

NORTH LITTLE ROCK
WASTE WATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, DECEMBER 14, 2010

A meeting of the North Little Rock Waste Water Treatment Committee was held on Tuesday, December 14, 2010 at the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12: 11 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. Byron Hicks with McClelland Consulting Engineers, Inc., Mr. Mark Halter with Hilburn, Calhoun, Harper, Pruniski & Calhoun, Ltd., and Dawn Harmon.

First, the Committee reviewed the minutes of its November 9, 2010 meeting. A motion was made by Ms. Julian, seconded by Mr. Nelson, to approve the minutes of its November 9, 2010 meeting as submitted. The motion carried unanimously.

The Committee then reviewed the voucher disbursements for November 2010. After a brief discussion, a motion was made by Ms. Julian, seconded by Mr. Nelson, to approve the voucher disbursements for November 2010 reflecting total cash disbursements of \$1,494,782.52 and transfers between accounts of \$683,766.67. The motion carried unanimously.

Upon motion made by Mr. Nelson and seconded by Ms. Julian, the Committee unanimously approved the Financial Statement for November 2010.

Mr. Mills and Mr. Wilkins then explained to the Committee that the existing aeration diffusers are of the older technology, ceramic type. As with any type of diffuser, fouling is an issue that has to be addressed. Cleaning the existing diffusers is quite costly and requires dosing the diffuser grid with hydrogen chloride gas. The annual cost to clean the diffusers is \$10,000.00. The staff has investigated the feasibility of diffuser replacement with PTFE Membrane Diffusers. These diffusers are Teflon coated to resist fouling and maintain efficiency. Cleaning is as simple as increasing air flow to "flex" the membranes and blowout debris. The more extensive cleaning can be done by draining the tank and "hosing" off the diffusers. The life expectancy of the membrane diffusers is approximately 10 to 15 years and the diffusers should pay for themselves within about 6 years. The estimated cost of the diffusers is \$42,000.00 using staff labor to install them. After discussion, a motion was made by Mr. Nelson, seconded by Ms. Julian to authorize receipt of the bids and purchase of retrofit 9" PTFE Membrane Diffusers, not to exceed the budgeted amount of \$50,000.00. The motion carried unanimously.

Mr. Mills then explained to the Committee that the 2010 budget included \$50,000.00 for administrative salary adjustments at the discretion of the Director of which none were made. Therefore, he stated that the staff requests consideration of a one percent (1%) bonus to employees with a minimum of \$250 and a maximum of \$750 to be paid out during the last pay period in December. The total of said bonuses is projected to be \$32,056.00. A motion was then made by Mr. Nelson, seconded by Ms. Julian, to authorize a one percent (1%) employee compensation bonus with a minimum of \$250 and a maximum of \$750. The motion carried unanimously.

Next, the Committee continued its review of the preliminary draft of the 2011 budget. During discussion, it was noted that the budget includes a one percent (1%) incremental salary raise for Utility employees, the CAO fine was adjusted for payout for a two-year period and the \$800,000 payment to the City for its contribution to the Caterpillar Plant was deleted entirely. Upon further review and discussion, a motion was made by Ms. Julian, seconded by Mr. Nelson, to approve the 2011 budget as presented. The motion carried unanimously.

Mr. Mills then informed the Committee that the Utility had received an invoice from the Municipal League Workers' Compensation Trust for Worker's Compensation Insurance for 2011 in the amount of \$53,240.06. It was noted that the amount paid in 2009 was \$40,437.83 and the amount paid in 2010 was \$30,570.00. The reasons for the variations in cost include: a volume discount due to fewer claims and a reduced loss ratio in 2009; and a large claim which exceeded the payment amount in 2010. The payment is due January 31, 2011 and is included in the 2011 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 \$53,240.06. The motion carried unanimously.

Next, the Committee reviewed the invoice received from APERMA for Property and Liability Coverage in the amount of \$95,991.00. The amount paid last year for said insurance was \$93,400.00. A motion was made by Mr. Nelson, seconded by Ms. Julian, to authorize payment to APERMA for Property and Liability Coverage in the amount of \$95,991.00. The motion carried unanimously.

The staff then asked the Committee for authorization to enter into the Consent Administrative Order Agreement with the Arkansas Department of Environmental Quality. After discussion, the Committee acknowledged that it had already given its authorization at the November 2010 meeting and desired to reaffirm that authorization. Therefore, a motion was made by Mr. Nelson, seconded by Ms. Julian, to reaffirm its authorization as previously proposed at the November 2010 meeting. The motion carried unanimously.

A motion was then made by Mr. Nelson, seconded by Ms. Julian, to excuse the absence of Mr. McGlothlin and Mr. Smith from the 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 :00 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



PATTI JULIAN, SECRETARY