

NORTH LITTLE ROCK WASTEWATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, OCTOBER 10, 2017

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, October 10, 2017 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. Ed Nelson and Ms. Karen Bryant, and in addition, Mayor Mike Watson from the City of Maumelle and Ms. Judy Keller, representatives from the City of Maumelle. Also in attendance were Mr. Marc Wilkins, Director, Ms. Gina Briley, Mr. Charles Frost, Mr. Ronnie Thompson, Mr. Lyle Leubner, Mr. Michael Clayton, Mr. Mark Halter with Hilburn, Calhoun, Harper, Pruniski & Calhoun, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its September 12, 2017 meeting. After review, a motion was made by Mr. Nelson, seconded by Ms. Bryant, to approve the minutes of the September 12, 2017 meeting as submitted. The motion carried unanimously.

Next, the Committee reviewed the cash disbursements for September 2017. A motion was made by Mr. Nelson, seconded by Ms. Bryant to approve the cash disbursements for September 2017 reflecting total cash disbursements of \$2,158,075.89 and transfers between accounts of \$1,566,415.34. The motion carried unanimously.

Upon motion made by Mr. Nelson, seconded by Ms. Bryant, the Committee unanimously approved the Financial Statement for September 2017.

Mr. Wilkins then advised the Committee that the Murphy Drive Pump Station, which was constructed in May 1975, was in need of significant renovation. The staff is proceeding with repairs to the roof, doors, brick work, fencing, stairs, generator, exhaust fan, access drive and parking. It will also be necessary to replace the pumps. The engineering staff has reviewed the hydraulics and growth projections within the basin, and the Utility received a quote for Flygt replacement pumps in the amount of \$79,836.00 for two (2) - 1650 GPM pumps with stands and suction elbows. The 2017 Budget includes \$97,000.00 for the Murphy Drive Pump Station improvements. The Utility has already spent \$12,917.00 for the roof leaving a balance of \$84,083.00. A motion was made by Ms. Bryant, seconded by Mr. Nelson, to authorize the staff to purchase two (2) Flygt pumps for the Murphy

Drive Pump Station from Jack Tyler Engineering, Inc. of Little Rock, Arkansas in the amount of \$79,836.00. It was noted that the lead time for the pumps is about twelve (12) weeks and the staff will complete the installation soon after receipt of the new units.

Mr. Nelson then advised the Committee that the Retirement Committee of the North Little Rock Wastewater Utility met on September 26, 2017. The July 1, 2017 actuarial valuation report provided by Mr. Jody Carreiro of Osborn, Carreiro & Associates, Inc., suggested a contribution of \$702,970.00. Mr. Nelson advised that the rate of return on investments for this past year was approximately 7.5% which is above average for public entities. It was noted that the Utility had budgeted \$705,300.00 as the contribution for 2017. Therefore, the Retirement Committee voted to recommend that the North Little Rock Wastewater Treatment Committee authorize a contribution of \$702,970.00. After further discussion, a motion was made by Ms. Bryant, seconded by Mr. Nelson, to authorize a contribution in the amount of \$702,970.00 to the North Little Rock Wastewater Utility Defined Benefit Pension Plan and Trust by January 1, 2018. The motion carried unanimously.

Mr. Wilkins then reported that the staff received bids for the White Oak Bayou Wastewater Treatment Plant Biosolids Removal and Land Application Project on Tuesday, September 21, 2017 at 1:00 p.m. The project consists of removal of biosolids from Lagoons 3 and 4 (the two East ponds) at the White Oak Bayou Wastewater Treatment Plant and land applying the biosolids in the North Little Rock Waste Water permitted field adjacent to the White Oak Bayou Wastewater Treatment Plant. The low bid was submitted by Nebo Services, Inc. in the amount of \$160,050.00. The project will be paid for from the Biosolids Reserve Fund which has a current balance of \$1,210,000.00. After discussion, a motion was made by Ms. Bryant, seconded by Mr. Nelson, to authorize the staff to award the contract for the White Oak Bayou Wastewater Treatment Plant Biosolids Removal and Land Application Project to Nebo Services, Inc. of Russellville, Arkansas in the amount of \$160,050.00. The motion carried unanimously.

Additionally, the staff received bids for the M & E Building HVAC Improvements on Thursday, October 5, 2017 at 10:00 a.m. The project consists of replacing four (4) 5-ton condensing units, evaporator coils and gas furnaces which are original to the building (1991). The contract documents call for equipment, labor and materials to furnish and install four (4) 5-ton capacity, 16 SEER, R-410A refrigerant, single phase condensing units with vertical thermostatic expansion valve evaporator coils and 120,000 Btu, 80% AFUE gas furnaces. The low bid was submitted by Riverbend Air Conditioning, Inc. from Des Arc, Arkansas in the amount of \$19,950.00. This item is included in the 2017 budget at a line item of

\$40,000.00. A motion was then made by Mr. Nelson, seconded by Ms. Bryant, to authorize the staff to award the contract for the M & E Building HVAC Improvements project to Riverbend Air Conditioning, Inc. in the amount of \$19,950.00. The motion carried unanimously.

Mr. Wilkins then reported to the Committee that the southern portion of the Faulkner Lake Wastewater Treatment Plant property has been leased to the Blue Rock Sportsman Club, AR Inc. since 1991. Mayor Smith has requested consideration to sell some amount or all of that property to the Blue Rock Sportsman Club, AR Inc. with the understanding that the proceeds would return to the Utility. An Appraisal Report prepared for the North Little Rock Wastewater Utility in May of 2017 established the value of the property at \$3,500 per acre. There is a 54-inch effluent pipeline which crosses generally north to south and extends approximately 1/4 mile into the river, to the edge of the main channel. The northern portion of this pipeline is concrete, constructed in 1965, and the southern 1,620 feet (+/-) is bituminous coated corrugated metal constructed in 1977. A motion was then made by Mr. Nelson, seconded by Ms. Bryant, to approve a motion consenting to the sale of the property and retaining a 150 foot easement to each side of the existing effluent pipeline. The motion carried unanimously.

Mr. Wilkins then discussed with the Committee the purchase of a new Vac-Con. He stated that the Vac-Con is the most productive and cost-effective method for cleaning gravity sewer lines by a wide margin. The Utility currently operates four (4) Vac-Con crews and maintains a 5th Vac-Con (spare) to be shared by all four (4) crews. Having the spare Vac-Con enables production to continue when one of the Vac-Cons is out of service. In addition to cleaning pipelines, the Vac-Cons are used for specialized tasks at all of the treatment plants, pump stations and in the collection system. Therefore, the staff wishes to purchase a Vac-Con in order to update the fleet. The oldest currently in use will be made the new spare and the current spare will be auctioned off. Currently the spare Vac-Con is a 1998 model, with 110,835 miles on the vehicle and more than 4,000 hours on the auxiliary motor. After further discussion, a motion was made by Ms. Bryant, seconded by Mr. Nelson, to authorize the staff to purchase a Vac-Con through HGAC in the amount of \$372,500.00. The motion carried unanimously.

A motion was made by Mr. Nelson, seconded by Ms. Bryant, to excuse the absences of Mr. McGlothlin and Mr. Smith from the meeting. 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 12:55 p.m.

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read "K. W. Matthews". The signature is fluid and cursive, with a long horizontal stroke at the end.

K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,

A handwritten signature in blue ink, appearing to read "Sylvester Smith". The signature is cursive and includes a large, stylized flourish at the end.

SYLVESTER SMITH,
VICE-CHAIRMAN/SECRETARY