

NORTH LITTLE ROCK WASTEWATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, MAY 12, 2020

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, May 12, 2020 at the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:15 p.m. The roll was called and all members were present. Those in attendance at the meeting were Mr. K.W. Matthews, Mr. Sylvester Smith (*via conference call*), Mr. Ed Nelson, Ms. Karen Bryant and Mr. Gabe Stephens, and in addition, Mr. Jack Stowe, representative from the City of Maumelle. Also in attendance were Mr. Marc Wilkins, Director, Mr. Michael Clayton, Assistant Director, Ms. Lindsey Baker with EGP, PLLC, Mr. Sam Hilburn with Hilburn, Calhoun, Harper, Pruniski & Calhoun, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its March 10, 2020 meeting. There being no questions or comments, a motion was made by Mr. Stephens, seconded by Mr. Nelson, to approve the minutes of its March 10, 2020 meeting. The motion carried unanimously.

Next, the Committee reviewed the cash disbursements for the month of March 2020. A question was asked regarding check number 49134 payable to Waste Management in the amount of \$24,781.15. Mr. Wilkins advised that this payment was made as part of a contract with Waste Management for hauling of biosolids from the belt press to the compost facility. There being no more questions, a motion was made by Mr. Nelson, seconded by Mr. Stephens, to approve the cash disbursements for March 2020 reflecting total cash disbursements of \$2,729,539.21 and fund transfers between accounts of \$2,012,766.67. The motion carried unanimously.

The Committee then reviewed the cash disbursements for the month of April 2020. There being no questions or comments, a motion was made by Mr. Nelson, seconded by Ms. Bryant, to approve the cash disbursements for April 2020 reflecting total cash disbursements of \$2,180,743.60 and Fund Transfers between accounts of \$1,687,266.67. The motion carried unanimously.

Upon motion made by Mr. Nelson, seconded by Ms. Bryant, the Committee unanimously approved the Financial Statement for both March and April 2020.

EGP, PLLC has completed the audit for the year ended December 31, 2019. Ms. Lindsey Baker was present at the meeting to present the audit findings and answer any questions.

The audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Utility's financial statements as a whole. The introductory section, schedule of operating expenses and the schedule of expenditures of federal awards as required by the audit requirements of Title 2 U.S. Code of Federal Regulations ("CFR") Part 200 *Uniform Administrative Requirements, cost Principles, and Audit Requirements for Federal Awards* on pages 1, 36 and 41, respectively, are presented for purposes of additional analysis and are not a required part of the financial statements (the draw on funds).

A notable change to the audit was the addition of uncertainty. Subsequent to December 31, 2019, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the Utility as of March 31, 2020, management believes that a material impact on the Utility's financial position and results of future operation is reasonably possible.

As in past years, this was another good clean audit and Ms. Baker thanked Ms. Briley, Mr. Wilkins and members of the staff for their cooperation and good work. After further discussion, a motion was made by Nelson, seconded by Mr. Stephens, to approve the 2019 Audit Report and authorize distribution of same. The motion carried unanimously.

Mr. Wilkins then updated the Committee with regards to operation of the Utility since the March 10, 2020 meeting. He stated everything has run rather smoothly and only four (4) employees applied for relief under the Families First Coronavirus Relief Act.

Additionally, the staff updated the Committee on securing the easement for the access road to the White Oak WTP lagoons. After a lengthy discussion, a

motion was made by Mr. Stephens, seconded by Mr. Nelson to continue talking with Mr. Pfeifer to obtain a firm price for the purchase of approximately 15 to 16 acres at the North Shore Park to make possible the expansion of the White Oak WTP. The motion carried unanimously.

Mr. Nelson then asked the staff to hold off on any major capital purchases until approximately September 2020 due to economic conditions.

There being no further action to come before the Committee, a motion was made by Mr. Nelson to adjourn the meeting. The motion carried unanimously, and the meeting was adjourned at approximately 1:22 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



SYLVESTER SMITH,
VICE-CHAIRMAN/SECRETARY