

**ENVIRONMENTAL COMPLIANCE & SAFETY DEPARTMENT STATUS REPORT**  
**JANUARY 2023**

	<b><u>BOD</u></b>	<b><u>TSS</u></b>
Faulkner Lake	15.6 mg/L (30 Max.)	17.7 mg/L (30 Max.)
Maumelle	17.7 mg/L (30Max.)	17.1 mg/L (30 Max.)

	<b><u>CBOD</u></b>	<b><u>TSS</u></b>
Five Mile	13.5 mg/L (25 Max.)	18.3 mg/L (90 Max.)
White Oak	10.9 mg/L (25 Max.)	19.5 mg/L (90 max.)

Jaime Marrow  
Office Assistant II



# Memorandum

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**TO:** Michael Clayton  
**FROM:** Scott Kerby  
**DATE:** 2/8/2023  
**RE:** Engineering Department Major Projects Status

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**Rose City and Military Drive Basins Pipe Bursting 2021 Rehabilitation:** The contractor began working on September 10, 2021. The contractor has successfully completed 24,364 linear feet of 26,215 linear feet of the pipe bursting project to date.

**Rose City and Military Drive Basins CIPP 2021 Rehabilitation:** The project is substantially complete. The contractor is working on the punch list.

**Dixie and Baring Cross Basins Pipe Bursting 2021 Rehabilitation Project:** This project consists of pipe bursting 18,858 linear feet of 6” and 8” sanitary sewer mains and externally reconnecting approximately 398 services. The contractor has successfully completed approximately 12,842 linear feet of the project to date.

**Curtis Sykes and Meadow Park CIPP 2021 Rehabilitation Project:** This project consists of CIPP rehabilitation of 20,955 linear feet of 6”-15” secondary sewer mains. The Notice to Proceed was issued March 29, 2022. The project is substantially complete. The contractor is working on the punch list.

**Lower Riverside Interceptor CIPP 2017 Rehabilitation Project:** This project consists of CIPP rehabilitation of 4,344 linear feet of 54” reinforced concrete pipe. The scope of the project begins two line segments upstream of the Faulkner Lake WRF headworks and continue upstream for 4,344 linear feet. The Notice of Award was issued to Insituform Technologies, LLC on March 16, 2022. The Notice to Proceed was issued May 25, 2022. The CIPP installation is complete. The contractor is working on the punch list items.

**Curtis Sykes and Meadow Park Basins Pipe Bursting 2021 Rehabilitation Project:** This project consists of pipe bursting rehabilitation of 27,194 linear feet of 6” and 8” secondary sanitary sewer mains and external reconnection of approximately 493 services. The Notice to Proceed was issued on April 25, 2022. The contractor has successfully completed approximately 23,803 linear feet of the project to date.

**Biosolids Removal and Land Application:** This project consists of removal of approximately 3,000 Dry Tons of biosolids from the Five Mile Creek Polishing Pond and approximately 3,500 Dry Tons of biosolids from the Faulkner Lake east lagoon. The contractor began removing biosolids from the Five Mile Creek WRF on June 6, 2022. The contractor has completed the

biosolids removal from the Five Mile Creek WRF. The contractor has removed approximately 890 dry tons from the Faulkner Lake WRF. The project is in the process of being closed.

**Five Mile Creek Basin Interceptors Assessment:** This project consists of multi-sensor inspection of approximately 37,161 linear feet of interceptors sizes 24"-36" within the Five Mile Creek WRF Basin. Bids were opened on April 28, 2022, and the low bidder is Ace Pipe Cleaning with a bid amount of \$238,034.10. The Notice of Award was issued May 11, 2022. The contractor has completed approximately 34,325 of 37,161 linear feet in the project.

**Broadway Area Pipe Bursting 2023 Collection System Renewal:** This project consists of pipe bursting rehabilitation of 23,234 linear feet of 6" through 10" secondary sanitary sewer mains and external reconnection of approximately 315 services. The project is currently being advertised for bids. The bid opening date is scheduled for Thursday, February 23, 2023.

**Broadway Area CIPP 2023 Collection System Renewal:** This project consists of CIPP rehabilitation of 37,112 linear feet of 6"-18" secondary sewer mains. The project is currently being advertised for bids. The bid opening date is scheduled for Thursday, February 23, 2023.



# Memorandum

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**TO:** Michael Clayton  
**FROM:** Lyle Leubner  
**DATE:** 2/8/2023  
**RE:** Treatment Report

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## **Faulkner Lake Plant**

- Installed rock to repair and mitigate erosion around East Lagoon influent pipe.
- The plant suffered a hydraulic overload because of a heavy rain the night of January 2<sup>nd</sup>. A recently hired operator was on duty to cover a double shift due to illness for both the 2<sup>nd</sup> and 3<sup>rd</sup> shift regularly scheduled operators. Unfortunately, the high flow volume required an additional clarifier to be put online, and it did not happen. The vulnerability has been mitigated with a retraining exercise with the plant operators while emphasizing the situation. Additional alarms have also been programmed into the SCADA system. No further issues of this nature are anticipated in the future.

## **Five Mile Plant**

- The 700KW Kohler Influent Generator is still down due to low oil pressure. RP Power brought in a mechanic from United Engines. The tech sampled the oil while believing that it may be contaminated with fuel. Lab results indicated that it was not. RP recommended to change the oil again. That work is complete, but it did not resolve the issue. United Engine is attempting to diagnose the mechanical issue. In the meantime, operations and maintenance staff have developed an emergency power failure plan to utilize our mobile generators to power only the equipment critical to prevent SSOs.

## **White Oak Plant**

- The SCADA expansion project has made further progress. Influent station controls have been entirely redone with a controller consistent with other plant installations. New VFDs sized for future replacement pumps have been installed and integrated with a new control system. The control program is functional and currently in the debugging phase. Run status and alarm wiring have been pulled and connected for the lagoon 3 & 4 aerators. Once programmed, the Ignition SCADA system will display the aerator status.
- Bids opened on February 8<sup>th</sup> for purchase of new bar screens. Purchase is on this month's committee agenda.

## **Maumelle**

- Additional controls have been added to the aeration blowers to allow both remote and on/off operation. These features will help during instances of pH reduction due to low alkalinity or clarifier overloads.
- Replacement Surge Basin Pump #2 has arrived and has been installed.

## **Misc**

- State required annual Tier II submittal for hazardous chemicals has been completed for 2022.
- Annual utility wide chlorine training has been completed and documented for our RMP program.



# Memorandum

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**TO:** Michael Clayton  
**FROM:** Brian Kirkendoll  
**DATE:** 2-6-2023  
**RE:** Pump Maintenance Report

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## Faulkner Lake Treatment Plant

- Replaced impeller & cutter on #1 pump at primary #3
- Replaced output bearing on Blower #1

## White Oak Treatment plant

- Replaced aerator #5 in #3 Lagoon
- Installed new Inf. VFD's
- Installed new CL2 pump

## Five Mile Treatment Plant

- Repaired contactor on aerator #124
- Replaced steel cable on aerator #4 in West Lagoon

## Maumelle Treatment Plant

- Pulled #2 Surge Basin pump. [has ground fault] Took it to AFT for repair quote

## Wilcox

- Replaced overload on #2 pump

## McAlmont

- Replaced flapper on #1 pump

## Norfolk

- Replaced PLC module

## Delta Lawn

- Replaced fan motor

River Run

- Installed new #1 pump

Sherman Rd.

- Wired generator run indication

Hill Lake

- Repaired sump pump

Oakbrook

- Met with the landowner about gravel on the driveway



# Memorandum

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TO: Michael Clayton  
FROM: Marybeth Eggleston  
DATE: 2/6/2023  
RE: Environmental Compliance & Safety Status Report

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The Annual Biosolids DMR was successfully submitted to EPA.

The January safety training on “Chlorine Safety” was conducted via online activity. Justin Shahan from Operations created and recorded the training. The video was posted, an email was sent to all staff with instructions on how to access it, and the timeline within to watch and send back signed acknowledgement.

A Safety Committee meeting was held January 25, 2023. The next Safety Committee meeting is scheduled for February 23, 2023.



# MEMORANDUM

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**TO:** MICHAEL CLAYTON  
**FROM:** Tangelia Marshall  
**DATE:** 02/03/2023  
**RE:** Human Resources Department Report

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## Recruiting and Hiring

- We currently have open job postings for an Accountant, Civil Engineer, Electrician, Maintenance Mechanic II, Instrumentation Control Technician, Crew Assistant (Manhole), Crew Assistant/CDL (Repair) and Utility Worker.

## Employee Benefits

- Southwest EAP overview meeting with Department Heads and Supervisors Friday, January 27<sup>th</sup> at 2:00p
- Aflac representative will be onsite and available to answer employee questions on Friday, February 3<sup>rd</sup> at 2:00p.
- NLRW Retirement Committee meeting is scheduled for Wednesday, May 10th at 12:00 Noon.

## Employee Policies

- 2023 Employee Handbook currently in review by counsel.

## Safety

- Safety Committee meeting scheduled for February 23rd, 2023, at 2:30p.

## Training

- CPR/AED Training will be scheduled for designated NLRW employees within the next month.

## Holiday

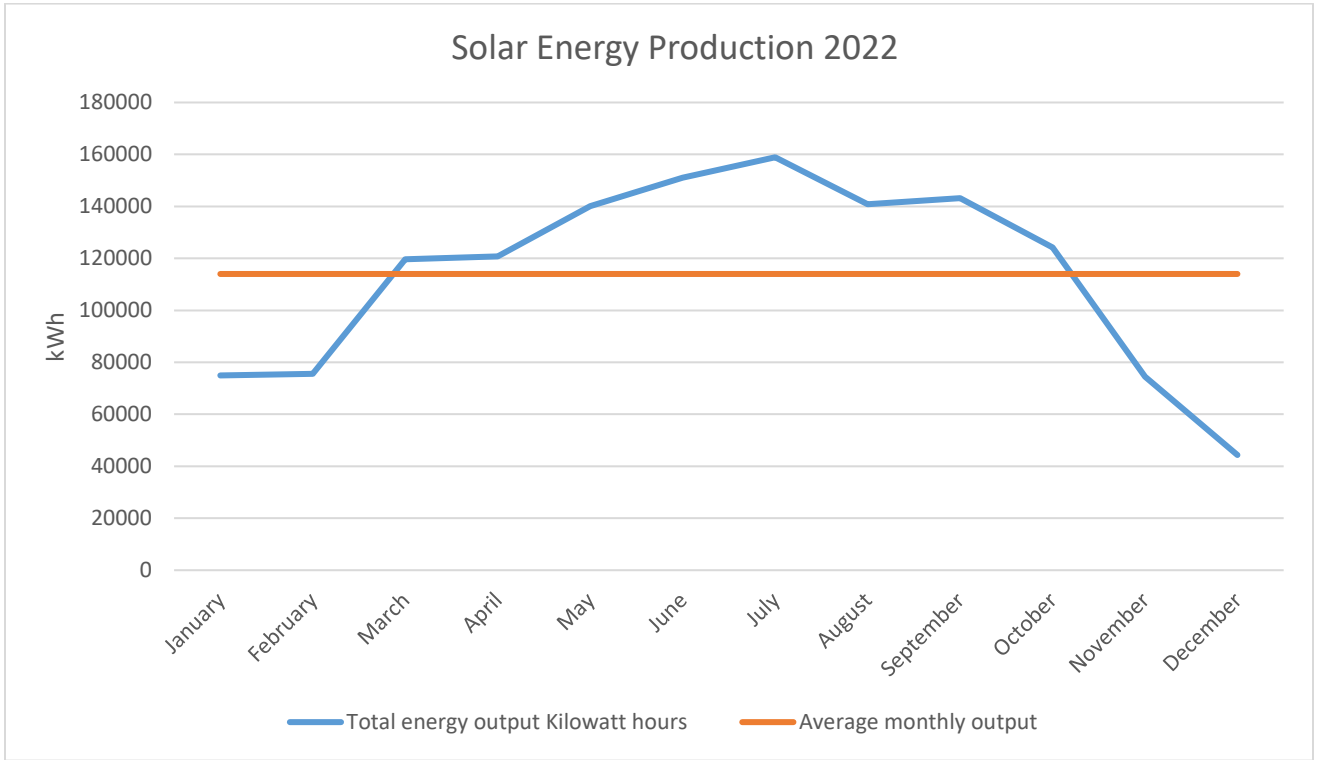
- NLR Wastewater will be closed on Monday, February 20th, 2023, in observance of the George Washington and Daisy Gaston Bates Holiday.
- Employee Appreciation Day will be observed on Friday, March 3<sup>rd</sup>, 2023.



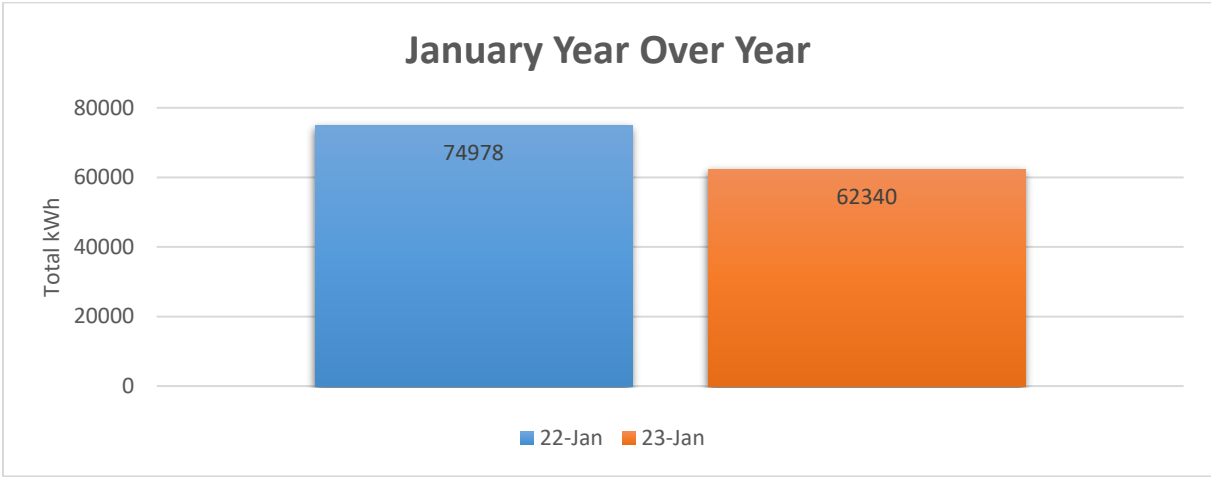
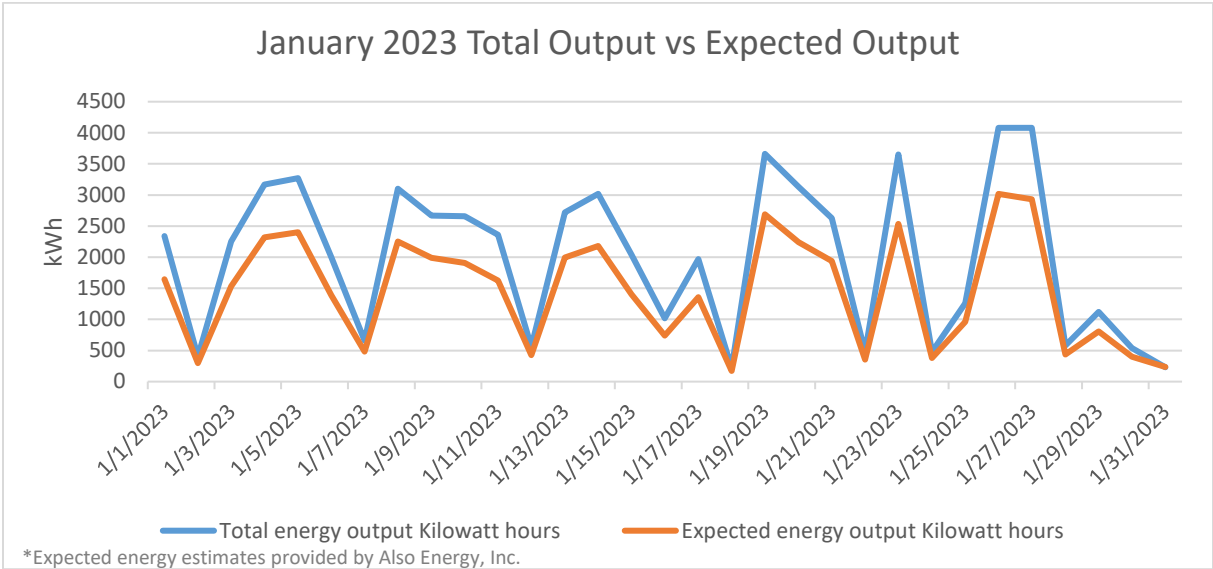


# Memorandum

**TO:** Michael Clayton  
**FROM:** Justin Shahan  
**DATE:** February 7, 2023  
**RE:** Solar Plant Report



Month	Total energy output Kilowatt hours	Expected energy output Kilowatt hours
January	74978	56563
February	75619	59696
March	119630	88340
April	120760	90462
May	140050	106920
June	151070	108334
July	158910	113218
August	140810	100019
September	143180	100314
October	124160	88098
November	74490	53767
December	44330	32884
<b>2022 Total:</b>		<b>1367987 kWh</b>
<b>Average monthly output:</b>	<b>1367987 / 12 =</b>	<b>113999 kWh</b>
<b>Average daily output:</b>	<b>1367987 / 365 =</b>	<b>3748 kWh</b>









**AGENDA FOR  
NORTH LITTLE ROCK WASTEWATER TREATMENT COMMITTEE  
MEETING**

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**RE:** Committee Meeting  
**PLACE:** Faulkner Lake Treatment Plant Admin Conference Room  
7400 Baucum Pike, North Little Rock, Arkansas 72117  
**DATE:** February 14, 2023  
**TIME:** 12:15 PM

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- (1) ROLL CALL OF THE COMMITTEE MEMBERS
- (2) APPROVAL OF THE MINUTES OF THE JANUARY 10, 2023, MEETING
- (3) CASH DISBURSEMENTS FOR JANUARY 2022
- (4) FINANCIAL REPORT FOR JANUARY 2022
- (5) ACQUISITION OF 7.7 ACRES ADJACENT TO THE EAST OF FAULKNER LAKE WRF
- (6) WHITE OAK BAR SCREEN EQUIPMENT PURCHASE
- (7) NLRW EMPLOYEE HANDBOOK





**(1)**

**ROLL CALL of the COMMITTEE MEMBERS**



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(2)

**NEW BUSINESS**

**ACTION REQUESTED**

Approval of the Minutes of the January 10, 2023, Committee Meeting



**NORTH LITTLE ROCK  
WASTEWATER TREATMENT COMMITTEE**

**MINUTES OF A MEETING HELD TUESDAY, JANUARY 10, 2023**

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, January 10, 2023 in the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:13 p.m. The roll was called and a quorum was present. Those in attendance at the meeting were Chairman Matthews, Mr. Sylvester Smith, Mr. Ed Nelson and Mr. Gabe Stephens. Also in attendance were Mr. Michael Clayton, Director, Ms. Gina Briley, Ms. Tangelia Marshall, Human Resources Director, Mr. Scott Hilburn with Hilburn & Harper, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its December 13, 2022 meeting. After review, a motion was made by Mr. Nelson, seconded by Mr. Stephens, to approve the December 13, 2022 minutes as submitted. The motion carried unanimously.

The Committee then reviewed the cash disbursements for December 2022. A motion was made by Mr. Nelson, seconded by Mr. Stephens, to approve the cash disbursements showing total cash disbursement of \$3,353,660.71 and fund transfers between accounts of \$1,759,000.00. The motion carried unanimously.

Next, the Committee reviewed the financial statement dated December 2022. Director Clayton advised that at the end of December an accounting adjustment was made in the amount of \$1.7 million to fund the disposal of biosolids. Upon motion made by Mr. Nelson, seconded by Mr. Stephens, the Committee unanimously approved with financial statement for December 2022.

Director Clayton then updated the Committee on the January 6, 2023 highlights. These highlights are attached to the minutes and incorporated herein.

A motion was made by Mr. Smith, seconded by Mr. Stephens, to excuse the absence of Ms. Bryant 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 12:49 p.m.



**APPROVED AS TO FORM:**

**K. W. MATTHEWS, CHAIRMAN**

**RESPECTFULLY SUBMITTED,**

**SYLVESTER SMITH,  
VICE-CHAIRMAN/SECRETARY**

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(3)

**CASH DISBURSEMENTS FOR JANUARY 2023**

**ACTION REQUESTED**

Approval of the Cash Disbursements for January 2023 showing total  
Cash Disbursements of **\$1,787,942.48** and  
Fund Transfers between accounts of **\$1,318,800.00**.



**NORTH LITTLE ROCK WASTEWATER  
CASH DISBURSEMENTS  
January 31, 2023**

CK #	CHECK PAYABLE TO	AMOUNT	DESCRIPTION
56265	OCSE Clearinghouse SDU	1,178.06	Child Support Obligation 7 Employees - Payroll Ending 1/1/2023
56266	Heart of Arkansas United Way	43.00	Employee Charitable Contributions
56267	NLR Community Center	5.00	Employee Paid Wellness Membership 2 Employees Payroll Ending 1/1/2023
NAT-01	Nationwide Retirement Solutions	3,231.46	Employee Paid Supplemental Savings Payroll Ending 1/1/2023
PR-01	Payroll Tax Deposit	44,184.62	Payroll Taxes Pay Period Ending 1/1/2023
56268	Advanced Fluid Technologies	530.50	2 x Water supply Regulators for FLTP Belt Press
56269	Alarmtec Systems	354.78	CS&E Bldg Fire Alarm Monitoring - Annual
56270	APEHRA	30.00	2023 Professional Member Dues
56271	Arkansas Analytical, Inc.	900.00	Quarterly BioMonitoring - 5-Mile Permit Requirement
56272	Arkansas Filter, Inc.	1,145.94	FA1163-18 for FLTP Blowers
56273	AT&T	301.00	Monthly Distributed Denial of Service/Security
56274	AR Water Environment Association	500.00	Training and Exams for Collections Systems Operator Certification (10 Employees)
56275	Battery Outfitters	144.43	Unit 153 - Battery
56276	Boston Mutual Life Inc. Co.	440.41	Employee Paid Supplemental Insurance
56277	Cintas	76.20	Rain Coat - 1 Employee
56278	Core & Main, LP	150.57	11 x PVC C/PLG - Inventory
56279	Cranford Construction Co.	1,598.98	Asphalt Repairs - Ward 2 & W. 16th St.
56280	Crow Burlingame Co.	80.82	Unit 109 - Miniature Lamp, 24 Qt. Drain Container, White Paint Marker, Cable Ties
56281	Crow Burlingame Co.	37.33	Unit 113 - Wiper Blades and Antifreeze
56282	Darragh Co/Tool Center	650.43	10 x Diamond Blades for Cut Off Saws
56283	Dept. of Finance & Administration	17,751.93	December State Withholding
56284	Elliott Electric Supply, Inc.	935.40	Various types of wiring, Male Adapter, PVC Coupling, PVC Elbows, Radiant Self Test, IN Use Cover
56285	Enavate SMB, LLC	1,128.75	Great Plains Software Update
56286	FL Davis Sherwood Hardware	19.68	Sch. 40 Pipe, PVC Coupling
56287	Falk Supply Company	144.36	Sch. 40 PVC Couplings, PVC Male Adapters, 90 Ells Sch 80, SXS Bushing, PVC Sch 80 BE Pipe
56288	Fuller and Son Maumelle	409.29	PVC 2" Conduit, PVC Cap, Universal Clamps, Terminal Adapters, 2" Steel Locknuts, Batteries, Ceramic Heaters, Propane, Socket Set, Pipe Wrap, Copper Pipe, Sharkbite, Quick Connect
56289	Gibbs Service Company, Inc.	5,266.95	Replacement of Boiler Pipe, Parts & Labor/ - Lab
56290	Goodsell Truck Accessories	594.67	Unit 116 - Tool Box and Floor Mats
56291	Grainger	863.75	Extension Ladder, Fuses, Double Point Hook
56292	Granite Mountain Quarries	8,849.28	Stone and Gravel/December
56293	Green & Chapman, Inc.	1,553.57	Diesel Fuel

**NORTH LITTLE ROCK WASTEWATER  
CASH DISBURSEMENTS  
January 31, 2023**

CK #	CHECK PAYABLE TO	AMOUNT	DESCRIPTION
56294	HCI, Inc.	164.25	Moved Telephone Extension from one building to another (118)
56295	Home Depot Credit Services	2,470.03	Brushless/Cordless 5-Tool Combo Kit, Cordless Automotive Combo Kit, Conduits, Junction Boxes, Locknuts, Terminal Adapters, Elbows, PVC Solvent Cement, Couplings, MKE Bi-Metal Set, MKE Shockwave Set, 112 x 60LB Quikrete Lantern Batteries, Rechargeable Flashlight, 500' Poly Rope, Caulk, Garage Door Lube, Single Cut Keys, Heater, Spray Paint, Dead Blow Hammer, Quick Release Ratchet, Push Broom, Landscape Rake, Clevis Pin, Lynch Pins, Hole Saw Set, Gloves, Cleaner Motive, Screw Extractor, Tap, Tap Wrench, Bib Coverall, Measure Wheel, Bib Oweralls, Rainsuit, Propane Refill, Faucet Covers, Ball Valves, TEE, Straw Bales, Cable Charging Braid, Markers, Wing Nuts, Knobs, 25' Extension Cords, Heat Tape, Duct Tape, Heat Lamp, Bypass Lopper, Hearing Protectors, AC Cord, Pipe Insulation, Hex Caps, Hex Nuts, 2-cycle Oil, Disc Flaps Buggy/Ward 1, Labor, Engine Oil, Coolant, Compressor Oil/FLTP Air Compressor, Air Hose, Compressor/Sheridan Road, Excavator/Ward1
56296	Hum's Hardware	2,046.61	Unit 144 Cleaning Nozzle 136.88 Monthly Pest Control 119.26 D-Rings 446.00 2023 Membership 483.33 Motor Oil, Oil Filters/Unit 155, FL AC Compressor, Absorbent, Transmission Fluid, 50.91 Copy Paper 1,264.20 Cone, Riser, Dog House Riser, NLR Ring & Cover - Ward 2 328.30 Toner Cartridges, Purell, Mouse Pad, Desk Pad 299.00 Sidewalk 17th & Hazel 899.44 55 Gal Drums for Oil Rags, Nonhazardous Waste, Recovery Fee 141.19 Valve Box Riser and Lid 91.87 Flat Repair Back Hoe, Tire Life Sealant 52.54 Flex Coupling, Electric Heater 317.55 55 Gal Car Wash Soap 200.00 Test RPZ Valves at 5-Mi TP 152.47 LLDPE Tubing, Chlorine Tubing for all plants 1,807.26 Water Bills: 5-Mi TP, WOTP, FLTP, Shillcutt, Heilman/WO, Oakbrook, Lab, MTP, Murphy Dr
56297	Hum's Rental	1,270.55	
56298	ICM Technologies, Inc.	1,207.79	
56299	Legacy Termite and Pest Control	136.88	
56300	Liberty Trailer Co, Inc.	119.26	
56301	North Little Rock Chamber of Commerce	446.00	
56302	O'Reilly Automotive Stores, Inc.	483.33	
56303	Office Depot	50.91	
56304	Peterson Concrete Septic Tank	1,264.20	
56305	Pettus Office Products	328.30	
56306	Razorback Concrete Company	299.00	
56307	Safety-Kleen Systems, Inc.	899.44	
56308	Southern Pipe & Supply	141.19	
56309	Southern Tire Mart	91.87	
56310	Stanley Hardware	52.54	
56311	T&T Equipment	317.55	
56312	Test Rite, LLC	200.00	
56313	United States Plastic Corporation	152.47	
56314	UBS	1,807.26	
56315	Arkansas Sod & Turf Farm, Inc.	514.65	
56316	Allied Supply, Inc.	90.96	
56317	VOID	-	Wrong Amount

**NORTH LITTLE ROCK WASTEWATER  
CASH DISBURSEMENTS  
January 31, 2023**

CK #	CHECK PAYABLE TO	AMOUNT	DESCRIPTION
56318	Arkansas Democrat Gazette	254.34	Legal Ad - Invitation to Bid - White Oak Bar Screen Equipment
56319	B&B Materials, LLC	474.43	Concrete Sand - Stock
56320	Battery Outfitters	93.32	Various batteries for Engineering Locator
56321	Carnell Smith	2,250.00	Easement - ON HOLD
56322	Cintas	148.34	Winter Uniform Jacket for new employee
56323	City of Maumelle	13,663.45	Franchise Tax Collected in December
56324	City of North Little Rock	89,386.59	Franchise Tax Collected in December
56325	Core & Main, LP	4,494.76	Sewer Pipe
56326	Datamax	107.67	Admin Copier/Maintenance & Overage
56327	Entergy	19,831.67	Electric Bills: Collins Industrial, MTP PS#2&3, Murphy Dr, WO Barscreen, MTP Training, Solar Array, WOTP, WO Lagoons
56328	First Electric Cooperative	229.37	Electric Bill: Gap Creek
56329	Green & Chapman, Inc.	1,425.40	DEF, Hydurance, EP Compound
56330	Grubbs, Hoskyn, Barton	412.50	Geotechnical Consulting
56331	Halbert Pipe and Steel	11.53	Pipe Measuring Device
56332	Henard Foothills Equipment	667.95	Kubota BOCE for MTP Loader
56333	Horseshoe Construction, Inc.	228,291.08	Est. #8 - Curtis Sykes/Meadow Park Pipe Bursting
56334	Hum's Hardware	238.95	Cord, Heat Tape, Pipe Insulation, Quick Couplers, Ext Pole, Pliers, Electrical Tape
56335	Hum's Rental	951.19	Compressor 185 CFM, Labor Charges Air Compressor Oil Leak - FLTP
56336	Information Network of Arkansas	22.00	New Employee Background Check - Pellman
56337	Instrument & Supply, Inc.	254.10	Homa Profile Seals for River Run & Diamond Point
56338	JJ Keller & Associates, Inc.	1,022.34	Annual Subscriptions/Employment Law, Benefits & Compensation, Required Posters
56339	Keathley Patterson Electric	2,563.75	4 Channel Analog Inputs, 40 Pt Terminal Blocks
56340	L&L Municipal Supplies & Tools	657.00	2-Way Ball Valves
56341	Municipal League Workers Compensation Program	52,480.00	Workers Comp Insurance for 2023
56342	North Little Rock Chamber of Commerce	1,000.00	10 Guest Tickets to Annual Meeting
56343	North Little Rock Electric	522.55	Electric Bill: Wilcox PS
56344	Pettus Office Products	659.37	Watch Battery, Popup Notes, Post-Its, Toner Cartridges, Duster Kit, Lambswool Duster, Shredder, Sharpies, Highlighters, Pens
56345	Summit Utilities Arkansas, Inc.	7,572.53	Gas Bills; Seminole West, Seminole East, CC BF, New Bedford, Maumelle Valley, Osage Hills, Norfolk, 701 W. 29th, FL Lab, Austin Lakes, Gap Ck, FLTP, Clayton Chapel, Dixie, Eureka Grdn
56346	T&T Equipment	273.75	Ball Valve, Brushes for Car Wash
56347	United Hoist & Crane, Inc.	1,045.22	Repairs after Inspections Transmitter, Labor, Freight
56348	USA Bluebook	742.26	Microscope Cover, Cover Slips for slides, Electrode Storage Solution, Microscope Slides, Dust Mop Treatment, Electrode cleaner, pH Buffer

**NORTH LITTLE ROCK WASTEWATER  
CASH DISBURSEMENTS  
January 31, 2023**

CK #	CHECK PAYABLE TO	AMOUNT	DESCRIPTION
56349	Wade Company, Inc.	2,423.24	Maintenance Agreement Lab HVAC - 8/1/22 - 1/31/23
56350	Walkers Radiator & Auto Repair	338.25	Unit 116 - Front & Rear Brake Job
56351	VOID	-	VOID - Print Error
56352	VOID	-	VOID - Print Error
56353	OCSE Clearinghouse SDU	1,178.06	Child Support Obligation 7 Employees - Payroll Ending 1/15/2023
56354	NLR Community Center	5.00	Employee Paid Wellness Membership 2 Employees Payroll Ending 1/15/2023
56355	Heart of Arkansas United Way	43.00	Employee Charitable Contributions Payroll Ending 1/15/2023
NAT-02	Nationwide Retirement Solutions	3,211.46	Employee Paid Supplemental Savings Payroll Ending 1/15/2023
PR-02	Payroll Tax Deposit	45,595.42	Payroll Taxes Pay Period Ending 1/15/2023
56356	A-1 Recovery	273.75	Unit 142 Towed to Powers Truck
56357	AFLAC	1,759.94	Employee Paid Supplemental Insurance
56358	Arkansas Mailing Services	55.92	Inserting 'Maintain Your Drain' Educational Mailers
56359	Arkansas One-Call System	444.90	Member Fee January 2023 - Call Fee December 2022
56360	AT&T	126.56	Monthly Shared Fiber - January 2023
56361	Battery Outfitters	11.28	Batteries used by Locator
56362	CAHRA	275.00	2023 Membership Dues includes monthly meeting lunch - T Marshall
56363	Change Center for Health	3,314.00	Health & Wellness Clinic - Feb 2023
56364	Colonial Life	732.52	Employee Paid Supplemental Insurance
56365	Control Worx	208.43	Adapter Stems for MTP Chlorinators
56366	Conway Fence, Inc.	15,730.00	Privacy Fences w/Steel Posts- Durango, Maumelle Valley, Naylor, New Bedford
56367	Core & Main, LP	1,809.82	couplings, PVC Pipe
56368	Datamax	158.87	Maintenance & Overage - Engineering Copier
56369	Discount Cell	2,517.95	Renewal of 73 Net Cloud Licenses Cradlepoint Router 1/7/23 - 1/6/2024
56370	Entergy	24,738.71	Electric Bills: 5-Mi INFL, 5-Mi #1, 5-Mi South
56371	Eureka Gardens Facilities Board	3,775.00	Debt Fee Billed December 2022
56372	Express Oil Change, LLC	66.13	Unit 153 - Oil & Filter Change
56373	Fuelman	15,449.18	Utility Vehicles Gas & Diesel - December 2022
56374	Gary Carpenter Construction	42,185.00	Riverbank Stabilization - Faulkner Lake Outfall Line
56375	Goodsell Truck Accessories	876.34	Unit 138 - Step Bar
56376	Granite Mountain Quarries	1,251.09	Stone and Gravel/December 21 & 29
56377	Gravel Ridge Sewer District	61,232.32	Billed Gravel Ridge Accounts for December 2022
56378	Green & Chapman, Inc.	177.38	Diesel Exhaust Fluid
56379	Interstate All Battery Center	71.94	Replacement Battery for FL Jumper Box
56380	L&L Municipal Supplies & Tools	1,511.10	Leather Gloves, Relief T-Handle Valves
56381	Legal Shield	346.35	Employee Prepaid Legal Services
56382	VOID	-	VOID

**NORTH LITTLE ROCK WASTEWATER  
CASH DISBURSEMENTS  
January 31, 2023**

CK #	CHECK PAYABLE TO	AMOUNT	DESCRIPTION
56383	North Little Rock Electric	42,746.21	Electric Bills: 28 NLRW Utility Meters on NLR Electric System
56384	Office Depot	301.55	Pens, Velcro Strips, Executive Chair
56385	One Stop Resource, Inc.	543.81	Repair PLC & IDEC - SCADA
56386	Pettus Office Products	259.56	Batteries, Label Tape, Clear Tape, Cocoa, Deskpad, Letter Hanging Files, Coffee
56387	RP Power, LLC	1,122.50	Travel, Diagnostics, Repair - Generator 5-Mile TP
56388	Scott Automotive Center	37.10	Unit 146 - Check Brakes
56389	Southwest EAP	750.00	Quarterly Billing - Employee Assistance
56390	Spa Chemicals, Inc.	295.62	De-Icer Spray
56391	Verizon Wireless	2,475.17	Monthly Billing Company Cell Phones & iPads
56392	Washington National Insurance Co.	1,449.01	Employee Paid Supplemental Insurance
56393	Welsco	48.25	Monthly Rental Welding Gas Cylinders
56394	Wholesale Electric Supply	5.28	1 Box 3/4 Hubs for Filter Press
56395	RGA	110.80	Couplers - MTP
ELECPYMT-1	Centennial Bank Credit Card	4,056.35	Zoom Membership, Indeed Job Ads, Sam's Club Items, Amazon Items, Committee Meeting Lunches, Books for Ops & Maintenance, Florals for New Babies - All itemized on statement
56396	A-1 Recovery	432.53	Unit 109 Tow to Powers
56397	DEQ-WWL	120.00	CLASS 1 Operator Testing Fees - 3 Employees
56398	Advanced Fluid Technologies	90.00	Electrical Insulating Compound
56399	Advantage Service Company	380.73	MTP - Serviced Ice machine
56400	American Composting, Inc.	505.55	Drying Bed Sand
56401	AR Dept. of Emergency Management	3,000.00	Mobile Air Compressor - FLTP
56402	AT&T	302.05	Distributed Denial of Service (Security)
56403	AT&T Mobility	2,213.85	Monthly Mobile Service for SCADA
56404	Burkhalter Technologies, Inc.	31,289.94	Est. #8 Dixie & Baring Cross PB; Est #15 Rose City & Military
56405	Cintas	3,706.71	Mat & Uniform Service, Ultraclean Rest Room Svc, Winter Jackets w/Logo
56406	Cintas	787.93	Medicine Cabinet Refills: Lab, Pump Maint, Ops, Collections
56407	Control Worx	208.39	Pipe Nipple Assembly
56408	Core & Main, LP	1,774.36	12" Mechanical Plug, PVC CPLG
56409	Datamax	128.36	Copiers Maintenance & Overage/Lab & Coll Sys
56410	DoorKing, Inc.	43.95	FLTP Gate 1 Cell Service Monthly
56411	Express Oil Change, LLC	158.95	Unit 146 Oil Change, Vehicle Inspection; Unit 137 Oil Change
56412	EZAutomation	477.00	Input Modules, Analog Outputs - SCADA spare parts
56413	FedEx	127.69	Shipping Charges Chlorine Pump Exchange
56414	Green & Chapman, Inc.	1,452.17	Off Road Diesel for Generators
56415	Haynes Pump & Process	420.57	Hose Nozzles - MTP Chlorine

**NORTH LITTLE ROCK WASTEWATER  
CASH DISBURSEMENTS  
January 31, 2023**

CK #	CHECK PAYABLE TO	AMOUNT	DESCRIPTION
56416	Hilburn & Harper, LTD	1,297.50	Legal December - Retainer, Special Projects, UP Permit Appeal
56417	IDEXX Distribution, Inc.	2,932.64	3 Months supply fecal testing consumables
56418	Joe's Garage & Wrecker Service	1,461.36	Unit 119 - Repair Fuel Pump
56419	Lowe's	641.04	Supplies for building office shelves in Pump Maintenance
56420	V O I D		- V O I D
56421	MHBP Premiums	84,582.84	Group Health Insurance February
56422	MyFleetCenter	163.05	Unit 124 - Signature Service Oil Change
56423	O'Reilly Automotive Stores, Inc.	124.68	Wiper Blades, 2-cycle Oil, Door Handle
56424	Pettus Office Products	545.61	Print Toners, Paperclips, Notebooks, Post-It Flags, Security Envelopes, Batteries
56425	Powers Truck & Equipment	1,911.12	Unit 142 Labor & parts; Unit 144 Parker Fittings, Hose
56426	Razorback Concrete Company	739.13	Concrete For Repairs Wards 1 & 2
56427	RG A	176.03	Lay Flat Hose Assembly for Emergency Pump
56428	RP Power, LLC	5,726.43	Shillcutt Generator Repair, Maintenance Agreement Maumelle High School
56429	T&T Equipment	136.88	Overhead Hose Repair - Car Wash
56430	USA Bluebook	2,218.02	Batteries, Mylar Bags, COD Testing Vials
56431	UBS	120.61	Water Bills: 5-Mi TP, Delta Lawn, Semi Annual Fire Service
56432	Verizon Connect Fleet USA LLC	802.44	Vehicle Tracking Service
56433	Waste Management	1,669.47	Dumpster Service/5-Mi, FLTP, Shillcutt, VacCons, WOTP, MTP
56434	Corporate Billing LLC	259.49	Unit 102 Service and Oil Change, Unit 145 Cover
56435	OCSE Clearinghouse SDU	1,178.06	Child Support Obligation 7 Employees - Payroll Ending 1/29/2023
56436	NLR Community Center	5.00	Employee Paid Wellness Membership 2 Employees Payroll Ending 1/29/2023
56437	Heart of Arkansas United Way	43.00	Employee Charitable Contributions Payroll Ending 1/29/2023
NAT-03	Nationwide Retirement Solutions	3,196.46	Employee Paid Supplemental Savings Payroll Ending 1/29/2023
PR-03	Payroll Tax Deposit	44,978.01	Payroll Taxes Pay Period Ending 1/29/2023
	<b>TOTAL CASH DISBURSEMENTS</b>	<b>1,028,028.33</b>	
	Pay Period Ending 1/1/2023	142,240.12	Paid to Employees on 1/3/2023
	Pay Period Ending 1/15/2023	146,257.51	Paid to Employees on 1/17/2023
	Pay Period Ending 1/29/2023	144,618.66	Paid to Employees on 1/31/2023
	ADFA Draws	326,734.41	Monthly Loan Draws
	Pulaski County Clerk	35.00	Easement Recording Fee-Maumelle Project-Parcel #23
	Clearent	28.45	Monthly Credit Card Acceptance Fee
	<b>TOTAL ALL FUNDS CASH DISBURSEMENTS</b>	<b>1,787,942.48</b>	



**NORTH LITTLE ROCK WASTEWATER  
FUND TRANSFERS  
January 31, 2023**

DATE	AMOUNT	TO	FROM	DESCRIPTION
1/6/2023	\$ 107,600.00	Operating	Sewer	Transfer for Checks Paid 1/2-1/6
1/11/2022	\$ 434,600.00	Operating	Sewer	Transfer for Checks Paid 1/11
1/13/2022	\$ 146,200.00	Operating-Payroll	Sewer	Transfer for Pay Period Ended 1/15, Paid to Employees on 1/17
1/20/2023	\$ 283,300.00	Operating	Sewer	Transfer for Checks Paid 1/17-1/20
1/25/2023	\$ 153,100.00	Operating	Sewer	Transfer for Checks Paid 1/25
1/30/2023	\$ 144,600.00	Operating-Payroll	Sewer	Transfer for Pay Period Ended 1/29, Paid to Employees on 1/31
1/31/2023	\$ 49,400.00	Operating	Sewer	Transfer for Checks Paid 1/31

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**\$ 1,318,800.00**

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**(4)**

**FINANCIAL STATEMENTS FOR JANUARY 2023**

**ACTION REQUESTED**

Approve the Financial Statements for January 2023



North Little Rock Wastewater  
Balance Sheet  
Tuesday, January 31, 2023

ASSETS	
CURRENT ASSETS	
PETTY CASH	\$500.00
CASH IN BANK	\$7,820,789.92
CERTIFICATES OF DEPOSIT	\$12,300,384.30
ADFA HOLDING ACCOUNTS	\$987,395.56
ACCOUNTS RECEIVABLE	\$2,906,889.52
ACCRUED INTEREST RECEIVABLE	\$47,444.05
ON-SITE INVENTORY	\$53,436.38
PREPAID WORKERS COMPENSATION INSURANCE	\$48,106.67
OTHER PREPAID EXPENSES	\$132,396.01
TOTAL CURRENT ASSETS	<u>\$24,297,342.41</u>
PROPERTY, PLANT & EQUIPMENT	
LAND	\$3,139,810.46
PUMPING STATION STRUCTURES	\$12,091,273.86
SEWER SYSTEM LINES	\$93,460,063.04
TREATMENT PLANT STRUCTURES	\$79,775,216.97
ADMINISTRATION & MAINT. & ENG. BUILDINGS	\$4,355,530.91
LABORATORY BUILDING	\$1,235,878.63
SEWER SYSTEM EQUIPMENT	\$13,717,693.01
EST. VALUE OF OLD SEWER LINES	\$5,081,361.47
CONSTRUCTION IN PROGRESS	\$14,811,584.13
ACCUMULATED DEPRECIATION	(\$91,681,092.09)
TOTAL PROPERTY, PLANT & EQUIPMENT	<u>\$135,987,320.39</u>
OTHER ASSETS	
RIXIE OM&R RECEIVABLE	\$166,473.98
DEFERRED OUTFLOWS RELATED TO PENSION	\$2,487,309.00
TOTAL OTHER ASSETS	<u>\$2,653,782.98</u>
TOTAL ASSETS	<u>\$162,938,445.78</u>

North Little Rock Wastewater  
Balance Sheet  
Tuesday, January 31, 2023

LIABILITIES	
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	\$109,726.11
OWED TO OTHER DISTRICTS	\$58,861.08
FRANCHISE FEE PAYABLE	\$180,642.66
PAYABLE TO EUREKA GARDENS	\$4,196.00
ACCRUED SICK LEAVE	\$431,604.82
ACCRUED VACATION LEAVE	\$261,472.73
ACCRUED PAYROLL TAXES	\$19,792.19
ACCRUED EMPLOYEE BENEFITS	\$4,265.58
ACCRUED INTEREST PAYABLE	\$249,143.68
ACCRUED PENSION PLAN CONTRIBUTION	\$70,833.00
TOTAL CURRENT LIABILITIES	<u>\$1,390,537.85</u>
OTHER LIABILITIES	
BONDS PAYABLE-SERIES 2001	\$993,392.89
BONDS PAYABLE-SERIES 2008	\$7,232,491.90
BONDS PAYABLE-SERIES 2012	\$14,777,265.64
BONDS PAYABLE-SERIES 2016	16,973,924.43
BONDS PAYABLE-SERIES 2021	\$5,862,155.00
RESERVE FOR BIO-SOILD DISPOSAL	\$3,099,920.00
OPEB OBLIGATION-GASB 45	\$144,467.00
NET PENSION LIABILITY	\$1,373,351.00
DEFERRED INFLOWS RELATED TO PENSIONS	\$1,938,302.00
TOTAL OTHER LIABILITIES	<u>\$52,395,269.86</u>
EQUITY	
CONTRIBUTED CAPITAL	\$30,110,329.51
DONATED CAPITAL	\$17,727,878.80
RETAINED EARNINGS	\$60,591,885.63
CURRENT YEAR NET INCOME / (LOSS)	\$722,544.13
TOTAL EQUITY	<u>\$109,152,638.07</u>
TOTAL LIABILITIES & EQUITY	<u>\$162,938,445.78</u>

North Little Rock Wastewater  
Income Statement  
For the One Month Ending Tuesday, January 31, 2023

	YEAR TO DATE BUDGET	YEAR TO DATE 2023	YEAR TO DATE 2022
REVENUE			
OPERATING REVENUE			
INSIDE NLR SERVICE CHARGES	\$1,476,200.00	\$1,308,845.74	\$1,249,543.87
OUTSIDE NLR SERVICE CHARGES	\$300,700.00	\$284,871.80	\$272,238.62
MAUMELLE SERVICE CHARGES	\$310,200.00	\$293,174.38	\$282,097.49
SHERWOOD TREATMENT CHARGES	\$47,600.00	\$47,609.00	\$33,287.05
CUSTOMER SERVICE CHARGES	\$0.00	\$2,267.31	\$2,273.44
INDUSTRY REGULAR CHARGES	\$174,100.00	\$160,266.33	\$155,207.20
INDUSTRY SURCHARGE/PENALTY CHARGES	\$13,000.00	\$29,674.69	\$19,383.14
INDUSTRY LATE FEE CHARGES	\$1,600.00	\$1,583.64	\$1,431.54
LATE FEE CHARGES-RES. & COM.	\$30,400.00	\$56,914.65	\$27,006.07
CONNECTION INSPECTION PERMITS	\$3,000.00	\$2,420.00	\$2,595.00
PARTIAL INSPECTION PERMITS	\$100.00	\$90.00	\$0.00
TAP & STREET CUTTING PERMITS	\$1,100.00	\$1,050.00	\$1,050.00
TOTAL OPERATING REVENUE	<u>\$2,358,000.00</u>	<u>\$2,188,767.54</u>	<u>\$2,046,113.42</u>
NON OPERATING REVENUE			
INTEREST EARNED INCOME-SECURITIES	\$6,300.00	\$25,969.76	\$2,330.55
INTEREST EARNED INCOME-CHECKING	\$3,100.00	\$13,136.94	\$1,717.03
DISCOUNTS EARNED	\$0.00	\$12.83	\$5.98
MISCELLANEOUS INCOME	\$0.00	\$0.00	\$1,350.00
TOTAL NON-OPERATING REVENUE	<u>\$9,400.00</u>	<u>\$39,119.53</u>	<u>\$5,403.56</u>
TOTAL REVENUE	<u>\$2,367,400.00</u>	<u>\$2,227,887.07</u>	<u>\$2,051,516.98</u>

North Little Rock Wastewater  
Income Statement  
For the One Month Ending Tuesday, January 31, 2023

	YEAR TO DATE BUDGET	YEAR TO DATE 2023	YEAR TO DATE 2022
OPERATING EXPENSES			
TROUBLE CREW	\$10,400.00	\$12,950.35	\$10,968.88
MANHOLE CREW	\$13,300.00	\$14,173.39	\$9,556.39
POWER DRIVE CREW	\$0.00	\$0.00	\$424.25
TELEVISION CREW #1	\$13,100.00	\$9,684.96	\$9,959.74
TELEVISION CREW #2	\$13,100.00	\$12,960.16	\$10,344.73
COLLECTION SYSTEMS-GENERAL	\$126,700.00	\$113,571.60	\$113,628.51
REPAIR CREW #1	\$25,600.00	\$22,901.40	\$15,086.00
REPAIR CREW #2	\$25,200.00	\$16,285.89	\$11,992.22
REPAIR CREW #3	\$22,500.00	\$17,818.48	\$11,818.68
GPS LOCATOR/POWER CLEANING	\$6,800.00	\$3,740.02	\$1,857.04
VAC-CON CREW #1	\$21,700.00	\$19,459.14	\$17,549.49
VAC-CON CREW #2	\$19,400.00	\$15,736.12	\$18,006.71
VAC-CON CREW #3	\$19,200.00	\$14,543.64	\$15,608.61
VAC-CON CREW #4	\$19,200.00	\$7,390.34	\$2,282.32
VAC-CON CREW #5	\$19,100.00	\$15,991.83	\$13,064.54
LOCATION WORK	\$4,500.00	\$3,976.94	\$4,168.17
ENGINEERING OFFICE	\$36,600.00	\$21,235.03	\$24,531.77
GENERAL ENGINEERING DEPT.	\$31,900.00	\$26,523.40	\$21,782.35
ENV.COMPL. & SAFETY DEPT	\$114,800.00	\$80,262.91	\$84,735.71
TREATMENT DEPARTMENT	\$417,100.00	\$322,320.93	\$291,779.50
PUMP STATION DEPARTMENT	\$70,700.00	\$48,190.21	\$46,548.45
ADMINISTRATIVE	\$258,200.00	\$178,484.34	\$141,309.79
LOSS (GAIN) ON PROPERTY DISPOSALS	\$0.00	\$5,610.21	(\$1,825.00)
DEPRECIATION EXPENSE-NON VEHICLE	\$399,800.00	\$375,658.68	\$362,488.24
PENSION EXPENSE	\$71,700.00	\$70,833.00	\$66,667.00
CMMS RELATED EXPENSES	\$13,300.00	\$6,949.35	\$6,553.51
TOTAL OPERATING EXPENSES	<u>\$1,773,900.00</u>	<u>\$1,437,252.32</u>	<u>\$1,310,887.60</u>
NON-OPERATING EXPENSES			
INTEREST ON DEBT-ALL BONDS	\$68,000.00	\$68,090.62	\$89,176.83
TOTAL NON-OPERATING EXPENSES	<u>\$68,000.00</u>	<u>\$68,090.62</u>	<u>\$89,176.83</u>
TOTAL EXPENSES	<u>\$1,841,900.00</u>	<u>\$1,505,342.94</u>	<u>\$1,400,064.43</u>
NET INCOME (LOSS) BEFORE UNUSUAL ITEMS	\$525,500.00	\$722,544.13	\$651,452.55
EMERGENCY REPAIRS	\$0.00	\$0.00	(\$30,000.00)
NET INCOME (LOSS)	<u>\$525,500.00</u>	<u>722,544.13</u>	<u>621,452.55</u>

North Little Rock Wastewater  
Income Statement  
For the One Month Ending Tuesday, January 31, 2023

	JANUARY 2023	YEAR TO DATE 2023	JANUARY 2022	YEAR TO DATE 2022
REVENUE				
OPERATING REVENUE				
INSIDE NLR SERVICE CHARGES	\$1,308,845.74	\$1,308,845.74	\$1,249,543.87	\$1,249,543.87
OUTSIDE NLR SERVICE CHARGES	\$284,871.80	\$284,871.80	\$272,238.62	\$272,238.62
MAUMELLE SERVICE CHARGES	\$293,174.38	\$293,174.38	\$282,097.49	\$282,097.49
SHERWOOD TREATMENT CHARGES	\$47,609.00	\$47,609.00	\$33,287.05	\$33,287.05
CUSTOMER SERVICE CHARGES	\$2,267.31	\$2,267.31	\$2,273.44	\$2,273.44
INDUSTRY REGULAR CHARGES	\$160,266.33	\$160,266.33	\$155,207.20	\$155,207.20
INDUSTRY SURCHARGE/PENALTY CHARGES	\$29,674.69	\$29,674.69	\$19,383.14	\$19,383.14
INDUSTRY LATE FEE CHARGES	\$1,583.64	\$1,583.64	\$1,431.54	\$1,431.54
LATE FEE CHARGES-RES. & COM.	\$56,914.65	\$56,914.65	\$27,006.07	\$27,006.07
CONNECTION INSPECTION PERMITS	\$2,420.00	\$2,420.00	\$2,595.00	\$2,595.00
PARTIAL INSPECTION PERMITS	\$90.00	\$90.00	\$0.00	\$0.00
TAP & STREET CUTTING PERMITS	\$1,050.00	\$1,050.00	\$1,050.00	\$1,050.00
TOTAL OPERATING REVENUE	<u>\$2,188,767.54</u>	<u>\$2,188,767.54</u>	<u>\$2,046,113.42</u>	<u>\$2,046,113.42</u>
NON OPERATING REVENUE				
INTEREST EARNED INCOME-SECURITIES	\$25,969.76	\$25,969.76	\$2,330.55	\$2,330.55
INTEREST EARNED INCOME-CHECKING	\$13,136.94	\$13,136.94	\$1,717.03	\$1,717.03
DISCOUNTS EARNED	\$12.83	\$12.83	\$5.98	\$5.98
MISCELLANEOUS INCOME	\$0.00	\$0.00	\$1,350.00	\$1,350.00
TOTAL NON-OPERATING REVENUE	<u>\$39,119.53</u>	<u>\$39,119.53</u>	<u>\$5,403.56</u>	<u>\$5,403.56</u>
TOTAL REVENUE	<u>\$2,227,887.07</u>	<u>\$2,227,887.07</u>	<u>\$2,051,516.98</u>	<u>\$2,051,516.98</u>

North Little Rock Wastewater  
Income Statement  
For the One Month Ending Tuesday, January 31, 2023

	JANUARY 2023	YEAR TO DATE 2023	JANUARY 2022	YEAR TO DATE 2022
OPERATING EXPENSES				
TROUBLE CREW	\$12,950.35	\$12,950.35	\$10,968.88	\$10,968.88
MANHOLE CREW	\$14,173.39	\$14,173.39	\$9,556.39	\$9,556.39
POWER DRIVE CREW	\$0.00	\$0.00	\$424.25	\$424.25
TELEVISION CREW #1	\$9,684.96	\$9,684.96	\$9,959.74	\$9,959.74
TELEVISION CREW #2	\$12,960.16	\$12,960.16	\$10,344.73	\$10,344.73
COLLECTION SYSTEMS-GENERAL	\$113,571.60	\$113,571.60	\$113,628.51	\$113,628.51
REPAIR CREW #1	\$22,901.40	\$22,901.40	\$15,086.00	\$15,086.00
REPAIR CREW #2	\$16,285.89	\$16,285.89	\$11,992.22	\$11,992.22
REPAIR CREW #3	\$17,818.48	\$17,818.48	\$11,818.68	\$11,818.68
GPS LOCATOR/POWER CLEANING	\$3,740.02	\$3,740.02	\$1,857.04	\$1,857.04
VAC-CON CREW #1	\$19,459.14	\$19,459.14	\$17,549.49	\$17,549.49
VAC-CON CREW #2	\$15,736.12	\$15,736.12	\$18,006.71	\$18,006.71
VAC-CON CREW #3	\$14,543.64	\$14,543.64	\$15,608.61	\$15,608.61
VAC-CON CREW #4	\$7,390.34	\$7,390.34	\$2,282.32	\$2,282.32
VAC-CON CREW #5	\$15,991.83	\$15,991.83	\$13,064.54	\$13,064.54
LOCATION WORK	\$3,976.94	\$3,976.94	\$4,168.17	\$4,168.17
ENGINEERING OFFICE	\$21,235.03	\$21,235.03	\$24,531.77	\$24,531.77
GENERAL ENGINEERING DEPT.	\$26,523.40	\$26,523.40	\$21,782.35	\$21,782.35
ENV.COMPL. & SAFETY DEPT	\$80,262.91	\$80,262.91	\$84,735.71	\$84,735.71
TREATMENT DEPARTMENT	\$322,320.93	\$322,320.93	\$291,779.50	\$291,779.50
PUMP STATION DEPARTMENT	\$48,190.21	\$48,190.21	\$46,548.45	\$46,548.45
ADMINISTRATIVE	\$178,484.34	\$178,484.34	\$141,309.79	\$141,309.79
LOSS (GAIN) ON PROPERTY DISPOSALS	\$5,610.21	\$5,610.21	(\$1,825.00)	(\$1,825.00)
DEPRECIATION EXPENSE-NON VEHICLE	\$375,658.68	\$375,658.68	\$362,488.24	\$362,488.24
PENSION EXPENSE	\$70,833.00	\$70,833.00	\$66,667.00	\$66,667.00
CMMS RELATED EXPENSES	\$6,949.35	\$6,949.35	\$6,553.51	\$6,553.51
TOTAL OPERATING EXPENSES	<u>\$1,437,252.32</u>	<u>\$1,437,252.32</u>	<u>\$1,310,887.60</u>	<u>\$1,310,887.60</u>
NON-OPERATING EXPENSES				
INTEREST ON DEBT-ALL BONDS	\$68,090.62	\$68,090.62	\$89,176.83	\$89,176.83
TOTAL NON-OPERATING EXPENSES	<u>\$68,090.62</u>	<u>\$68,090.62</u>	<u>\$89,176.83</u>	<u>\$89,176.83</u>
TOTAL EXPENSES	<u>\$1,505,342.94</u>	<u>\$1,505,342.94</u>	<u>\$1,400,064.43</u>	<u>\$1,400,064.43</u>
NET INCOME (LOSS) BEFORE UNUSUAL ITEMS	\$722,544.13	\$722,544.13	\$651,452.55	\$651,452.55
EMERGENCY REPAIRS	\$0.00	\$0.00	(\$30,000.00)	(\$30,000.00)
NET INCOME (LOSS)	<u>722,544.13</u>	<u>722,544.13</u>	<u>621,452.55</u>	<u>621,452.55</u>



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(5)

### **ACQUISITION OF 7.7 ACRES ADJACENT TO THE EAST OF FAULKNER LAKE WRF**

The Wastewater Commission has the chance to expand its operations by acquiring an adjacent 7.7-acre tract of land near the Faulkner Lake WRF. The property, located near Arkansas State Highway 165, is zoned "I-2" and is well suited for expanding wastewater operations. The acquisition of this land will provide several advantages to our operations, such as increased efficiency and a buffer zone between private property and the Water Reclamation Facilities.

After negotiating with the Seller of the property, Norman Clifton, for a purchase price of \$650,000, NLRW used the services of an Arkansas Certified General Appraiser which provide an appraisal of the property at \$700,000.

The existing wastewater treatment plant is facing the challenge of meeting the growing demand for its services and the Utility has future plans for the consolidation of the Five Mile Creek WRF, treatment of nutrients, PFAS, and biosolids. The acquisition of this land will provide us with the necessary space to expand our facilities and increase our processing capabilities, ultimately enhancing our overall efficiency.

The location of this land is ideal for our operations, as it is situated next to our existing facilities, reducing the cost and complexity of any required infrastructure improvements. The proximity to our existing facilities also reduces transportation costs and provides us with easy access to essential utilities, such as water, electricity, and natural gas.

One concern we have regarding the land is the potential development of a commercial or industrial property in an ALOHA Threat Zone, where NLRW does not have evacuation authority in case of a chlorine leak. Chlorine is the primary component used for disinfecting treated wastewater, and it is crucial to take all necessary precautions to ensure public safety.

Furthermore, the land is located in an area designated for industrial use and future development, providing us with greater certainty in terms of future land use and reducing the risk of any potential zoning changes that may impact our operations.

In conclusion, the acquisition of this land is a strategic investment that will bring several benefits to our operations. With the growing demand for our services and the need to expand our facilities, this is an opportunity that the Wastewater Commission should take advantage of.

### **ACTION REQUESTED**

Authorize the Director to enter into an offer and acceptance contract and proceed with the acquisition of the 7.7 acres of the property East and adjacent to the existing Faulkner Lake WRF grounds for \$650,000.



**INVOICE****FROM:**

Arkansas Appraisal Associates  
1309 Broadway St.  
Little Rock, AR 72202

Telephone Number: 501-223-2010 Fax Number: 501-228-9985

**INVOICE NUMBER**

LS0123008

**DATES**

Invoice Date: 01/26/2023

Due Date:

**REFERENCE**

Internal Order #:

Lender Case #:

Client File #:

FHA/VA Case #:

Main File # on form: LS0123008

Other File # on form:

Federal Tax ID: 71-0848705

Employer ID:

**TO:**

Norman Clifton  
1000 Cherry Hill Rd  
North Little Rock, AR 72117

E-Mail:

Telephone Number:

Fax Number:

Alternate Number:

**DESCRIPTION**

Lender: Norman Clifton Client: Norman Clifton  
Purchaser/Borrower:  
Property Address: Highway 165  
City: North Little Rock  
County: State: AR Zip: 72117  
Legal Description:

**FEES****AMOUNT**

Appraisal fee	1,700.00
---------------	----------

<b>SUBTOTAL</b>	1,700.00
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**PAYMENTS****AMOUNT**

Check #:	Date:	Description:
Check #:	Date:	Description:
Check #:	Date:	Description:

<b>SUBTOTAL</b>	0
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<b>TOTAL DUE</b>	<b>\$ 1,700.00</b>
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This Document is designed to meet the Report Requirements  
Of Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice Guidelines  
For a Real Estate Appraisal

## Appraisal Report

Vacant Land  
Highway 165  
North Little Rock, Arkansas



As of

January 25, 2023

Prepared For

Clifton Family, LLLP  
1000 Cherry Hill Road  
North Little Rock, Arkansas

Prepared By

Dwight Pattison, and Luke Sanders

**Arkansas Appraisal Associates,  
1309 South Broadway,  
Little Rock, Arkansas**

# Arkansas Appraisal Associates

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Office (501) 223-2010  
1309 South Broadway, Little Rock, Arkansas 72202  
Fax (501) 228-9985

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Dwight Pattison  
Brett Sullivan  
Mike Cantrell  
Stephanie Barrick

John Duce  
Braden Chadick  
Luke Sanders

January 26, 2023

Clifton Family, LLLP  
1000 Cherry Hill Road  
North Little Rock, Arkansas  
Attn: Norman Clifton

Re: Vacant Land  
Highway 165  
North Little Rock, Arkansas

Dear Mr. Clifton,

In accordance with your request I have inspected and appraised the above referenced property for estimating its market value. The property was inspected and photographed on January 25, 2023. The following report contains data gathered during my investigation and shows the method of this appraisal in detail. Your attention is directed to the "Limiting and Contingent Conditions" and the "Certification of the Appraisers" sections, and to my remarks contained in the "Reconciliation" section of this report.

This appraisal report is designed to meet the requirements of the Uniform Standards of Professional Appraisal Practice and Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1987 for an Appraisal Report. If a more detailed report is desired, one may be prepared upon your authorization for an additional fee.

My opinion of the market value of the unencumbered fee simple estate of the subject property as of January 25, 2023 is:

SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS

\$700,000

Respectfully submitted,



Dwight Pattison  
State Certified General Appraiser  
License #CG0200



Luke Sanders  
State Registered Appraiser  
License #SR3640

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## SUMMARY OF IMPORTANT DATA AND CONCLUSIONS

LOCATION:	Highway 165 North Little Rock, Arkansas
LAND AREA:	The subject property consists of a large acreage tract that contains approximately 7.7 acres according to the legal description provided.
IMPROVEMENTS:	The subject site is currently vacant.
HIGHEST AND BEST USE:	Industrial use.
VALUE OPINION BY COST APPROACH:	N/A
VALUE OPINION BY SALES COMPARISON APPROACH:	\$700,000
VALUE OPINION BY INCOME APPROACH:	N/A
FINAL VALUE OPINION:	\$700,000
EFFECTIVE DATE OF APPRAISAL:	January 25, 2023
REPORT DATE:	January 26, 2023
APPRAISER:	Dwight Pattison and Luke Sanders



**PHOTOGRAPHS OF THE SUBJECT PROPERTY**



## IDENTIFICATION OF THE PROPERTY

The subject property is located at Highway 165, North Little Rock, Pulaski County, Arkansas. According to public records the property is legally described as:

### LEGAL DESCRIPTION :

part of Spanish Grant #497 lying South of Arkansas State Highway #130 in Township 1 North, Range 11 West, Pulaski County, Arkansas, being more particularly described as follows:

Commencing at the Northwest corner of the SE1/4 of Section 3, T-1-N, R-11-W; thence S 88 degrees 17 minutes 17 seconds E along the North line of said SE1/4, 497.35 feet; thence S 20 degrees 31 minutes 34 seconds W, 28.08 feet to a point on the North line of said Spanish Grant #497; thence S 10 degrees 25 minutes 00 seconds W, 1846.52 feet to a point on the South right of way line of Arkansas State Highway #130; thence N 66 degrees 15 minutes 27 seconds W along said South right of way line, 102.46 feet to the point of beginning; thence S 20 degrees 00 minutes 57 seconds W, 748.36 feet; thence N 86 degrees 15 minutes 51 seconds W, 204.22 feet; thence N 77 degrees 07 minutes 51 seconds W, 225.49 feet; thence N 18 degrees 53 minutes 38 seconds E, 783.68 feet to a point on said South right of way line; thence S 66 degrees 15 minutes 27 seconds E along said South right of way, 32.13 feet to the point of beginning. Containing 7.71 acres, more or less.

## SUBJECT PROPERTY





## **PURPOSE OF THE APPRAISAL**

The purpose of this appraisal report is to provide the lender/client with a credible opinion of the market value of the subject property as of the effective date of my appraisal and governed by the statement of limiting conditions and appraiser's certification. See "Definition of Value" in this report. The last observation of the site was on January 25, 2023.

## **INTENDED USE AND INTENDED USERS OF THE APPRAISAL**

The intended use of this reported appraisal is the use(s) as identified by the appraiser based on communication with the client Clifton Family, LLLP, 1000 Cherry Hill Road of North Little Rock, Arkansas, at the time of the assignment. The intended use of the appraisal report is to provide information for use in assisting the intended user(s) with the market value of the subject property. The scope of work in this appraisal is customized for the intended use. This appraisal and report is inappropriate for any other uses. Regardless of the means of possession of this report, this appraisal may not be used or relied on for any use except the stated use. The appraiser, appraiser's firm, and related parties assume no obligation, liability, or accountability for any other use.

The intended user is the client Clifton Family, LLLP, 1000 Cherry Hill Road of North Little Rock, Arkansas, and any other party as identified, by name or type, as users of the appraisal by the appraiser based on communication with the client at the time of the assignment. The intended user(s) of this appraisal report is the client Clifton Family, LLLP 1000 Cherry Hill Road, North Little Rock, Arkansas. This report is written for a specific scope of work, intended use, and intended user(s) identified herein. No additional intended users are identified by the appraiser. This appraisal and report is inappropriate for other users. Regardless of the means of possession of this report, this appraisal may not be used or relied on by anyone other than the herein stated intended user(s). The appraiser, appraiser's firm, and related parties assume no obligation, liability, or accountability for any third party.

## **PROPERTY RIGHTS APPRAISED**

The opinion of value expressed in this report is based upon an opinion of the market value of the fee simple estate of the subject property described herein. No opinion is rendered as to the quality of title and the property is appraised as though free and clear of liens and encumbrances and under competent and responsible ownership and management.

No opinion is expressed as to the value of subsurface oil, gas, or other mineral rights. The property is not known to be subject to surface entry for the exploration or removal of such materials except as is expressly stated.

This opinion of value does not include the value of any inventory, furnishings, machinery, equipment, or other items deemed by the appraiser to be the personal property of the owner or specified by any lease or other document to be the property of those other than the holder of the fee simple estate to the subject property.

## **HYPOTHETICAL CONDITIONS**

There are no hypothetical conditions. USPAP defines hypothetical condition as: That which is contrary to what exists but is supposed for the purpose of analysis.

Comment: Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if: 1. Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison; 2. Use of the hypothetical condition results in a credible analysis; and 3. the appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

## **EXTRAORDINARY ASSUMPTIONS**

There are no extraordinary assumptions. USPAP defines extraordinary assumption as: An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis, which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property such as market conditions or trends; or the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if: 1. it is required to properly develop credible opinions and conclusions; 2. the appraiser has a reasonable basis for the extraordinary assumption; 3. Use of the extraordinary assumption results in a credible analysis; and 4. the appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

## **TERMINOLOGY DEFINED**

The following terms may apply in estimating the value of the property. The following definitions have been taken from The Dictionary of Real Estate Appraisal, 4th Addition, Appraisal Institute, Chicago, IL.

LEASED FEE INTEREST	The property held in fee with the right of use and occupancy conveyed by lease to others. A property consisting of the right to receive ground rentals over a period of time, plus the right of ultimate repossession at the termination of the lease.
LEASEHOLD INTEREST	The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions. See also negative leasehold; positive leasehold.
LEASEHOLD IMPROVEMENTS	Improvement or additions to leased property that has been made by the lessee.
USE VALUE	The value of a property designed to fit the specific requirements of the owner, but which would have little or no use to another owner. A property for which the market would be almost nonexistent. Also, referred to as value in use.
VALUE IN USE	The value a specific property has to a specific person or specific firm as opposed to the value to persons or the market in general. Special-purpose properties such as churches, schools, and public buildings, which are seldom bought and sold in the open market, can be valued on the basis of value in use. The value in use to a specific person may include a sentimental value component. The value in use to a specific firm may be the value of the plant as part of an integrated multi-plant operation.
FEE SIMPLE	Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, ad escheat.

## **EFFECTIVE DATE OF VALUE OPINION**

The opinion of value of the property is as of January 25, 2023, the date of my last observation of the site. Luke Sanders performed the field observation.

## **ENVIRONMENTAL HAZARDS**

No environmental risk survey of the subject site was provided. During the observation, there was no note made of discolored vegetation or other evidence of an environmental contaminant.

The appraiser strongly advises the client to require a minimum of a Phase I, Environmental Risk Audit on the subject property. Any entity which has or proposes to have inclusion in the chain of title should be aware of the potential of environmental hazards being present on the subject property as the potential liability for reclaiming the property could be spread over all entities which hold or have held an interest in the site.

The appraiser assumes no responsibility for the discovery or removal of hazardous or toxic substances, should they be present. Additionally, the appraiser reserves the right to amend the opinion of value should any environmental hazard be found.

## **ZONING**

According to the City of North Little Rock, the subject property is in an area which is zoned "I-2" for Industrial use.

## **TAX DATA AND SPECIAL ASSESSMENTS**

In Arkansas, real estate is assessed by the Pulaski County Tax Assessor and the tax collected by the County Collector for the city and county. There is no state real property tax. Assessment is based on 20% of the appraised valuation and the current assessment rate is established by the County Quorum Court and public vote. A rate of 59 mills is applicable for property located in the City of North Little Rock. The subject property is designated Parcel#24N0020000200, and has been appraised and assessed by Pulaski County as follows:

VALUE	APPRAISED	ASSESSED
LAND	\$38,400	\$7,680
BUILDING	\$0	\$0.00
TOTAL	\$38,400	\$7,680

Taxes for 2022 are approximately \$61.86

According to the Pulaski County Tax Collector the subject property is not located in any known infrastructure improvement districts.

## FLOOD ZONE STATUS

The subject property appears to be in a flood zone or flood hazard area according to the map, however Norman Clifton indicated that the site has been built up and is at or above the 248 foot flood level indicated for the site. We have included a survey that indicates the site height is out of the floodplain. The applicable flood insurance rate map, Community Panel #05119C0481G, furnished by the National Flood Insurance Program of the Federal Emergency Management Agency, is included as an exhibit in this report. However, the appraiser is not qualified to determine the exact boundaries of the subject tract or flood hazard areas. Therefore, an exact determination of flood impacts by a surveyor or engineer is recommended.

## FLOOD MAP

The flood map for the selected area is number **05119C0481G**, effective on **07/06/2015**

### DYNAMIC MAP



PRINT MAP/  
FIRMette

### MAP IMAGE



DOWNLOAD  
FIRM PANEL

### Changes to this FIRM

- Revisions (0)
- Amendments (2)
- Revalidations (6)

You can choose a new flood map or move the location pin by selecting a different location on the locator map below or by entering a new location in the search field above. It may take a minute or more during peak hours to generate a dynamic FIRMette.

[Go To NFHL Viewer »](#)





TOPOGRAPHICAL SURVEY OF SITE



## **OWNER OF RECORD**

According to the records of the Pulaski County Assessor, the subject property is listed in the name of Clifton Family, LLLP, of North Little Rock, Arkansas.

## **HISTORY OF PROPERTY CONVEYANCES**

The Uniform Standards of Professional Appraisal Practice require that a sales history of the property be included with all appraisal reports. Standards Rule 1-5 states that "In developing a real property appraisal, an appraiser must...

- (a) Analyze all agreements of sale, options, and listings of the subject property current as of the effective date of the appraisal; and
- (b) Analyze all sales of the subject property that occurred within the three (3) years prior to the effective date of the appraisal.

The intent of this requirement is to encourage the research and analysis of prior sales of the subject; the time frames cited are minimums. A survey of county records covering the previous three years revealed no transfers of the subject property.

## **MARKET CONDITIONS**

The local market for this type of property is stable. The subject property is a vacant tract within The City of North Little Rock. This type of property will generally have a reasonable exposure time estimated to be 6 to 12 months before the January 25, 2023 effective date of this appraisal based on a value range from \$60,000 to \$140,000 per acre foot which is appropriate for the subject type of property. The marketing time is estimated to be 9 months after the effective date of this report.

## **DEFINITION OF APPRAISAL**

An appraisal is an opinion of value of an adequately described property as of a specific moment in time, supported by relevant data peculiar to the property. It reflects the attitudes of buyers and sellers in a sometimes poorly defined market. Because of constant change, the value opinion applies only on the effective date of the appraisal. It is intended as a guide to the client, and only to the client as an aid in the decision-making process. An appraisal of value is an objective opinion so that the subjectivity of the client may be a factor in subsequent negotiations on price. Neither sale price nor cost are necessarily value, only elements in the estimation of value. Cost or the last sale price of the property appraised maybe the best indication of value.

The concept of market value involves the entire spectrum of the real estate market with consideration given to the highest and best use of the land as if vacant, alternate uses of the land as if vacant, and the contribution of existing improvements, buildings, timber, and mineral resources. Where highest and best use is developed and only one user or buyer is apparent in the market, special care should be exercised in consideration of existing supply and demand factors as well as the principle of use-density.

## **SCOPE OF WORK**

The scope of work must include the research and analyses that are necessary to develop credible assignment results. The scope of work is acceptable when it meets or exceeds: the expectations of parties who are regularly intended users for similar assignments; and what an appraiser's peers' actions would be in performing the same or a similar assignment.

This appraisal analysis is completed in several distinct phases; general data collection and analysis, neighborhood data collection and analysis, subject property data collection and analysis, highest and best use analysis, sales comparison collection, verification and analysis, valuation, and report preparation. Each phase will be applied as deemed appropriate by the appraisers for this assignment.

A series of specific steps are undertaken to complete each phase, described below.

### **1) General Data Collection and Analysis**

The general data collection and analysis phase involves collection of data relating to national, regional, and local trends, and identification and analysis of the social, governmental, and environmental forces affecting the market value of the subject property.

### **2) Neighborhood Data Collection and Analysis**

The neighborhood data collection and analysis phase entails inspecting the subject neighborhood; collection of data related to growth trends, demographics, physical characteristics, available utilities, public improvements, and services, etc.; and analyzing the collected data focusing on its effect on the subject property.



## SCOPE OF WORK, Continued

### 3) Subject Property Data Collection and Analysis

In the subject property data collection and analysis phase, I inspect the subject property and interview the owner; review available site plans, and obtain real estate taxes, zoning, and other information from public sources; and analyze the functionality, condition, etc. of the subject property improvements.

### 4) Market Data Collection and Analysis

In the market data collection and analysis phase, I obtain and verify comparable sales data for vacant land from public records; inspect the comparable land sales. All data will be verified when possible.

### 5) Highest and Best Use Analysis

In highest and best use analysis, I analyze all previously obtained data within the framework of supply and demand, legal use, physically possible use, feasibility use and that use which are normally productive both for the site as if vacant, and the use of the property as improved.

### 6) Valuation

In the valuation phase, I will apply the sales comparison approach to develop an opinion of land value. These indications of value are then reconciled into a final value opinion.

### 7) Report Preparation

The final phase of the appraisal process is report preparation, in which a narrative appraisal report is prepared in accordance with the Uniform Standards of Professional Practice and the Code of Ethics of the Appraisal Foundation. This report is presented in a Report Format that is presented in sufficient detail to enable the client to read and understand the conclusions and reach similar conclusions from the data presented.

## **INSPECTION OF SUBJECT**

The subject's site is visualized from the exterior perimeter of the site. The square footage calculation is based on actual the survey provided or other sources identified in this report. While reasonable care was exercised in measuring, the final square footage should be considered an approximation and not guaranteed.

The observation of the comparable sales consists of a view that is available from the public right of way or easement. The site will not be accessed for this observation and site conditions may limit the extent of the available view of the comparable sale's facade. Photo images may be obtained from this point of view.

Be aware of the appraiser's definition of "inspection". The term inspection found anywhere in this report is to mean a "visual inventory" of the subject's or comparable property's components. The appraiser inspects the subject property to obtain a visual inventory of the property components for assistance only in forming our opinion of value. The appraiser is not experienced or trained with respect to electrical, plumbing, and septic systems, nor well water quality or well water systems, heat/air systems, structural integrity or building components, engineering aspects related to site area, easements, ecological, or site/neighborhood drainage aspects. The appraiser does not have knowledge in the proper installation of EFIS, detecting the presence of mold, the cause of mold, the type of mold or whether mold might pose any risk to the property or its inhabitants, or in evaluating any risk that might be posed by these products. The appraiser does not know if the subject property contains lead base paint, asbestos, or urea-formaldehyde foam insulation. Mechanical systems, plumbing systems, electrical systems, and HVAC equipment and fixtures are not cycled for testing. The appraiser is unable to warrant adequacy or operational quality of items outside of the appraiser's area of training and actual knowledge. It is significant to note that this report reflects the appraiser's opinion of value. It is not a structural or mechanical engineers report, environmental study, or a legal opinion based upon local, state, or federal law. It cannot be relied upon to disclose conditions and or defects in the property. If further information is desired regarding these areas of expertise, the client/intended user should contact a professional in those areas.

## **DEFINITION OF VALUE**

The most probable price in terms of money which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised and acting in what they consider their best interests.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(12 C.F.R. Part 34.42(f); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; Federal Register 29499, June 7, 1994)

Numerous definitions of Market Value have been devised over the years by professional organizations, government bodies, courts, and etcetera.

The Supreme Courts of most states have handed down definitions of Market Value for use in the state courts. These definitions are subject to frequent change.

Persons performing appraisal services which may be subject to litigation are cautioned to seek the exact definition of Market Value in the jurisdiction in which the services are being performed.

## **REGIONAL/CITY DATA**

### **POPULATION**

Greater Little Rock is a metropolitan area covering four counties in Central Arkansas with a 2010 population of 671,459 and increase of 15% over 2000. At the heart of the area is Little Rock, the state capitol and Arkansas' largest city with a population of 193,524, and North Little Rock, the state's third largest community, with a population of 62,304. The Little Rock/North Little Rock metropolitan statistical area has a 2010 per capita income of \$39,161 which is 98.1% of the national average. The cities are joined by the Arkansas River and are in Pulaski County in the exact center of the state, where the mountains meet the delta.

Greater Little Rock is unique in that it is centered where the Southeast meets the Southwest. Distance by highway to major nearby cities include: Dallas - 307 miles; Houston - 443 miles; Oklahoma City - 348 miles; Tulsa - 228 miles; Kansas City - 405 miles; Atlanta - 523 miles; Memphis - 139 miles; and New Orleans - 437 miles.

Source: U.S. Bureau of the Census

REGIONAL/CITY DATA, Continued

**POPULATION, Continued**

*Population Growth*

	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>
Little Rock MSA	474,874	523,457	583,845	671,459
Pulaski County	340,613	360,000*	361,474	382,748
Faulkner County	46,192	60,006	86,014	113,237
Lonoke County	34,518	39,268	52,828	68,356
Saline County	53,161	64,183	83,529	107,118
Benton	17,437	18,177	21,906	30,681
Bryant	2,682	5,269	9,764	16,688
Cabot	4,806	8,319	14,261	23,776
Carlisle	2,567	2,253	2,304	2,214
Conway	20,375	26,481	43,167	58,908
England	3,081	3,351	2,972	2,825
Greenbrier	3,081	3,351	2,972	4,706
Jacksonville	27,589	29,961	29,916	28,364
Little Rock	158,915	180,925	183,133	193,524
Lonoke	4,128	4,022	4,287	4,245
Maumelle	-	6,912	10,557	17,163
Mayflower	1,381	1,415	1,631	2,234
North Little Rock		63,567	60,433	62,304
Sherwood	10,586	19,452	21,511	29,523

Source: \*U.S. Bureau of the Census and \*\*Metroplan

REGIONAL/CITY DATA, Continued

**GEOGRAPHY**

***Climate***

Annual Average Temperature	61.7 degrees Fahrenheit
Summer (July) Temperature	81.4 degrees Fahrenheit
Winter (January) Temperature	39.5 degrees Fahrenheit
Normal Degree Days, Annual (Twenty-year Average)	354
Annual Average Rainfall	48.52"
Annual Average Snowfall	5.2"
Annual Average Relative Humidity	68%
Per Cent of Possible Sunshine	72%
Number of Days Over Ninety Degrees	76
Highest Recorded Temperature	111 degrees Fahrenheit
Lowest Recorded Temperature	-13 degrees Fahrenheit
Prevailing Wind	Southwest
Average Velocity	8.1 miles per hour

***Altitude***

The area is 286 feet above sea level; residential areas range from 300 feet to 630 feet above sea level.

***Area***

Little Rock	122.31 square miles
North Little Rock	44.0 square miles
Pulaski County	781.0 square miles

## REGIONAL/CITY DATA, Continued

### HOUSING

#### *Apartments*

Apartments in the area range from efficiency to luxury and from garden style to high-rise, with a varied price range.

#### *Housing*

The Little Rock/North Little Rock MSA has a plenitude of quality, low-cost housing. According to the 2000 Census, there are 214,546 housing units in the Little Rock/North Little Rock Metropolitan Statistical Area. The Little Rock/North Little Rock MSA's housing index is 81.4 (100.0 in the national average). Houses may range from as low as \$50,000 to as high as \$500,000 and up in more prestigious areas. According to the Central Arkansas Regional Multiple Listing Service, the average sales price for a 3-bedroom home in Pulaski County is \$88,041 (including both new and pre-owned homes) and the average time on the market is 120 days.

### LABOR

#### *Arkansas Right to Work*

In 1944, the people of Arkansas amended the state constitution to ensure that all people in Arkansas would have the right to work, regardless of their affiliation or non-affiliation with any type of labor union. Another important law concerns peaceful labor relations. Act 193 provides that any violence which takes place on any picket line or in conjunction with a labor dispute becomes a felony and not a misdemeanor, and the person committing the act of violence is liable for confinement in the state penitentiary for not less than one year.

## REGIONAL/CITY DATA, Continued

### **GOVERNMENT**

Little Rock operates under the city manager form of government. The board of Directors is composed of 11 people, seven elected from wards, three at large positions and a directly elected mayor.

Little Rock has a Class 2 fire rating. The department operates 20 fire stations all Class A equipped.

North Little Rock operates under a mayor-alderman form of government. The city has a Class 2 fire rating.

Pulaski County Sheriff's Department provides police protection and operates the county correctional facility.

Approximately 21 volunteer fire departments serve areas other than Little Rock, North Little Rock, and Jacksonville.

The Little Rock Air Force Base, a Military Airlift command facility, is located seventeen miles north of Little Rock in Jacksonville. The facility is valued at \$4 billion and the land was donated to the Air Force in 1951 by the citizens of Arkansas. The Strategic Air Command opened the base four years later and in April 1970 the 134<sup>th</sup> Tactical Airlift Wing with its C-130 Hercules cargo transport aircraft, made its home at Little Rock. On December 1, 1991 under Air Force Reorganization, the wing was designated the 314<sup>th</sup> Airlift Wing.

### **Taxes**

#### ***Use Tax***

The Arkansas compensating use tax of 5.125 per cent is levied on tangible personal property purchased from outside the state of Arkansas for use, storage, or consumption within the state of Arkansas. The exemption of the sales tax applies to the use tax.

#### ***Personal Income Tax***

Resident individuals, estates and trusts, and nonresident individuals, estates, and trusts deriving income from within the state are subject to a tax on their net income.

To arrive at net taxable income, the taxpayer may elect either to itemize deductions or to use the standard deductions of one thousand dollars or ten per cent of gross income, whichever is the lesser. Federal income tax is not deductible from income subject to Arkansas' personal income tax.

#### ***State Property Tax***

There is not state property tax in Arkansas.

#### ***Sales Tax***

The Arkansas sales tax is a per cent of gross receipts from the sales of tangible personal property and certain selected services. The tax is paid by the consumer at the point of final sales and is computed on the total consideration received without any deductions for the cost of labor. "Sale" includes the lease of rental of tangible personal property.

Taxable services include the sales of gas, water, electricity, telephone and telegraph services, and repair services.



REGIONAL/CITY DATA, Continued

The following exemptions applicable to industry are offered:

Goods used in manufacturing, compounding, processing, assembling, or preparing products for sale.

Machinery and equipment used for repair, replacement, or expansion of existing manufacturing or processing facilities; and installations for prevention or reduction of air or water pollution.

***City and County Taxes***

The property tax is the principle source of revenue for Arkansas counties and municipalities. Business firms as well as individuals are subject to annual taxes on all real and personal property with exchange value. The legal ratio of assessment is twenty per cent and applies to the true market value of real property and to the usual selling price of personal property. Business property is assessed at the same legal ratio as individual property, and the basis for assessment varies among types of property or business activity. Merchants; stocks and manufacturers' inventories are assessed at their annual average value. The annual tax rate is the aggregate of all levies for county, municipal, school, and other special district purposes within constitutional and statutory limits. School district rates are not limited but are subject to approval each year by the voters in each school district.

An example of property tax compilation in Little Rock is:

Appraised Market Value of Taxable Property	\$100,000.00
Assess Taxable Value	\$20,000.00
Assuming 20% legal Assessment ratio (\$100,000 x 20%) Millage Applicable per \$1,000	\$69.00
Taxable Value (aggregate: County + City +School District) Tax Due:	\$1,380.00

REGIONAL/CITY DATA, Continued

**EDUCATION**

Educational facilities in the Little Rock area range from per-kindergarten to graduate institutions. Area schools are recognized for their high academic standards, well-trained faculties, and well-equipped classrooms, which combine to provide quality education

Little Rock School District  
810 West Markham  
Little Rock, AR 72201

North Little Rock School District  
2700 Poplar  
North Little Rock, AR 72215

Pulaski County Special School District  
925 East Dixon Road  
Little Rock, AR 72206

*Private and Parochial Schools*

Several private and parochial schools in the Greater Little Rock Area offer accredited educational programs from the per-kindergarten through high-school level. Special schools include several exceptional schools, such as the Arkansas School for the Blind and the Arkansas School for the Deaf.

Arkansas Baptist College  
1600 Bishop Street  
Little Rock, AR 72203

Central Baptist College  
1501 College Avenue  
Conway, AR 72032

Hendrix College  
1600 Washington Avenue  
Conway, AR 72032

Philander Smith College  
812 West 13<sup>th</sup> Street  
Little Rock, AR 72201

Pulaski Technical College  
3000 West Scenic  
North Little Rock, AR 72118

University of Arkansas  
Little Rock  
2801 South University  
Little Rock, AR 72204

## REGIONAL/CITY DATA, Continued

### **EDUCATION, Continued**

University of Arkansas for Medical Sciences  
4301 West Markham  
Little Rock, AR 72205

UALR School of Law  
1201 McAlmont  
Little Rock, AR 72202

University of Central Arkansas  
201 Donaghey  
Conway, AR 72202

### **HEALTH CARE**

Medical Facilities in the Little Rock area provide the most efficient, comprehensive quality service possible in health care for the more than 2 million people in the metropolitan area and state. The Metropolitan Area has more than 15,000 licensed health professionals and 20 state-of-the-art hospital facilities.

### **CULTURE**

#### ***Religious Community***

The Greater Little Rock area has more than 60 different religious denominations represented. Located in the “Bible Belt”, Central Arkansas has a strong religious heritage. Church attendance and a strong moral character add to the unique lifestyle of the area.

#### ***Visual Arts***

The Arkansas Arts Center, located in MacArthur Park, offers outstanding traveling exhibits. The Arts Center has four galleries, a Children’s gallery, and classrooms used in courses in the visual and performing arts, a 389-seat theater, library, and gift shop.

#### ***Performing Arts***

The performing arts community of Little Rock consists of: Arkansas Symphony Orchestra, Ballet Arkansas, Chamber Music Society of Little Rock, Community Concerts Association, Little Rock Community Theater, Arkansas Repertory Theater, The Broadway Theater Series, UALR Theater Arts and Dance Department, Wildwood Park, and many others. Programs and performances are held throughout the year.

#### ***Libraries***

Public Libraries in central Arkansas have combined collections of over 1,750,000 books, 11,700 periodicals, and a variety of CD-ROM and on-line databases. Public libraries in the area include the Arkansas State Library, incorporating the State Library for Blind and Physically Handicapped; the 11-member Central Arkansas Library System; and the William F. Laman Library. Academic libraries are located at Arkansas Baptist College; Philander Smith College; Shorter College; and the University of Arkansas at Little Rock. Special libraries include the Arkansas Arts Center Library; the Arkansas History Commission; Arkansas School for the Blind Library; Arkansas School of the Deaf Library; Arkansas Supreme Court Library; Little Rock Air Force Base Library; ULAR Law School Library, containing the Pulaski County Law Library; the University of Arkansas for Medical Sciences Library.

### ***Historic Preservation***

Little Rock offers an active program of historic preservation of the Quapaw Quarter historic preservation. The Quapaw Quarter Association, a private group, is working to preserve and restore architecturally and historically significant antebellum and Victorian structures.

### ***The River Market***

The Little Rock River Market, an entertainment development on East Markham Street, opened in 1996. It was the first step toward the creation of a cultural and entertainment district in downtown Little Rock. Situated between the Market and Riverfront Park, two pavilions house a farmer's market, open Tuesdays, and Saturdays. Merchants in the inner pavilion offer a cornucopia of products and vegetables.

### ***Attractions to See***

La Petite Roche; Historic Arkansas Museum; Arkansas' first state capitol, Old State House Museum; The River Market District; Clinton Presidential Museum; State Capitol; the Little Rock Zoo, Museum of Discovery; the Children's Museum of Arkansas; Murray Lock and Dam; Villa Marre; Riverfront Park; Arkansas Arts Center, Decorative Arts Museum; Wild River County, the Old Mill, Central High School Museum Visitors Center, Museum of Discovery and the UALR Planetarium are just a few

### ***Parks***

There are 56 parks in Little Rock with more than 6,000 acres and 12 parks in North Little Rock. There are many state and national parks within a sixty-mile radius of Little Rock which provide recreation and camping facilities. They include Petit Jean State Park, DeGray State Park, Lake Ouachita State Park, Ouachita National Forest, and Pinnacle Mountain State Park.

### ***Sports***

North Little Rock's Dickey-Stephens Park is the home of the Class AA Minor League Arkansas Travelers, a farm club of the Anaheim Angels. War Memorial Stadium hosts several of the University of Arkansas Razorback's home football schedules. The Stephens Center is the home court for the University of Arkansas Little Rock Trojans (an NCAA Division 1 basketball team).

### ***Lakes***

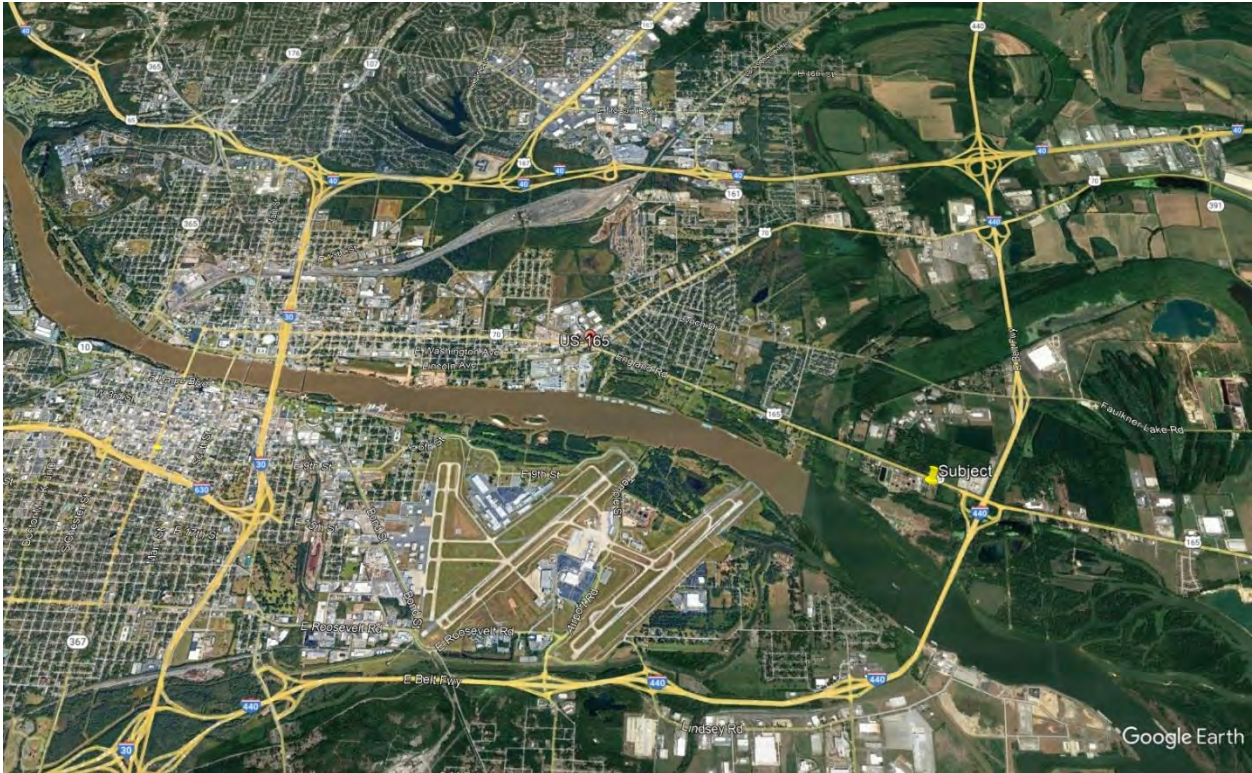
Several lakes in the Little Rock area provide excellent fishing, sailing, and other sports. They include Lake Maumelle, Lake Winona, Lake Conway, Greer Ferry Lake, Lake Ouachita, Lake Hamilton, Lake Catherine, and DeGray Lake.

### ***Conventions***

The central location of the Little Rock region and its excellent facilities make this a natural place for conventions, sales meeting, sporting events, and other gatherings. Facilities include Statehouse Convention and Conference Center, Governor's Exhibition Hall, Statehouse Plaza, and Robinson Center. A 650-space public parking deck is one block from Statehouse Convention Center. Robinson Center includes 560-space of underground parking. In addition, there are several hundred parking spaces available within a few blocks. Accommodations range from economical to luxurious and there are more than 6,200 available rooms.

**NEIGHBORHOOD DATA**

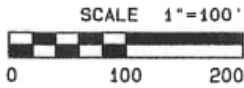
The subject property is basically bound by the Arkansas River to the south, Interstate 440 to the east, and Interstate 30 to the west, and north. The immediate area is mostly industrial type properties. The area west of the subject is a high-density commercial area with some industrial type properties scattered north and south of Broadway. Schools and churches are scattered throughout the neighborhood. The labor supply in the area is sufficient for most employers, and wages are reasonable. All typical municipal utilities are available in the area. Supplies are adequate, and costs are judged reasonable. Both police and fire protection are considered to be adequate in the neighborhood. Typical streets in the area are asphalt, with concrete curbs and gutters, sidewalks, and storm sewers, and mercury vapor streetlights. No adverse external influences were noted at the time of observation. Although no soil or subsoil samples have been taken within the subject neighborhood, it has been assumed that there are no unstable conditions which would cause significant structural problems to the improvements.





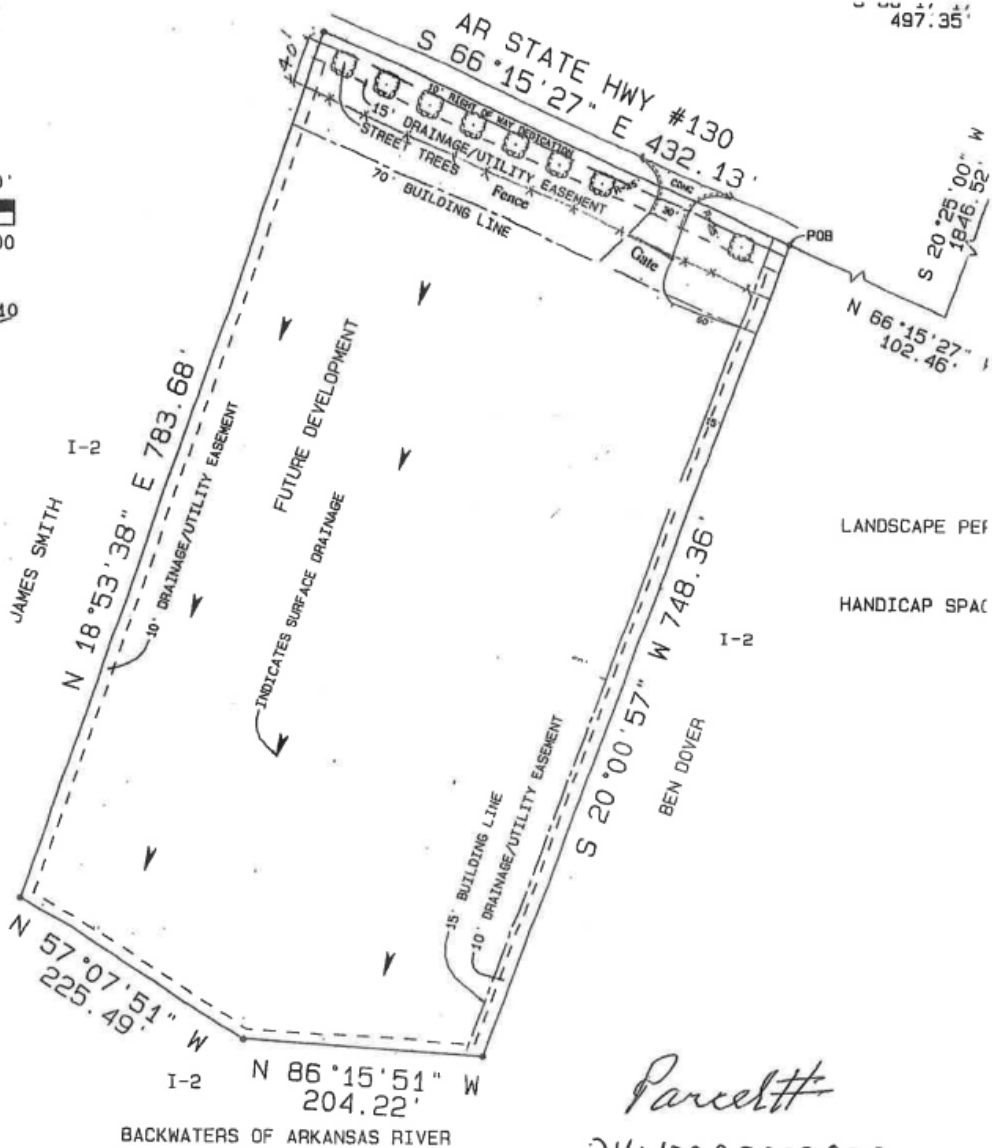
# SITE DATA

The subject site is a large acreage tract of land located on Highway 165. The subject site is just east of the North Little Rock Waste-Water plant and just west of the Interstate 440 interchange. The subject site contains a total of approximately 7.7 acres according to the legal description provided. The subject site has frontage and access along the south right of way of Highway 165. As stated earlier the subject site is not located in a flood hazard area or zone.



DATE : MAY 25, 2010

8330225



Parcel #  
24N0020000200

## **DEFINITION OF HIGHEST AND BEST USE**

Highest and best use is defined as the reasonable and probable use that supports the highest present value, as defined, as of the date of the appraisal. It is that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value.

Implied in these definitions is that the determination of highest and best use considers the contribution of a specific use to the community and community development goals as well as the benefits of that use to individual property owners. An additional implication is that the determination of highest and best use results from the appraiser's judgment and analytical skill, that is, that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of "most probable selling price" (market value), another appropriate term to reflect highest and best use would be "most probable use." In the context of investment value, an alternative term would be "most profitable use."

Two conclusions of highest and best use must be determined:

- (1) The highest and best use of the land as if vacant, and
- (2) The highest and best use of the property as improved.

All data presented in previous sections of this report lead into conclusions of highest and best use.

To meet the test of highest and best use, four criteria must be examined and analyzed:

- (1) The use must be physically possible,
- (2) The use must be legally permissible,
- (3) The use must be financially feasible, and
- (4) The use must be maximally productive.

## **ANALYSIS OF HIGHEST AND BEST USE**

### Physically Possible:

The subject property is presently vacant.

### Legally Permissible:

The subject is located in an area zoned "I-2" for Industrial use.

### Financially Feasible:

This appraisal does not encompass nor contemplate a feasibility study.

### Maximally Productive:

Due to location and zoning, the maximally productive use of the site is for some type of industrial development.

### Analysis of the Site:

The following five factors are examined for the present usage:

- |                                    |  |
|------------------------------------|--|
| 1. Adequacy of size of site:       | Excellent. The subject site is a large acreage tract suitable for some type of industrial development. |
| 2. Grade of street and topography: | Average. The subject site is generally at street grade with Highway 165.                               |
| 3. Visibility:                     | Average. The subject site has average visibility for an industrial type of property.                   |
| 4. Compatibility of traffic flow:  | Average. The subject site is located on a typical two-lane street.                                     |
| 5. Ease of approach:               | Good. The subject site has good access from Highway 165.   |

All factors are rated average to good. I conclude that the site is well suited for some type of industrial development.



## **THE APPRAISAL PROCESS**

In arriving at an opinion of market value for a given property, it is customary appraisal practice to assemble as much information as considered necessary in three different approaches to the value opinion: The Direct Sales Comparison Approach, the Income Approach, and the Cost Approach.

The Direct Sales Comparison Approach utilizes the sales of similar properties as the basis for an indication of value for the subject. Direct comparisons are made between the sales properties and the subject on an item by item basis in such areas as location, time of sale, conditions of sale, terms of financing, as well as for physical characteristics. Adjustments are made to the sales price of the comparative property to arrive at an indication of what that property would have sold for had it been essentially similar to the subject property. These adjusted sale prices are correlated into an indication of value by this approach.

In the Income Approach, an estimate is made of the market rent which the subject property might command based on the rental of competitive space. Estimates are also made of the appropriate vacancy and expense ratios for the subject based on information developed from similar properties in the market. Thus, an indication of the net income which the subject property is capable of producing is developed. This is the basis for any of the capitalization techniques, regardless of which one is indicated by the type of property or investor. The rate of return on investments in similar type properties is derived from the market, and this rate of return is used to capitalize the indicated net income into an indication of value by this approach.

In the Cost Approach, an opinion of the site value is first derived by a comparison of other similar sites which have sold, to the subject site by the direct sales comparison approach. An estimate is then made of the cost of replacing the subject improvements at today's costs. From this is deducted the estimated loss in value through diminished utility, whether it is from physical, functional, or locational causes. All such estimates of loss in value through diminished utility are taken from market evidence. The indicated value from this approach is then the sum of the site value plus the net value of the improvements.

After arriving at an indication of value by the three approaches, these are correlated into a single conclusion of value, based on the approach which has the highest quantity and quality of data available, and the one in which the market participant typically has the greatest confidence.

## **LAND VALUE BY THE SALES COMPARISON APPROACH**

The Sales Comparison Approach can be defined as follows:

Traditionally, an appraisal procedure in which the market value estimate is predicated upon prices paid in actual market transactions and current listings, the former fixing the lower limit of value in a static or advancing market (price wise) and fixing the higher limit of value in a declining market; and the latter fixing the higher in any market. It is a process of analyzing sales of similar recently sold properties to derive an indication of the most probable sale price of the property being appraised. The reliability of this technique is dependent upon (a) the availability of comparable sales data, (b) the verification of the sales data, (c) the degree of comparability or extent of adjustment necessary for time differences, and (d) the absence of non-typical conditions affecting the sale price.

The effectiveness of the Sales Comparison Approach hinges on the accumulation of all pertinent data surrounding the sales transactions; such as, Date of Sale, Price, Underlying Motives of buyer and seller, Encumbrances, etc., making an analytical comparison of the properties sold with the subject under appraisal.

The Market Data Approach or Direct Sales Comparison Approach is used to determine the value of the subject site as if vacant. This is also done by direct comparison to similar sites that have sold or are offered for sale. These comparisons are generally made based on price per square foot, or in some cases, price per front foot, or price per acre.

A search through various real estate information services revealed the 4 vacant land sales in the area on the following pages.

COMPARABLE LAND SALES APPROACH CHART

Comparable #	1	2	3	4
Name/Location	Thibault Road, Little Rock AR	12 Highway 165 N. Little Rock AR	Falkner Lake Road, N. Little Rock AR	East Port Drive, Little Rock AR
Grantor	Thomas Family Trust	Ben Davis Properties, LLC	J A Riggs Tractor Company	Walthour-Flake CO Inc.
Grantee	City of Little Rock	Ferndale Cutoff, LLC	RRE ARK, LLC	M-H Real Estate, LLC
Instrument #	2020-063021	2021-015405	2021-074570	2019-032847
Land Size/SF	13.64	10.17	11.43	3.58
Price	\$1,250,000	\$500,000	\$500,000	\$697,000
Date of Sale	9/15/2020	3/4/2021	4/2/2022	5/22/2019
<b>Gross Price/SAC</b>	<b>\$91,642.23</b>	<b>\$49,164.21</b>	<b>\$43,744.53</b>	<b>\$194,692.74</b>
Adjustments				
Time	0.00%	0.00%	0.00%	0.00%
Adjusted value	\$91,642.23	\$49,164.21	\$43,744.53	\$194,692.74
Location	10.00%	20.00%	20.00%	-10.00%
Size	20.00%	10.00%	20.00%	-20.00%
Physical Characteristics	0.00%	0.00%	0.00%	0.00%
Access	0.00%	0.00%	0.00%	0.00%
Indicated Value Per SF	<b>\$119,134.90</b>	<b>\$63,913.47</b>	<b>\$61,242.34</b>	<b>\$136,284.92</b>
Total Adjustments	30.00%	30.00%	40.00%	-30.00%

## COMPARABLE AERIAL PHOTOGRAPHS

Comp 1



Comp 2





COMPARABLE AERIAL PHOTOGRAPHS, continued

Comp 3



Comp 4



## LAND VALUE BY THE SALES COMPARISON APPROACH

### **ANALYSIS AND CONCLUSIONS**

The above listed comparables are judged to be the best market value indicators available for the subject property at the present time. Comparable 1 is the sale of a large acreage tract located on Thibault Road. This comparable was purchased by the City of Little Rock is zoned for Industrial use and was adjusted slightly for location and moderately for size. Comparable 2 is located east of the subject property along Highway 165. This comparable sale is zoned I-2 for industrial use and was adjusted slightly for location and moderately for size. Comparable 3 is the sale of large acreage tract located north of the subject on Faulkner Lake Road. This comparable is zoned I-2 for industrial use and was adjusted slightly for location and moderately for size. Comparable 4 is the sale of a lot located right by the East Port Road/440 interchange. This comparable sale is zoned I-2 for industrial use and was adjusted moderately for size and slightly for location.

Based on the size, location, access, and utilities of the subject property, the most emphasis is placed on comparable sale numbers 1, 2 and 4 with support from sale 3. Therefore, an applicable per acre value within this range appears to be appropriate. From the comparable market data available at the present time, it appears a value of \$63,913 to \$136,284 per acre is appropriate for the subject property.

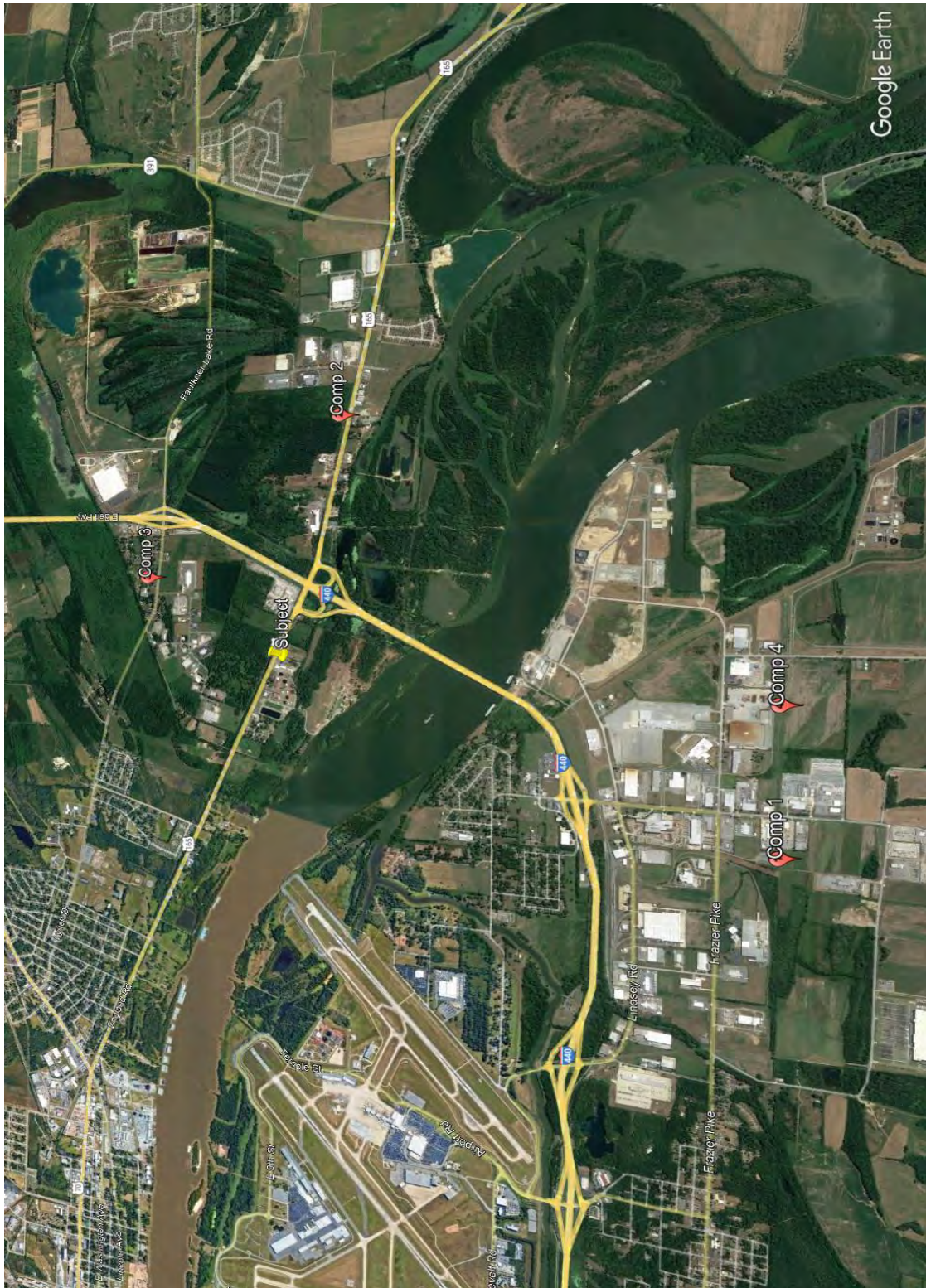
7.7 AC @ \$90,000 per AC = \$693,000

SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS

\$700,000 (ROUNDED)



# Comparable Locations Map



## RECONCILIATION AND FINAL VALUE OPINION

Value Indications are as follows:

COST APPROACH	N/A
SALES COMPARISON APPROACH	\$700,000
INCOME APPROACH	N/A

### RECONCILIATION AND FINAL VALUE OPINION

Therefore, it is my opinion that the Market Value of the subject property as defined within this report as of January 25, 2023, is rounded to:

SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS

\$700,000



## CERTIFICATION OF THE APPRAISERS

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions are my personal, impartial, and unbiased professional analyses, opinions, and conclusions,
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- I have not performed any services as an appraiser or in any other capacity regarding the subject property within the 3-year period immediately preceding acceptance of this appraisal assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- No one provided significant business and/or intangible asset appraisal assistance to the person signing this certification
- The property was personally inspected on the effective date of the appraisal by Luke Sanders.

January 25, 2023



Dwight Pattison  
State Certified General Appraiser  
License #CG0200



Luke Sanders  
State Registered Appraiser  
License #SR3640

## ASSUMPTIONS AND LIMITING CONDITIONS

This Appraisal Report, the Letter of Transmittal and the Certificate of Value are hereby made expressly subject to the following Assumptions and Limiting Conditions; and, any Special Limiting Conditions which may be contained elsewhere in the Report are hereby incorporated herein by reference.

### ASSUMPTIONS

This assignment cannot proceed without making some general assumptions. However, these assumptions should not be taken lightly or as a matter-of-fact. If any of these assumptions are found to be inaccurate, the opinions and conclusions reached herein could be in error. The user should decide if these assumptions are acceptable. The appraiser is not competent in the following fields and makes no guarantees, express or implied, regarding the topics of these assumptions. Each of these assumptions can be explored by other experts and professions. Unless otherwise stated, described, and considered in this report it is assumed that:

- 1 the title to the property is good and marketable. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. And, that the property is free and clear of any liens or encumbrances.
- 2 the property is under responsible ownership and competent management.
- 3 all engineering studies, land surveys, and other professional reports relied on by the appraiser are correct. If such studies are not provided to the appraiser it is assumed that there are no hidden or unapparent conditions of the property, subsoil, structure, or any other property component that would render it more or less valuable.
- 4 the property is in full compliance with all applicable federal, state, and local laws and regulations.
- 5 the property conforms to all applicable zoning and use regulations and restrictions. The present zoning of the subject property was verified with local planning officials, but the appraiser cannot be responsible for any error reported by the city officials and/or city staff.
- 6 all required licenses, certificates of occupancy, consent, and other legislative or administrative authority from any state, or national government, or private entity or organizations have been or can be obtained or renewed for any use on which the opinion of value is based. This includes the American Disabilities Act.
- 7 the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass.
- 8 there are no hazardous or toxic materials on, in, or nearby the property. The presence of substances such as, but not limited to asbestos, urea formaldehyde foam insulation, radon, mold and other potentially hazardous or toxic materials would significantly affect the opinion of value formed. The opinions and conclusions are predicated on the assumption that there is no such material on, in, or near the property that would cause a loss in value.
- 9 any proposed improvements are assumed to be completed in a good competent manner in accordance with the submitted plans and specifications.
- 10 the structure was properly designed and constructed. That no defects have occurred over time. This includes but is not limited to termite damage. All mechanical components are assumed to be in operable condition and are appropriate for the structure. All electrical and plumbing equipment is appropriate and in working order. That the insulation is adequate.
- 11 the property has a plentiful supply of potable water, and that adequate sewage disposal is available.
- 12 if a survey was not provided to the appraiser, the public records or dimensions taken from available maps, and/or plats are correct with respect to size and shape.
- 13 the property has a legal and physical means of ingress and egress.
- 14 the subject property is legally and physically suitable for occupancy and livability. If vacant land, that the site is approved to sell and ready to be built on and occupied.
- 15 market forces remain relatively constant in the future. If an opinion of marketing time is formed the user should be cautious when relying on this opinion as the appraiser cannot foresee spastic changes in these forces.

### LIMITING CONDITIONS

This appraisal and report were customized for a specific property, use, and user, at a specific time. Therefore, this appraisal and report are only reliable under the following limited conditions:

1. The appraiser is not required to give further consultation, testimony, or attend in court with reference to the property in question unless arrangements have been previously made. If testimony or deposition is required because of subpoena, the client shall be responsible for any additional time, fees, and charges regardless of the party issuing the subpoena.
2. The possession of this report or a copy thereof does not carry with it the right of publication or distribution. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communications without prior written consent and approval of the undersigned.
3. The appraisal report is to be used only for the herein stated intended use, and by the stated intended user.
4. The appraiser cannot be responsible for unforeseen market changes that occur after the value date.
5. Sketches, maps, plats, photographs, and the like are presented only to assist the reader of the report in visualizing the property and their accuracy is not warranted.
6. If the appraisal is made on proposed construction from plans and specifications, any deviation in the completed structure invalidates this report.
7. The user must read and understand the report in its entirety. Any lack of understanding about this appraisal could result in its misuse, which might put the user in jeopardy.
8. Secondary opinions and conclusions made by the appraiser are formed only to contribute to the primary function of the appraisal, which is to form opinions and conclusions as the herein stated intended use and purpose. These secondary opinions include but are not limited to square footage calculations, effective age, highest and best use, replacement cost new, etcetera. Isolating and inappropriately using one of these secondary opinions or conclusions out of context could jeopardize the user.
9. The appraiser(s) reserve the right to alter statements, analysis, conclusions, or any value estimate in the analyses if there becomes known to us facts pertinent to the appraisal process, which were unknown to us when the report was completed.
10. There is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all the limiting conditions and assumptions of the assignment and related discussions. The appraiser assumes no responsibility for any cost incurred to discover or correct any deficiencies presented in the property.
11. The appraiser assumes no responsibility for any cost or consequences arising due to the need, or the lack of need for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
12. Authentic copies of this report are signed in green ink with a black seal. Other copies may be unauthorized and may have been altered.
13. Acceptance of, and/or use of, this report constitutes acceptance of the assumptions and conditions contained herein.

**Arkansas Appraiser Licensing & Certification Board**



This is to certify that  
**Luke A. Sanders**  
 Credential # RA-3640

has complied with the requirements of Arkansas code 17-14-201 et seq.; and is the holder of a valid credential. This card is for identification purposes only.

Expiration Date: 12/31/2023

*L. Sanders*  
 Chairman

STATE OF ARKANSAS



**APPRAISER LICENSING & CERTIFICATION BOARD**

Attest That

Luke A. Sanders

On this date was certified as a

**REGISTERED APPRENTICE APPRAISER**

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this Certificate is issued in accordance with all requirements of Arkansas Code Annotated, Section §17-14-101 et seq., and subsequently adopted "Rules and Regulations" and shall remain in force when properly supported by a current pocket identification card.

11/8/2019

(Issued Date)

RA-3640

(Registration Number)

*Larry C. Masden*

Chairman, AAL & CB

# **Dwight N. Pattison**

## **Certified General Real Estate Appraiser Arkansas License #CG0200**

Master of Regional and Community Planning, 1977  
Kansas State University  
Bachelor of Arts in Urban Studies, 1974  
University of Arkansas

### **EXPERIENCE**

Arkansas Appraisal Associates  
Owner/Partner  
1986 to Present  
City Planning Associates, Inc.  
Owner  
1989 to Present  
Community Planning Director  
City of North Little Rock  
1980 to 1985

### **APPRAISAL BACKGROUND AND TRAINING**

Uniform Standards of Professional Appraisal Practice, 2014

Practical Regression Using Microsoft Excel  
Appraisal Institute, March 2013

Advanced Spreadsheet Modeling for Valuation Applications  
Appraisal Institute, May 2012

Uniform Appraisal Standards for Federal Land Acquisition  
Appraisal Institute, April 2009

Introduction to FHA Appraising  
Appraisal Institute, October 2008

Subdivision Valuation Methodology  
Appraisal Institute, May 2007

FHA & the New Residential Appraisal Forms  
Arkansas Chapter of the Appraisal Institute, 2006

Basic HUD Guidelines 4.7  
Nat'l Association of Independent Fee Appraisers, 1999

The Appraisal of Local Retail Properties  
Appraisal Institute, 1998

The Economics of Historic Preservation  
Nat'l Association of Independent Fee Appraisers, 1992

Income Property Appraising- Investment Analysis  
Nat'l Association of Independent Fee Appraisers, 1991

Uniform Standards of Professional Appraisal Practice  
Nat'l Association of Independent Fee Appraisers, 1991





**ARKANSAS  
APPRAISER LICENSING &  
CERTIFICATION BOARD**  
This is to certify that  
**Dwight Pattison**

License #: CG 0200

has complied with the requirements of  
Arkansas Code Section 17-14-201 et seq.,  
and is the holder of a valid certificate.  
This card is for identification purposes only.

6/30/2023

*Dwight C. Pattison*

Chairman

Expiration Date

STATE OF ARKANSAS



**APPRAISER LICENSING & CERTIFICATION BOARD**

Attest That

**DWIGHT NELSON PATTISON**

On this date was certified as a

**STATE CERTIFIED GENERAL APPRAISER**

The Arkansas Appraiser Licensing and Certification Board hereby affirms that this Certificate is issued in accordance with all the requirements of Arkansas Code Annotated, Section 17-51-101 et seq., and subsequently adopted "Rules and Regulations" and shall remain in force until the expiration date or until suspended or revoked.

December 12, 1991

Date Issued

CG0200

Certificate Number

*Dwight C. Pattison*

Chairman, AAL & CB

June 30, 1993

Expiration Date

## **Luke A. Sanders**

State Registered Real Estate Appraiser

Arkansas License #SR3640

### **Bachelors of Arts in Business Management**

University of Arkansas in Little Rock

### **Appraisal Experience**

Arkansas Appraisal Associates

Commercial Real Estate Appraiser

May 2011 to Present

### **Appraisal Background and Training**

**Uniform Standards of Professional Appraisal Practice**  
R.C.I Career Enhancements, 2011

**Basic Appraisal Principles**  
Appraisal Institute 2012

**Business Practices and Ethics**  
Appraisal Institute 2013

**Basic Appraisal Procedures**  
Appraisal Institute 2013

**Uniform standards of Appraisal Practice (Update)**  
R.C.I Career Enhancements 2013

**Professional Organization**  
Appraisal Institute Association

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### White Oak Bar Screen Equipment Purchase

The existing bar screens were installed during the White Oak Bayou Lift Station improvements project that completed in 2003. This equipment has exceeded its life expectancy of 15-20 years and requires frequent repairs to maintain operation. The existing equipment is a “Climber” style that automatically lowers into the 34 ft deep structure and clears the  $\frac{3}{4}$ ” spaced screen of debris. The debris is brought up to the top and dumped into a hopper that conveys it to a dumpster. This system is dangerous to work on as it relies on a mechanical brake to support itself at the top of the structure. When the brake fails, the rake plunges to the bottom in a violent manner, potentially endangering staff and further damaging the equipment.

Several members of the NLRWU staff have researched replacement options and discovered a safer, more maintenance friendly alternative called the “Flex Rake”. The Flex Rake design also allows for better debris removal efficiency due to its  $\frac{1}{4}$ ” screen spacing. The heart of this design includes multiple rakes secured in a continuous loop of links that do not require the braking system. The pictures below further illustrate the difference in design concepts.



*EXISTING CLIMBER RAKE STYLE*



*PROPOSED FLEX RAKE STYLE*



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All maintenance of the Flex Rake style is performed above the deck of the concrete bar screen structure at a convenient height located to the side of the open pit. Our existing climber style requires strapping the rake in place to prevent dropping while simultaneously exposing mechanics to the dangers of working over a 34 ft deep open pit. The original manufacturer of the Flex Rake style is Duperon. Since it was a successful design, many manufacturers have begun reverse engineering and building units similar to the Duperon original. Because of the critical nature and cost of this equipment, staff was careful in developing the bid specifications and required manufacturers to have at least 25 installations that have been in operation for at least 5 years. The advertisement for bids were conducted, and Duperon was the only manufacturer that responded due to these requirements. The Duperon brand is represented locally through Jack Tyler Engineering. \$1,200,000 for replacement of these bar screens is included in the 2023 budget.

**Action Requested:**

Authorize staff to award contract to purchase the Duperon Flex Rake IQ bar screen equipment through Jack Tyler Engineering in the amount of \$884,000. Staff would like to purchase the equipment direct and secure a contractor separately to eliminate further expense due to contractor equipment mark up costs.



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## **NORTH LITTLE ROCK WASTEWATER EMPLOYEE HANDBOOK**

The Employee Handbook is a crucial document for our organization, providing clear guidelines, expectations, and benefits information to employees. In today's rapidly evolving business landscape, it's more important than ever to have an updated and comprehensive Employee Handbook. The last update for the Employee Handbook which was adopted by the Committee was 2008.

Updating the Employee Handbook helps ensure that it reflects current laws and regulations. This is especially important in the utility industry, which is heavily regulated and subject to frequent changes in legislation. Keeping the handbook current helps prevent legal issues and ensures compliance with all relevant laws.

Second, updating the Employee Handbook helps to improve communication between management and employees. The handbook should clearly outline company policies, procedures, and expectations for employees, providing a comprehensive reference for employees to consult when they have questions or concerns. This helps to minimize misunderstandings and ensures that everyone is on the same page, improving overall communication and collaboration within the organization.

An updated Employee Handbook can also help to improve employee engagement and satisfaction. By clearly communicating company policies and procedures, employees are able to understand what is expected of them, and they are able to perform their jobs more effectively.

The Employee Handbook is a crucial step in ensuring that North Little Rock Wastewater remains compliant, communicative, engaged, and productive. Additionally, updating the Employee Handbook demonstrates that the Utility values its employees and is committed to maintaining a safe, fair, and supportive work environment.

### **ACTION REQUESTED:**

Adopt the revised and updated Employee Handbook with the provision the Director can make policy changes from time to time as needed with legal counsel's guidance.



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## DIRECTOR'S HIGHLIGHTS

*Michael Clayton, February 8, 2023*

### **January 2023 Highlights**

NLRW Engineering is currently advertising two major projects for secondary sewer rehabilitation as part of our efforts to meet the annual goal of replacing or rehabilitating 68,000 linear feet a year. The first project is another pipe bursting job known as the Broadway Area Pipe Bursting 2023 Collection System Renewal which consists of 23,234 linear feet 6" 8" & 10" gravity sewer rehabilitation. The second project is another Cured In-Place Pipe rehabilitation job known as the Broadway Area CIPP 2023 Collection System Renewal which consists of 37,112 linear feet of 6"-18" gravity sewer rehabilitation.

Administration Staff has completed an exhaustive review to update the Employee Handbook and it is ready for Committee adoption.

I have been working with the Arkansas Water and Wastewater Managers Association Legislative Committee monitoring the legislative activities regarding the water industry. The Governor's priorities are Education, Prison and Tax Reform. We believe there is not much time or fortitude for significant legislative bills impacting our industry.

On February 25, Staff participated in a training session with Scenic Hill Solar to develop a better understanding of the tools available with the SCADA monitoring of the Five Mile Solar Array.

Met with Robert Birch on February 12 to discuss reserving or transferring a 33-acre tract of land across the highway from the Faulkner Lake WRF for future use of treatment facilities.

Met with Mayor Townsend of Sherwood on Friday, February 10 to discuss exploring and promoting regionalism in wastewater using the framework back in 2009 from the UALR "Unraveling the Maze" study promoting the merger of the two wastewater facilities.

Discussions are underway with HDR who is working for Union Pacific regarding the expansion of railroad tracks and relocation of an existing drainage ditch over the existing 24" and 36" gravity interceptors in the Dark Hollow Area. There is a conflict with improvements proposed by Union Pacific Railroad and the best solution will be to abandon the existing 24" interceptor. A new higher capacity 36" gravity interceptor will need to be constructed at a lower elevation with a minimum of 48" bore under existing railroad tracks.

