

NORTH LITTLE ROCK
WASTE WATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, NOVEMBER 17, 2009

A meeting of the North Little Rock Waste Water Treatment Committee was held on Tuesday, November 17, 2009 at the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12: 17 p.m. Those in attendance at the meeting were: Mr. K.W. Matthews, Ms. Patti Julian and Mr. Ed Nelson. Also in attendance were Mr. Gary Mills, Director, Mr. Marc Wilkins, Assistant Director, Ms. Gina Briley, Mr. Ric Roll, Mr. Bill Staggs, Mr. Vince Hotho with Garver Engineers, LLC, Mr. Bruce Engstrom and Ms. Zheng-Yu Lee with EGP, PLLC, Mr. Mark Halter with Hilburn, Calhoun, Harper, Pruniski & Calhoun, Ltd., and Dawn Harmon.

The Committee first reviewed the minutes of its October 20, 2009 meeting. A motion was made by Mr. Nelson, seconded by Ms. Julian, to approve the minutes of its October 20, 2009 meeting as submitted. The motion carried unanimously.

The Committee then reviewed the voucher disbursements for October 2009. After a brief discussion regarding check number 22205 in the sum of \$38,936.61 for the payment of a variable frequency drive replacement for the Faulkner Lake Main Pump Station, a motion was made by Ms. Julian, seconded by Mr. Nelson, to approve the voucher disbursements for October 2009 reflecting total cash disbursements of \$2,049,017.07 and transfers between accounts of \$796,566.67. The motion carried unanimously.

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

Mr. Mills then informed the Committee that the Utility had received the invoice from the Municipal League Worker's Compensation Trust for the Worker's Compensation Insurance premium for 2010 in the amount of \$30,570.01. The amount paid for the 2009 premium was \$40,437.83, a difference of \$9,867.12. Ms. Briley stated that the reason for the reduction in cost includes a volume discount due to fewer claims and a reduced loss. This payment will be due January 31, 2010 and will be budgeted for in the 2010 Budget. A motion was then made by Ms. Julian, seconded by Mr. Nelson, to authorize payment of the Worker's Compensation Insurance to the Municipal League in the amount of \$30,570.01. The motion carried unanimously.

Next, Mr. Nelson updated the Committee on the meeting held by the Retirement Committee with the actuary on November 16, 2009. He stated that this was the first time the plan has not been fully funded. As of June 30, 2009, the accrued value of the plan is \$6,203,221 and the current value of the plan is \$5,651,069. That equates to a

decrease of 17% for the plan year and a 35% decrease over the past two years. The Retirement Committee recommends making a contribution to the plan in the sum of \$488,375.00. Even with this contribution, the fund will still be short \$300,000 to \$400,000. During discussions, Ms. Briley informed the Committee that since the plan is not fully funded, it will have to be shown as a liability on the income statement. Additionally, Ms. Briley advised the Committee that \$335,000.00 was budgeted for the 2009 contribution to the pension plan. After further discussion, a motion was made by Ms. Julian, seconded by Mr. Nelson, based on the recommendation of the Retirement Committee, to authorize the Utility to make a contribution to the pension fund in the sum of \$488,375.00 on December 1, 2009. The motion carried unanimously.

Mr. Roll then explained to the Committee that the laboratory building is in need of interior painting of walls, replacement of ceiling tiles and air duct cleaning. The interior walls have not been painted since 1996 and the ceiling tiles have warped due to excessive moisture problems the Utility experienced several years ago. The air duct cleaning is necessary to ensure clean air circulation throughout the building. A motion was made by Mr. Nelson, seconded by Ms. Julian, to authorize the staff to advertise for bids and accept the low bid for this maintenance not to exceed the budgeted amount of \$28,000.00. The motion carried unanimously.

Next, the meeting was turned over to Mr. Bruce Engstrom and Ms. Zheng-Yu Lee. Mr. Engstrom reminded the Committee that at its October meeting they had been asked to gather additional data in order to make salary comparisons. Mr. Engstrom stated that even with the additional information, there were still too many differences between the Utilities to make an exact determination. However, he informed the Committee that he thought the Utility salaries were in line based on CPI and current economic trends with a few exceptions. Chairman Matthews stated that he thought there needed to be a review of certain individuals which would be further reviewed by the salary committee. Therefore, no formal action was taken.

Preliminary draft copies of the 2010 budget were handed out to the Committee members in attendance.

A motion was then made by Ms. Julian, seconded by Mr. Nelson, to excuse the absence of Mr. McGlothin and Mr. Smith from the November meeting. The motion carried unanimously.

There being no further action to come before the Committee, a motion was made by Ms. Julian to adjourn the meeting. The motion carried unanimously and the meeting was adjourned at approximately 1:07 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



PATTI JULIAN, SECRETARY