

NORTH LITTLE ROCK WASTEWATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, JUNE 14, 2016

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, June 14, 2016 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. Those in attendance at the meeting were Mr. K.W. Matthews, Mr. Sylvester Smith, Mr. Ed Nelson, Mr. Clark McGlothin and Ms. Karen Bryant, and in addition, Mr. Jack Stowe, representative from the City of Maumelle and Mr. Scott Greenwood representative from the City of Sherwood. Also in attendance were Mr. Marc Wilkins, Director, Ms. Gina Briley, Mr. Charles Frost, Mr. Ronnie Thompson, Mr. Lyle Leubner, Mr. Michael Clayton, Mr. Mike Marlar with Marlar Engineering Co., Inc., representatives of Kajacs Contractors, Inc., Ms. Pamela Barnes, Mr. Mark Halter with Hilburn, Calhoun, Harper, Pruniski & Calhoun, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its May 10, 2016 meeting. After review, a motion was made by Mr. Smith, seconded by Ms. Bryant, to approve the minutes of the May 10, 2016 meeting as submitted. The motion carried unanimously.

Next, Mr. Wilkins informed the Committee that on April 29, 2016, a trouble call was made to 715 W. "F" Street for a sewage backup in a private residence. Utility crews discovered that the main was blocked with a t-shirt and restored the service. The property owner, Ms. Pamela Barnes, experienced clean-up costs of \$25,000. Her homeowner's insurance paid \$10,000 and waived the \$1,000 deductible. The Utility's insurance will pay \$5,000, and Mr. Marc Wilkins, the Director, has authorized an additional payment of \$10,000 to Ms. Barnes. Ms. Barnes addressed the Committee and stated that the \$25,000 was for demolition and clean-up and that she has experienced additional costs for restoration. She stated that at this point she is still out of pocket approximately \$20,028 and does not know how much more it will cost once everything is finalized. She informed the Committee that the backflow valve has been installed at her residence at a cost of \$1,100. After further discussion and a review of Ms. Barnes' photographs, a motion was made by Mr. Smith, seconded by Mr. McGlothin, to authorize an additional payment of \$22,000 to Ms. Barnes. The motion carried unanimously.

Mr. Wilkins advised the Committee that bids were received for the White Oak Interceptor Phase II project on Thursday, May 19, 2016. The project includes extension of the 36-inch gravity interceptor to the vicinity of the intersection of the White Oak Bayou with a proposed extension of Counts Massie Road. It also includes installation of an 18-inch gravity sewer along Newton Creek to the east side of I-40. The low bid was submitted by Kajacs Contractors, Inc. of Poplar Bluff, Missouri in the amount of \$4,796,835. Funding for this project will be through the Revolving Loan Fund Program. Mr. Mike Marlar was present at the meeting and reported to the Committee that he had

checked references listed by Kajacs and he received very favorable remarks. It was also noted that Kajacs is licensed in Arkansas with the Arkansas Contractors Licensing Board to perform utility construction. It should be noted that the Arkansas Natural Resources Commission has asked for additional environmental review by currently unnamed agencies prior to their concurrence to award the contract. After further discussion, a motion was made by Mr. McGlothlin, seconded by Ms. Bryant, to authorize the staff to award a contract to Kajacs Contractors, Inc. in the amount of \$4,796,835 for the White Oak Interceptor Phase II contingent upon concurrence from the Arkansas Natural Resources Commission. The motion carried unanimously.

Next, the Committee reviewed the cash disbursements for May 2016. There being no comments or questions, a motion was made by Mr. Nelson, seconded by Mr. Smith, to approve the cash disbursements for May 2016 reflecting total cash disbursements of \$2,161,171.04 and transfers between accounts of \$1,697,722.31. The motion carried unanimously.

Upon motion made by Mr. Smith, seconded by Mr. Nelson, the Committee unanimously approved the Financial Statement for May 2016.

Mr. Wilkins then stated that the Utility had received an agreement for the renewal of health care services from the Change Center for Health & Vitality for July 1 through June 30, 2017. Health care services provided include immunizations, routine office visits, annual physicals and lab tests. They also provide services for the Utility for pre-employment physicals, department of transportation physicals, workers' compensation visits and flu vaccines. The agreement has an annual cost of \$39,018 for 97 employees. The last contract amount was \$34,421 for 84 employees. This item is included in the 2016 budget in the amount of \$35,454. A motion was then made by Mr. Smith, seconded by Ms. Bryant, to authorize the staff to enter into a contract with the Change Center for Health & Vitality. The motion carried unanimously.

Mr. Wilkins informed the Committee that bids were received for the 3306 E. 10th Street Pump Station on Wednesday, June 8, 2016 at 10:00 a.m. This project includes replacement of existing Dixie Pump Station, replacement of approximately 1,030 linear feet of 6-inch force main, 78 linear feet of 10" and 14" gravity mains, addition of an auxiliary power supply and a sustainability component targeting a reduction of stormwater runoff with native plants within a perimeter trench. The low bid was submitted by RedStone Construction Group, Inc. of Little Rock in the amount of \$369,712.25. This project will be funded through General Revenues and is included in the 2016 Budget in the amount of \$400,000. The Utility staff performed the engineering design and bidding services and will be responsible for engineering services during construction. A motion was made by Mr. Smith, seconded by Ms. Bryant, to authorize the staff to award the contract for the 3306 E. 10th Street Pump Station to RedStone Construction Group, Inc. in the amount of \$369,712.25. The motion carried unanimously.

Next, the Committee reviewed the bids received on Thursday, June 2, 2016 at 10:00 a.m. for the East Levy Basin Pipe Bursting 2016 Rehabilitation Project. This

project includes pipe bursting pipeline rehabilitation of approximately 19,323 linear feet of six inch gravity sewer mains. The low bid was submitted by Horseshoe Construction, Inc. of LaPorte, Texas in the amount of \$1,461,889. This project is funded through the 2012 Revolving Loan Fund (ANRC #0089-CWSRF-L). It was noted that the Utility staff performed the engineering design and bidding services and will be responsible for engineering services during construction. A motion was made by Mr. Nelson, seconded by Mr. Smith, to authorize the staff to award the contract for the East Levy Basin Pipe Bursting 2016 Rehabilitation Project to Horseshoe Construction, Inc. in the amount of \$1,461,889 subject to receipt of authorization from the Arkansas Natural Resources Commission. The motion carried unanimously.

Mr. Wilkins then reported that on May 1, 2016, a 5-inch rainfall event was recorded at the White Oak Bayou WTP, and on May 5, 2016, the staff reported that fish and turtles were showing up on the bar screens. A field investigation discovered that erosion had exposed a section of the White Oak Interceptor and caused separation of a joint in the pipeline. The failure occurred on the east bank of the bayou 300 - 400 feet north of Young Road. The White Oak Interceptor is a 36-inch ductile iron pipeline generally running parallel to the bayou along the east bank. Diamond Construction Company, Inc. has been engaged to make emergency repairs to the pipeline, and they are currently stripping the surface for equipment access as soon as the water level in the bayou permits. Frequent and repeated rainfalls have raised the water level above the damaged section of the pipeline. The initial phase of the repair will be to attempt to realign the pipe to close the dislocated joint and provide temporary stabilization to the exposed sections of the pipeline. The long term solution will involve relocation of approximately 620 LF of 36-inch gravity pipeline away from the channel and to stabilize the bank to prevent further erosion. Exposed and shallow sections of the abandoned portion of the original pipeline will be removed. Cost is projected to range from \$300,000 to \$400,000. The 2016 Budget includes \$1,750,000 for emergency repairs. It appears this amount will be exceeded this year and the overage will come from the general revenues. After further discussion, a motion was made by Mr. Smith, seconded by Ms. Bryant, to authorize the staff to utilize the services of Diamond Construction Company, Inc. to complete the emergency repair and relocation of the White Oak Bayou Interceptor. The motion carried unanimously.

Mr. Wilkins then reported another emergency repair to the Commission. The staff discovered a cave-in at 4915 W. Bethany. This is a 10-inch clay gravity sewer approximately 13 feet deep with a groundwater table at 10' 6". Currently, the pipeline is open and flowing and the staff has initiated the installation of a dewatering well. A television inspection revealed the most significant defect is a break in the pipe at a wye with a sag in the pipeline. The repair will involve replacement of approximately 20 LF of pipeline. The staff requests the assistance of Diamond Construction Company, Inc. to make the repair. Cost is projected to range from \$30,000 to \$40,000. Again, it was noted that the 2016 Budget includes \$1,750,000 for emergency repairs. It appears this amount will be exceeded this year and the overage will come from general revenues. Mr. Wilkins also noted that this is the 10th cave-in so far this year and the Utility has already spent \$1,300,000 on emergency repairs. A motion was made by Mr. Nelson,

seconded by Ms. Bryant, to authorize the staff to utilize the services of Diamond Construction Company, Inc. to complete the emergency repair. The motion carried unanimously.

Mr. Wilkins informed the Commission that due to all the rainfall and the emergency repairs caused from the rainfall events, he is going to contact the Corps of Engineers and see if the Utility could get any assistance in making these repairs. He stated he would keep the Commission posted on the progress of his negotiations.

Next, Mr. Wilkins reported to the Committee that the Utility had received a request from Little Rock Wastewater to once again use the Utility's permitted land application site. The agreement will be for one (1) year and Little Rock Wastewater will be responsible for all sampling prior to and after application. Additionally, they will be responsible for filing the necessary report with ADEQ. Further, the Utility does not anticipate use of this site during the calendar year 2016 and has received confirmation from the property owner that they would appreciate the biosolids from Little Rock Wastewater. As in the past, Little Rock Wastewater will pay the Utility a lump sum of \$5,000 as compensation for the use of this site. A motion was made by Mr. Nelson, seconded by Mr. McGlothlin, to authorize the staff to enter into a "Memorandum of Agreement between Little Rock Wastewater and the North Little Rock Wastewater Utility for use of the Biosolids Disposal Site and Permit." The motion carried unanimously.

Then, Mr. Wilkins informed the Committee that he has had conversations with Mr. Mark Bennett with Arkansas Natural Resources concerning the loan with the Utility that will be closing soon. The general discussion was regarding the interest rates being charged on the loans. The rate is currently 2 1/2 % for 20 years. However, there is the possibility of the feds raising rates, so Mr. Wilkins inquired as to what steps the Utility could take to insure it was getting the best rate. In asking for their assistance, it was mentioned that the Utility should evaluate the best management practices for sustainability of each project. Therefore, a motion was made by Mr. Smith, seconded by Mr. McGlothlin, for the Utility to evaluate best management practices for sustainability in at least one area for each project. The motion carried unanimously.

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 1:09 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,

SYLVESTER SMITH,
VICE-CHAIRMAN/SECRETARY

