



# Centerton Utilities

(Water/Wastewater Departments) (Franchised Utility Permitting)

January 20, 2026

**CALL TO ORDER** – The meeting of the Centerton Waterworks & Sewer Commission called to order by Commissioner Donald Casteel.

**(1) ROLL CALL** – Commissioners present: Melvin Coffelt, Robert Anderson, Donald Casteel, Michelle Haverkamp & TJ Wells. Centerton Utilities' present: Malcolm Attwood, Chad Klingler, John Daniels, Mary Perkins, and Thresia Leimberg. Professional Services present: Jeff Dehnhardt & Tim Mays of ESI, Heather Owens of Harrington Miller, City of Centerton present: Mayor Bill Edwards and Lorene Burns.

**(2) Pledge of Allegiance**

**(3) Approval of Consent Agenda:** Commissioner Casteel introduced the minutes of Centerton Utilities from consent agenda December 16, 2025. He asked if anyone had questions or concerns. Commissioner Anderson made a motion to approve the minutes as presented. Commissioner Coffelt seconded the motion. No members were opposed, and the motion was carried.

**(4) Old Business:**

- a. **Attorney report – Harrington Miller Law Firm - Heather Owens:** The Administrative Law Judge in the Decatur permit matter has scheduled a hearing on the pending motions for February 9 at 10:00 a.m. in Little Rock. The Judge indicated he has specific questions he wants addressed; however, it is not yet clear whether the hearing will involve sworn testimony or be limited to legal arguments from counsel. The motion set for hearing is the ADEQ motion to dismiss Tulsa's appeal and Tulsa's response to that motion.
- b. **Project Updates – Engineering Services, Inc. – Jeff Dehnhardt**
- I. **Hwy 102 Water Tower #4: Jeff Dehnhardt with ESI:** Reported the project is currently just over 87% complete, with approximately \$10 million of the \$11.4 million contract expended, leaving about \$1.4 million remaining. The contractor has installed the pump skid inside of the tank column and is completing associated piping, electrical connections, and SCADA integration. A discussion was held regarding heating and climate control within the column. No permanent system is currently installed. Due to the large interior volume, climate control would likely require construction of an enclosed interior space, which would add cost but could be considered if desired. ESI noted that portable heaters were used during prior extreme cold events to prevent freezing. ESI also noted that if permanent heating of the column were pursued, it could be completed either as a separate future project or incorporated through modification, depending on Commission direction, without necessarily delaying completion of the current contract. Regarding schedule, substantial completion is no longer anticipated within the next couple of weeks. An updated construction schedule is expected following a meeting with the contractor later today, but current expectations are that completion may extend into late February. Updated information will be provided to Utility Director Attwood once confirmed.
- II. **Hwy 102 Widening – Utilities Relocations: Jeff Dehnhardt with ESI:** ESI referenced the easement acquisition spreadsheet prepared by Cassie included in the packet. ESI reported they have been coordinating with the contractor, Steep Creek, to schedule the pre-construction conference, with the first available date anticipated the first week of February. Scheduling will be finalized after confirming availability with Utility Director Attwood. Following that meeting, the Notice to Proceed will be issued. It was confirmed that the construction contract was approved by the Commission in December.



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## III. **Sanitary Sewer – Collection Systems Upgrades: Jeff with ESI:**

- 1) **Hwy 102 Corridor – Phase 1** - ESI reported on the Highway 102 Corridor sewer upgrades, noting it is the larger of the related projects. Approximately 20 review comments were received from the Health Department in December, ranging from minor to substantive. ESI is also coordinating with a major development within the corridor, as portions of the designed improvements will be installed by the developer. Meetings with Utility Director Attwood and the development team are ongoing, including recent alignment discussions. Revised plans are expected to be resubmitted to the Health Department within 7–14 days. While additional review rounds are possible, ESI anticipates no more than two before approval. The project is still targeting a March bid advertisement, though it may shift to April depending on review timing.
- 2) **McKissic Swale Corridor - Phase 2** - ESI reported the second phase of the collection system upgrades, located along the McKissick drainage, is advancing. Revised plans were completed and will be provided to Utility Director Attwood for review. Following recent field work, alignment adjustments were necessary to address constructability concerns, and those revisions are incorporated into the current plan set. ESI will be meeting with Centerton Utility staff to review comments once their evaluation is complete, with timing dependent on staff availability. After incorporating any additional feedback, the project will be submitted to the Health Department. ESI anticipates both sewer upgrade phases will be back in the Health Department's hands within the next one to two weeks.

- IV. Revised Standard Specifications Update:** ESI reported they have begun working on the requested revisions to the system specifications and standard details. Mark Johnson will be leading this effort and was also involved in developing the current version, providing continuity between editions. Revisions include updates to written specifications, modifications to existing standard details, and development of new details to address items not covered previously. A draft set is anticipated for review by Utility Director Attwood and staff within 30–60 days.

## C. **Director's Report:**

- I. **Centerton Planning Project Status Update (attached) - Utility Director Attwood:** Mr. Attwood reference the City of Centerton Planning Department worksheets included in the meeting packet and noted staff were available for questions.
- II. **Customer Service Report & Field Ops Reports**
  - **Customer Service - Mary Perkins:** Nothing out of the ordinary was reported. She stated a policy for write off should be ready for the next meeting. All departmental reports were included in the Commission packet. She stated she would be happy to answer any questions regarding the Customer Service reports.

**Field Operations Report - Superintendent Chad Klingler:** All departmental reports for December were included in the Commission packet. In addition, annual activity summaries were included, highlighting the construction crew water repairs and maintenance, service line placements, and major accomplishments completed during 2025.

- **Water Loss Mitigation Efforts:** Reported they are rebuilding the water loss program from the ground up to ensure strategies are data-driven and cost-effective. An internal packet is being developed outlining pricing sensitivity of meters, placement of those meters, leak detection prioritization, Leak zone functionality, and supplier pricing.
- **Fire Hydrant Inspection Initiative:** Crews are currently conducting a systemwide fire hydrant inspection with approximately 1,500 hydrants targeted. The effort is over halfway complete. To date, three hydrants were discovered in the open position with caps in place, allowing continuous discharge through weep holes. Additional hydrants requiring repair were identified, with approximately 15 needing maintenance—several of which have already been addressed.



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- **Leak detection** efforts are also ongoing. One team has been assigned to acoustic monitoring of meter sets, identifying roughly 50 leaks within one month. Once hydrant inspections are completed, resources will shift toward meter cans. Allowing us to allocate either our crew or the service line replacement crew to target high-impact loss zones.
- **Meter Cans:** Staff also reported meter sets at buildable lots were secured where practical; however, a cost-benefit review limited broader locking efforts.
- **Cold Weather Preparedness:** In response to Commission inquiry regarding extreme cold preparedness, staff stated freeze-response measures are in place, including heaters and protective coverings. Lessons learned from prior severe freeze events have informed current readiness, and no significant issues are anticipated under typical winter conditions.

III. **RJN Group Sanitary Sewer Flow Monitoring & Modeling – Update:** Mr. Attwood reported that RJN Group is continuing data collection efforts.

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

- a. **Decatur WWTP Upgrade Status – James Boston:** The plant startup occurred on January 8, and there's no going back at this point—we are fully switched over. Since startup, staff and contractors have been working through the normal bugs and operational details that come with bringing a facility upgrade of this size online. Contractors will remain onsite for another two to three weeks, and we expect to be only a few weeks away from punch-list items. Operationally, the plant is up and running well. There have been questions about whether we are currently operating at the approved 5.36 MGD capacity or somewhere in between. At this time, we don't have a definitive answer. We expect more clarity once plans are submitted to the Health Department for review. From our standpoint, the plant has been upgraded—there are just a few external confirmations still pending.
  1. **Permit Stay – ADH vs ADEQ Numbers –** As discussed earlier, we are operating within the current permit framework while navigating the difference between ADH and ADEQ positions. As Attorney Heather Owens mentioned earlier, the upcoming February 9 meeting is directly related to reconciling those regulatory positions.

To clarify:

- ADH has approved the 5.36 MGD capacity.
- ADEQ has not finalized that approval at this time due to the State of Oklahoma's request and associated review process.
- We were previously anticipating an April 9–10 hearing window, but that has since been moved up, with a new date scheduled for February 9.

We are hopeful that additional clarity will come out of that meeting. Regarding the earlier comment — Yes, ADEQ did file a Motion to Dismiss, which possibly indicates that, from Arkansas's regulatory perspective, they support the ADH position.

If there are any additional questions, I'm happy to address them, though we are still waiting for final regulatory determinations.



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- b. **Regional Wastewater Entity:** Utility Director Attwood mentioned they held the regional wastewater entity informational meeting on January 7. The minutes from that meeting will be included in the February packet. Discussions are still moving forward, but at a slower pace as we wait for additional information before any decisions are made. We expect more clarity once Aaron Benzing reports are released in March or April, particularly as it relates to the State's request involving Oklahoma. Commissioner Wells asked for an update from Aaron Benzing.

**Aaron Benzing:** As Malcolm mentioned, we're working to provide Centerton with additional information to help guide your decision regarding participation in a regional wastewater entity—specifically whether to move forward with the West Benton Regional partnership with Decatur.

Our evaluation will look at multiple scenarios, including:

- Moving forward with the West Benton Regional plan
- Sending all flow to NACA
- Splitting flow between multiple entities
- Constructing a new treatment plant in Centerton (historically not considered viable, but now worth evaluating)
- A larger regional model centered around the Decatur facility that could expand to include additional treatment plants over time for greater economies of scale

We are targeting March to finalize the analysis and expect to present results in April so you'll have solid data to support your decision. While the State is evaluating regionalization, they are not forcing any entity into a specific outcome—the decision ultimately rests with each utility.

**Follow-up Question:** Will the draft include cost estimates?

**Benzing:** Yes. The report will include high-level cost and rate estimates for each scenario. We're coordinating with NACA and Decatur to ensure the rates presented are reasonable and sustainable, though they would not represent final negotiated contract rates.

There is also ongoing discussion within the NACA organization. They've initiated a review of buy-in fees, contract structures, and cost allocation methods. NACA has voted to engage an outside consultant to evaluate how new members enter the system and how treatment costs are assessed.

**Question:** Could NACA be part of the larger regional entity?

**Benzing:** That is certainly a possibility and would make sense to explore through future discussions.

- c. **Wastewater Treatment Options - Statement of Qualification (SOQ) Packets – Feasibility Study Evaluating Centerton's Long-Term Wastewater Treatment Options over next 20 – 30- years.** Utility Director Malcolm Attwood:

Malcolm inquired whether the Commissioners had reviewed the SOQ packets and if there were any updates or if they were still under review. He noted he would send the commissioners a PDF copy of the submissions if needed.

Commissioner Anderson stated he had reviewed the submissions closely and found them to be similar in scope and qualifications, with all firms appearing equally capable. He noted that Hawkins-Weir had submitted and, given their ongoing



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involvement in the regional wastewater study, it may make sense to consider engaging them for future development planning due to their existing regional background knowledge.

Discussion followed regarding what the contract scope would include if a firm were engaged. As previously noted by Aaron Benzing, much of the regional treatment evaluation work is already underway. So, the focus would likely remain on Centerton's collection system planning and future development modeling. There was also discussion about potential overlaps with the RJN Group contract. It was clarified that RJN's scope—flow monitoring, hydraulic/dynamic modeling, and model maintenance—would remain separate. The other provider role would be planning-focused and would utilize RJN's modeling data rather than duplicate it. Mr. Benzing and Utility Director Attwood noted this type of arrangement is common. It was suggested that the selected firm could attend the long-range planning session anticipated within the next six to eight weeks.

Commissioner Wells closed by thanking all firms that submitted SOQs for their interest and support as the utility continues planning for long-term growth.

- d. **Act 605 Repair Accounts Invoices** - Accountant Daniels presented the following invoices for payment from the Act 605 Water & Sewer Repair Accounts: Clifford Power – six invoices totaling \$16,439.68 and Diamond C. Construction invoice for \$174,896.33.

A question was raised regarding whether the repair invoices were tied to a single generator location. Staff clarified the charges were for multiple generators across several sites, not one unit.

Utility Director Attwood explained there had been prior performance concerns regarding work completed by Clifford Power. As a result, payment was temporarily held while questions were addressed. A meeting was conducted with the vendor to review the issues, clarify the scope of work performed, and establish expectations moving forward. Once staff received satisfactory responses and supporting documentation, the invoices were prepared for payment—primarily covering work completed around the December timeframe.

Commissioner Anderson moved to approve payment of the invoices noted above from the ACT 605 account. Commissioner Casteel seconded the motion. The motion passed unanimously.

- e. **Long Range Planning Meeting:** Utility Director Attwood advised the Commission that the Long-Range Planning Meeting will need to be scheduled within the next couple of months. He also noted that NACA has requested an updated master plan from all member entities once completed. Rogers has already submitted its master plan, and Springdale is currently in the process of finalizing and providing theirs. He indicated Centerton should not have any issue providing its updated plan once complete.

However, it was emphasized that even with the master plan update, there are still several unknown factors and ongoing regional discussions that could impact long-term planning decisions. Due to the number of moving parts, additional information will be needed before the Master Plan can be finalized and formally advanced.

- f. **February Utility Commission Meeting:** Utility Director Attwood noted that the February Utility Commission meeting was currently scheduled for a Tuesday when he would be on vacation. He asked the Commission whether they preferred to reschedule the meeting or proceed as scheduled in his absence. After discussion, the meeting was rescheduled to Wednesday, February 18th.
- g. **Sanitary Sewer Allotment:** Discussion was held regarding the increased discharge permit and associated sanitary sewer allotment.



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Utility Director Attwood noted this matter has been under ongoing discussion; however, a joint coordination meeting is still needed between Centerton, Highfill, and Decatur to fully evaluate allocation and implementation of the increased capacity. Scheduling that meeting is currently pending due to leadership uncertainty within Decatur, specifically related to the Mayor's position.

Attwood indicated that once Decatur's mayoral situation is resolved, a meeting will be scheduled to collectively review the allotment structure and determine how the increased permit capacity will be distributed and managed moving forward.

James Boston and Attorney Heather Owens noted that Decatur was anticipated to address the mayoral matter imminently, with a special called meeting reportedly scheduled for that evening.

## (6) **Executive Session:**

The Commission recessed the regular meeting to enter Executive Session for a personnel matter. The purpose of the Executive Session was to present Utility Director Malcolm Attwood with his annual performance evaluation, noting that an evaluation had not been conducted in past couple of years.

The Commission exited Executive Session and reconvened in Open Session.

Upon return, it was stated that a recommendation had been made to grant Utility Director Attwood a 5% performance-based salary increase in recognition of his evaluation.

Commissioner Wells made a motion to approve a 5% performance raise for Utility Director Attwood. Commissioner Anderson seconded the motion. The motion passed unanimously

## (7) **Resolutions:** None

## (8) **Public Comment:**

**Mayor Bill Edwards:** First, I want to commend the City of Decatur on their plant upgrade. They delivered on what they committed to do, and it appears the permit has been issued by ADH — so, great job to their team. As for capacity, the letter indicates roughly 700,000 additional gallons, but we're still waiting for clarification on how that will be allocated. That said, even with everyone working together, we still can't do much with the limited capacity we have. With the Decatur/Oklahoma hearing coming up in February, I'd ask — likely through legal counsel — whether there's an opportunity for all parties to come to the table and determine what it would take to resolve this. My concern is that if this gets dismissed, we may end up right back here again.

We need to grow, and projects continue to be delayed. Mr. Edwards has presented alternate proposals at both Council and Commission meetings, and I think those options are worth considering, especially since expansion could still be two to three years out. In the interim, we may need to remain open-minded on temporary solutions — such as septic for certain projects — including the community center site we're trying to advance. I just encourage flexibility as we work through the timeline so development can continue moving forward.

- **Gavin Edwards :** Good evening — I'm Gavin Edwards, owner of Big Sky Phase Three. I appreciate the Mayor's comments and the encouragement to remain open-minded about potential options. I've previously spoken with the Commission and with the decentralized system provider here about alternative wastewater solutions. We understand there may be concerns — which is completely normal — and we've offered to meet so those concerns can be expressed and addressed directly. We recognize this is not a one-size-fits-all solution. These systems would only apply to certain subdivisions or commercial projects, where appropriate. They are not traditional septic systems like

517 North Main ♦ Centerton, Arkansas 72719-9400

www.centertonutilities.com ♦ admin@centertonutilities.com

Office: (479)795-0222 ♦ After Hours Emergency: (479)633-1421



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many people think of. The technology is significantly more advanced, requires Health Department approval, engineered design, and ongoing maintenance contracts. We would appreciate the opportunity to formally present this option, answer questions, and determine whether it could be a viable interim solution where capacity is unavailable. There was also discussion at City Council regarding proximity requirements to existing sewer — whether within 300 feet or similar. Our understanding, based on Health Department guidance, is that requirement applies only when sewer is accessible and has available capacity. Given the current capacity constraints, the Health Department has indicated this could qualify as a hardship case and would be considered if properly engineered and permitted. So, we would respectfully ask the Commission — and Malcolm — to consider setting up a meeting so we can begin that dialogue, address concerns, and explore whether this could be part of the solution moving forward.

- **Wendy Henderson- City of Centerton City Council member:** I just wanted to share a couple of items from our last meeting, There was concern expressed that if the upcoming hearing proceeds, it could potentially escalate to a federal level, which may extend the timeline even further. Additionally, Gavin spoke during that meeting regarding decentralized or Step systems. At the time, those options had largely been taken off the table because we believed sewer capacity would be available. Given what we know now, as a Council Member, I'd like to request that we revisit that discussion and receive more information---possibly at the next meeting----to determine whether that could be a viable interim option.
- **Jeff Roth (Roth Development):** I want to change gears for a moment and ask a few questions as we're trying to understand what's happening. I sat before you almost a year ago when this started, and since then we've had major deals fall through because sewer capacity was shut off. It's had a significant financial impact on us.

So, first question — is the permit currently stayed because of this hearing?

**Legal Counsel (Heather Owens):**

Yes. The permit has been stayed.

**Jeff Roth:**

Has Decatur received any formal documentation showing that stay?

**Heather Owens:**

I'm not aware of a separate order. The stay is automatic under the law once an appeal and request for hearing are filed.

**Jeff Roth:**

So nothing additional has to be issued for that stay to be in effect.

**Heather Owens:**

Correct. It's automatic.

**Jeff Roth:**

Because from our understanding — and from conversations with Decatur — there hasn't been anything physically received stating that.

**Heather Owens:**

That may be a misunderstanding. The legal effect happens upon filing.

**Jeff Roth:**

So just to clarify — Decatur cannot release any additional capacity while the appeal is pending?



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**Heather Owens:**

That is correct.

**Jeff Roth:**

Then how do we reconcile ADEQ continuing to issue approval letters or permits during this timeframe?

**Heather Owens:**

I can't speak to why ADEQ issued any correspondence. I haven't reviewed what Decatur received.

**Jeff Roth:**

James — from Decatur's side — are you aware of any documentation saying you're shut down?

**James Boston (Decatur):**

Not that I'm aware of. Everything we had indicated we were ready to go.

**Jeff Roth:**

And that's where the confusion is. We're hearing two different things.

Do we have any idea what a best-case timeline looks like to resolve this?

**Heather Owens:**

We can't provide a timeline at this point.

**Jeff Roth:**

I want to be clear — this isn't coming from anger. It's concern. We've got millions of dollars sitting idle. Projects are stalled. Developers are hurting.

We just need clarity — what can be done, what can't be done, and how soon this could realistically be resolved.

**Centerton Utility Commission Response:**

We understand the concern. We're relying on legal counsel and working with Decatur toward resolution, but our hands are tied while the appeal is pending.

(8) **Announcements** – Next Meeting is February 18<sup>th</sup>, 2026.

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