

January 18, 2013  
Five o'clock P.M.  
North Little Rock City Hall Council Chambers  
300 Main Street  
North Little Rock, Arkansas

A Special Call meeting of the North Little Rock City Council scheduled for Friday, January 18, 2013 was called to order at 5:00 p.m. by the honorable Mayor JOE A. SMITH. The roll having been called and the following Aldermen answered to their names: DEBI ROSS, BETH WHITE, STEVE BAXTER, CHARLIE HIGHT and MURRY WITCHER ( 5/0), a quorum was declared. Aldermen MAURICE TAYLOR, LINDA ROBINSON, and BRUCE FOUTCH were absent. City Clerk Diane Whitbey and City Attorney C. Jason Carter were also present.

*Note:* Alderman Taylor entered the council chambers at 5:09 p.m.

Mayor Smith announced a Special Call scheduled for this date.

January 16, 2013 (via email)

Subject: Special Call for Friday, January 18, 2013

Honorable Members of the North Little Rock City Council:

The purpose of this e-mail is to advise you that Mayor Smith has called a special meeting of the North Little Rock City Council at 5:00 p.m. on Friday, January 18, 2013, at City Hall Council Chambers, North Little Rock, Arkansas. The following will be on the agenda:

- 1) R-13-09 – AMENDING THE 2013 BUDGET FOR THE NORTH LITTLE ROCK ELECTRIC DEPARTMENT; AND FOR OTHER PURPOSES. Sponsor: Mayor Smith
- 2) R-13-10 – AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO A LOCAL BALANCING AUTHORITY AGREEMENT WITH ENTERGY ARKANSAS, INC. TO FACILITATE NORTH LITTLE ROCK ELECTRIC'S COMPLIANCE WITH NERC RELIABILITY STANDARDS WHILE PARTICIPATING IN THE MISO MARKET; AND FOR OTHER PURPOSES. Sponsor: Mayor Smith
- 3) O-13-07 – WAIVING COMPETITIVE BIDDING REQUIREMENTS AND AUTHORIZING THE NORTH LITTLE ROCK ELECTRIC DEPARTMENT TO ACCEPT THE PROPOSAL OF HCMS, INC. FOR CERTAIN REPAIRS TO MURRAY HYDRO UNIT 2; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES. Sponsor: Mayor Smith

Pursuant to Sec. 2-48(2) of the North Little Rock Municipal Code, you are entitled to 72 hours' *electronic* notice of this meeting. Please acknowledge receipt of this e-mail as soon as possible by replying to the same. A copy of your reply will automatically be sent to City Clerk Diane Whitbey.

Respectfully,  
C. Jason Carter  
City Attorney

R-13-09 (RESOLUTION NO. 8245 – MAYOR SMITH)

A RESOLUTION AMENDING THE 2013 BUDGET FOR THE NORTH LITTLE ROCK ELECTRIC DEPARTMENT; AND FOR OTHER PURPOSES, was read. A motion to adopt was

made by Alderman Witcher and seconded by Alderman Hight. Mr. Carter, Interim General Manager North Little Rock Electric Department said he was aware of frustrations regarding Hydro Plant bills. North Little Rock has a big investment in the (Murray) Hydro Plant. There are plants that were built in the 1920's that are running well. The plant protects future generations against inflated fuel costs. The primary cost was construction. As the Capital expense retires, maintenance expenses take over. A major overhaul is scheduled for next year. There are repairs and maintenance work that needs to be done now. Repairs now will keep the unit running until next year. Mr. Carter brought a "key", which was worn down that holds a rotor in place. The shape is supposed to be a rectangle. Mr. Carter also presented a bag filled with particles that have worn off. Hydro Consulting & Maintenance Services, Inc. (HCMS) is mobilized at the site and capable of effectuating repairs in a timely and cost effective manner. This resolution will reallocate funds in the 2013 Budget for the repairs. Alderwoman Ross referenced previous work, which Mr. Carter said pertained to the generators. These repairs are to the mechanical pieces. Mayor Smith said the goal is to have the unit running by spring. Alderman Baxter asked if repairs from July 2012 had been completed. Mr. Carter said Unit 1 is running great, however Unit 2 has not been back in service. Alderwoman Ross asked if there would be a warranty on the repairs. Mr. Carter wasn't aware of any additional warranty provisions. Mr. Carter referenced Common Law remedies. Alderman Witcher asked about crews on site. He said HCMS is there now with scaffolding in place. A big cost (approximately \$70,000.00) is scaffolding around the tube. Using the existing crew will save money on mobilization, setup and delay. The unit needs to be in service before springtime rains. Demobilizing, mobilizing, bidding etc. would delay the project several months. The city receives \$54.00 per hour mega watt credit. Next year the credit amount may be \$20.00 to \$30.00 per mega watt hour. Alderwoman White asked when the work would begin. Mr. Carter said the current timeline for Unit 2 is set for March 1, 2013. Mr. Carter said there are not many companies that work on Hydro Electric Plants. Mr. Carter said the plant was originally designed with Mechanical Seals which were made with asbestos. The packing system (which has been around since the 1920's) works well. On the previous motion, and by consent of all members present, the resolution was adopted (6/0).

R-13-10 (RESOLUTION NO. 8246 – MAYOR SMITH)

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO A LOCAL BALANCING AUTHORITY AGREEMENT WITH ENTERGY ARKANSAS, INC. TO FACILITATE NORTH LITTLE ROCK ELECTRIC’S COMPLIANCE WITH NERC RELIABILITY STANDARDS WHILE PARTICIPATING IN THE MISO MARKET; AND FOR OTHER

PURPOSES, was read. A motion to adopt was made by Alderman Hight and seconded by Alderman Taylor. Mr. Carter advised the city is migrating to the Midwest Independent Transmission System Operator, Inc. (MISO) which is part of the North American Electric Reliability Corporation (NERC) reliability standards. This ensures that the transmission grid is operational, reliable and balanced. On the previous motion, and all members present, having voted in the affirmative, with the exception of Alderman Witcher who passed, the resolution was adopted (5/1).

O-13-07 (ORDINANCE NO. 8500 – MAYOR SMITH)

AN ORDINANCE WAIVING COMPETITIVE BIDDING REQUIREMENTS AND AUTHORIZING THE NORTH LITTLE ROCK ELECTRIC DEPARTMENT TO ACCEPT THE PROPOSAL OF HCMS, INC. FOR CERTAIN REPAIRS TO MURRAY HYDRO UNIT 2 (\$582,573.00 – *Electric Department Annual Budget*); DECLARING AN EMERGENCY; AND FOR OTHER PURPOSE,

was read. On the motion of Alderman Witcher and seconded by Alderman Hight, and by consent of all members present, the rules were suspended and the ordinance was placed on its second reading (6/0). On the motion of Alderman Hight and seconded by Alderman Taylor, and by consent of all members present, the rules were again suspended and the ordinance was placed on its third and final reading (6/0). The roll having been called, and by consent of all members present, the ordinance was adopted (6/0). Emergency clause adopted (6/0).

There being no further business to come before the Council, and on the motion of Alderman Hight and seconded by Alderman Witcher, and by consent of all members present, the meeting was adjourned at 5:31 p.m. (6/0), until the next regularly scheduled meeting to be held on Monday, January 28, 2013, at seven o’clock p.m. in the City Council Chambers in City Hall, located at 300 Main Street, North Little Rock, Arkansas.

APPROVED: \_\_\_\_\_  
MAYOR PATRICK HENRY HAYS

ATTEST: \_\_\_\_\_  
DIANE WHITBEY, CITY CLERK