

**NORTH LITTLE ROCK
WASTE WATER TREATMENT COMMITTEE**

MINUTES OF A MEETING HELD TUESDAY, MARCH 10, 2009

A meeting of the North Little Rock Waste Water Treatment Committee was held on Tuesday, March 10, 2009 at the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:10 p.m. Those in attendance at the meeting were: Mr. KW. Matthews, Mr. Ed Nelson, Ms. Patti Julian, Mr. Jim Glover and Mr. Clark McGlothlin. Also in attendance were Mr. Gary Mills, Director, Mr. Marc Wilkins, Assistant Director, Mr. Ric Roll, Mr. Bill Staggs, Mr. Vince Hotho with Garver Engineers, LLC, Mr. Mark Halter with Hilburn, Calhoun, Harper, Pruniski & Calhoun, Ltd., and Dawn Harmon.

The Committee first reviewed the minutes of its February 10, 2009 meeting. A motion was made by Mr. McGlothlin, seconded by Mr. Nelson, to approve the minutes of its February 10, 2009 meeting as submitted. The motion carried unanimously.

The Committee then reviewed the voucher disbursements for February 2009. After a brief discussion, a motion was made by Ms. Julian, seconded by Mr. Nelson, to approve the voucher disbursements for February 2009 reflecting total cash disbursements of \$1,040,685.82 and fund transfers of \$999,643.50. The motion carried unanimously.

Upon a motion made by Mr. Nelson, seconded by Mr. McGlothlin, the Committee unanimously approved the Financial Statement for February 2009 as submitted.

Next, the Committee discussed the auxiliary generators for the Faulkner Lake Sewer Treatment Plant. Mr. Mills and Mr. Wilkins stated that the bids for the generators and transfer switches have been received and a copy of the bid tabulation was attached to the agenda for review. Schedule 1 is a bid for stationary diesel fueled generators at the Faulkner Lake Sewer Treatment Plant. Schedule 2 is an alternative bid for stationary propane fueled generators at the Faulkner Lake Sewer Treatment Plant. Schedule 3 is a bid for a trailer mounted diesel generator to be used at six (6) of the larger pump stations. The engineer's recommendation is as follows: "In our research and through the bid process we found that diesel generators in the size range for this project are common throughout the water and wastewater industries but propane fueled generators for any application are very uncommon to the point of being almost unavailable and expensive. Therefore we recommend that Schedule 1, diesel fueled generators, and Schedule 3 be considered." Mr. Wilkins added that this project is included in the current \$14,000,000 revolving loan fund loan and was projected to cost \$450,000.00. After further discussion, a motion was made by Ms. Julian, seconded by Mr. Nelson, to authorize the staff to issue a notice of award and enter into a contract

with the low bidder, Lock-Wood Electric, Inc. of Conway, Arkansas, in the amount of \$288,065.00 for Schedule 1 and \$39,000.00 for Schedule 3 contingent upon receipt of authorization from the Arkansas Natural Resources Commission. The motion carried unanimously.

The Commission then discussed a request made by the Plant Maintenance Department for a new pickup truck. The pump crew drives approximately 100+ miles per day, seven days per week, and their current vehicle has recorded 116,314 miles. Vehicle unit #85 will be used to replace the parts truck (vehicle unit #63) which has recorded 227,490 miles. Vehicle unit #63 will be relegated to the City auction. The State Contract price is \$13,417.00 for a full size one-half ton pickup truck, 8-cylinder. The 2009 budget includes \$15,000 for this purchase. A motion was made by Mr. Glover, seconded by Ms. Julian, to authorize the purchase of a replacement vehicle for the Plant Maintenance Department at the State Contract price of \$13,417.00. The motion carried unanimously.

Next, the Commission discussed the Rixey User Fee Recalculation issue. Mr. Wilkins stated that the financing of the Rixey Sewer Improvement District (SID) included a \$205,000.00 bond issue entitled "City of North Little Rock, Arkansas 2001 Sewer Bond Fund (Rixey Project)." To repay the bonds, an assessment was put on the SID customer's monthly bills. The current rate ordinance sets the assessment amounts at \$4.50 for residential customers and \$15.00 for commercial users. These amounts were based on a projection of 333 SID customers. To date only 163 residential and 7 commercial users are connected to the system and the monthly collections for all SID customers is \$621.50 less than the minimum amount needed to pay the principal and interest. It was noted that the deficit in payments to date had been satisfied by a grant. The Commission ~~furthered its discussion as to~~ continued to discuss the recalculation of the rates and Mr. Wilkins informed the Commission that he had run preliminary numbers. After further discussion, a motion was made by Mr. McGlothlin, seconded by Ms. Julian, to authorize the staff to utilize the services of EGP, LLC and the Hilburn Law Firm to determine the appropriate monthly assessment to be collected and to put before the North Little Rock City Council an amendment to Rate Ordinance No. 8003 to reflect the adjusted amounts. The motion carried unanimously.

Mr. Mills then updated the Commission on the possible merger with Sherwood. He advised the Committee that he had met with the representatives of Sherwood and a few of their Commissioners were still reluctant to agree to the merger. However, both the Mayor of Sherwood and Mayor Hays jointly requested that UALR conduct a study on the merger of the two utilities. Further, Mr. Halter advised the Commission that the bill had been filed with the legislature, Senate Bill 912, which would facilitate the merger of the utilities.

Next, Mr. Mills informed the Commission that the bids had been received for the replacement of the baffle curtains at the Five Mile Creek Sewer Treatment Plant. A copy of the bid tabulation is attached to the minutes and incorporated herein by reference. The lowest bid received came in higher than the budgeted amount. After a

review of the bids. a motion was made by Mr. Glover, seconded by Ms. Julian, to award the contract for replacement of the baffle curtains to Environmental Process Systems out of Conway, Arkansas in the amount of \$75,620.00. The motion carried unanimously.

There being no further action to come before the Committee, a motion was made by Mr. McGlothlin to adjourn the meeting. The motion carried unanimously and the meeting was adjourned at approximately 12:48 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



PATTI JULIAN, SECRETARY