

NORTH LITTLE ROCK WASTEWATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, OCTOBER 8, 2019

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, October 8, 2019 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 and Mr. Gabe Stephens. Also in attendance were Mr. Marc Wilkins, Director, Mr. Michael Clayton, Assistant Director, Ms. Gina Briley, Mr. Charles Frost, Mr. Ronnie Thompson, Mr. Lyle Leubner, Ms. Kris Ramon and Mr. Scott Hilburn with Hilburn, Calhoon, Harper, Pruniski & Calhoun, Ltd.

First, the Committee reviewed the minutes of its September 10, 2019 meeting. There being no questions or comments, a motion was made by Mr. Stephens, seconded by Mr. Nelson, to approve the minutes of the September 10, 2019 meeting. The motion carried unanimously.

The Committee then reviewed the cash disbursements for the month of October, 2019. After discussion, a motion was made by Mr. Nelson, seconded by Mr. Stephens, to approve the cash disbursements for October 2019 reflecting total cash disbursements of \$2,710,055.89 and fund transfers between accounts of \$2,063,666.67. The motion carried unanimously.

Upon motion made by Mr. Nelson, seconded by Mr. Stephens, the Committee unanimously approved the Financial Statement October 2019.

Mr. Wilkins gave the committee an update concerning the last solar meeting. Scenic Hill provided a quote of \$1,600,000 which would pay for the solar system. Scenic Hill also provided a rate of 6.2 cents per KW hour, with escalation, for a service agreement. Mr. Halter recommended that the best option was for the Utility to pay for the solar system. After further discussion, the Committee tabled any action until the next meeting.

Mr. Wilkins then advised the Committee that the Operations Department is in need of one larger 4-wheel drive vehicle to transport staff and materials to the other plants. Staff has recommended the purchase of a crew cab 4x4 F250 from the state contract in the amount of \$27,525. The 2019 budgeted amount for the purchase was \$28,000. A motion was made by Mr. Stephens, seconded by Mr. Smith, to authorize the purchase of this vehicle from the State Contract in the amount of \$27,525. The motion carried unanimously.

Committee member Nelson then reported to the Committee that the Retirement Committee of North Little Rock Wastewater met on August 27, 2019. The July 1, 2019 actuarial valuation report provided by Mr. Jody Carreiro of Osborn, Carreiro & Associates, Inc., suggested a contribution of at least \$575,000. As of 7/1/19, the assets of the plan was \$13,202,660 and the funded percentage was at 88%, which was an increase from last year's 81% funded percentage. The rate of investment return for the 2019 plan year was 6.6%. Since the Utility had budgeted an amount of \$705,000 for the 2019 plan contribution, the Retirement Committee voted to recommend that the NLRWW Treatment Committee authorize a \$705,000 contribution. After further discussion, Mr. Smith made a motion to increase the contribution amount to \$750,000. The motion was seconded by Mr. Nelson. The motion carried unanimously.

Mr. Wilkins informed the Committee that the principal balance of the Series 2001 Bond Issue was \$2,841,685.41. If the loan is paid off before 4/15/20, the Utility would save approximately \$190,000 in interest costs. The Committee tabled any action concerning an early pay off.

Mr. Wilkins also informed the Committee that he and Mr. Clayton attended an APERMA membership meeting. The Utility should receive a letter in October concerning what the insurance rate increase will be for 2020. This could be a 15 to 20 percent increase.

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

There being no further action to come before the Committee, a motion was made to adjourn the meeting. The motion carried unanimously, and the meeting was adjourned at approximately 1:05 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



SYLVESTER SMITH,
VICE-CHAIRMAN/SECRETARY