

**NORTH LITTLE ROCK
WASTEWATER TREATMENT COMMITTEE**

MINUTES OF A MEETING HELD TUESDAY, APRIL 11, 2023

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, April 11, 2023, in the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:00 p.m. The roll was called, and a quorum was present. Those in attendance at the meeting were Chairman Matthews, Ms. Karen Bryant and Ms. Marie Hollowell (Ms. Hollowell was appointed to take the seat previously held by Mr. Sylvester Smith). Also in attendance were Mr. Michael Clayton, Director, Ms. Gina Briley, Ms. Tangelia Marshall, Human Resources Director, Mr. Roy Cox, Mr. Greg Varnell, Ms. Lindsey Baker with EGP, PLLC, Ms. Paula Storeygard with Hilburn & Harper, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its March 14, 2023, meeting. After review, a motion was made by Ms. Bryant, seconded by Ms. Hollowell, to approve the March 14, 2023, minutes as submitted. The motion carried unanimously.

The Committee then reviewed the cash disbursements for March 2023. A motion was made by Ms. Bryant, seconded by Ms. Hollowell, to approve the cash disbursements showing total cash disbursement of \$1,600,087.00 and fund transfers between accounts of \$1,273,100.00. The motion carried unanimously.

Upon motion made by Ms. Bryant, seconded by Ms. Hollowell, the Committee unanimously approved the financial statement for March 2023 reflecting a positive cash flow. The motion carried unanimously.

EGP, PLLC has completed the audit for the year ended December 31, 2022. Ms. Lindsey Baker was present at the meeting to present the audit findings and answer any questions. EGP conducted the audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

The financial highlights state that the Utility realized an increase in its cash and certificates of deposit balance by around \$1,200,000 during 2022. The Utility

did not have to cash any certificates during the year. There are a number of construction projects in progress which the accumulated cash will be used for in the coming year. The Utility increased its property value less depreciation by around \$7,000,000 during 2022. This increase was mainly due to construction projects in progress. Net Position shows an increase of around \$5,000,000 for the year 2022. This excess of total revenues over total expenses is a good indication of the Utility's overall financial health.

As in past years, this was another good clean audit and Ms. Baker thanked Ms. Briley, Mr. Clayton and members of the staff for their cooperation and good work. After further discussion, a motion was made by Ms. Bryant, seconded by Ms. Hollowell, to approve the 2022 Audit Report and authorize distribution of same. The motion carried unanimously.

The staff advertised and received bids for the "Upper Riverside Interceptor CIPP 2023 Rehabilitation Project, Phase II" on Thursday, March 23, 2023, at 1:00 p.m. This project includes the internal lining of approximately 5,825 linear feet of 30" reinforced concrete pipe. The low bid was submitted by Insituform Technologies, Inc. in the amount of \$2,082,635.25. There is \$2,000,000.00 in the 2023 budget for this project, and the funds will come from the revolving loan fund secured from ANRC. Therefore, a motion was made by Ms. Bryant, seconded by Ms. Hollowell, to authorize the staff to award the contract for the Upper Riverside Interceptor CIPP 2023 Rehabilitation Project, Phase II to Insituform Technologies, Inc. in the amount of \$2,082,635.25. The motion carried unanimously.

Mr. Clayton then informed the Committee that the Utility received an invoice for the property and general liability insurance for the current year. The total amount is \$85,053.04. The amount of \$87,400.00 is in the 2023 budget for this coverage. It was noted that last year's total was approximately \$78,600.00. A motion was then made by Ms. Bryant, seconded by Ms. Hollowell, to authorize payment to the Arkansas Municipal League in the amount of \$85,053.04 for the property and general liability insurance. The motion carried unanimously.

Next, Director Clayton explained to the Committee that the Vacuum Combination truck is the most productive and cost-effective method for cleaning gravity sewer lines by a wide margin. NLRW currently operates five Vac Truck crews and cleans more than 1.5 million feet of sewer mains each year. In addition to cleaning pipelines, the Vac Trucks are used for specialized tasks at each of the four Water Reclamation Facilities, many pump stations in the collection system, and the primary use of cleaning sewer lines in the collection system. Currently, there is \$670,000 in the 2023 budget for the purchase of a new Vac Truck. Due to

the rise in costs of this machinery, the staff elected to go outside the normal scope for advertising and deal with Sourcewell and Houston Galveston Cooperative. By doing so, the Utility was able to receive more competitive bids and determine what truck best suits the current needs of the Utility. The Collection System Maintenance Department crew leaders for the Vac Trucks evaluated four different models. The staff selected the Vactor brand to be the most user friendly and best choice out of the demonstration trucks. Their recommendation is to purchase a Vactor 2100i Combination Sewer Cleaner truck to update the fleet. Additionally, Unit #109 is being used as the spare VacCon. It was purchased in November of 2012 at a price of \$320,228.00 and maintenance repair costs to date are \$96,634.00. It has 79,550 miles (12,845 hours) on the vehicle, and more than 8,000 hours on the auxiliary motor. It will be taken out of service and NLRW will auction Unit #109 in accordance with policies and regulations. After further discussion, a motion was made by Ms. Bryant, seconded by Ms. Hollowell, to authorize the staff to purchase a Vactor 2100i Combination Sewer Cleaner truck through Sourcewell for \$502,586.37. The motion carried unanimously.

The Committee then discussed a new policy for public road restoration with the City of North Little Rock, the City of Maumelle, the City of Sherwood, and Pulaski County with regard to pipe bursting projects parallel and under public streets. This new proposal is designed to lessen the negative impact on public streets, whereas there are numerous street cuts on a pipe bursting project. If the public street has been paved within the last seven years, and if a pipe bursting segment involved more than two street cuts per 100 feet, then NLRW will be responsible for repaving the street section for the length of the project. If the pavement for a public street impacted is older than seven years, then NLRW will offer to participate in 50% of the cost to repave the section of the street with the appropriate public entity. If the Public Agency declines participation, NLRW will restore the pavement in full compliance with the Public Entity's Ordinance or adopted specifications for pavement restoration. Upon motion made by Ms. Bryant, seconded by Ms. Hollowell, the Committee unanimously adopted the proposed Public Road Restoration Policy for Pipe Bursting Projects Under Pavement and authorize Director Clayton to develop administrative procedures with the Cities or County for funding street restoration.

A motion was then made by Ms. Bryant, seconded by Ms. Hollowell, to excuse the absence of Mr. Nelson and Mr. Stephens from the meeting. The motion carried unanimously.

Director Clayton then called to the attention of the Committee, the Director's Highlights attached to the agenda dated April 7, 2023 specifically noting the

meeting with Arkansas Natural Resources Department to discuss funding options and mechanism to encourage consolidation of sewer facilities. The Arkansas Natural Resources Department emphasized that regionalism is a high priority, and they presented options to work with the Gravel Ridge and Runyan Sewer Improvement Districts.

Also, the Burns Park pump station was wiped out as Burns Park was one of the hardest hit areas during the recent tornado.

There being no further action to come before the Committee, a motion was made by Ms. Bryant to adjourn the meeting. The motion carried unanimously, and the meeting was adjourned at approximately 1:37 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



~~VICE-CHAIRMAN/SECRETARY~~

