

**NORTH LITTLE ROCK
WASTE WATER TREATMENT COMMITTEE**

MINUTES OF A MEETING HELD TUESDAY, JUNE 10, 2014

A meeting of the North Little Rock Waste Water Treatment Committee was held on Tuesday, June 10, 2014 at the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:08 p.m. Those in attendance at the meeting were: Mr. K.W. Matthews, Mr. Sylvester Smith and Ms. Karen Bryant. Also in attendance were Mr. Marc Wilkins, Director, Ms. Gina Briley, Mr. Charles Frost, Mr. Ronnie Thompson, Mr. Lyle Leubner, Mr. Byron Hicks with McClelland Consulting Engineers, Inc., Mr. Mark Halter with Hilburn, Calhoun, Harper, Pruniski & Calhoun, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its May 13, 2014 meeting. After review, a motion was made by Mr. Smith, seconded by Ms. Bryant, to approve the minutes of the May 13, 2014 meeting as submitted. The motion carried unanimously.

The Committee then reviewed the voucher disbursements for May 2014. Chairman Matthews questioned why Mr. Wilkins' expenses were more than the other employees attending the AWW & WEA conference in Hot Springs. Mr. Wilkins responded that his expenses covered two (2) days at the conference and not one (1). There being no further questions, a motion was made by Ms. Bryant, seconded by Mr. Smith, to approve the voucher disbursements for May 2014 reflecting total cash disbursements of \$3,662,227.79 and transfers between accounts of \$1,105,740.86. The motion carried unanimously.

Upon motion made by Mr. Smith, seconded by Ms. Bryant, the Committee unanimously approved the Financial Statement for May 2014.

Mr. Wilkins then announced to the Committee that bids were received for the "Shillcutt Bayou Sewer Main Crossing" on Tuesday, June 3, 2014 at 10:30 a.m. local time, and the only bid received exceeded the engineer's estimate by fifty-five percent (55%). Mr. Wilkins went on to add that the staff is still evaluating its options and no action is required by the Committee at this time. Additionally, one of those options is to contact Max Foote to see if they are interested in performing this work through a change order at an acceptable price. When questioned, Mr. Wilkins stated it was not a problem rejecting the only bid received because it also contained errors and inaccuracies. Mr. Wilkins stated he would keep the Committee informed on his discussions with Max Foote.

The Committee was then informed that the Utility has received an agreement for the renewal of health care services from the Change Center for Health & Vitality. The Change Center for Health & Vitality provides health care services for Utility employees including immunizations, first aid, physicals and drug screenings. The annual cost for the service is \$34,420.56. This item is included in the 2014 Budget in the amount of \$33,129.62. The cost of services last year was \$32,164.69 for eighty-four (84) employees. The new cost of services is based on eighty-nine (89) employees. A motion was then made by Mr. Smith, seconded by Ms. Bryant, to authorize the staff to enter into a contract with Change Center for Health & Vitality at a cost of \$34,420.56. The motion carried unanimously.

Mr. Wilkins then explained that the Utility purchased two (2) new CCTV sewer inspection systems in November of 2011 in the amount of \$320,906.00. The current CCTV equipment is manufactured by Pearpoint, Inc. and has not provided reliable service (i.e., TV Crew #1 recorded zero production for four (4) month during the seven (7) month period from December 2012 through June 2013). The primary reason for lack of production was equipment failures and poor product support. The staff has requested to transition the CCTV equipment to Ques, Inc., a brand trusted and previously used by the Utility. The transition would be implemented as follows:

- All existing Pearpoint equipment (three (3) cameras, two (2) transporters, two (2) vans and related computers and software) would be assigned to a single crew and used as backup for both crews.
- Purchase a new Ques CCTV Sewer Inspection System to be assigned to the second crew.
- Subsequent major purchases of CCTV Sewer Inspection Systems (anticipated 2015 or 2016) will be compatible with the Ques CCTV Sewer Inspection System.

Additionally, Mr. Wilkins advised that a fully equipped Ques CCTV Sewer Inspection System demonstration unit is available through HGAC. The cost of the demonstration unit is \$200,950.00 and the cost of a comparably equipped new unit would be \$254,515.00. New warranties apply and the demonstration unit is available with 5 - 10 days. This item is included in the 2014 Budget in the amount of \$230,000.00. After discussion, a motion was made by Ms. Bryant, seconded by Mr. Smith, to authorize the staff to purchase a Ques, Inc. CCTV Sewer Inspection System through HGAC in the amount of \$200,950.00. The motion carried unanimously.

Next, Mr. Wilkins advised the Committee that Ben E. Keith Foods, a food service company based in North Little Rock, is in the process of moving their operations from Pike Avenue. In competition with other cities for the new location, the Mayor's office has requested a waiver of any sewer connection fees as incentive to keep the industry in

North Little Rock. The new site will be located northwest of the intersection of Hwy 70 and I-440 on 70 +/- acres. The new facility will house a 305,000 sq. ft. Regional Corporate Headquarters and refrigeration storage warehouse. This project will retain the 269 employees from the Pike Avenue facility and 82 new employees will be added over a five (5) year period. This site is subject to the "Galloway Connection Fee" which is currently \$2,338/acre. A motion was then made by Mr. Smith, seconded by Ms. Bryant, to authorize a waiver of the "Galloway Connection Fee" for Ben E. Keith Foods to their proposed facility near Hwy 70 and I-440. The motion carried unanimously.

The Committee then discussed the purchase of a replacement vehicle, Unit #76. Unit #76 is 11 years old, it has 198,597 miles on it and is in need of major repairs. This vehicle is assigned to Locations Crew, a one-man crew that makes 811 One-Call responses. The specifics on this vehicle are as follows:

Unit No.:	76
Year/Model:	2003 GMC Sonoma
Maintenance to Date:	\$11,339.52
Mileage:	198,597
Original Cost:	\$11,901.00

A replacement vehicle from the State contract is a Ford F150 in the amount of \$16,664.00. The 2014 budget includes \$35,000 for a replacement vehicle. It was also noted that this vehicle is not a candidate for natural gas conversion due to the low mileage requirements. A motion was then made by Mr. Smith, seconded by Ms. Bryant, to authorize the staff to purchase a replacement vehicle for Unit #76 off the State contract in the amount of \$16,664.00. The motion carried unanimously.

Mr. Wilkins then informed the Committee that he and the staff had negotiated a contract with Marlar Engineering Co. for the design of the White Oak Interceptor Phase II Project. The fee will be 10.5% of the cost of construction which is the industry standard. A motion was made by Mr. Smith, seconded by Ms. Bryant, to authorize the Utility to enter into the contract with Marlar Engineering Co. for the design of the White Oak Interceptor Phase II Project. The motion carried unanimously.

Chairman Matthews then asked Mr. Wilkins if he had any luck with regard to hiring an engineer. Mr. Wilkins informed the Committee that he had met with Mr. Michael Clayton about the position. Mr. Clayton was the City Engineer for the City of Sherwood for approximately eleven (11) years and then went into business for himself.

A motion was then made by Mr. Smith, seconded by Ms. Bryant, to excuse the absence of Mr. Nelson and Mr. McGlothlin from the meeting. The motion carried unanimously.

There being no further action to come before the Committee, a motion was made by Mr. Smith to adjourn the meeting. The motion carried unanimously and the meeting was adjourned at approximately 12:27 p.m.

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read "K. W. Matthews".

K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,

A handwritten signature in blue ink, appearing to read "Sylvester Smith".

SYLVESTER SMITH,
VICE-CHAIRMAN/SECRETARY