

NORTH LITTLE ROCK WASTEWATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, JUNE 8, 2021

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, June 8, 2021 at the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:15 p.m. The roll was called and all committee members were present. Those in attendance at the meeting were Mr. K.W. Matthews, Mr. Sylvester Smith (participating *via conference call*), Mr. Ed Nelson, Ms. Karen Bryant and Mr. Gabe Stephens. Also in attendance were Mr. Michael Clayton, Director, Ms. Gina Briley, Mr. Tim Peterie with Insituform Technologies, LLC, Mr. Sam Hilburn and Mr. Scott Hilburn with Hilburn & Harper, Ltd. and Dawn Harmon.

The Committee reviewed the minutes of its May 11, 2021 meeting. After review, a motion was made by Mr. Stephens, seconded by Mr. Nelson, to approve the May 11, 2021 Minutes. The motion carried unanimously.

Next, the Committee reviewed the cash disbursements for the month of May 2021. During review, Mr. Nelson asked a question regarding the attached chart for the Maumelle Treatment Plant Projected Sludge Disposal Costs. Director Clayton explained to the Committee that the Utility, due to the rising costs of transporting sludge, is looking into hauling the sludge to the White Oak site and an alternate transporter that will haul the sludge in a tanker type truck. With these new options, the Utility could realize savings of approximately \$287,000 over the next 24 months. After further discussion, a motion was made by Mr. Nelson, seconded by Mr. Stephens, to approve the cash disbursements for May 2021 reflecting total cash disbursements of \$1,973,333.70 and fund transfers between accounts of \$1,482,200.00. The motion carried unanimously.

Upon motion made by Mr. Nelson, seconded by Ms. Bryant, the Committee unanimously approved the Financial Statement for May 2021. Once again, Mr. Nelson noted that the Utility's revenues are still ahead of last year with costs being maintained.

Director Clayton informed the Committee that bids for the Rose City and Military Drive Basins CIPP 2021 Rehabilitation project were received on Thursday,

April 29, 2021 at 1:30 p.m. This project includes the internal lining of approximately 27,285 linear feet of 6", 8" and 10" gravity sewer mains. The low bid was submitted by Suncoast Infrastructure, Inc. in the amount of \$1,020,400.00. A copy of the Bid Tabulation was attached to the Agenda for review. The second low bid, Insituform Technologies, LLC submitted a bid of \$1,137,695.28 which was \$117,295.28 higher but meets all the Contract Manual requirements. Upon further review of the Suncoast Infrastructure, Inc.'s qualifications for the project, staff determined the low bidder did not meet all of the qualification requirements in the Contract Manual. In the Contract Manual, or referred to as the "specifications," a requirement was put in place for the Contractor to have installation experience in Arkansas as stated below:

(1) For the bidding company to be considered as a utility proven installer, the company must satisfy all insurance, financial, and bonding requirements of the owner, and must have had at least 5 (five) years active experience in the public sanitary sewer collection systems installation. In addition, the installer must have successfully installed at least 1,000,000 feet of the exact cured-in-place product intended for use on this project in wastewater collection systems in the U.S., with at least 200,000 feet installed in the State of Arkansas within the last 10 years. Acceptable documentation of these minimum installations must be submitted to the owner. Installer's project manager must have a minimum of five (5) years of CIPP installation experience, which a minimum of three (3) years while under the employment of the bidding company.

Suncoast Infrastructure, Inc. has installed 67,243 LF in the last 10 years and 152,147 LF in the last 20 years in the State of Arkansas.

Another requirement placed in the specifications was the ISO 9000 Certification requirement for the installer and the manufacturing facilities in the liners to be used in the Cured In-Place Pipe (CIPP) and for the installation of the CIPP. The ISO 9000 family of quality management systems is a set of standards that helps organizations ensure they meet customer and other stakeholder needs within statutory and regulatory requirements related to a product of service. Below is what was in the specifications regarding the ISO 9000:

(1) Both the rehabilitation manufacturing and installation processes shall operate under a quality management system which is third-party certified to ISO 9000. Proof of certification shall be required for approval.

Suncoast Infrastructure, Inc. does possess an ISO 9001 Certification of their manufacturing process, however, they do not possess an ISO 9000 Certification of the installation process of the liners.

So, if the Committee believes it is in the best interest of the Utility to proceed with the low bidder, Suncoast Infrastructure, Inc., a formal waiver of the two specification requirements (the minimum installation history in Arkansas within the last 10 years, and ISO 9000 certification for the installation of the liners) will be required as part of the acceptance of the low bid.

Director Clayton further advised the Committee that Insituform Technologies, LLC has filed a protest. At this time, Mr. Smith stated that the Utility has no policy or procedure for protest and there is no privilege or authority. He further stated that the letter of protest was not even signed by a representative of Insituform Technologies, LLC. Mr. Tim Peterie with Insituform Technologies, LLC was present at the meeting to state why his company believes Insituform Technologies, LLC should be awarded the contract. After further discussion a motion was made by Mr. Smith to authorize the staff to award the contract for the Rose City and Military Drive Basins CIPP 2021 Rehabilitation Project to Suncoast Infrastructure, Inc., in the amount of \$1,020,400.00 as the lowest responsive bidder with waivers of the bid qualification as noted by the staff. The motion failed for lack of a second.

A motion was then made by Mr. Nelson, seconded by Mr. Stephens, to reject both bids as non-responsive and authorize the Utility to rebid the project. The motion carried unanimously.

Mr. Clayton then informed the Committee that the Maumelle Plant effluent pump station has two Hydromatic brand pumps, a 100-HP for typical daily flows and a 150-HP for wet weather rain event flows. Due to a flaw in the wetwell configuration design, the 150-HP pump has failed numerous times. For this reason, a spare pump is maintained. Without a spare pump, a diesel-powered rental pump must be brought in to ensure adequate capacity for rainfall events. With fuel and rental fees, a typical cost the Utility absorbs during one of these failures is approximately \$25,000 - \$31,000. The spare pump is currently in service, but staff lacks confidence that it will last until the plant is decommissioned. The failed 150-HP pump was taken to a local shop for repairs, but the cost was 70% of a new unit. Due to the emergency situation of having a spare pump ready at all times, Director Clayton received authorization from Chairman Matthews to order the spare pump. Therefore, a motion was made by Mr. Nelson, seconded by Ms. Bryant, to ratify the

action of Chairman Matthews and authorize the staff to purchase the 150-HP Hydromatic pump from Instrument and Supply in the amount of \$36,745.00. The motion carried unanimously.

Mr. Clayton advised that the pump maintenance staff maintains and uses a one-ton truck equipped with a flatbed, boom and winch as a wrecker. This is used three to five times weekly to pull pumps and other equipment at lift stations and treatment plants. Due to the number of lift stations obtained in the Maumelle system acquisition, use of the wrecker has significantly increased. There are more than 150 pumps within the collection system which require the use of the wrecker truck for removal and installation. The existing wrecker is still in serviceable condition, but it is a 2005 model with 72,000 plus city driving miles. To provide redundancy of this critical maintenance and SSO prevention tool, the staff recommends purchasing a new one-ton truck without the bed from the state bid list and a flatbed from a local dealer. A summary of the recommended purchase is set out below:

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| • State Bid Item #23 - one-ton regular cab Ram less bed | \$25,559. |
| Heavy Duty Alternator Option | \$ 227. |
| Electronic Brake Controller Option | \$ 368. |
| • 9'-6" long by 94" wide flatbed (3 quotes) | |
| Dealers Truck Equipment | \$ 3,625. |
| P&P Trailer Sales | \$ 3,650. |
| Nationwide Trailers of Cabot | \$ 3,700. |
| Grand Total | \$29,779. |

This item is included in the 2021 budget in the amount of \$41,500.00. After discussion, a motion was made by Mr. Nelson, seconded by Mr. Stephens, to authorize the staff to purchase a one-ton Ram truck with proposed options using the state bid list and purchase a flatbed from Dealers Truck Equipment. The motion carried unanimously.

Mr. Clayton then announced that the ribbon cutting ceremony for the new solar system project has been scheduled for June 22, 2021 beginning at 10:00 a.m.

Mr. Smith instructed Director Clayton to issue a letter to all parties that the procurement has been cancelled with regard to the Rose City and Military Drive Basins CIPP Project.

Mr. Clayton then updated the Commission on the Service Line Incentive Program ("SLIP") which he introduced at last month's meeting. He advised they

are putting the final touches on the proposal which will be ready for presentation at the July Committee meeting.

In connection with the Little Rock Reclamation Agreement, they are requesting use of the Utility's permitted site ("Dougan Farms") beginning July 1, 2021.

Director Clayton then updated the Committee on the May 27th meeting with Union Pacific Railroad. After a 3-hour meeting, the highlights were:

1. Union Pacific does not want to handle the final treatment for a direct discharge permit. They want NLRW to handle the final treatment under the Utility's permit.
2. Union Pacific has agreed to provide a map of their sewer and storm water connection to sewer facilities within sixty (60) days of a conceptual CAO.
3. The interceptor was not designed to handle drainage or storm water even if it is classified as contaminated water to be treated as industrial wastewater.
4. The Utility's gravity sewer system is stressed and taxed to the hydraulic limit during rainfall events.
5. The Utility has proposed for Union Pacific to pay a prorated share of the increased capacity for their storm water allocation for about \$750,000.00.
6. If Union Pacific refuses to participate in the costs, a Contact Stormwater surcharge could be added to the monthly bill to recoup the costs over time. If not, then the rate payers will be subsidizing the cost for Union Pacific's benefit. A precedent will be established for the Utility to handle contact stormwater in other industrial customers.
7. Another option would be to put Union Pacific on notice and deny Union Pacific the use of NLRW's permit upon renewal in three years when it expires. It would allow Union Pacific time to build their new treatment facilities in compliance with a direct discharge permit.

There being no further action to come before the Committee, a motion was made by Mr. Nelson to adjourn the meeting. The motion carried unanimously, and the meeting was adjourned at approximately 1:26 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



~~SYLVESTER SMITH,~~ *for S. Smith*
~~VICE-CHAIRMAN/SECRETARY~~

Committee member