

NORTH LITTLE ROCK WASTEWATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, FEBRUARY 12, 2019

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, February 12, 2019 at the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:14 p.m. Those in attendance at the meeting were Mr. K.W. Matthews, Mr. Sylvester Smith, Mr. Ed Nelson, Ms. Karen Bryant and Mr. Jay Carman, and in addition, Mr. Jack Stowe, representative from the City of Maumelle. Also in attendance were Mr. Marc Wilkins, Director, Ms. Gina Briley, Mr. Charles Frost, Mr. Ronnie Thompson, Mr. Michael Clayton, Mr. Lyle Leubner, Mr. Richard Penn with the City of Sherwood, Permits & Planning Department, Mr. Clark McGlothlin and Mr. Matt Gray with CBM Construction Co., Inc., Mr. Bill Halter, CEO of Scenic Hill Solar, Mr. Mark Halter with Hilburn, Calhoon, Harper, Pruniski & Calhoun, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its January 11, 2019 meeting. There being no questions or comments, a motion was made by Mr. Nelson, seconded by Mr. Smith, to approve the minutes of the January 11, 2019 meeting. The motion carried unanimously.

Mr. Wilkins then addressed action taken at the Special Call meeting on November 6, 2018. He stated that the Committee declared an emergency and authorized the staff to retain the services of CBM Construction Co., Inc. and Taggart/Architects for replacement of the fire damaged buildings at the Faulkner Lake WRF. The staff has been engaged with CBM Construction Co., Inc. and Taggart/Architects with the damage assessment and preliminary planning for the work. Taggart/Architects are currently under contract for architectural services for the collections systems offices addition (the building suffering smoke damage), and the staff would like to consider combining the collections systems building addition project with the modifications to the VacCon/TV bays project to expedite the work, to minimize disruption, and to take advantage of any economies of scale. The Committee further discussed that the remediation of the fire and smoke damage to the building has caused extensive disruption to the department including relocation of personnel and that construction of the needed addition to the building will continue to cause such disruption. The Committee noted that in order to minimize the disruption so that the Utility can continue to perform its work in a timely

manner and respond to the request and needs of the community it serves, it is imperative that the work be completed as quickly as possible. Mr. Smith then stated that the Committee should declare an emergency so that requests for proposals can be waived and work can begin on the addition as soon as possible. After further discussion, a motion was made by Mr. Smith, seconded by Mr. Nelson, to declare this project an emergency. The motion carried unanimously.

Based on its previous motion, the staff recommends entering into a construction management contract with CBM Construction Co., Inc. for modifications to the VacCon/TV bays and to include the collections systems building addition. Mr. Smith stated that due to his relationship with Mr. Clark McGlothlin and CBM Construction Co., Inc. he would recuse from any vote on this matter. A motion was made by Mr. Nelson, seconded by Mr. Carman, to authorize the staff to enter into a construction management contract with CBM Construction Co., Inc. for modifications to the VacCon/TV bays and to include the collections systems building addition. The motion carried unanimously with Mr. Smith recusing.

Further, Mr. Mark Halter, informed the Committee that since the Hilburn Law Firm represents the Utility as well as CBM Construction Co., Inc., the parties would have to waive the Hilburn Law Firm's conflict. A motion was then made by Mr. Nelson, seconded by Ms. Bryant, to waive the Hilburn Law Firm's conflict. The motion carried unanimously.

The Committee then reviewed the cash disbursements for the month of January 2019. There being no questions or comments, a motion was made by Mr. Smith, seconded by Mr. Carman, to approve the cash disbursements for January 2019 reflecting total cash disbursements of \$3,819,812.14 and fund transfers between accounts of \$3,131,266.67. The motion carried unanimously.

Upon motion made by Ms. Bryant, seconded by Mr. Nelson, the Committee unanimously approved the Financial Statement for January 2019. Mr. Wilkins noted that a rate increase went into effect on February 1, 2019.

Mr. Wilkins then advised the Committee that the annual dues payment for membership to the Pulaski Area Geographic Information System (PAGIS) is due. The amount is \$39,705.00 and has been the same for the last eight (8) years. This item is included in the 2019 budget for \$40,000.00. A motion was then made by Ms. Bryant, seconded by Mr. Nelson, to authorize the annual dues payment to PAGIS in the amount of \$39,705.00. The motion carried unanimously.

The Committee then discussed the system control and data acquisition (SCADA) upgrade. SCADA systems use cellular service to transmit data and

commands between the operation staff and remote equipment. In its simplest form, SCADA will send a failure alarm notice to designated staff. More advanced SCADA features can allow an operator to trouble shoot the cause of a failure and even to operate equipped facilities from a remote location. North Little Rock Wastewater currently has alarm monitoring capabilities at 66 pump stations which were designed to operate on a 3g network. Telecommunication companies are in the process of upgrading their networks to 5g capabilities and will no longer support communications equipment with 3g capability. This will require all 66 pump stations SCADA units to be upgraded or replaced. The staff has compared the costs to upgrade the existing "Omni" units with costs to replace the units with components that communicate with the "Ignition" SCADA software which is currently being used at the water reclamation facilities. The total cost for replacement of all 66 units is \$36,000.00 and the annual cost for data communication is \$9,504.00 per year. This item is included in the 2019 budget in the amount of \$80,000.00. After further discussion, a motion was made by Mr. Nelson, seconded by Mr. Smith, to authorize the staff to replace the 66 existing SCADA units at a cost of \$36,600.00 for equipment and an annual data communication cost of \$9,504.00 per year. The motion carried unanimously.

Chairman Matthews then advised that the staff has met with representatives from two energy services companies (ESCOs) involved in the installation of solar power generation arrays through the "Energy Performance Contracting (EPC)" project delivery method. EPC is a financing mechanism used to pay for energy efficiency improvements all at once that are then paid back through the energy savings. The Arkansas EPC program was made available to municipal utilities in 2015. North Little Rock Wastewater spends approximately \$900,000.00 annually for electricity and has 91 electric accounts. 63 accounts are with Entergy, 27 accounts are with North Little Rock Electric and 1 account is with First Electric. North Little Rock Wastewater also has land available at the Five Mile Creek WRF which is suitable for a solar array sizeable enough to offset all of the electric power costs from Entergy. Preliminary assessments indicate that North Little Rock Wastewater could realize significant savings in energy charges with an EPC project that pays for itself 100% using money that is already in the budget. After further discussion, and comments presented by Mr. Bill Halter, a motion was made by Mr. Smith, seconded by Mr. Carman, to see what the Utility's options are and to further schedule presentations from energy services companies at the March 12th Committee 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 12:52 p.m.

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read "K. W. Matthews", written in a cursive style.

K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,

A handwritten signature in blue ink, appearing to read "Sylvester Smith", written in a cursive style.

SYLVESTER SMITH,
VICE-CHAIRMAN/SECRETARY