

NORTH LITTLE ROCK
WASTE WATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, AUGUST 9, 2011

A meeting of the North Little Rock Waste Water Treatment Committee was held on Tuesday, August 9, 2011 at the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Secretary Julian at approximately 12: 15 p.m. Those in attendance at the meeting were: Ms. Patti Julian, Mr. Ed Nelson and Mr. Clark McGlothlin. Also in attendance were Mr. Gary Mills, Director, Mr. Marc Wilkins, Assistant Director, Mr. Bill Staggs, Ms. Gina Briley, Mr. Bruce Engstrom with EGP, LLC, Mr. Craig Johnson with CDM, Inc., Mr. Dan Jackson with Economists.com, 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.

The Committee reviewed the minutes of its July 12, 2011 meeting. A motion was made by Mr. McGlothlin, seconded by Mr. Nelson, to approve the minutes of its July 12, 2011 meeting as submitted. The motion carried unanimously.

Next, the Committee reviewed the voucher disbursements for July 2011. After a brief discussion, a motion was made by Mr. Nelson, seconded by Mr. McGlothlin, to approve the voucher disbursements for July 2011 reflecting total cash disbursements of \$1,213,661.56 and transfers between accounts of \$1,036,266.67. The motion carried unanimously.

Upon motion made by Mr. Nelson, seconded by Mr. McGlothlin, the Committee unanimously approved the Financial Statement for July 2011.

Mr. Wilkins then informed the Committee that the staff has been working with Mr. Craig Johnson of CDM to finalize the Capital Improvement Plan (CIP), and Mr. Johnson was present at the meeting to present the revised plan. Mr. Johnson went over the revisions with the Committee and the two major differences in the CIP from April to August are: (1) 12~year plan to a 20~year plan; and (2) the dollar difference in the August CIP from the previous draft is \$145,803,300.00 less. Mr. Wilkins then added that the Consent Administrative Order requires the completed Masterplan be submitted to ADEQ by August 10, 2011. The Utility has requested and been granted an extension to August 17, 2011 to incorporate any comments from the Committee on the revised CIP. After discussion, a motion was made by Mr. Nelson, seconded by Mr. McGlothlin, to accept the revised Capital Improvement Plan as part of the overall Masterplan and authorize its distribution to ADEQ, UALR and the City of Sherwood. The motion carried unanimously. It was noted that except for the submittal to ADEQ, there should be some type of notation that the Masterplan is still subject to further revisions since ADEQ may require changes.

Next, Mr. Dan Jackson with Economists.com presented the Committee with the

preliminary findings and recommendations of the 2011 Wastewater Rate Study and Long Term Financial Plan. Mr. Jackson stated that the Utility is somewhat lower than the state median with the rates it currently charges. He emphasized that the Utility has done an outstanding job at keeping expenses at a minimum and the increase is needed mainly to keep up with the improvements set out in the Consent Order imposed by ADEQ/EPA along with the Capital Improvement Plan. Based on the analysis the proposed rates would be as follows:

<i>Effective:</i>	<u>07/2012</u>	<u>10/2013</u>	<u>10/2014</u>	<u>10/2015</u>	<u>10/2016</u>
Base Chg _1 st 4-ccf	\$12.96	\$13.72	\$14.56	\$15.28	\$16.04
Volume Chg - Per ccf	3.24	3.43	3.64	3.82	4.01

A copy of the North Little Rock Wastewater Utility 2011 Wastewater Rate Study and Long Term Financial Plan is attached to these minutes. After a lengthy discussion, a motion was made by Mr. McGlothlin, seconded by Mr. Nelson to table a decision on the rate increase until next month to give the Utility a chance to get feedback from ADEQ with regard to the scope of work set out in the Capital Improvement Plan. The motion carried unanimously. Additionally, the Committee authorized Mr. Wilkins to prepare bids for an engineering firm for the facility plan.

The next two items on the agenda were the Resolution Establishing Officers, Setting Elections and for Other Purposes and the proposed Gift Policy. A motion was made by Mr. McGlothlin, seconded by Mr. Nelson to table these items until such time as the full Committee was present. The motion carried unanimously.

A motion was then made by Mr. Nelson, seconded by Mr. McGlothlin, to excuse the absence of Mr. Matthews 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 Mr. McGlothlin to adjourn the meeting. The motion carried unanimously and the

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



PATTI JULIAN, SECRETARY



meeting was adjourned at approximately 2:45 p.m.