



CITY OF ALVA

415 4th Street
Alva, Oklahoma 73717
(580) 327-1340
Fax: (580) 327-4965

MEMORANDUM

Date April 16, 2018
To: The Honorable Mayor and Council Members
From: Joe Don Dunham, City Business Manager *JD*
Subject: Manager's Report

FY 2018-2019 - Staff is moving forward on the FY 2018-2019 Budget Plan. During the week of April 9 – 14 Department Heads and Supervisors met with the City Manager individually to discuss their individual departmental budget. Staff is experiencing problems with getting revenues to match requested expenditures. At this time, we are identifying areas where revenue can be enhanced and working to have as lean an expenditure budget as possible, while still accomplishing the priorities set at the budget retreat. As we hone in on anticipated revenues and adjust expenditures to match we will have a balanced budget to present by June. During the final months of this process, the City will be required to have a special meeting and a public hearing to discuss the budget prior to it being presented for approval.

Rural Water Contracts - Staff has started the process to update on contracts with the Rural Water Districts. The most current contract the City of Alva has on file for the Rural Water Districts is as follows:

- Rural Water District #1 – July 1, 1975
- Rural Water District #3 – March 7, 1977
- Rural Water District #4 – December 24, 1992

The contract wording has been updated and sent for a legal opinion. Once we have incorporated any changes the City Attorney is recommending staff will start forwarding the updated contracts to the Water Districts. Once staff has met with the Water Districts and they have signed off on them, the contracts will be presented for City Council approval. My goal to have this accomplished is June 30, 2018.

When considering water rates, it seemed most logical to use the Governmental/School Rate for Outside the City Limits to begin. This will get the Water Districts on a rate structure which is adjusted on a more regular basis. It is estimated, moving the Water Districts to this rate will generate an additional \$87,500.

Siren Testing - Starting in April the Fire Department will begin conducting monthly storm siren tests. These tests will be scheduled for noon on the 1st Wednesday of the month starting April 4th and will continue through July 4th, weather permitting. The sirens being tested as well as the results of that test is located below:

- Bud Rose Park – operated properly

- Oklahoma Blvd. and Lane – Did Not Operate
- alley between College and 5th street on Church Street – Operated Properly
- Young Street and Thunderbird Road – Operated Properly
- alley between Church and Locust on 13th street – Operated Properly
- West Lake Drive – Operated Properly

In addition to these sirens the City will be testing the Blackboard Connect emergency notification system at this same time.

Water Loss Audit - Since the last City Council meeting staff met with the Oklahoma Department of Environmental Quality. During this meeting a Water Loss Audit for the Alva Utility Authority was conducted and the results are as follows:

- Annual Apparent Water Losses (paper losses via metering issues, etc.): 8.809 MG/YR
- Current Annual Real Water Losses (water lost due to leaks, line breaks, and overflows): 78.720 MG/YR
- Non-revenue water as percent by volume of Water Supplied: 19.4%

These results indicated that the real water loss percentage (of total water supplied) experienced by the Alva water system was 16.9%. This would be compared to the industry standard of 10%. Staff has requested the City of Alva be referred to the Oklahoma Rural Water Association (ORWA) for leak detection/meter analysis technical assistance. The technical assistance provided by ORWA is free of charge and will help you further pinpoint sources of real and apparent water loss.

I have attached a copy of the water loss audit results for you to review.

Young Street Water Tank Project - On April 3rd City staff met with representatives from Wynn Construction Company, Myers Engineering and ODEQ. During this monthly progress meeting the construction of the 1.5 million gallon water storage tank was discussed. There are no real issues associated with this construction. Wynn Construction has been progressing as expected and there have been no delays on the project. The construction contract time was frozen for the geotechnical testing to be completed. This was arranged for during the pre-construction meeting. At this time the construction should be completed in early October.

The foundation has been completed as authorized in Change Order #1. Over the next month citizens should be seeing the erection of the actual tank. At the next City Council Meeting there will be two new change orders. One which lengthens the time for completion due to the geotechnical testing and the other is to address changes in the Davis-Bacon Wage Requirement. Neither change order is expected to increase the cost of the project, they are merely housekeeping issues.