

2. For water sold and delivered to Arkoma on or after the date of this Agreement, Arkoma agrees to pay Fort Smith as set forth in the water rate ordinance in effect on the date of execution of this Agreement by Fort Smith. Fort Smith will submit a billing each calendar month for water delivered during the preceding calendar month and such billing shall be due and payable by Arkoma within twenty (20) days from the date of mailing. Any billing which is not paid by the due date shall be subject to a ten percent (10%) late payment fee. The total amount of the billing, plus late payment fee, shall be subject to interest at the rate of ten percent (10%) per annum from forty (40) days from the billing date until paid. It is agreed by the parties that, in the event Fort Smith adopts by ordinance amending water rates for substantially all of Fort Smith's non-retail customers (excepting the cities of Van Buren and Barling and entities which execute a firm supply water agreement), the rate of payment for delivered water as set forth in this paragraph shall be subject to modification as contained in said ordinance. Upon thirty (30) days written notice to Arkoma by Fort Smith of its adoption, or intention to adopt, such an ordinance, the rate established by the ordinance shall become effective for Arkoma. Fort Smith's rate ordinance may provide for increased rates for usage in excess of the total usage provisions of paragraph 3 or the demand provisions of paragraph 3.

3. It is understood by the parties that the treated water being delivered to Arkoma is considered to be that not presently needed by the retail and firm supply wholesale customers of the water

system of Fort Smith. If, at any time, in the opinion of the governing body of the City of Fort Smith, Fort Smith does not have a sufficient supply of water to meet the needs of the retail and firm supply wholesale customers of the water system of Fort Smith, Fort Smith (in addition to the other provisions of this Agreement) shall have the right to terminate this Agreement and discontinue the sale of water to Arkoma upon thirty (30) days written notice to Arkoma. Otherwise, and unless the Agreement is terminated pursuant to other provisions of this Agreement or pursuant to breach by of one of the parties, this Agreement shall have a term of twenty (20) years commencing with the date first set forth above. The Agreement may be renewed by Fort Smith after receiving written notice from Arkoma, delivered by registered mail, requesting an extension of the Agreement at least ninety (90) days in advance of the expiration date of the current Agreement.

4. (a) It is understood by the parties that Arkoma will be consuming surplus water currently available. The parties further agree that the volumes and delivery rates stated below are those expected to be required by Arkoma during the initial ten (10) year period of this Agreement. Arkoma may request increases to volume and/or delivery rate provisions for the second ten (10) year period of this Agreement to meet Arkoma's needs required by system growth if increases to volume and/or delivery rate are supported by the annual reporting submitted by Arkoma in accordance with Section 12 of this Agreement. Arkoma agrees and covenants that it will limit its level of consumption of water from Fort Smith so that it shall not exceed, at any time, the consumption level(s) during time periods as may be approved by Fort Smith. It is further agreed that Arkoma's maximum level of consumption of water from Fort Smith shall not exceed 50.0 million gallons annually for the first year of this Agreement and shall not exceed 53.6 million gallons annually during years two (2) through ten (10) of this Agreement. Furthermore, the maximum monthly usage shall not exceed 1.35 times the previous 12 month, monthly average; and the maximum day usage (during any 24 hour period) shall not exceed 1.55 times the previous 12 month, average day demand.

(b) Arkoma further agrees that the rate of demand of its system on Fort Smith's transmission or distribution systems shall not exceed 250.0 gallons per minute or 1.75 times the previous 12 month average day demand, expressed in gallons per minute, whichever is smaller. Arkoma shall operate its system so as not to place any maximum hour demand on Fort Smith's transmission or distribution systems. Arkoma shall provide storage within its own system to meet its maximum hour

demands. In the event Arkoma places an unauthorized maximum hour demand on Fort Smith's system, Arkoma's water rate may be amended to include maximum hour costs.

(c) In the event Arkoma exceeds any one of the maximum limits set forth in this Agreement, Fort Smith shall have the right, at its option, in addition to imposing additional charges pursuant to paragraph 2, to take any of the following actions:

(1) Immediately reduce the flow of water to Arkoma by any reasonable means, including the physical adjustment of the valves at points of connection or the installation of flow control devices at Arkoma's sole expense; or,

(2) On ten (10) days written notice by registered mail to Arkoma, cut off the water supply to Arkoma, subject to Arkoma's right to supply information regarding the alleged excess use to the City Administrator of Fort Smith. This notice requirement shall not limit Fort Smith's right to immediately cut off water supply to Arkoma in the event of an emergency or other exigent circumstances.

(d) It is understood by the parties that Arkoma has no obligation to purchase any minimum amounts from Fort Smith. However, Arkoma agrees that in the event Arkoma purchases no water from Fort Smith for a period of twelve (12) or more consecutive months, Fort Smith may, at its sole election, terminate this Agreement.

(e) Unless Arkoma requests and Fort Smith concurs, the foregoing volume and rate of demand provisions shall be applicable to the second ten (10) year period of this Agreement.

5. Arkoma agrees to provide, maintain and replace, at its expense and in accordance with Fort Smith's specifications and AWWA standards, appropriate vaults, regulating valves, approved backflow prevention assemblies and meters for properly registering the flow of water, in hundred cubic feet, delivered at sites approved in writing by Fort Smith. It is further agreed by Arkoma that such necessary equipment may also include a rate-of-flow control device if so required by Fort Smith. Arkoma, upon Arkoma's discovery, or upon receipt of written notice from Fort Smith, that a regulating valve or meter is malfunctioning or providing inaccurate measurement shall correct said deficiency within thirty (30) days of its discovery or receipt of the notice from Fort Smith unless Fort Smith agrees to allow a longer period. It is understood by the parties that upon Arkoma's failure to make the required corrections within the thirty (30) day period, or extended period as may be provided by Fort Smith, that Fort Smith shall have the rights as set forth in paragraph (c) of Section 4 and, at Fort Smith's option, Fort

Smith may directly, or by contractor, repair or replace malfunctioning or inaccurate measuring equipment and charge its costs, including administrative overhead, to Arkoma.

6. It is agreed that Arkoma will make no connections to Fort Smith's system other than at approved sites. It is agreed by Arkoma that Fort Smith, or any of its agents, employees, or servants, shall have an unlimited right of access to such points of connection and physical facilities for meter readings and for any other purpose of this Agreement.

7. It is understood by the parties that rates charged will be in accordance with cost of service standards including rates calculated on Fort Smith's cost of supplying water to Arkoma plus a reasonable rate of return; Arkoma's status as a surplus water user and the absence of an obligation by Arkoma to purchase minimum quantities from Fort Smith; and possible maximum day and maximum hour costs and other demand and/or volume charges. It is further understood by the parties that water conservation surcharges shall apply pursuant to Fort Smith Ordinances No. 30-92, 31-92 and 31-06, as may be amended by Fort Smith.

8. On failure by Arkoma to pay any billing for water delivered by the due date thereof, Fort Smith shall have the right, after giving ten (10) days written notice by registered mail to Arkoma, to cut off or reduce the water supply volume to Arkoma by means of the valves installed at any point of connection or by any other means. Within the ten (10) day period, Arkoma may request a hearing before the City Administrator of Fort Smith for the purpose of presenting information regarding the alleged failure to pay the billing.

9. Fort Smith agrees to provide Arkoma with customary water quality data annually. It is understood by the parties that Arkoma may request water quality data up to three (3) additional times per year. Fort Smith will endeavor to provide reasonable notice to Arkoma of any sudden change in water quality.

10. (a) In the event that the governing body of the City of Fort Smith determines that there is a shortage of water to be supplied to the users of Fort Smith's water system and declares the imposition of certain "water conservation" conditions on the supply of water to substantially all of Fort Smith's non-retail customers such as Arkoma, Arkoma covenants that it will impose and enforce such conditions on all users of its water system. Arkoma further covenants that it will impose and enforce conservation measures at least as stringent as Fort Smith places on its retail users.

(b) Arkoma agrees to engage in continued public education efforts regarding water conservation with its users.

(c) In the event of a breach of this provision of this Agreement, Fort Smith shall have the rights as set forth in paragraph (c) of Section 4.

11. (a) Arkoma agrees and covenants that it shall not deliver water to any user of its water system for any new structure not plumbed in accordance with the provisions of the Oklahoma Department of Environmental Quality and inspected by an inspector licensed by the State of Oklahoma.

(b) Arkoma covenants that it will not deliver water to any user of Arkoma's water system who uses, or attempts to use, such water for commercial irrigation or agricultural crops, excluding gardens that are intended for private domestic use and not for the resale to other individuals or commercial activities. Use of water delivered by any ordinary one-half (1/2") inch through three-quarter (3/4") inch hose, commonly known as a "garden hose", shall not be considered commercial or agricultural crop irrigation.

(c) In the event that any area served by Arkoma's water system is annexed into the corporate limits of a neighboring municipality or Arkoma either transfers or acquires a portion of a water system that is not at the date of this Agreement a part of Arkoma's present water system, Arkoma shall immediately provide written notice by registered mail to Fort Smith of such annexation, transfer or acquisition. Arkoma's notice shall, at a minimum, state Arkoma's opinion of the impact that the annexation, transfer or acquisition shall have on Arkoma's storage and delivery systems and water purchases from Fort Smith.

12. Arkoma agrees and covenants to provide annual reporting to Fort Smith which shall contain the following information:

(a) Number of residential customers, number of commercial customers, amounts of water billed by Arkoma to its system customers and to any other water retailer, volumes of water acquired from any other supplier or produced by Arkoma.

(b) Arkoma shall provide a copy of its long range planning document within one year after the initial date of this Agreement. If Arkoma does not now have a long range plan, Arkoma shall initiate the development of a long range plan and provide a copy of the same upon its completion or three (3) years from the date first set above, whichever is the earlier date. Arkoma shall submit a progress report to Fort Smith as to what actions Arkoma has taken to improve its delivery and storage systems to

meet the requirements of its long range plan. This report shall be submitted before the last day of March each year during the term of this Agreement with the first report due after the submission of Arkoma's long range plan to Fort Smith.

(c) In addition to the long range planning document referenced in paragraph (b) above, Arkoma shall also use a qualified registered professional engineer to evaluate its current water delivery and storage systems to determine what actions and recommendations should be undertaken together with an implementation schedule to eliminate or reduce Arkoma's peak hourly demand from Fort Smith's delivery system. This peak hour demand evaluation report shall be submitted to Fort Smith within one (1) year after the initial date of this Agreement and subsequently updated and resubmitted at five (5) year intervals thereafter. Arkoma's actions to implement the recommendations of this evaluation shall be reported to Fort Smith before the last day of March each year during the term of this Agreement with the first report due after the submission of Arkoma's initial reporting.

(d) Arkoma shall maintain records and documentation sufficient for it to accurately determine and report the unaccounted water system losses during the previous calendar year period. The report shall state, at a minimum, what the unaccounted water system losses have been for the previous calendar year and what actions Arkoma has taken to reduce and control these losses. This report shall be submitted before the last day of March each year during the term of this Agreement.

(e) Arkoma shall provide to Fort Smith a copy of its current water conservation measures and will further provide Fort Smith with revisions thereto within thirty (30) calendar days after their adoption. Arkoma shall maintain records and documentation sufficient for it to accurately determine and report the effectiveness of its water conservation measures for the previous calendar year. The report shall state, at a minimum, the total number of customers served by Arkoma, the total amount of water sold to its customers, the per capita usage and any enforcement measures taken to assure compliance with its water conservation measures. This report shall be submitted before the last day of March each year during the term of this Agreement.

(f) Arkoma shall provide to Fort Smith a copy of a map which depicts the area in which Arkoma maintains facilities which provides retail water service. Arkoma shall also provide to Fort Smith a copy of a map depicting the similar area of any customer of Arkoma which further resells water to additional customers water initially sold by Fort Smith to Arkoma. Arkoma shall provide Fort Smith

with a copy of the described maps before the last day of March each year during the term of this Agreement.

13. Arkoma shall install a backflow prevention assembly at each point of connection to Fort Smith's water system. The backflow prevention assembly shall be of a manufacturer accepted by Fort Smith, and its installation, maintenance, testing and certification shall be in strict accordance with Fort Smith's cross-connection program requirements. The installation, maintenance, testing and certification of each backflow prevention assembly shall be at Arkoma's sole expense. Arkoma shall also provide notice to Fort Smith of any deficiency or notification to, or from, the Oklahoma Department of Environmental Quality relating to an unsafe condition within its water system, which notices shall be provided to Fort Smith immediately upon discovery of, or notification regarding, such condition.

14. Arkoma further agrees that Fort Smith's commitment to provide water is contingent on the ability of Fort Smith to produce water. It is expressly agreed that Fort Smith shall not be responsible to Arkoma, or to the inhabitants or owners of property or to customers of Arkoma's water system, for any property damage or personal injury resulting from the supply of impure water, or a failure to furnish water under this Agreement, or a failure to provide any notice described in this Agreement. It is expressly recognized that the water supply may be temporarily discontinued in conjunction with required maintenance activities or with reference to the construction of improvements or additions to Fort Smith's water production, transmission and/or distribution systems. It is agreed that Arkoma will defend and hold Fort Smith harmless against, and indemnify Fort Smith from, any claim, action or judgement, including litigation costs and attorney fees, which might be brought or obtained against Fort Smith by reason of any negligent act on the part of Arkoma in the operation, construction or maintenance of Arkoma's water system or by reason of the failure of Fort Smith to furnish water resulting in property damage or personal injury to any user of Arkoma's system.

15. This Agreement shall be binding upon the successors of the parties hereto. This Agreement shall not be assignable by either party without the prior written consent of the other party hereto. It is agreed that in the event of any occurrence rendering Arkoma incapable of performing under this contract, any successor of Arkoma, whether the result of legal process, assignment, or otherwise, shall succeed to the rights, responsibilities and obligations of Arkoma hereunder.

16. Other than those entities listed in Exhibit One attached hereto, Arkoma agrees that during the term of this contract it will not deliver water unto and will not enter into any written or oral,

expressed or implied, contract with any corporation, authority, municipality, or water district whose purpose is or would be to resell the same water to other customers without Fort Smith's prior, written concurrence.

17. Arkoma agrees that it will comply with the provisions of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and in accordance with Title VI of that Act, no person in the United States shall, on the grounds of race, color and national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity conducted by Arkoma and that Arkoma will immediately take any measures to effectuate this portion of the Agreement.

18. Except with reference to shut off curtailment notices and Arkoma's right for hearing before the Fort Smith City Administrator within ten (10) days of said shut off notice as described in paragraph 8, the following provisions shall apply to all other disputes arising under the terms of this Agreement. If either party to the Agreement contends that the other has violated the terms of this Agreement, the party may issue a dispute letter addressed to the representative of the other party at the address indicated in paragraph 19 of this Agreement. The letter shall describe the alleged violation of the Agreement. Within ten (10) business days of receipt of such letter, the other party shall reply to the dispute in writing. If the matter is not resolved by the exchange of correspondence, a meeting shall be held between the chief administrative official of the Arkoma and the Fort Smith City Administrator, or his designated agent, within thirty (30) calendar days of the reply letter of the other party. At such meeting, the parties shall, in good faith, attempt to resolve the dispute. Only after completion of the forgoing procedures shall the parties have the right to resort to judicial remedies which, as indicated in paragraph 21, must be brought within the Fort Smith District of Sebastian County.

19. Any notice required to be given by the provisions of this Agreement shall be effective as delivered to the following persons at the indicated addresses:

City Administrator City of Fort Smith P. O. Box 1908 Fort Smith, AR 72902-1980	Arkoma Municipal Authority Attn: Mayor of Town of Arkoma P.O. Box 277 Arkoma, OK 74901

20. It is expressly agreed that the failure of either party to exercise a remedy or particular remedy allowed by this Agreement at the time of breach or thereafter shall not be construed as waiver of such breach nor as a waiver of such term or provision of the Agreement.

21. Enforcement or interpretation of any portion of this Agreement shall be governed by the laws of the State of Arkansas. Any litigation relating to this Agreement brought by either party shall be filed and prosecuted in the Sebastian County Circuit Court, Fort Smith District.

IN WITNESS WHEREOF, the parties, pursuant to resolutions of their respective governing bodies, have caused this Agreement to be executed effective as of the first date set forth above by the Mayor and City Clerk of Fort Smith and the authorized officers of the Arkoma Municipal Authority.

CITY OF FORT SMITH, ARKANSAS

_____
Mayor

ATTEST:

_____
City Clerk

Arkoma Municipal Authority

Chairman of the Authority

ATTEST:

City Clerk

EXHIBIT ONE

Existing corporations, authority, associations, municipalities or water districts now served by Arkoma:

1.

RESOLUTION NO. _____ 6 G

RESOLUTION AUTHORIZING AMENDMENT NUMBER ONE TO AUTHORIZATION NUMBER FOUR WITH CDM SMITH, INC., FOR ENGINEERING SERVICES FOR THE MILL CREEK WASTEWATER PUMP STATION WET WEATHER IMPROVEMENTS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

SECTION 1: Amendment Number One to Authorization Number Four to the Engineering Agreement with CDM Smith, Inc., providing final design and bidding phase services associated with the Mill Creek Wastewater Pump Station Wet Weather Improvements, said services identified as a continuation of Project Number 10-01-E2, is hereby approved.

SECTION 3: The Mayor is hereby authorized to execute Amendment Number One in the amount of $315,300.00.

This Resolution adopted this _____ day of February 2013.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** February 12, 2013

FROM: Steve Parke, Director of Utilities

SUBJECT: Mill Creek Wastewater Pump Station Wet Weather Improvements
Final Design and Bidding Phase Services

On March 15, 2011, the Board approved Authorization Number Two to the Agreement with Camp Dresser & McKee, Inc., providing preliminary engineering services, through 30-percent design, for the Mill Creek Wastewater Pump Station Wet Weather Improvements project. This project is a part of our overall strategy to address wet weather sanitary sewer overflows that occur throughout the system during periods of heavy rainfall.

During the early phase of the preliminary design the decision was made to locate a 115-foot diameter, 3.5 million gallon flow equalization (EQ) tank on property owned by Riverside Furniture Corporation, north of and adjacent to the Mill Creek wastewater pump station. The proposed site on the northwest corner of the Riverside property was an area previously utilized by Riverside for the storage of paints, solvents, thinners, stains and other chemical products used in the manufacturing process. A preliminary environmental assessment of the site found no evidence of regulatory violations associated with the chemical storage but it was recommended that a Phase I Environmental Site Assessment (ESA) be performed. Design of the proposed pump station and EQ tank improvements continued.

On October 27, 2011, the Board approved Authorization Number Three providing additional environmental assessment services. The Phase I ESA was conducted with soil samples collected and analyzed from two borings taken within the proposed tank site. Preliminary results of the Phase I assessment indicated that only one semi-volatile organic compound and no volatile organic compounds were present. Metals were detected in both samples that exceeded USEPA screening levels and it was recommended that a Phase II ESA be performed to further determine the potential for contaminated soil and/or groundwater. Six additional borings over a larger footprint of the site were completed and seven soil samples and two groundwater samples were analyzed. Results indicated the presence of organic compounds and metals in both soil and groundwater samples that would have to be dealt with during construction of the EQ tank.

On March 6, 2012, the Board approved Authorization Number Four to the Agreement with Camp Dresser & McKee, Inc., for providing final design and bidding phase services for the project. Included in the scope of services was an expanded Phase II ESA along the corridor for the force main to the EQ tank. An additional ten borings were completed along this route and soil and groundwater samples were analyzed for contaminates. A final report of all findings was completed in July 2012. The results indicated existence of a perched groundwater table beneath the proposed EQ tank site contaminated by volatile organic compounds. While this groundwater table might not interfere with tank construction, it does pose a future liability should the city acquire the property. Soils contamination within the tank's foundation zone and force main

trench would require removal and disposal of an estimated 12,000 tons of material. Because sampling has indicated the soil at the site is contaminated, additional environmental soil testing is required to determine if this material is suitable for disposal in the city's landfill. If suitable, the estimated disposal cost is $450,000. If the soils have elevated levels of contamination, the material would need to be shipped to a hazardous waste landfill at a substantially higher cost. Under either scenario, worker exposure during construction will be an issue as well as the long term risk of future requirements to perform groundwater remediation. A recently received property title report indicates that a federal lien has been filed against the property which further complicates the consideration of this site.

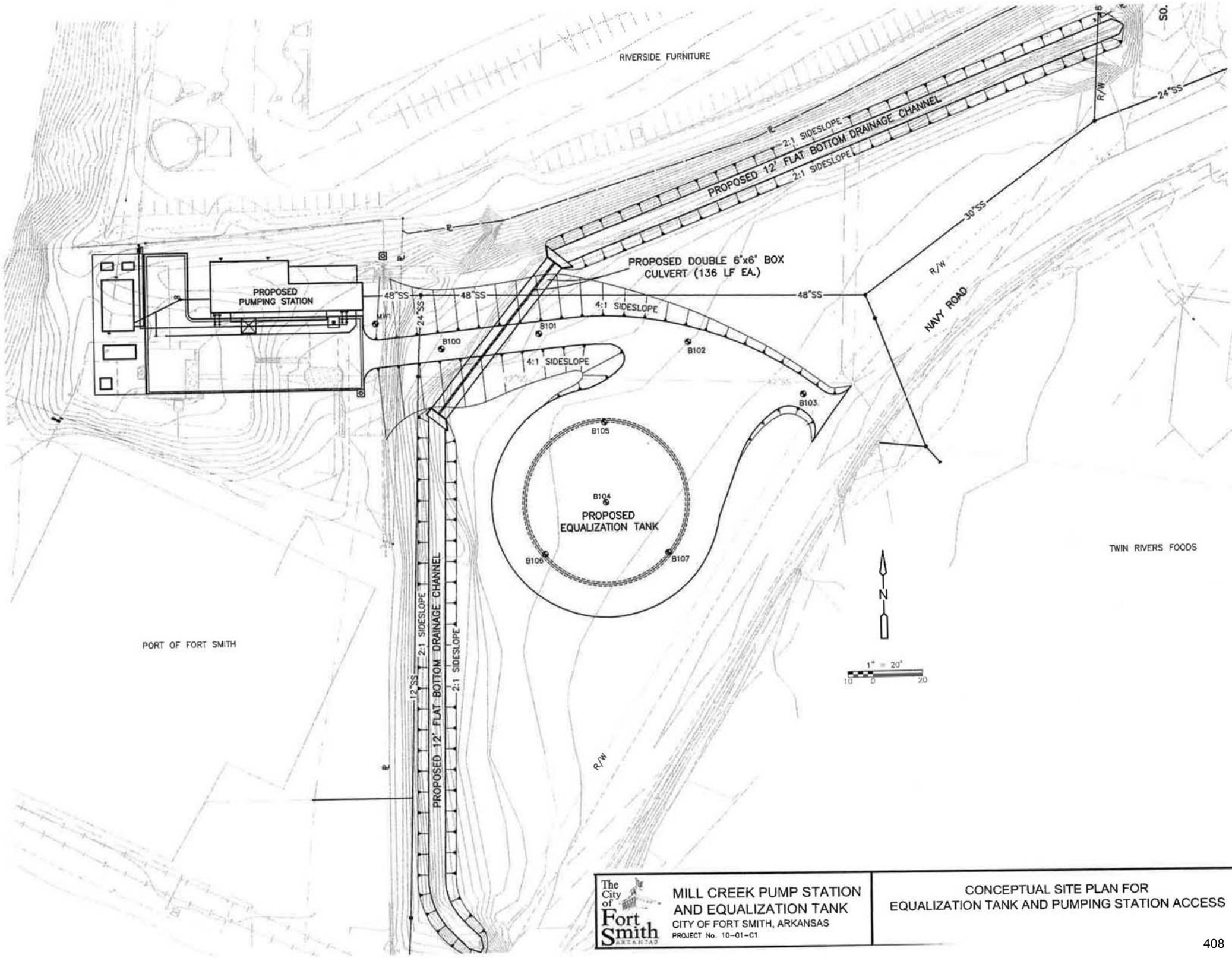
Because of the issues associated with the Riverside property and the city's recent experience with cost overruns associated with environmental remediation at the Zero Street pump station site, we asked CDM to prepare a proposal to evaluate the suitability of locating the EQ tank on property along Navy Road owned by B & B Properties. That site is adjacent to the Fort Smith Port Authority and Mill Creek pump station and is situated between Navy Road and the east boundary of the port and pump station. The location of the Navy Road property and concept plan for the proposed EQ tank is shown on the attached exhibit. We have talked to the property owner regarding city's potential purchase of the property and have received permission to conduct surveys and soil investigations. The property is located within the 100-year flood plain of Mill Creek and is currently used as a contractor storage yard. Preliminary evaluation of the Navy Road site has shown the potential for substantial savings in construction cost over the Riverside site due to the environmental remediation costs and other factors.

CDM Smith has submitted a proposal in the amount of $315,300 for conducting surveys, geotechnical investigations and a Phase I environmental assessment to determine if there are any potential environmental liabilities with this site. The proposal also includes a partial redesign of the pump station improvements to take advantage of identified construction cost savings that the Navy Road site presents. An amendment to Authorization Number Four will be presented for the Board's consideration at their February 19 meeting. Funding for these additional services is available from the 2012 sales and use tax bonds issued for wastewater improvements.

Should you or members of the Board have questions or desire additional information, please let me know.

attachment

pc: Jeff Dingman


RIVERSIDE FURNITURE
PROPOSED 12' FLAT BOTTOM DRAINAGE CHANNEL
2:1 SIDESLOPE
2:1 SIDESLOPE
24"SS
R/W
30"SS
R/W
NAVY ROAD
PROPOSED DOUBLE 6'x6' BOX CULVERT (136 LF EA.)
PROPOSED PUMPING STATION
48"SS
48"SS
48"SS
24"SS
MW1
B100
B101
B102
B103
4:1 SIDESLOPE
4:1 SIDESLOPE
B105
B104
PROPOSED EQUALIZATION TANK
B106
B107
TWIN RIVERS FOODS
N
1" = 20'
10 0 20
PORT OF FORT SMITH
12"SS
2:1 SIDESLOPE
PROPOSED 12' FLAT BOTTOM DRAINAGE CHANNEL
2:1 SIDESLOPE
R/W
The City of Fort Smith ARKANSAS
MILL CREEK PUMP STATION AND EQUALIZATION TANK
CITY OF FORT SMITH, ARKANSAS
PROJECT No. 10-01-C1
CONCEPTUAL SITE PLAN FOR EQUALIZATION TANK AND PUMPING STATION ACCESS

RESOLUTION NO._____ 6 H

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ACCEPT AN OFFER MADE BY PROPERTY OWNER FOR THE ACQUISITION OF EASEMENTS IN CONNECTION WITH THE LAKE FORT SMITH 48-INCH WATER TRANSMISSION LINE

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS that:

The City Administrator is hereby authorized to accept an offer made by the following property owner:

Tract 11-30-28-04/AE	Logan France, Irene France, Jerrod English & Lena C. English	$ 16,000.00

and to make payment for same in connection with the acquisition of a water transmission line and access easement for the Lake Fort Smith 48-Inch Water Transmission Line, Project Number 08-07-P, said property being located at 10154 Highway 282, Mountainburg, Crawford County, Arkansas.

This Resolution adopted this _____ day of February 2013.

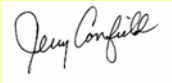
APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:



_____npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** February 15, 2013

FROM: Steve Parke, Director of Utilities

SUBJECT: Lake Fort Smith 48-Inch Water Transmission Line
Project Number 08-07-P

The City is planning to construct the first 6.5 miles of new 48-inch water transmission line from the Lake Fort Smith water treatment plant. This segment of the line will extend from the water treatment plant in Mountainburg to the Grotto community near Highway 282. A location map is attached.

The property owners shown on the Resolution have made a counter offer to sell the needed easement to city in the amount of $16,000.00. The offer made by Logan Lanier France, Irene France, Jerrod English and Lena C. English for the execution of the easement provides for the loss of hay production of 200 round bales during the construction period at current market prices and top soil replacement costs. Attached is a letter from the city attorney in support of this counter offer.

Staff believes that the owner's counter offer is reasonable compared to other easement purchased by the city and that the administrative costs associated with acquiring the needed easement through other means is not the best alternative. Therefore, staff recommends that the Board approve the attached Resolution accepting the owners counter offer at its next scheduled meeting.

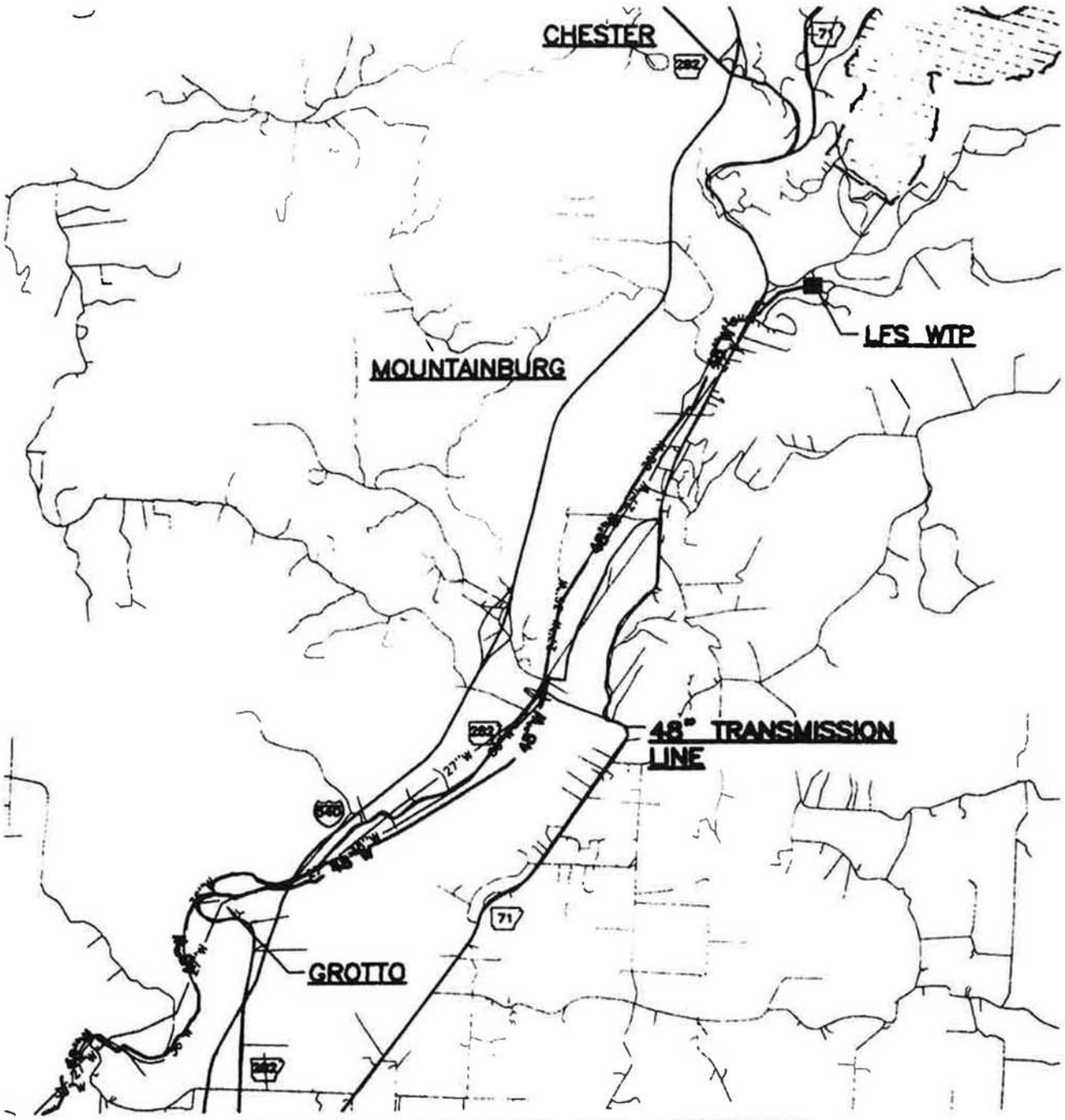
If you or members of the Board have any questions or desire additional information, please let me know.

attachment

pc: Jeff Dingman

MICKLE-WAGNER-COLEMAN, INC.
Engineers Consultants Surveyors

3434 Country Club Avenue
P.O. Box 1507
Fort Smith, Arkansas 72902



MOUNTAINBURG TO GROTTO

N.T.S.

PROJECT NO. 08-07-E2

LAKE FORT SMITH WATER TRANSMISSION LINE

DAILY & WOODS

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

JERRY L. CANFIELD, P.A.
THOMAS A. DAILY, P.A.
WYMAN R. WADE, JR., P.A.
DOUGLAS M. CARSON, P.A.
ROBERT R. BRIGGS, P.A. †
C. MICHAEL DAILY, P.A. † ●
COLBY T. ROE, P.A.

† Also Licensed in Oklahoma
● Also Licensed in Wyoming & North Dakota

KMW BUILDING
58 SOUTH SIXTH STREET
P.O. BOX 1446
FORT SMITH, AR 72902
TELEPHONE (479) 782-0361
FAX (479) 782-6160

www.dailywoods.com

JAMES E. WEST
PHILLIP E. NORVELL †

OF COUNSEL

HARRY P. DAILY (1886-1965)
JOHN P. WOODS (1886-1976)
JOHN S. DAILY (1912-1987)
BEN CORE (1924-2007)

WRITER'S E-MAIL ADDRESS
RBriggs@DailyWoods.com

February 12, 2013

Mr. Steve Parke
Director of Utilities
City of Fort Smith
3900 Kelley Highway
Fort Smith, AR 72904

Via E-Mail Only

Re: Lake Fort Smith Water Transmission Line Project No. 08-07-P
Tract 11-30-28-04 and Tract 11-30-28-04AE / Logan Lanier France, Irene France, Jerrod English and Lena English

Dear Mr. Parke:

The above referenced project includes the acquisition of permanent Water Utility Easement, Temporary Construction Easement and Access Easement over the property owned by the above referenced owners. The City appraiser initially appraised fair market value of the acquisition at $7,200.00. Subsequent to the provision of that appraisal, the owners provided us with actual hay production and income for the areas to be impacted by the necessary easements as well as expected restoration costs. After significant negotiations with the landowners, they have reduced their previous counteroffers to grant the subject easements to the City in the amount of $16,000.00. After consultation with the City's appraiser regarding the actual hay production information and restoration information, and based on the costs and the uncertainty of litigation, the landowners' most recent counteroffer of $16,000.00 seems reasonable.

Thank you for your attention to this matter.

Very truly yours,

Robert R. Briggs
tdp

cc: Mr. Larry Guthrie (via e-mail only)

RESOLUTION NO. _____ 6 I

RESOLUTION AUTHORIZING ACQUISITION OF REAL PROPERTY INTERESTS
FOR THE CHAFFEE CROSSING WATER SUPPLY IMPROVEMENTS -
GEREN ROAD AND MASSARD ROAD WATER LINES

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

SECTION ONE: The City Administrator and the City Attorney are hereby authorized to acquire by the exercise of the City's power of eminent domain, if necessary, a water utility easement on the following properties for the Chaffee Crossing Water Supply Improvements - Geren Road and Massard Road Water Lines, Project Number 12-04-P.

Tract No.	Owner	Appraised Value
1	Stephens Production Company, etal	$ 4,235.00
5	The Park Apartments of Fort Smith	$ 2,541.00
9	ERC Land Development Group, LLC	$ 1,700.00

SECTION TWO: Until acquisition by the City, authorization set forth in Property Acquisition Policy Resolution R-40-05 of May 17, 2005 is continued in effect in the event the property owner desires to agree to acquisition at the appraised value set forth in the resolution.

This Resolution adopted this _____ day of February 2013.

APPROVED:

_____

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** February 15, 2013

FROM: Steve Parke, Director of Utilities

SUBJECT: Chaffee Crossing Water Supply Improvements - Geren Road and Massard Road Water Lines Project 12-04-P

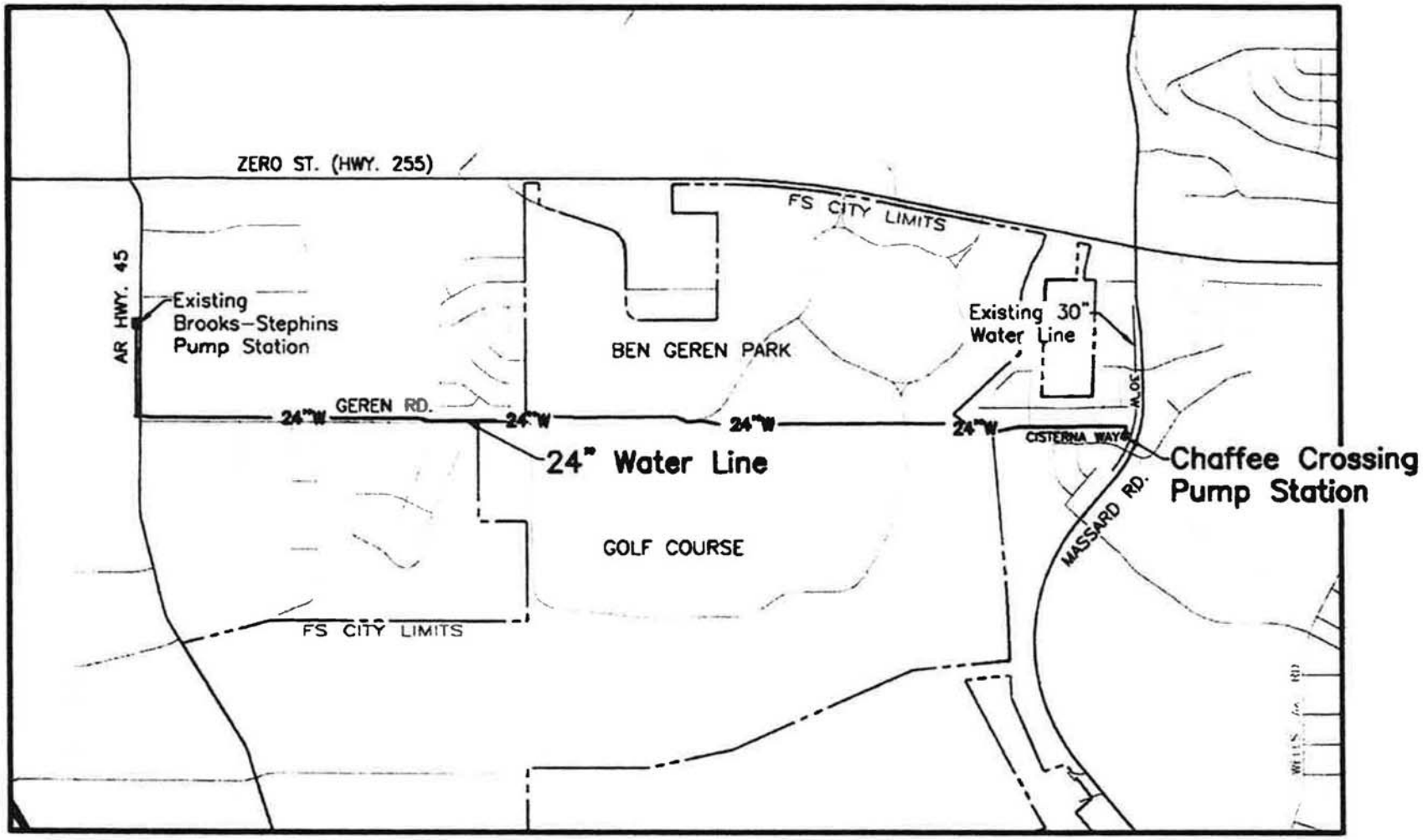
A portion of the water improvements project to Chaffee Crossing includes a 24-inch water transmission line from the Brooks Stephins water pump station on Highway 45 south of Rheem, to a new water pump station to be built along Massard Road at Cisterna Villa. A vicinity map showing the pipe line route is attached.

Staff has been negotiating with the property owners listed on the Resolution in an effort to acquire the needed easements. To date the property owners listed have not executed an easement. Exhibits showing the easement areas are attached. Because of the project's scheduling, staff recommends that the Board approve the attached Resolution authorizing the City Administrator and City Attorney to proceed with the eminent domain process to acquire the needed property interests. As always, representatives of the city will continue to negotiate with the property owner in an effort to reach a mutually agreeable settlement.

Should you or the Board have any questions or desire additional information, please let me know.

attachment

pc: Jeff Dingman



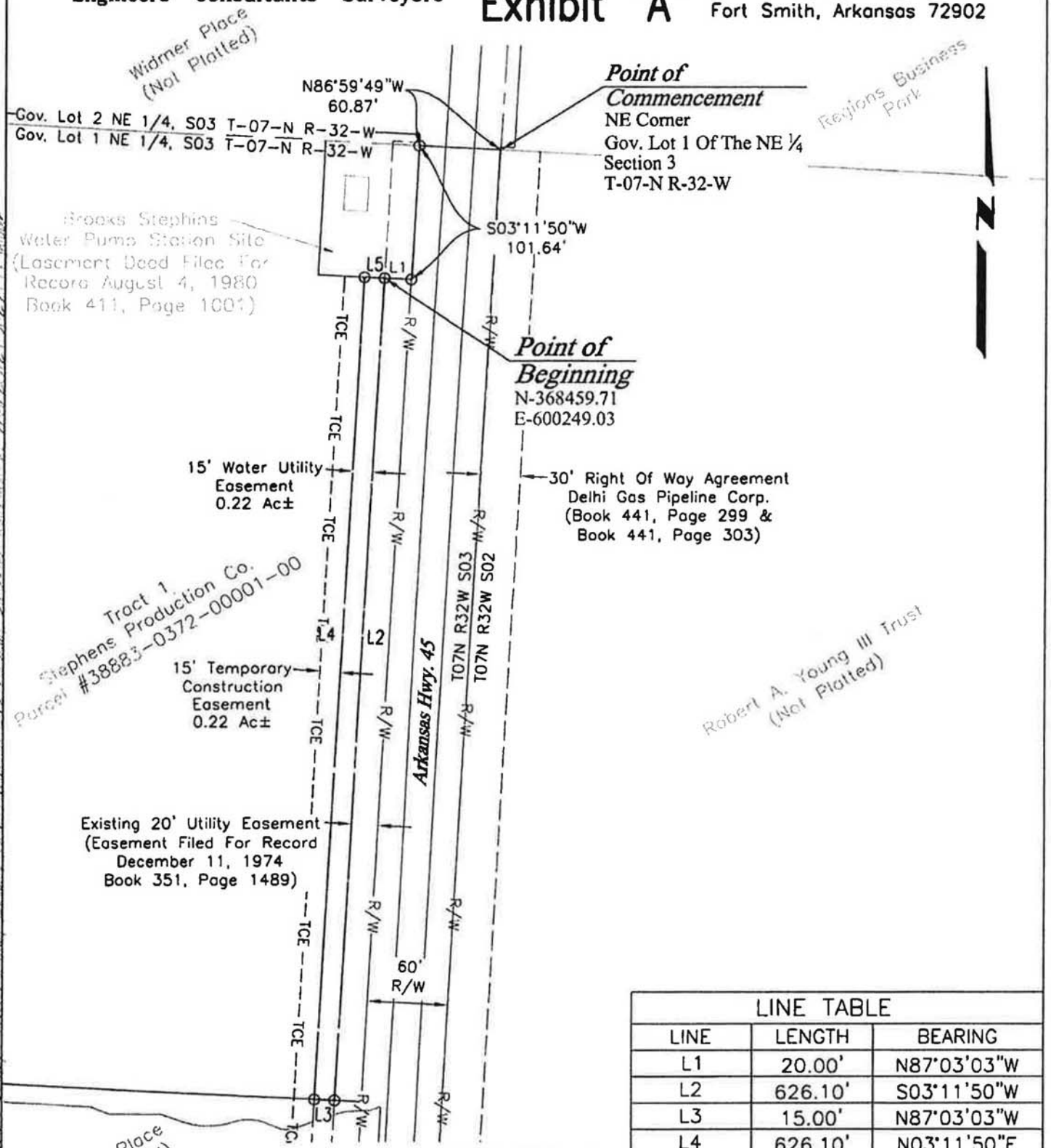
Vicinity Map

Scale 1" = 2000'

MICKLE–WAGNER–COLEMAN, INC.
Engineers Consultants Surveyors

Exhibit "A"

3434 Country Club Avenue
P.O. Box 1507
Fort Smith, Arkansas 72902



LINE TABLE		
LINE	LENGTH	BEARING
L1	20.00'	N87°03'03"W
L2	626.10'	S03°11'50"W
L3	15.00'	N87°03'03"W
L4	626.10'	N03°11'50"E
L5	15.00'	S87°03'03"E

TRACT 1

STEPHENS PRODUCTION COMPANY

Scale 1" = 100'

9/6/12

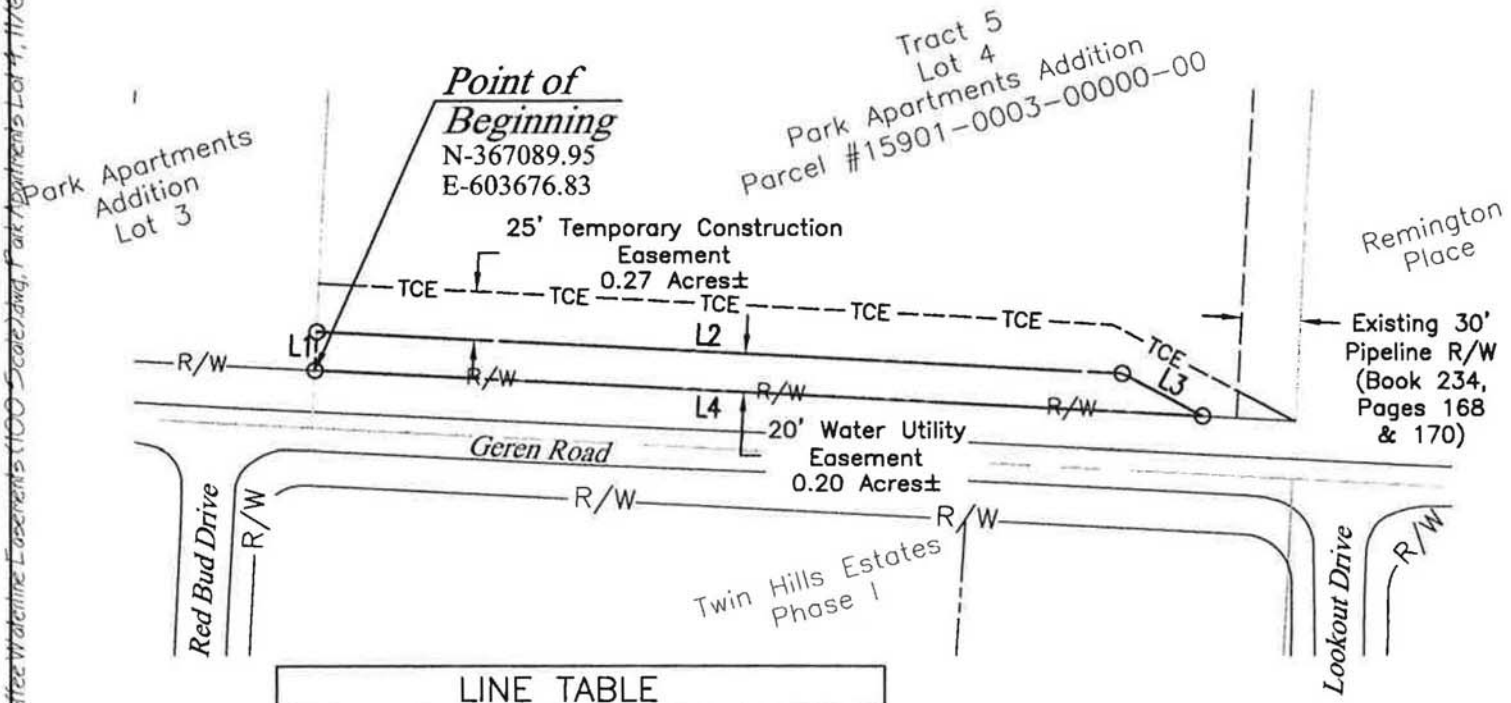
CHAFFEE CROSSING WATER LINE IMPROVEMENTS

0 50 100
Scale in Feet

MICKLE–WAGNER–COLEMAN, INC.
Engineers Consultants Surveyors

3434 Country Club Avenue
P.O. Box 1507
Fort Smith, Arkansas 72902

Exhibit "A"



LINE TABLE		
LINE	LENGTH	BEARING
L1	20.00'	N02°50'13"E
L2	410.53'	S86°59'47"E
L3	46.81'	S61°42'02"E
L4	452.79'	N86°59'47"W

TRACT 5
THE PARK APARTMENTS OF FORT SMITH

Scale 1" = 100'

0 50 100
Scale in Feet

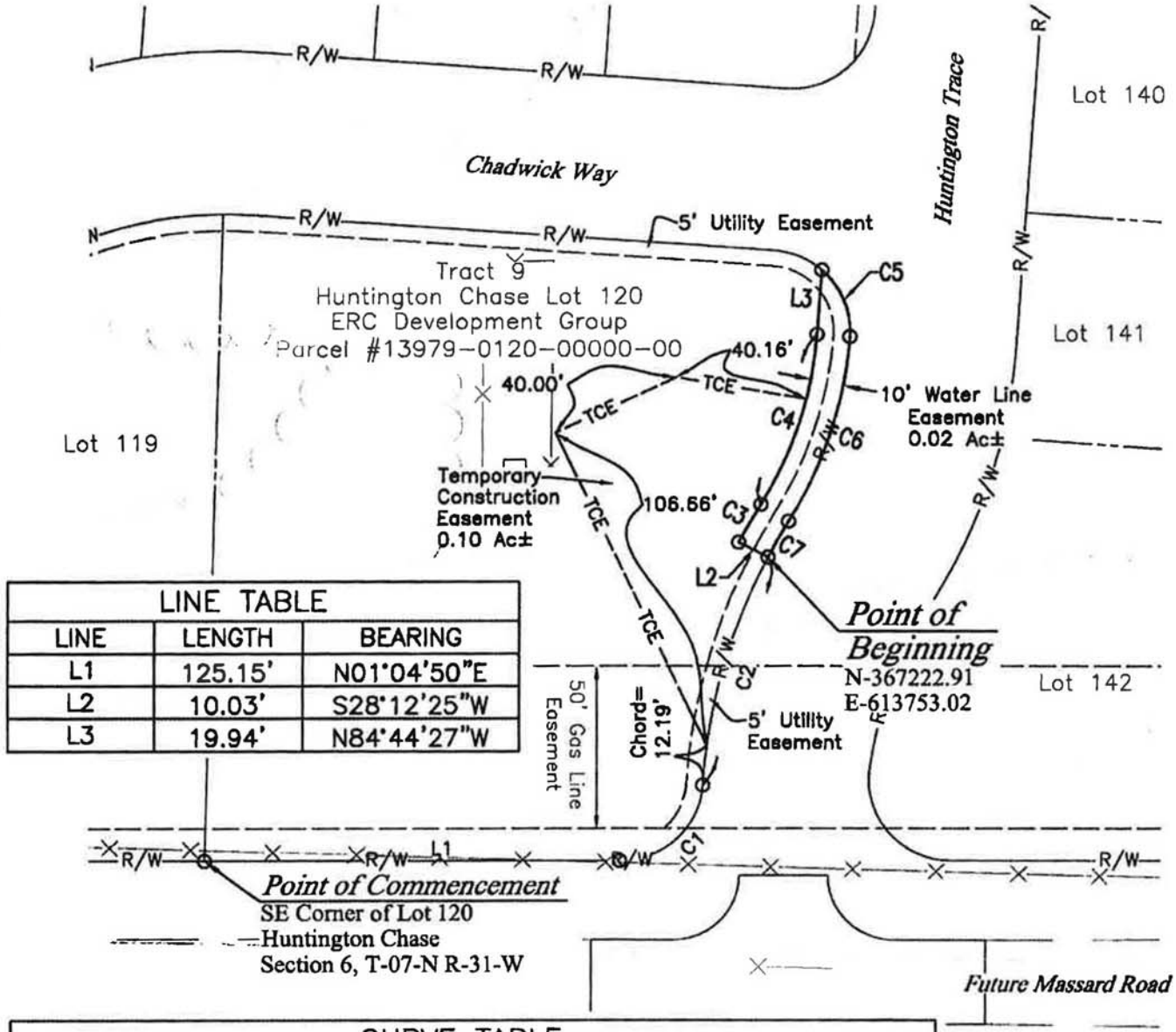
11/6/12

CHAFFEE CROSSING WATER LINE IMPROVEMENTS

MICKLE–WAGNER–COLEMAN, INC.
Engineers Consultants Surveyors

Exhibit "A"

3434 Country Club Avenue
P.O. Box 1507
Fort Smith, Arkansas 72902



LINE TABLE		
LINE	LENGTH	BEARING
L1	125.15'	N01°04'50"E
L2	10.03'	S28°12'25"W
L3	19.94'	N84°44'27"W

CURVE TABLE					
CURVE	LENGTH	RADIUS	TANGENT	CHORD BEARING	CHORD LENGTH
C1	37.68'	25.00'	23.46'	N42°05'34"W	34.21'
C2	73.30'	175.00'	37.20'	N73°16'09"W	72.77'
C3	13.55'	185.00'	6.78'	N59°11'56"W	13.55'
C4	55.81'	115.00'	28.46'	N70°59'51"W	55.26'
C5	23.11'	25.00'	12.46'	N68°36'49"E	22.30'
C6	60.64'	125.00'	30.93'	S70°59'39"E	60.05'
C7	12.73'	175.00'	6.37'	S59°11'05"E	12.73'

TRACT 9
HUNTINGTON CHASE LOT 120

Scale 1" = 50'

0 25 50
Scale in Feet

2/11/13

CHAFFEE CROSSING WATER LINE IMPROVEMENTS

RESOLUTION NO._____ 6 J

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ACCEPT AN OFFER MADE BY PROPERTY OWNER FOR THE ACQUISITION OF EASEMENTS IN CONNECTION WITH THE CHAFFEE CROSSING WATER SUPPLY IMPROVEMENTS - GEREN ROAD AND MASSARD ROAD WATER LINES

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS that:

The City Administrator is hereby authorized to accept an offer made by the following property owner:

Tract 7 Charles R. Hankins & Carolyn A. Hankins $ 4,028.75

and to make payment for same in connection with the acquisition of a water line easement for the Chaffee Crossing Water Supply Improvements - Geren Road and Massard Road Water Lines, Project Number 12-04-P, said property being located at 5502 Geren Road, Fort Smith, Arkansas.

This Resolution adopted this _____ day of February 2013.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** February 15, 2013

FROM: Steve Parke, Director of Utilities

SUBJECT: Chaffee Crossing Water Supply Improvements - Geren Road and Massard Road Water Lines Project Number 12-04-P

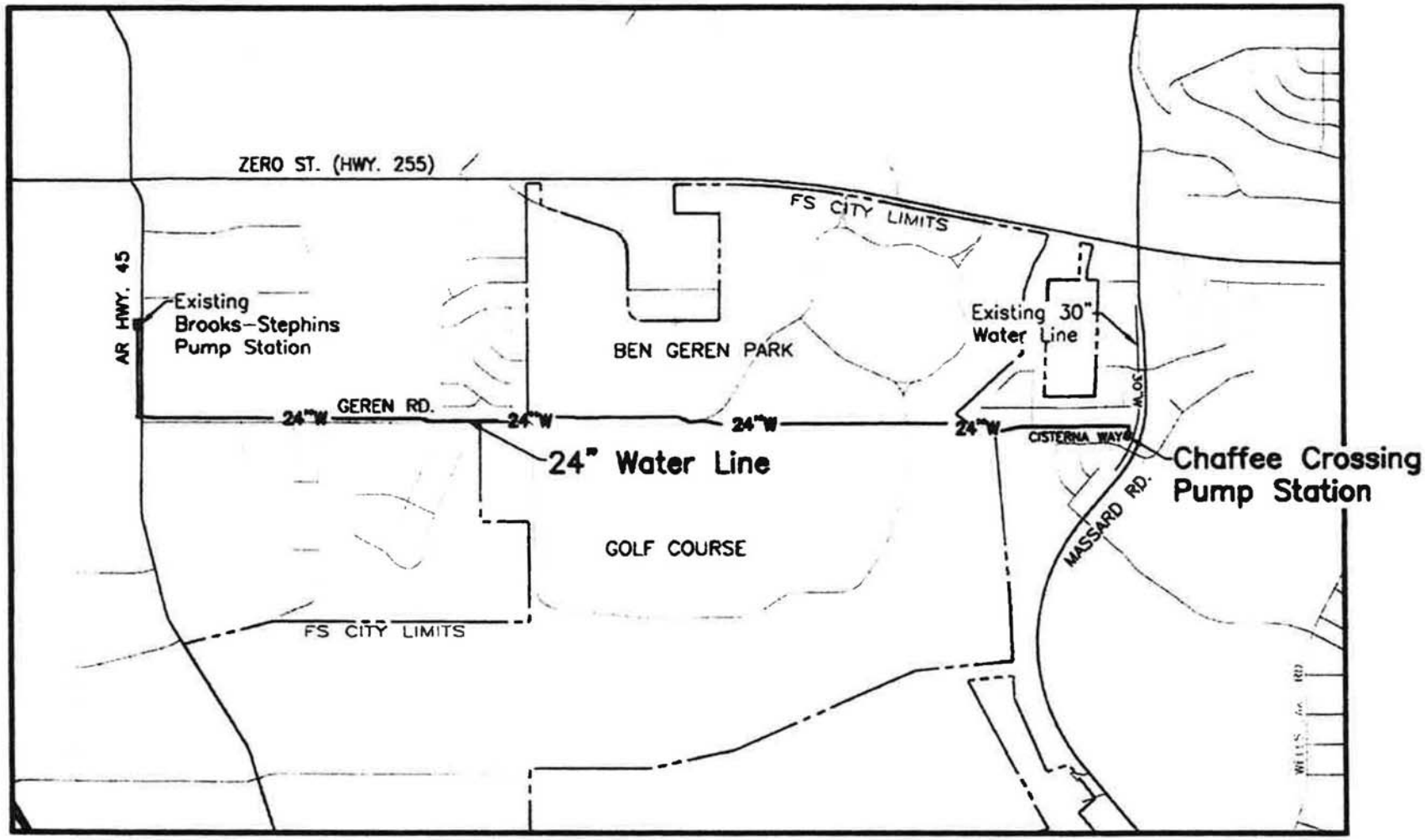
The water improvements project to Chaffee Crossing will construct a 24-inch water transmission line from the Brooks Stephins water pump station on Highway 45 south of Rheem, to a new water pump station to be built along Massard Road at Cisterna Villa. A vicinity map showing the pipe line route is attached.

The appraised value of the easement needed across the property owned by Charles R. Hankins and Carolyn A. Hankins on Geren Road is $3,223.00. After negotiations, the Hankins' have offered to grant the easement for $4,028.75. As this amount is greater than the appraised value it exceeds staff's authority to purchase the easement without Board approval. An exhibit drawing showing the easement area is attached.

Staff recommends that the Board approve the attached Resolution authorizing the City Administrator to accept the owner's counter offer and acquire the easement for $4,028.75. Should you or the Board have any questions or desire additional information, please let me know.

attachment

pc: Jeff Dingman



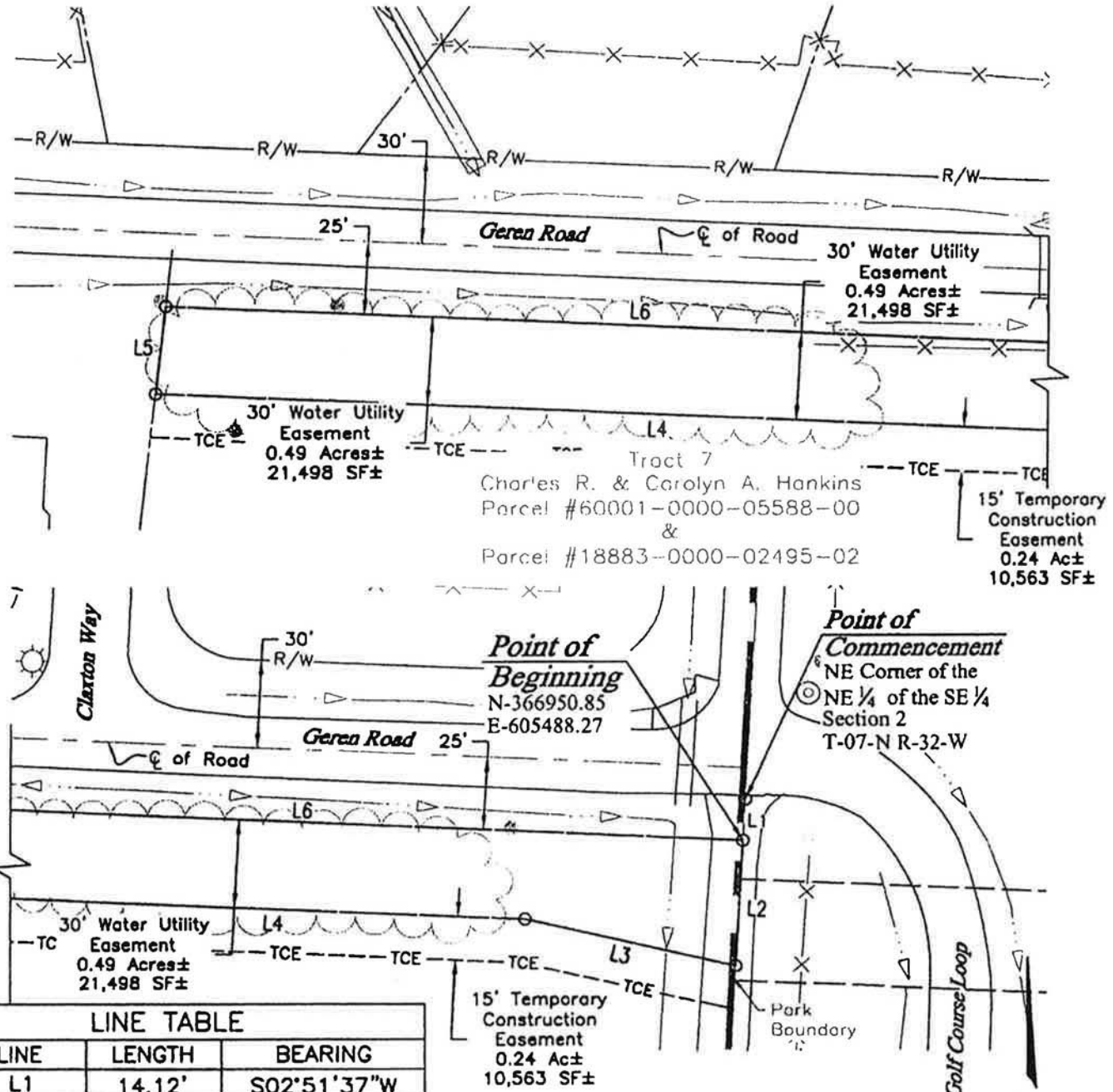
Vicinity Map

Scale 1" = 2000'

MICKLE-WAGNER-COLEMAN, INC.
Engineers Consultants Surveyors

Exhibit "A"

3434 Country Club Avenue
P.O. Box 1507
Fort Smith, Arkansas 72902



LINE TABLE		
LINE	LENGTH	BEARING
L1	14.12'	S02°51'37"W
L2	42.88'	S02°51'37"W
L3	70.20'	N76°54'00"W
L4	633.53'	N87°28'13"W
L5	30.06'	N06°08'10"E
L6	700.90'	S87°28'13"E

TRACT 7

CHARLES & CAROLYN HANKINS

Scale 1" = 50'

CHAFFEE CROSSING WATER LINE IMPROVEMENTS

2/7/13

ORDINANCE NO._____ 6 K

AN ORDINANCE DECLARING AN EXCEPTIONAL SITUATION, WAIVING THE REQUIREMENTS OF COMPETITIVE BIDDING, AND ACCEPTING THE PROPOSAL FROM HARRIS COMPANY OF FORT SMITH FOR STORM DRAINAGE IMPROVEMENTS ALONG MASSARD ROAD

BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

WHEREAS, it is necessary to adjust and extend an existing 48-inch diameter storm drain along Massard Road to accommodate the City's construction of a new 30-inch diameter water transmission line; and,

WHEREAS, Harris Company is currently constructing storm drainage improvements for Stonebrook at Chaffee Crossing, a subdivision development that must connect to the existing 48-inch diameter storm drain along Massard Road; and,

WHEREAS, construction of new 30-inch water transmission line and adjustment of the existing 48-inch storm drain scheduled with the City's project will not occur within a time frame that will prevent delay in completion of the Stonebrook at Chaffee Crossing; and,

WHEREAS, Harris Company of Fort Smith has submitted a proposal to complete the adjustment of the 48-inch diameter storm drain as part of its work to construct Stonebrook at Chaffee Crossing for the benefit of the City and subdivision development:

NOW THEREFORE, in order to begin the necessary work for the adjustment of the 48-inch diameter storm drain along Massard Road as quickly as possible, an exceptional situation exists requiring the waiving of the conditions of competitive bidding, so that the competitive bidding requirements are hereby waived, and the proposal from Harris Company of Fort Smith is

accepted and payment in the amount of $15,045.00 is authorized upon satisfactory completion of the work.

PASSED AND APPROVED this _____ day of February 2013.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** February 12, 2013

FROM: Steve Parker, Director of Utilities

SUBJECT: Chaffee Crossing Water Supply Improvements - Geren Road and Massard Road Water Lines

Mickle Wagner Coleman has recently completed plans and specifications for construction of 24 and 30-inch water transmission lines along Geren Road and Massard Road. This is the second of four water supply projects being constructed by the city to support continued development within Chaffee Crossing and the city's southern growth area. We are currently advertising this project and are scheduled to open bids on February 25, 2013. It is anticipated that bid award will take place in March with construction beginning sometime in April.

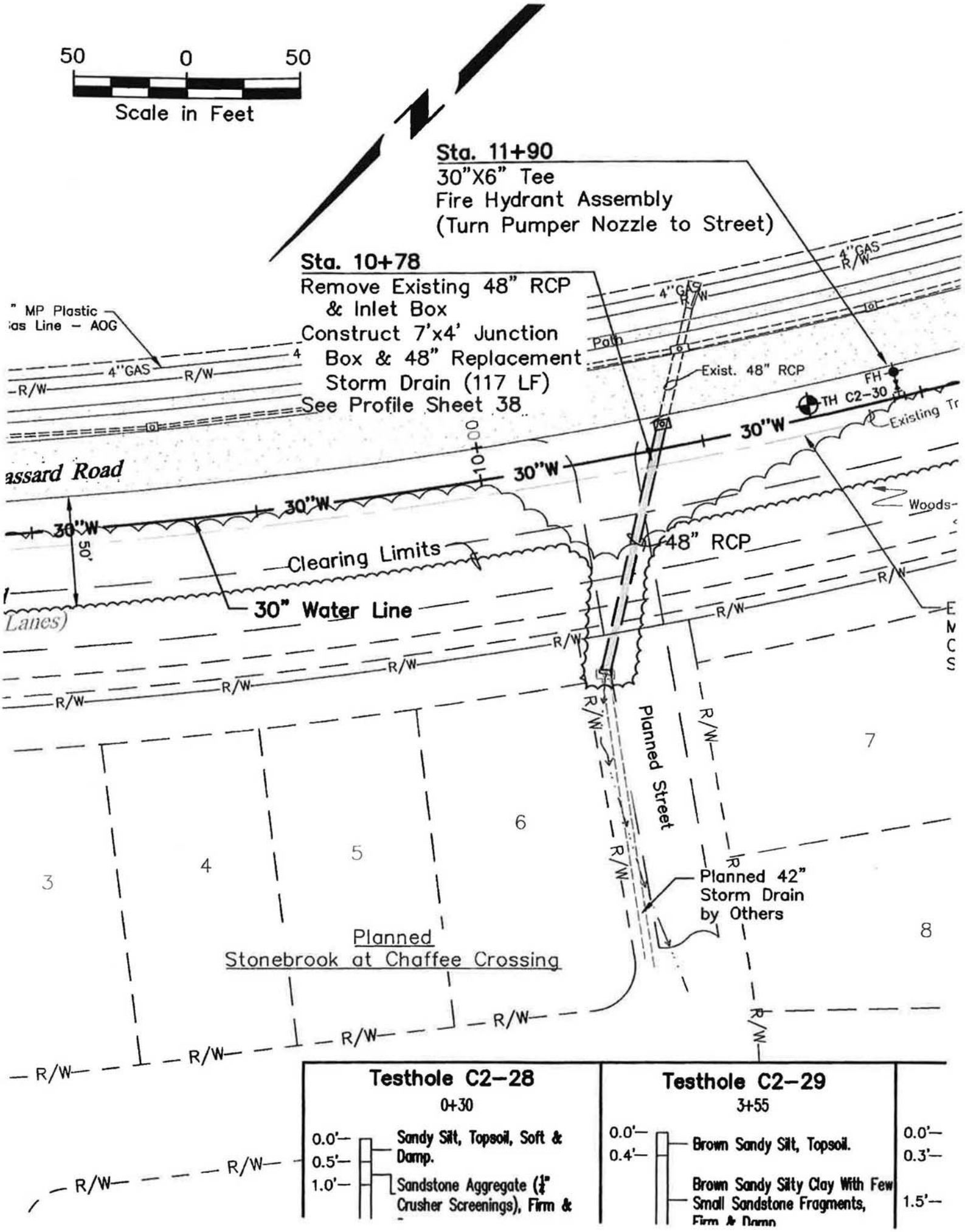
As a part of this project several segments of existing storm drainage crossing Massard Road will be lowered to accommodate construction of the 30-inch water transmission line. This work is currently part of the water transmission line project. One segment of existing storm drain provides a connection point for drainage improvements currently under construction and nearing completion by developers of the Stonebrook at Chaffee Crossing subdivision. An exhibit detailing this work is attached. In order to avoid contractor delays in completing both storm drainage improvements and construction of the roadway entrance into this subdivision, lowering of the existing 48-inch storm drain must proceed ahead of the city's water transmission line project. Harris Company, contractor for the Stonebrook development, has submitted a proposal in the amount of $15,045.00 for furnishing materials and labor necessary to accomplish the adjustment in accordance with the water transmission line plans and specifications. Mickle Wagner Coleman has reviewed the proposal and advised that it is acceptable.

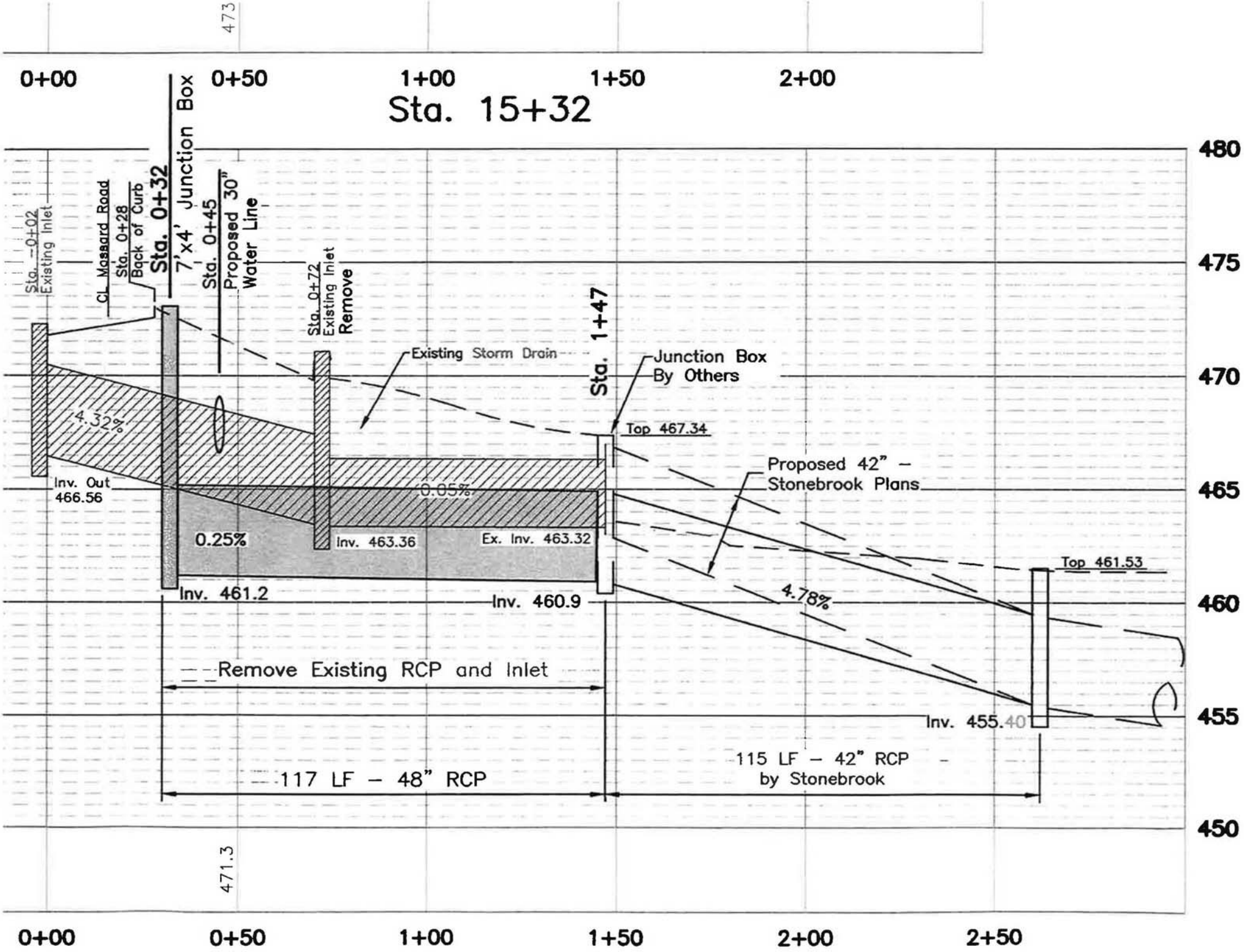
An Ordinance declaring and exceptional situation, waiving competitive bidding requirement and accepting Harris' proposal for competing this work is attached. Funds are available from the 2008 Revenue Bonds issued for water and sewer improvements.

Should you or members of the Board have questions or need any additional information, please let me know.

attachment

pc: Jeff Dingman


50 0 50
Scale in Feet
Sta. 11+90
30"X6" Tee
Fire Hydrant Assembly
(Turn Pumper Nozzle to Street)
Sta. 10+78
Remove Existing 48" RCP
& Inlet Box
Construct 7'x4' Junction
Box & 48" Replacement
Storm Drain (117 LF)
See Profile Sheet 38
" MP Plastic
as Line – AOG
4"GAS
R/W
Path
Exist. 48" RCP
FH
TH C2-30
Existing Tr
30"W
assard Road
10+00
Woods
48" RCP
Clearing Limits
30" Water Line
50'
Lanes)
Planned Street
Planned 42"
Storm Drain
by Others
Planned
Stonebrook at Chaffee Crossing
3
4
5
6
7
8
Testhole C2-28
0+30
0.0'
0.5'
1.0'
Sandy Silt, Topsoil, Soft &
Damp.
Sandstone Aggregate (¾"
Crusher Screenings), Firm &
Testhole C2-29
3+55
0.0'
0.4'
Brown Sandy Silt, Topsoil.
Brown Sandy Silty Clay With Few
Small Sandstone Fragments,
Firm & Damp
0.0'
0.3'
1.5'


Sta. 15+32
0+00
0+50
1+00
1+50
2+00
2+50
480
475
470
465
460
455
450
473
471.3
Sta. -0+02
Existing Inlet
CL Massard Road
Sta. 0+28
Back of Curb
Sta. 0+32
7'x4' Junction Box
Sta. 0+45
Proposed 30" Water Line
Sta. 0+72
Existing Inlet
Remove
Sta. 1+47
Existing Storm Drain
Junction Box
By Others
Top 467.34
4.32%
Inv. Out
466.56
0.05%
0.25%
Inv. 463.36
Ex. Inv. 463.32
Proposed 42" –
Stonebrook Plans
Top 461.53
Inv. 461.2
Inv. 460.9
4.78%
Remove Existing RCP and Inlet
Inv. 455.40
117 LF – 48" RCP
115 LF – 42" RCP
by Stonebrook

RESOLUTION NO. _____ 6 L

RESOLUTION AUTHORIZING CHANGE ORDER NUMBER TWO WITH AXIOO CONSTRUCTION, INC., FOR THE ZERO STREET PUMP STATION WET WEATHER IMPROVEMENTS - SITE REMEDIATION

BE IT RESOLVED BY THE BOARD OF DIRECTORS FOR THE CITY OF FORT SMITH, ARKANSAS, that:

Change Order Number Two in the amount of $26,788.78 to the contract with Axioo Construction, Inc., for the construction of the Zero Street Pump Station Wet Weather Improvements - Site Remediation, Project Number 09-17-C1, adjusting the contract amount to $830,262.75, and adding 40 days to the contract completion time, is hereby approved.

This Resolution adopted this ____ day of February 2013.

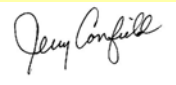
APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:



_____npr

INTER-OFFICE MEMO

TO: Ray Gosack, City Administrator **DATE:** February 12, 2013

FROM: Steve Parke, Director of Utilities

SUBJECT: Zero Street Pump Station Wet Weather Improvements
Site Remediation - Project Number 09-17-C1

The Zero Street Pump Station Wet Weather Improvements Site Remediation, project number 09-17-C1, is to remediate the former zinc smelter site at 5100 Jenny Lind Road. The work removes the slag and ash deposits left by the former smelter operation so that the site is prepared for the upcoming construction of a wet weather pump station and equalization storage improvements along with other possible future recreation uses. An exhibit showing the site remediation area and second contract improvements is attached.

The site remediation project anticipated the removal of an estimated 45,360 tons of slag and ash to be disposed of in the landfill. During construction it was found that 77,070 tons had to be removed. Change Order One adjusted the contract amount to account for the increased disposal cost.

Cross-sections of the deeper excavations from the increased slag and ash removal created the need for an additional 1,050 cubic yards of select material for the entry road and 9,014 cubic yards on-site cut and fill. The final excavation plan also required adjustments to the location of the retention basin. Utility conflicts with gas and telephone lines along Jenny Lind Road resulted a need to alter the plan for the 8-inch water main connection. Increased expenses for this work is $61,788.78. Adjustments for a deleted job trailer pad and 4.4 acre area of top soil, seed and mulch reduced the contract by $35,000.00. The net increase for Change Order Two is $26,788.78, adjusting the contract amount to $830,262.75.

Funding for the cost of Change Order Number Two is available from the 2012 sales tax and use tax bonds issued for continuation of wet weather sewer improvements. A Resolution authorizing Change Order Number Two with Axioo Construction in the amount of $26,788.78 and adding 40 days to the contract time of completion is attached.

Should you or members of the Board have any questions or desire additional information, please let me know.

attachment

pc: Jeff Dingman

Project Summary

Project status: Under construction

Project name: Zero Street Wet Weather Improvements - Site Remediation

Today's date: February 19, 2013

Project number: **09-17-C1**

Staff contact name: Steve Parke

Project engineer: Hawlins-Weir Engineers, Inc.

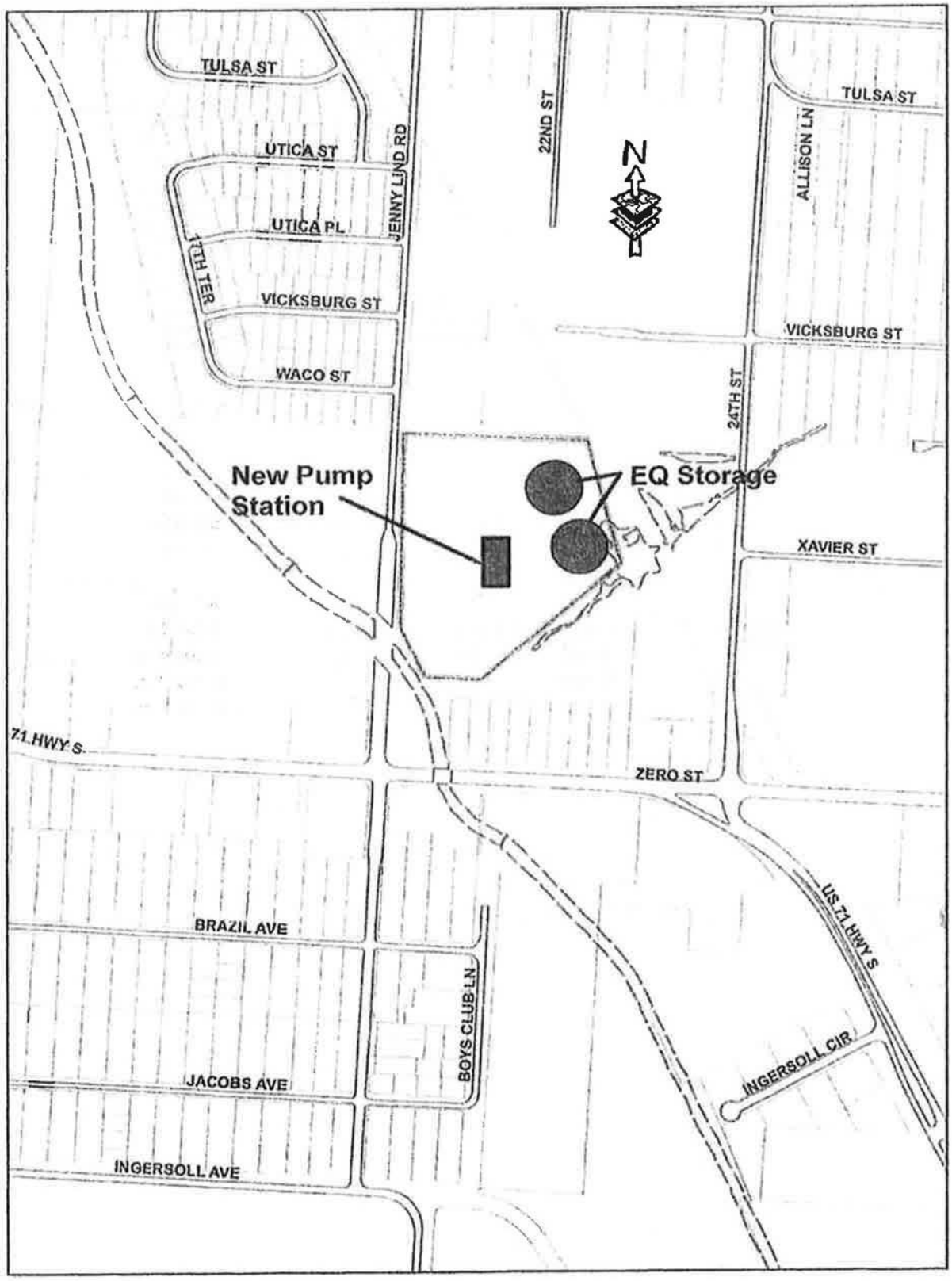
Staff contact phone: 784-2231

Project contractor: Axioo, Inc.

Notice to proceed issued: October 15, 2012

	Dollar Amount	Contract Time (Days)
Original contract	$635,408.00	150
Change orders:		
Change Order No. 1	$168,065.97	0
Change Order No. 2	$26,788.78	40
Total change orders	$194,854.75	190
Adjusted contract	$830,262.75	
Payments to date (as negative):	-$584,483.67	
Amount of this payment	$0.00	
Retainage held	$30,762.30	
Contract balance remaining	$0.00	
Amount over original as a percentage	30.0%	

Final comments:



Zero Street Pump Station Wet Weather Improvements
Site Remediation
Project No. 09-17-C1

RESOLUTION NO._____

RESOLUTION ACCEPTING BIDS FOR THE PURCHASE OF REFUSE TRUCKS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY FORT SMITH, ARKANSAS, THAT:

The bids, as indicated by enclosure for the purchase of refuse trucks from Shipley Motor Equipment Company for $ $936,185.78, are accepted.

This Resolution adopted this _____ day of February, 2013.

APPROVED:

_____
MAYOR

ATTEST:

_____
CITY CLERK

Approved as to form:

_____
□ No Publication Required

Interoffice Memorandum

TO: Ray Gosack, City Administrator

COPY TO: Baridi Nkokheli, Director of Sanitation

FROM: Alie Bahsoon, Purchasing Manager

SUBJECT: **Purchase of Refuse Trucks**

DATE: February 14, 2013

The 2013 Budget earmarked funding for the purchase of replacement refuse trucks for the Sanitation Department as noted below:

-2 Automated side loader trucks for use by the Residential Collections Division
-1 Front loader for use by the Commercial Collection Division
-1 Roll Off Truck for use by the Roll-Off Collection Division

In 2011, bids were solicited for the purchase of these trucks and per the resolutions noted below the bids were awarded to Shipley Motor Equipment ("Shipley") of Fort Smith, Arkansas. In our bid documents (available in Purchasing), there was a provision for each of these purchases that allows the City to exercise an option to renew the contract with Shipley Motor for four (4) consecutive one (1) year periods under the terms and conditions of the bids. This renewal was contingent upon a mutual agreement between the City and Shipley. Additionally, Shipley was advised that a price adjustment was allowable upon giving the City a thirty (30) day written notice. Shipley has met this criteria and advised us of the price increases for the 2013 model trucks as noted below:

-Resolution R-60-10: 2 Side loader trucks, Model LEU 613; increase of $15,570.82
-Resolution R-60-11: 1 Roll-off truck, Model GU713: increase of $8,462.77
-Resolution R-167-08: 1 Front load truck, Model MRU613; increase of $8,642.77

The price increases are due to the volatility in the steel industry markets and the new clean-air requirements imposed by the EPA on truck manufacturers. Per the recommendations of the Sanitation Department staff, the increases are acceptable. With the Board's approval, the City's cost for these trucks will be $936,185.78. Please note that the four trucks being replaced will be sold at the annual city auction.

The 2013 budget reflects budgeted amounts as follows:

-6302-301	Budgeted: $540,000	Cost: $536,027.24
-6303-Sinking Fund	Budgeted: $250,000	Cost: $234,586.77
-6307-Sinking Fund	Budgeted: $175,000	Cost: $165,571.77

If you should require any additional information, please let me know.

RESOLUTION NO._____

RESOLUTION APPROVING AUTOMOBILE AND PROPERTY INSURANCE COVERAGE FOR THE CITY'S FLEET AND BUILDINGS for 2013-2014

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The renewal of insurance agreement with Travelers Companies through Brown Hiller Clark and Associates for the insuring of property and automobiles owned by the City for the policy year of March 1, 2013, through March 1, 2014, is hereby approved.

SECTION 2: The City Administrator or his designee is hereby authorized to execute all documents necessary to bind coverage.

APPROVED:

_____
MAYOR

ATTEST:

_____
CITY CLERK

Approved as to form:

_____
No Publication Required

Interoffice Memorandum

TO: Ray Gosack, City Administrator

FROM: Alie Bahsoon, Purchasing Manager

SUBJECT: Auto & Property Insurance

DATE: February 14, 2013

The City's equipment, auto, and property insurance policies are up for renewal (03-01-13 to 03-01-14) and enclosed for the board's consideration and approval of premiums is the resolution to renew our annual insurance agreement with Travelers Companies through Brown Hiller Clark and Associates.

As discussed with the Board at the January 22nd study session, the overall premium increase will be at 8% (see attached comparison schedule). Since our meeting, BHC was able to price the market with other carriers and as noted in the attached emails, the end result was typical in that Travelers Insurance premiums are very competitive.

The 2013-2014 rates will reflect the following premiums for a total of $835,791:

- Property $344,308 Rate of .1533
- Auto $429,928 Cost per unit: $659
- Equipment $61,555

Per the request of the board, outlined below are the property premiums with higher deductibles:

- $25,000 Deductible $344,308 (current)
- $50,000 Deductible $334,384
- $100,000 Deductible $324,459

It is my recommendation that we keep the current property deductible as is and we adopt the resolution with the proposed premiums as noted in the attachment.

Renewal Premium Comparison

Named Insured **City of Fort Smith**
Renewal Date **03/01/13**

Line	2013/2014 Renewal Premium	2012/2013 Prior Yr's Premium	Difference
TRAVELERS:			
Commercial Package			
Property	$344,308	$323,648	12/13 Prop Rate.1421
Equipment Breakdown	Included	Included	13/14 Prop Rate .1533
Computers	$4,728	$4,397	
Auto Liability	$336,410	$307,020	12/13 $602 **Liability** Cost Per Unit 13/14 $659 **Liability** Cost Per Unit
Auto Physical Damage	$88,790	$83,567	
UNITED FIRE GROUP:			
Equipment	$31,991	$28,564	12/13 Eqpt Rate .28 13/14 Eqpt Rate .31
Scheduled Equipment			
Leased or Rented Eqpt			
Fine Arts	$1,536	$1,376	12/13 Fine Art Rate .43 13/14 Fine Art Rate .48
Misc. Property Floater (Signs, Mobile/Portable Radios, Ferris Wheel, Carousel etc.)	$13,363	$11,890	12/13 Misc. Rate .331 13/14 Misc. Rate .372
Radio/Television & Broadcasting Equipment	$14,665	$13,039	12/13 Radio Rate .257 13/14 Radio Rate .2898
GRAND TOTAL	**$835,791**	**$773,501**	**8% Overall Increase**

Optional Property Quotes:

$50,000 Deductible $334,384
$100,000 Deductible $324,459

Tonya Wennberg

From: Tonya Wennberg
Sent: Thursday, February 14, 2013 3:24 PM
To: Tonya Wennberg
Subject: City of FS - AmWins

From: Scott Wolf [mailto:Scott.Wolf@amwins.com]
Sent: Saturday, February 02, 2013 4:28 PM
To: Tonya Wennberg
Cc: Jonathan Klement; Tanya Buswell
Subject: City of FS - AmWins

Tonya, Tanya - who is an Auto expert feels like the Travelers Auto rates are great. If you don't have a replacement the property is likely a moot point.

Let me know what you want to do.

Thanks,

Scott Wolf
Executive Vice President | AmWINS Brokerage of Texas Inc.
Direct 214.561.6854 | Cell 469.222.1877 | scott.wolf@amwins.com
5910 N. Central Expwy | Suite 500 | Dallas, TX 75206
CA License#0F41749

Tonya Wennberg

From: Tonya Wennberg
Sent: Friday, February 15, 2013 8:52 AM
To: Tonya Wennberg
Subject: City of Fort Smith - IPSI Markets

Importance: High

-----Original Message-----
From: Kerri Senger [mailto:KSenger@ipsico.com]
Sent: Friday, February 15, 2013 8:46 AM
To: Tonya Wennberg
Subject: RE: City of Fort Smith - IPSI Markets
Importance: High

Tonya ~

Truly, the auto has thrown us out of this one. We could have gotten to the $.15 property rate. However, Scottsdale would have been around $800 - $850 per unit on the auto.

I appreciate the opportunity to look at this one. Hopefully we can do something soon.

Thank you!

Kerri R. Senger
Vice President

Breckenridge Insurance Services, LLC
3870 S. Lindbergh Blvd., Suite 100
St. Louis, MO 63127
Phone: 314-725-8394 ext. 221
Mobile: 314-369-2152
Fax: 314-880-8036
Email: ksenger@ipsico.com

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: February 11, 2013

SUBJECT: Animal Services Advisory Board

Ms. Cheryl Gilmore of the Animal Services Advisory Board has resigned her position in 2012. This board would like to fill this position at this time.

The applicant available at this time is:

Brook Borengasser 7324 South Q Street

Appointments are **by the Board of Directors.** One appointments is needed; the term will expire April 3, 2014.

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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ANIMAL SERVICES ADVISORY BOARD

The animal services advisory board shall work in an advisory capacity to the Mayor and the Board of Directors in regards to topics that concern the care and safety of animals within the corporate limits of the city, and shall endeavor to stimulate and encourage communication with all members of the community to ensure that the programs, goals and objectives of the city relative to the care and safety of animals are consistent with community needs and desires. However, the animal services advisory board will not be responsible for the day to day operations of the Animal Control Division of the Fort Smith Police Department.

The animal services advisory board shall be composed of nine (9) members appointed by the Board of Directors.

	Date Appointed	Term Expired
Veterinarian:		
Mike Thames Veterinarian 4100 Kelley Hwy (04) 883-1243 (h) 782-1234 (w) petdocmdt@labahnvet.com	04/03/12	04/03/14
Jon Remer Veterinarian 2715 Independence (01) 646-6023 (h) 785-1792 (w) drremer@swbell.net	04/03/12	04/03/14
One owner, operator or employee of a business related to the production, sale distribution or care of animals of livestock:		
Amanda Heim 4901 E. Valley Road (03) 785-4456 (h) 479-629-6068 (w) buffaloblue@aol.com	04/03/12	04/03/13

Two board members of separate non-profit animal interest groups whose membership is for a comprised primarily of residents of the city, and whose primary interest is the health and welfare of animals, shall be appointed for a term.

Joan Bryant 1005 South 46 Street (03) 479-926-1266 (h) 434-4740 (w) No email	04/03/12	04/03/13
Cheryl Gilmore 3409 South 98 Street (03) 285-3983 (h) Resigned 800-729-7234 ext. 4008 gilmore.cheryl@yahoo.com	04/03/12	04/03/13

Two citizens shall be appointed for a term of two years:

Tammy Trouillon Community Outreach Director 8000 Holly Avenue (08) 226-3374 (h) 242-3609 (W) bookturner3@att.net	04/03/12	04/03/14
Sherilyn Walton 8818 Meandering Way (03) 452-0146 kittylitter04@yahoo.com	04/03/12	04/03/14

Two citizens shall be appointed for a term of three years:

Nicole Morgan 2908 Marion Court (8) 831-7033 dutchpk@gmail.com	04/03/12	04/03/15
Carole Hutton P.O. Box 10018 (17) 462-4965 carolehhutton@aol.com	04/03/12	04/03/15

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 3/6/12

Name: Brock Borengasser

Home Telephone: 479.283.6111

Home Address: 7324 S. Q

Work Telephone: 479.242.1186

Zip: 72903

Email: brock@ultimuttdogcare.com

Occupation: Co-owner Ultimutt Dog Care
(If retired, please indicate former occupation or profession)

Education: Bachelors in Information Technology - Web

Professional and/or Community Activities: Board Humane Society

Additional Pertinent Information/References:

Are you a registered voter in the City of Fort Smith? Yes X No ____

Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes____ NO X

If yes, please identify the offense and the approximate date. A "yes" answer will not automatically preclude you from consideration.

Drivers License AR [redacted] Date of Birth [redacted]
information will be use to [redacted] k of all applicants).

I am interested in serving on the (please check):

* Animal Services Advisory Board

( ) Audit Committee
( ) Advertising & Promoting Commission
( ) Airport Commission
( ) Arkansas Fair & Exhibition Facilities Bd
( ) Benevolent Fund Board
( ) Bldg. Bd. Of Adjustment and Appeals
( ) Central Business Improvement District
( ) Convention Center Commission
( ) Civil Service Commission
( ) Community Development Advisory Com.
( ) County Equalization Board
( ) Electric Code Board of Appeals & Appeals
( ) Fire Code Board of Appeals & Adjustments
( ) Historic District Commission
( ) Housing Assistance Board
( ) Housing Authority
( ) Library Bd of Trustees
( ) Mechanical Bd of Adjustments and Appeals
( ) Oak Cemetery Commission
( ) Outside Agency Review Panel
( ) Parking Authority
( ) Parks & Recreation Commission
( ) Planning Commission
( ) Plumbing Advisory Board
( ) Port Authority
( ) Property Owners Appeals Board
( ) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: February 11, 2013

SUBJECT: Arkansas Fair and Exhibition Facilities Board

The terms of Mr. Ken Pevehouse and Mr. Jeff Burks of the Arkansas Fair and Exhibition Facilities Board will expire March 7, 2013. Mr. Pevehouse wishes to be reappointed to this board and Mr. Burks does not wish to be reappointed at this time.

The applicant available at this time is:

Andrew Smith 9225 Rosewood Drive

Appointments are **by the Mayor confirmed by the Board of Directors.** Two appointments are needed; the terms will expire March 7, 2018.

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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ARKANSAS FAIR AND EXHIBITION FACILITIES BOARD

The Arkansas Fair & Exhibition Facilities board authorizes the issuance of revenue bonds to finance fair and exhibition facilities; and prescribing other matters relating thereto.

The board is empowered, from time to time, to own, acquire, construct, reconstruct, extend, equip, improve, sell, lease, contract concerning or otherwise deal in or dispose of fair and exhibition facilities in the City, including the making of loans with respect thereto.

The Arkansas Fair & Exhibition Facilities Board shall consist of five persons to be appointed by the Mayor in accordance with the Act. The initial members shall serve for terms of one, two, three, four, and five-year terms.

	Date Appointed	Term Expires
Ken Pevehouse 3010 Beverly Dr (01) 782-1975 (h) 785-6062 (w)	03/18/03	03/07/13
Jeff Burks Manager 3301 Royal Scots Way (08) 629-8675 (h) 474-8036 (w) JeffBurks@Teamcpi.com	03/18/08	03/07/13
John R. Taylor Sterne, Agee & Leach, Inc. 2401 Crosshill Rd (03) 782-2527 (w) 646-8573 (h) JohnTaylor@sterneagee.com	03/07/00	03/07/14
John Ayers (chairman) 2307 Wedgewood Blvd (03) 648-8829 (h) 646-7891 (w) jayers@weatherbarr.com	03/07/00	03/07/15

Eugene Bruick
6817 Free Ferry Road (03)
484-0680 (h)
679-8818 (w)
gbruick@aol.com

02/21/12 03/07/17

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 1/16/13

Name: Ken Pevehouse

Home Telephone: 782-1975

Home Address: 3010 Beverley Drive

Work Telephone: 784-8470

Zip: 72901

Email: kpevehouse@data-tronics.com

Occupation: Lead Information Analyst
(If retired, please indicate former occupation or profession)

Education: BSBA

Professional and/or Community Activities: Boy Scout Board member

Additional Pertinent Information/References: Former City Director

Are you a registered voter in the City of Fort Smith? Yes ✓ No ____
Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes____ NO ✓
If yes, please identify the offense and the approximate date. A "yes" answer will not automatically preclude you from consi[illegible]
Drivers Licens[illegible] Date of Birth [illegible] his information wil[illegible] ground check of all applicants).

I am interested in serving on the (please check):

( ) Audit Committee
( ) Advertising & Promoting Commission
( ) Airport Commission
() Animal Services Advisory Board
(✓) Arkansas Fair & Exhibition Facilities Bd
( ) Benevolent Fund Board
( ) Bldg. Bd. Of Adjustment and Appeals
( ) Central Business Improvement District
() Comprehensive Plan Steering Committee
( ) Convention Center Commission
( ) Civil Service Commission
( ) Community Development Advisory Com.
( ) County Equalization Board
( ) Electric Code Board of Appeals & Appeals
( ) Fire Code Board of Appeals & Adjustments
( ) Historic District Commission
( ) Housing Assistance Board
( ) Housing Authority
( ) Library Bd of Trustees
( ) Mechanical Bd of Adjustments and Appeals
( ) Oak Cemetery Commission
( ) Outside Agency Review Panel
( ) Parking Authority
( ) Parks & Recreation Commission
( ) Planning Commission
( ) Plumbing Advisory Board
(✓) Port Authority
( ) Property Owners Appeals Board
( ) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 1-10-13

Name: ANDREW SMITH

Home Telephone: 479-414-9422

Home Address: 9225 ROSEWOOD DR.

Work Telephone: 479-646-7891

Zip: 72903

Email: ASMITH@WEATHERBARR.COM

Occupation: SALES REPRESENTATIVE FOR HARRY G. BARR CO.
(If retired, please indicate former occupation or profession)

Education: MASTER OF SCIENCE OPERATIONS MANAGEMENT

Professional and/or Community Activities: COMMISARY KIWANIS, FORT SMITH HOME BUILDERS ASSOC. - COUNCIL MEMBER

Additional Pertinent Information/References: _____

Are you a registered voter in the City of Fort Smith? Yes ✓ No ____
Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes____ NO ✓
If yes, please identify the offense and the approximate date. A "yes" answer will not automatically preclude you from consideration.____
Drivers License_____ Date of B
information will be [redacted] ound check of all applica

I am interested in serving on the (please check):

( ) Audit Committee
( ) Advertising & Promoting Commission
( ) Airport Commission
(✓) Arkansas Fair & Exhibition Facilities Bd
( ) Benevolent Fund Board
(✓) Bldg. Bd. Of Adjustment and Appeals
( ) Central Business Improvement District
(✓) Convention Center Commission
( ) Civil Service Commission
( ) Community Development Advisory Com.
( ) County Equalization Board
( ) Electric Code Board of Appeals & Appeals
( ) Fire Code Board of Appeals & Adjustments
(✓) Historic District Commission
( ) Housing Assistance Board
(✓) Housing Authority
( ) Library Bd of Trustees
( ) Mechanical Bd of Adjustments and Appeals
( ) Oak Cemetery Commission
( ) Outside Agency Review Panel
( ) Parking Authority
(✓) Parks & Recreation Commission
( ) Planning Commission
( ) Plumbing Advisory Board
( ) Port Authority
( ) Property Owners Appeals Board
( ) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: February 11, 2013

SUBJECT: Civil Service Commission

The term of Mr. Orval Smith of the Civil Service Commission will expire March 31, 2013. Mr. Smith wishes to be reappointed to this board.

The applicant available at this time is:

Coby W. Logan P.O. Box 10475

Appointments are **by the Board of Directors.** One appointment is needed; the term will expire March 31, 2019.

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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CIVIL SERVICE COMMISSION

The Civil Service Commission is responsible for writing and enforcing rules and regulations governing the Fire and Police Departments. The rules provide for the qualifications for applicants for appointment to the Police and Fire Department and provide for open, competitive examination to test the fitness of applicants. In addition, the Civil Service Commission hears appeals by employees of the Fire and Police Departments concerning disciplinary actions.

The Civil Service Commission consists of five citizens of the City named by the Board of Directors to serve six-year terms. Members shall be citizens of the State of Arkansas and residents of the City for at least three years preceding their appointment. Members shall not hold or be a candidate for any political office under any national, state, county or municipal government, or be connected in any official capacity with any political party or organization. The commission meets on call.

	DATE APPOINTED	TERM EXPIRES
Orval Smith 4922 Hardscrabble Way Fort Smith, AR 72903 629-3761 (h) 226-3212 (w) smithco82@gmail.com	01/18/12	03/31/13
Sam Sexton 12612 Dunston Drive (16) 434-6282 (h) 783-0036 (w) amccutchenlawfirm.com	06/15/10	03/31/15
Robert Patrick Cooper 2601 Athlone Rd (03) 783-9692 (h) 646-4366 (w) rcooper@farrellcooper.com	11/16/04	03/31/15

Sister Judith Marie Keith Executive Director Trinity Educational Trust 7315 Riviera Dr (03) 452-5546 (h) srsjm@yahoo.com	03/16/99	03/31/17
Marty Shell Terminal Operator 11107 Vista Ridge Court (16) 649-9067 (h) 410-1557 (w) marty@fiveriversdist.com	03/15/11	03/31/17

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 1-14-13

Name: Orval Smith

Home Telephone: 479-629-3761

Home Address: 4922 Hardscrabble

Work Telephone: 479-226-3212

Zip: 72903

Email: smithco82@gmail.com

Occupation: Owner: Elite Pest Control
(If retired, please indicate former occupation or profession)

Education: HS.

Professional and/or Community Activities: Chamber, Realtor, NAT Pest & AR Pest Assoc.

Additional Pertinent Information/References: Current Commision

Are you a registered voter in the City of Fort Smith? Yes X No ____
Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes____ NO X
If yes, please identify the offense and the approximate date. A "yes" answer will not automatically preclude you from consideration.____
Drivers License_____ Date of Birth_____ (This information will be [illegible] back ground check of all applicants).

I am interested in serving on the (please check):

( ) Audit Committee
( ) Advertising & Promoting Commission
( ) Airport Commission
( ) Arkansas Fair & Exhibition Facilities Bd
( ) Benevolent Fund Board
( ) Bldg. Bd. Of Adjustment and Appeals
( ) Central Business Improvement District
( ) Convention Center Commission
(X) Civil Service Commission
( ) Community Development Advisory Com.
( ) County Equalization Board
( ) Electric Code Board of Appeals & Appeals
( ) Fire Code Board of Appeals & Adjustments
( ) Historic District Commission
( ) Housing Assistance Board
( ) Housing Authority
( ) Library Bd of Trustees
( ) Mechanical Bd of Adjustments and Appeals
( ) Oak Cemetery Commission
( ) Outside Agency Review Panel
( ) Parking Authority
( ) Parks & Recreation Commission
( ) Planning Commission
( ) Plumbing Advisory Board
( ) Port Authority
( ) Property Owners Appeals Board
( ) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

Civil Serv.

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 4/4/12

Name: Coby W. Logan

Home Telephone: _____

Home Address: PO Box 10475

Work Telephone: (479) 782-8813

Zip: 72917

Email: cloganerbsclaw.com

Occupation: Attorney
(If retired, please indicate former occupation or profession)

Education: Univ. of Ark. School of Law, Fayetteville

Professional and/or Community Activities: _____

Additional Pertinent Information/References: _____

Are you a registered voter in the City of Fort Smith? Yes X No ____
Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes____ NO X
If yes, please identify the offense and the approximate date. A "yes" answer will not automatically preclude you from consideration.
Drivers License_____ Date of Birth_____ This information will be [redacted] ground check of all applicants).

I am interested in serving on the (please check):

(✓) Audit Committee
( ) Advertising & Promoting Commission
(✓) Airport Commission
( ) Arkansas Fair & Exhibition Facilities Bd
( ) Benevolent Fund Board
( ) Bldg. Bd. Of Adjustment and Appeals
(✓) Central Business Improvement District
( ) Convention Center Commission
(✓) Civil Service Commission
( ) Community Development Advisory Com.
( ) County Equalization Board
( ) Electric Code Board of Appeals & Appeals
( ) Fire Code Board of Appeals & Adjustments
( ) Historic District Commission
( ) Housing Assistance Board
( ) Housing Authority
(✓) Library Bd of Trustees
( ) Mechanical Bd of Adjustments and Appeals
( ) Oak Cemetery Commission
( ) Outside Agency Review Panel
( ) Parking Authority
( ) Parks & Recreation Commission
( ) Planning Commission
( ) Plumbing Advisory Board
(✓) Port Authority
( ) Property Owners Appeals Board
(✓) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: February 12, 2013

SUBJECT: Fort Smith Housing Authority

The Housing Authority has confirmed the reappointment of Richard S. Foti on January 25, 2013.

Appointments are **by the Fort Smith Housing Authority confirmed by the Board of Directors.** One appointment is needed; the term will expire March 3, 2018.

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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HOUSING AUTHORITY

The Housing Authority is authorized to provide low-income housing assistance to residents of the City and the County. Vacancies on the Housing Authority shall be filled by the remaining members of the Housing Authority subject to confirmation by the Board of Directors serving a 5 year term. The Housing Authority meets at 11:30 a.m. on the last Thursday of each month at the Beckman Center.

	DATE APPOINTED	TERM EXPIRES
Rick Foti 7810 Dover Circle (03) 452-3028	12/16/97	03/03/13
Barbara Webster Meadows 1801 North 13 Street (04) 452-6976	01/07/97	03/03/14
Rex Terry 2714 Yorktown Circle (03) 452-2200	02/16/10	03/03/15
Linda Edwards Resident Commissioner 30 Nelson Hall Homes (04)	11/21/06	03/03/16
Richard B. Griffin, Chairman P.O. Box 2207 (02) 783-5191 (w)	10/20/92	03/03/17

Fort Smith Housing Authority

2100 North 31st Street
Fort Smith, Arkansas 72904
(479) 785-4881 FAX (479) 709-9381

January 25, 2013

Ms. Sherri Gard
City Clerk
P. O. Box 1908
Fort Smith, AR 72902

Re: Reappointment of Richard S. Foti as Commissioner

Dear Ms. Gard:

Please accept the enclosed resolution and oath of office as notification of the reappointment of Richard S. Foti as a commissioner of the Fort Smith Housing Authority. We request the appointment be placed before the Board of Directors for approval.

Sincerely,

Kenneth L. Pyle
Executive Director

Enclosures

RESOLUTION 1066

RESOLUTION TO REAPPOINT RICHARD S. FOTI TO THE BOARD OF COMMISSIONERS OF THE FORT SMITH HOUSING AUTHORITY

WHEREAS, the term of Richard S. Foti as a member of the Board of Commissioners of the Fort Smith Housing Authority, expires on March 3, 2013; and

WHEREAS, Act No. 77 of the Acts of Arkansas of 1943, approved on February 19, 1943, provided that the commissioners of the municipal housing authority shall designate a successor to fill any vacancy occurring on the board of a municipal housing authority subject to approval and confirmation by the municipal governing body of said city; and

WHEREAS, the Board of Commissioners of the Fort Smith Housing Authority wishes to reappoint Richard S. Foti for a period of five (5) years in accordance with Act No. 77 of the Acts of Arkansas of 1943;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Fort Smith Housing Authority that Richard S. Foti is hereby reappointed to the Board of Commissioners of the Fort Smith Housing Authority, subject to approval and confirmation by the Board of Directors of the City of Fort Smith, Arkansas, to hold office for a period of five (5) years or until a successor has been designated by the Board of Commissioners of the Fort Smith Housing Authority. The Chairman and Secretary-Treasurer of said Housing Authority are hereby directed to execute and file with the City Clerk of Fort Smith, Arkansas, a certificate showing the reappointment of Richard S. Foti as a member of the Board of Commissioners of the Fort Smith Housing Authority.

Richard B. Griffin

Richard B. Griffin, Chairman

Kenneth L. Pyle, Secretary-Treasurer

1/25/2013

Date

OATH OF COMMISSIONER OF
THE FORT SMITH HOUSING AUTHORITY

I, Richard S. Foti, solemnly swear that I will support the Constitution of the United States and the Constitution of the State of Arkansas, and that I will faithfully discharge the duties of the office of Vice-Chairman of the Board of Commissioners of the Fort Smith Housing Authority.

Richard S Foti

Richard S. Foti

COUNTY OF SEBASTIAN)
) ss
STATE OF ARKANSAS)

Before me, the undersigned, a Notary Public duly commissioned, qualified, and acting within and for the County of Sebastian and State of Arkansas, appeared Richard S. Foti, known by me to be one of the Commissioners of the Fort Smith Housing Authority, this 25th day of January, 2013, and made the above oath.

Jill A. Hatley

Notary Public

My commission expires:

7-23-20

JILL A. HATLEY
NOTARY PUBLIC
ARKANSAS
SEBASTIAN COUNTY
12377686 EXPIRES 7-23-2020

The City of Fort Smith ARKANSAS

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: February 11, 2013

SUBJECT: Outside Agency Review Panel

The term of Barbara Peterson of the Outside Agency Review Panel will expire March 31, 2013. Ms. Peterson does not wish to be reappointed at this time.

The applicant available at this time is:

W. Tyler Lamon 1123 North 14 Street

Appointments are **by the Board of Directors.** One appointments is needed; the term will expire March 31, 2016.

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P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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Outside Agency Review Panel

This review panel will review applications for outside agency services and recommending award amounts for approval by the Board of Directors. Members of this panel will be appointed by the Board of Directors.

Core Committee shall be comprised of three citizens who are knowledgeable of the city's nonprofit organizations and services they provide, and are not directly related to any agencies that are applying for funds available through this program, nor board of directors of the City of Fort Smith. (3 year terms)

Arts & Humanities comprised of two citizens who are knowledgeable of arts and humanities and are not directly related to any agencies that are applying for funds under this line item nor the Board of Directors of the City of Fort Smith. (1 year term and 1 two-year term initially, and two year terms thereafter).

Recreation Panel comprised of two citizens who are knowledgeable of recreation and are not directly related to any agencies that are applying for funds under this line item nor the Board of Directors of the City of Fort Smith. (1 one year term and 1 two-year term initially and two-year terms thereafter). The panel meets on call.

Note: at the first full meeting of the 9-member panel, each appointee will draw a number, which will determine the length of service. Terms will expire on March 31st of each year.

	Date Appointed	Term Expires
Core:		
Barbara Peterson Bancorp South 7912 Valley Forge Rd (03) 484-0101 (h) 649-1015 (w) WK-BARBARA.PETERSON@BXS.COM	01/19/10	03/31/13
Kathy Davis Western Arkansas Counseling 3700 Heather Ridge Court (03) 650-6039 (h) 452-6650 (w) Davis6418@sbcglobal.net	04/19/11	03/31/14

Sharon Barr Clinical Laboratory Director 1426 North 52 Street (04) 782-1185 (h) 441-5218 (w) sbarr@sparks.org	07/17/12	07/17/15

Arts and Humanities:

Amy Manley Kimmons Band Director 114 North 25 Street (01) 785-2626 (w) 478-6196 (h) amanley@fortsmithschools.org	05/17/11	03/31/14
Elizabeth Momand UAFS 3208 Village Rd (03) 452-2169 (h) 788-7540 (w) emomand@gmail.com	01/19/10	03/31/14

Recreation:

William Tyler Lamon First National Bank 1123 North 14 Street (01) 739-7142 (h) tylerlamon@gmail.com	07/17/12	07/17/13
Monica McKinney Independent Distributor 3009 Carthage Street (01) mmckinney63@gmail.com	07/17/12	07/17/13

Social/Community Services:

Melissa Curry Client Services Director 3911 South U Street (03) 479-414-2093 (h) 479-262-6466 (w) Curryland0712@aol.com	08/23/12	08/23/14
Susan Krafft Director of Finance/Special Events 8700 Harvard Drive (08) 459-6819 (h) susan.krafft@gmail.com	04/19/11	03/31/14

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 1/4/13

Name: W. Tyler Lamon

Home Telephone: 479-739-7142

Home Address: 1123 North 14th St., FSM

Work Telephone: _____

Zip: 72901

Email: wtylerlamon@gmail.com

Occupation: Loan Review/Credit Analyst at First National Bank FS
(If retired, please indicate former occupation or profession)

Education: B.B.A Business Administration

Professional and/or Community Activities: current OARP Recreation panel member

Young Alumni Council at UAFS; Rotary Int'l; elem. school Dollars and Sense prgrm.

Additional Pertinent Information/References: _____

I served the last year as a Recreation panel member

Are you a registered voter in the City of Fort Smith? Yes X No ____
Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes X NO ____
If yes, please identify the offense and the approximate date. A "yes" answer will not automatically preclude you from
consideration. /06
Drivers License Date of Birth s
information will k ground check of all applicants

I am interested

( ) Audit Committee
( ) Advertising & Promoting Commission
( ) Airport Commission
( ) Arkansas Fair & Exhibition Facilities Bd
( ) Benevolent Fund Board
( ) Bldg. Bd. Of Adjustment and Appeals
( ) Central Business Improvement District
( ) Convention Center Commission
( ) Civil Service Commission
( ) Community Development Advisory Com.
( ) County Equalization Board
( ) Electric Code Board of Appeals & Appeals
( ) Fire Code Board of Appeals & Adjustments
( ) Historic District Commission
( ) Housing Assistance Board
( ) Housing Authority
( ) Library Bd of Trustees
( ) Mechanical Bd of Adjustments and Appeals
( ) Oak Cemetery Commission
(X) Outside Agency Review Panel
( ) Parking Authority
( ) Parks & Recreation Commission
( ) Planning Commission
( ) Plumbing Advisory Board
( ) Port Authority
( ) Property Owners Appeals Board
( ) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: January 9, 2013

SUBJECT: Parking Authority

The term of Linda Gurlen of the Parking Authority has expired December 31, 2012. Ms. Gurlen wishes to be reappointed at this time.

There are not other applicants available at this time.

Appointments are **by the Mayor confirmed by the Board of Directors.** One appointment is needed; the term will expire December 31, 2017.

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P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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Parking Authority

The Parking Authority is authorized to supervise and control all matters pertaining to the parking of vehicles within the City.

The Parking Authority consist of five members appointed by the Mayor with the approval of the Board of Directors for five year terms. Members shall be qualified electors of the city and cannot hold any elective office of city, county, or state. The Parking Authority meets on call.

	DATE APPOINTED	TERM EXPIRE
Linda K. Gurlen P.O. Box 180262 (18) 646-8535 (h) 479-424-1152 (w) lgurlen@cox.net	01/23/08	12/31/12
Loretta Parker 2720 S. Waldron (03) 452-4224 (h)	12/16/03	12/31/13
John Moates Proprietor 7408 Millennium Drive (16) 221-2083 (w) 926-3122 (h) john@blazenburrito.com	05/20/08	12/31/14
Kyle W. Gilliam 11801 Southcrest Drive (16) 648-2909 (h) 573-1651 (w) kgilliam@arvest.com	03/20/12	12/31/17

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 12/21/12

Name: LINDA K. GURLEN

Home Telephone: 479-646-8535

Home Address: P.O. BOX 180262

Work Telephone: 479-651-4951

Zip: 72918-0262

Email: LGURLEN@COX.NET

Occupation: owner/mgr commercial real estate
(If retired, please indicate former occupation or profession)

Education: College graduate BSEd

Professional and/or Community Activities: Saint Paul United Methodist Staff/Parish Relations chair, Community Rescue Mission

Additional Pertinent Information/References:

Are you a registered voter in the City of Fort Smith? Yes X No ____
Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes____ NO ✓
If yes, please identify the offense and the approximate date. A "yes" answer will not automatically preclude you from conside[redacted]
Drivers License[redacted] Date of B[redacted] This information will b[redacted] back ground check of all applica[redacted]

I am interested in serving on the (please check):

( ) Audit Committee
( ) Advertising & Promoting Commission
( ) Airport Commission
() Animal Services Advisory Board
( ) Arkansas Fair & Exhibition Facilities Bd
( ) Benevolent Fund Board
( ) Bldg. Bd. Of Adjustment and Appeals
( ) Central Business Improvement District
( ) Convention Center Commission
( ) Civil Service Commission
( ) Community Development Advisory Com.
( ) County Equalization Board
( ) Electric Code Board of Appeals & Appeals
( ) Fire Code Board of Appeals & Adjustments
( ) Historic District Commission
( ) Housing Assistance Board
( ) Housing Authority
( ) Library Bd of Trustees
( ) Mechanical Bd of Adjustments and Appeals
( ) Oak Cemetery Commission
( ) Outside Agency Review Panel
(✓) Parking Authority
( ) Parks & Recreation Commission
( ) Planning Commission
( ) Plumbing Advisory Board
( ) Port Authority
( ) Property Owners Appeals Board
( ) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: February 11, 2013

SUBJECT: Plumbing Advisory Board

The term of Mr. Alan Anderson of the Plumbing Advisory Board will expire February 28, 2013. Mr. Anderson wishes to be reappointed to this board.

There are no other applicants available at this time.

Appointments are **by the Board of Directors.** One appointment is needed; the term will expire February 28, 2017.

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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Plumbing Advisory Board

The Plumbing Advisory Board is authorized to serve the City in an advisory capacity in the formulation of rules and regulations regarding plumbing in the City; to hear appeals to the City's inspecting officials regarding plumbing and gas fitting codes and ordinances; to prepare and conduct examinations for the issuance of Fort Smith master and journeyman plumber's and gas fitter's license under certain conditions.

The Board consists of two licensed master plumbers, a licensed registered mechanical or sanitary engineer, a licensed registered architect, two citizens at large, and a designated representative of the Health Department of the City. With the exception of the Health Department representative who serves for an indefinite term, all other members are appointed by the **Board of Directors** for four-year terms.

The Plumbing Advisory Board supersedes the Plumbers Examining Board. The Board meets on call.

	Date Appointed	Term Expires
Jason Davis 3112 South 70 Street (03) 452-8600 Health Department	06/24/09	Indefinite
Alan Q. Anderson Master Plumber 7221 Free Ferry (03) 461-0418 (h) 782-5059 (w) AlanAnderson@mellies.org	02/17/09	02/28/13
Herbert V. Davis 2908 Reeder (03) Professional Engineer 782-0474 (w)	02/18/86	02/28/14
Scott Hathaway 602 Garrison, Suite 800 (01) 452-8922 (w) 471-7688 (h) Architect	02/17/98	02/28/14
Charles L. (Woody) Shank 7205 South Q Street (03) Mechanical Contractor & Licensed Master Plumber 461-7556(c) 478-9339 (w)	04/07/92	02/28/16

Plumbing Advisory Board continued-

Citizens at Large:

Jan Taylor Plumber 5203 Moody Dr (03) 484-0984 (h) 452-3142 (w)	03/15/05	02/28/14
Matthew Blaylock 9 Free Ferry North (03) 452-0879 (h) 782-3124 (w)	08/21/07	02/28/16

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 2/5/2013

Name: ALAN ANDERSON

Home Telephone: 479-461-0418

Home Address: 7221 FREE FERRY Rd.

Work Telephone: 479-782-5059

Zip: 72903

Email: alananderson@mellies.org

Occupation: MASTER PLUMBER / SCHOOL OWNER
(If retired, please indicate former occupation or profession)

Education: _____

Professional and/or Community Activities: _____

Additional Pertinent Information/References: CURRENT MEMBER OF PLUMBING BOARD

Are you a registered voter in the City of Fort Smith? Yes ✓ No ___
Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes___ NO ✓
If yes, please identify the offense and the approximate date. A "yes" answer will not automatically preclude you from consideration.___
Drivers License___ Date of Birt (This information will b ck ground check of all applica

I am interested in serving on the (please check):

( ) Audit Committee
( ) Advertising & Promoting Commission
( ) Airport Commission
() Animal Services Advisory Board
( ) Arkansas Fair & Exhibition Facilities Bd
( ) Benevolent Fund Board
( ) Bldg. Bd. Of Adjustment and Appeals
( ) Central Business Improvement District
() Comprehensive Plan Steering Committee
( ) Convention Center Commission
( ) Civil Service Commission
( ) Community Development Advisory Com.
( ) County Equalization Board
( ) Electric Code Board of Appeals & Appeals
( ) Fire Code Board of Appeals & Adjustments
( ) Historic District Commission
( ) Housing Assistance Board
( ) Housing Authority
( ) Library Bd of Trustees
( ) Mechanical Bd of Adjustments and Appeals
( ) Oak Cemetery Commission
( ) Outside Agency Review Panel
( ) Parking Authority
( ) Parks & Recreation Commission
( ) Planning Commission
(✓) Plumbing Advisory Board
( ) Port Authority
( ) Property Owners Appeals Board
( ) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee

The City of Fort Smith ARKANSAS

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: February 11, 2013

SUBJECT: Port Authority

Mr. Rick Parrish of the Port Authority has resigned effective January 7, 2013. This position will expire July 31, 2013.

The applicants available at this time are:

Dustin Collyge	2323 South 26 Street
Jim Files	6303 Fallstone Road
Coby Logan	P.O. Box 10475
Carl Rose	2200 South T Street

Appointments are **by the Mayor.** One appointment is needed; the term will expire July 31, 2013.

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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Port Authority

The Port Authority consists of five qualified electors of the city, appointed by the **Mayor** and each serves alternate five-year terms. The Authority meets on call.

	Date Appointed	Term Expires
Rick Parrish Rick Parrish Accounting 10809 Barrington Ln (08) 1-877-998-8999 (w) 646-1988 (h) 783-3221 (f) parrish002@centurytel.net	07/21/98	07/31/13
Bob C. Worley 3921 Park Avenue (03) 782-4220 (h) bcwhwt@att.net.	06/23/09	07/31/14
Larry J. Combs 3016 Royal Scots Way (08) 648-3747 (h) 788-6343 (w) Larry.combs@apac.comm	06/21/11	07/31/15
Eddie Norman Sales 3415 South 29 Circle (01) 646-9602 (h) 646-7331 (w) 646-6053 (f) eddie.norman@ryerson.com	08/21/01	07/31/16
Jeff Taake Transportation Consultant 2932 South Cliff Drive(01) 782-0323 (w) 646-2718 jtaake@arkindtraffic.com	06/19/12	07/31/17

Marty Shell
Five Rivers
P.O. Bx 5606
72956
629-4306

(wfreeman@swtimes.com)
(mtilley@thecitywire.com)

200 Navy Road
785-2837

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 1/10/13

Name: Dustin Collugge

Home Telephone: (479) 790-0696

Home Address: 2323 S. 26th St.

Work Telephone: (800) 688-0616

Zip: 72901

Email: dcollugge@maverickusa.com

Occupation: _____
(If retired, please indicate former occupation or profession)

Education: U of A-Fayetteville-B.S.B.A in Marketing Management-June 2006
U of A-Fayetteville-B.S.B.A in Transportation + Logistics-June 2006

Professional and/or Community Activities: Maverick Transportation, Chamber of Commerce

Additional Pertinent Information/References: _____

Are you a registered voter in the City of Fort Smith? Yes ✓ No ____

Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes____ NO ✓

If yes, please identify the offense and the approximate date. A "yes" answer will not automatically preclude you from consideration.

Drivers License [redacted] Date of Birt[redacted] This information will b[redacted]ground check of all applicants[redacted]

I am interested in serving on the (please check):

( ) Audit Committee
( ) Advertising & Promoting Commission
( ) Airport Commission
( ) Arkansas Fair & Exhibition Facilities Bd
( ) Benevolent Fund Board
( ) Bldg. Bd. Of Adjustment and Appeals
( ) Central Business Improvement District
( ) Convention Center Commission
( ) Civil Service Commission
( ) Community Development Advisory Com.
( ) County Equalization Board
( ) Electric Code Board of Appeals & Appeals
( ) Fire Code Board of Appeals & Adjustments
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( ) Outside Agency Review Panel
( ) Parking Authority
( ) Parks & Recreation Commission
( ) Planning Commission
( ) Plumbing Advisory Board
(X) Port Authority
( ) Property Owners Appeals Board
( ) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 01/09/2013

Name: Jim Files

Home Telephone: 479-461-9525

Home Address: 6303 Fallstone Rd

Work Telephone: _____

Zip: 72916

Email: jdf9525@att.net

Occupation: Pastor
(If retired, please indicate former occupation or profession)

Education: Bachelor's, University of Oklahoma 1972

Professional and/or Community Activities: Mostly pastoral involvement

Additional Pertinent Information/References: _____

Are you a registered voter in the City of Fort Smith? Yes X No ____
Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes____ NO X
If yes, please identify the offense and the approximate date. A "yes" answer will not automatically preclude you from consideration.____
Drivers License_____ Date of Birth_____ This information will be [redacted] inal back ground check of all applicants).

I am interested in serving on the (please check):

( ) Audit Committee
( ) Advertising & Promoting Commission
( ) Airport Commission
( ) Arkansas Fair & Exhibition Facilities Bd
( ) Benevolent Fund Board
( ) Bldg. Bd. Of Adjustment and Appeals
( ) Central Business Improvement District
( ) Convention Center Commission
( ) Civil Service Commission
( ) Community Development Advisory Com.
( ) County Equalization Board
( ) Electric Code Board of Appeals & Appeals
( ) Fire Code Board of Appeals & Adjustments
( ) Historic District Commission
( ) Housing Assistance Board
( ) Housing Authority
( ) Library Bd of Trustees
( ) Mechanical Bd of Adjustments and Appeals
( ) Oak Cemetery Commission
( ) Outside Agency Review Panel
( ) Parking Authority
( ) Parks & Recreation Commission
( ) Planning Commission
( ) Plumbing Advisory Board
(X) Port Authority
( ) Property Owners Appeals Board
( ) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

Port Authority

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 4/4/12

Name: Coby W. Logan

Home Telephone: _____

Home Address: PO Box 10475

Work Telephone: (479) 782-8813

Zip: 72917

Email: cloganerbsclaw.com

Occupation: Attorney
(If retired, please indicate former occupation or profession)

Education: Univ. of Ark. School of Law, Fayetteville

Professional and/or Community Activities: _____

Additional Pertinent Information/References: _____

Are you a registered voter in the City of Fort Smith? Yes X No ____
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( ) Benevolent Fund Board
( ) Bldg. Bd. Of Adjustment and Appeals
(✓) Central Business Improvement District
( ) Convention Center Commission
(✓) Civil Service Commission
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( ) Fire Code Board of Appeals & Adjustments
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( ) Housing Authority
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( ) Planning Commission
( ) Plumbing Advisory Board
(✓) Port Authority
( ) Property Owners Appeals Board
(✓) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

Port authority

CITY OF FORT SMITH
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Date: 1-12-13

Name: CARL H. ROSE

Home Telephone: 479-785-1120

Home Address: 2200 So. T

Work Telephone: 479-461-3347

Zip: 72901 FORT SMITH, AR

Email: ROSECISCAR@AOL.COM

Occupation: RETIRED AFTER 37 YEARS AS GENERAL MANAGER OF A COMMERCIAL ROOFING COMPANY
(If retired, please indicate former occupation or profession)

Education: BSBA - ACCOUNTING BA - ECONOMICS MED - ADULT ED.

Professional and/or Community Activities: PAST PRESIDENT OF LITERACY COUNCIL OF WESTERN ARKANSAS PAST PRESIDENT OF PORT CITY OPTIMIST BOARD MEMBER OF INTERFAITH COMMUNITY CENTER

Additional Pertinent Information/References: RETIRED COLONEL AIR FORCE RESERVE AS LOGISTICS, FUELS, AND TRANSPORTATION OFFICER

Are you a registered voter in the City of Fort Smith? Yes ✓ No ___

Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes ___ NO ✓

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Drivers License [redacted] 5 Date of Birth [redacted]
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( ) Plumbing Advisory Board
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( ) Sebastian County Reg. Solid Waste Mgmt. Bd.
( ) Sister Cities Committee
( ) Transit Advisory Commission
( ) Residential Housing Facilities Board

MEMORANDUM

TO: Mayor and Board of Directors

FROM: Wendy Beshears, Administrative Assistant

DATE: February 11, 2013

SUBJECT: Property Owners Appeals Board

Sherry McKinney of the Property Owners Appeals Board has resigned effective November 21, 2012. This position is now available and will expire July 14, 2013.

The applicant available at this time is:

Joel Culberson 2421 South O Street

Appointments are **by the Board of Directors.** One appointment is needed; the term will expire July 14, 2013.

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 785-2801
Administrative Offices FAX (479) 784-2430

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Property Owners Appeals Board

The Property Owners Appeals Board was established by the Board of Directors April 15, 1997 to review City ordinances relative to clean up of lands for the purpose of making recommendations to the Board of Directors concerning amendments thereto, and to hear appeals of delinquent property owners charged by the City for abatement costs who feel themselves aggrieved by action of the City.

The Board consisted of five persons appointed by the Board of Directors who, following initial staggered terms, will serve five-year terms of office. The Board shall meet to hear appeals twice annually during the month of September, and may meet for other purposes as well. Meetings are scheduled for the second Monday of each month at 11:00 a.m. in the Planning conference room at 623 Garrison Avenue, room 326.

	Date Appointed	Term Expires
Sherry L. McKinney 3209 McClendons Mead (08) 646-9732 (h) 709-5023 (w)	8/15/06	7/14/13
Dolores Chitwood 1815 North E Street (01) 783-0211	6/17/97	7/14/14
Scott D. Monroe 2723 Dallas Drive (01) 784-8477 rsmonroe@cox.net	7/22/09	7/14/14
Karen Lewis 5620 Free Ferry Road (03) 452-0647 (h)	6/17/97	7/14/15
Megan Raynor 504 Lecta (01) 420-1910 (h) 782-8808 mraynor@hannaoilandgas.com	06/15/10	7/14/15

CITY OF FORT SMITH
Application for City Boards/Commissions/Committees

Note: As an applicant for a City Board, Commission or Committee, your name, address and phone number will be available to the press and the public. You will be contacted before any action is taken on your appointment.

Date: 01/11/2013

Name: Joel Culberson

Home Telephone: 479.783.7207

Home Address: 2421 South O St.

Work Telephone: 479.494.6885

Zip: 72901

Email: ujculbe@gmail.com

Occupation: Information Technology
(If retired, please indicate former occupation or profession)

Education: BSBA, Univ. of Southern MS; MBA, Univ. of Arkansas

Professional and/or Community Activities: Citizens Academy Acumni, Leadership Ft. Smith class of 2013, volunteer Clayton House, SCHS

Additional Pertinent Information/References:

Are you a registered voter in the City of Fort Smith? Yes X No ____

Have you ever been convicted of a felony, misdemeanor, DWI/DUI or other serious traffic offense?
Yes____ NO X

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Drivers License AR [redacted] Date of Birth [redacted]
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