

NORTH LITTLE ROCK WASTEWATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, APRIL 12, 2016

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, April 12, 2016 at the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:18 p.m. Those in attendance at the meeting were Mr. K.W. Matthews, Mr. Ed Nelson, Mr. Sylvester Smith, Mr. Clark McGlothlin and Ms. Karen Bryant, and in addition, Mayor Mike Watson from the City of Maumelle, Mr. Jack Stowe, representative from the City of Maumelle and Mr. Scott Greenwood representative from the City of Sherwood. Also in attendance were Mr. Marc Wilkins, Director, Ms. Gina Briley, Mr. Charles Frost, Mr. Ronnie Thompson, Mr. Lyle Leubner, Mr. Michael Clayton, Mr. and Mrs. Steve Stanley, Ms. Lindsey Baker with EGP, PLLC, Mr. Mark Halter with Hilburn, Calhoun, Harper, Pruniski & Calhoun, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its March 8, 2016 meeting. After review, a motion was made by Mr. McGlothlin, seconded by Ms. Bryant, to approve the minutes of the March 8, 2016 meeting as submitted. The motion carried unanimously.

Next, the Committee reviewed the cash disbursements for March 2016. Mr. Nelson questioned check number 38113 payable to Glovers Truck & Trailer Sales in the amount of \$37,500 for the purchase of a used dump truck. Mr. Wilkins explained that the vehicle was purchased for the new repair crew in charge of disconnects. There being no further comments or questions, a motion was made by Mr. Smith, seconded by Mr. Nelson, to approve the cash disbursements for March 2016 reflecting total cash disbursements of \$2,067,815.19 and transfers between accounts of \$1,331,466.67. The motion carried unanimously.

The Committee then reviewed the Financial Statement for March 2016. Mr. Wilkins stated a loss is reflected on the financial statement that is due to the funds spent for repair of the 54" interceptor Faulkner Lake bar screen. After review, a motion was made by Mr. Nelson, seconded by Mr. Smith, to approve the Financial Statement for March 2016. The motion carried unanimously.

Mr. Wilkins then reported to the Committee that on February 24, 2016, a city sewer main stopped up and sewage backed up inside the building located at 3715 John F. Kennedy Boulevard which is currently occupied by the Red Door Gallery. Trouble crews responded to unstop the main and discovered the cause of the stop-up to be grease. Factors contributing to the overflow included:

- Poor main condition (which is not repairable due to the building location within one (1) foot of the main)

- An unsealed floor drain is located inside the building
- No backflow preventer existed on the service line
- A significant rainfall event occurred on February 23 and 24
- Three (3) defects were subsequently found upstream from the property which were taking on infiltration.

The building occupant, Ms. Melody Stanley, has requested reimbursement in the following amounts:

Clean up, renovation and repairs	26,142.67
Damaged items	12,119.00
Lost wages	3,093.38
Lost revenue	16,598.23
	57,953.28

Mr. Wilkins noted that on March 23, 2016, he authorized a payment of \$10,000 to assist with the cleanup charges. Additionally, the Utility also carries an insurance policy to assist with cleanup of private service overflows in the amount of \$5,000. He noted that to date, Ms. Stanley has not accepted the \$5,000 insurance amount. Ms. Stanley also **received \$15,000 from the property owner's insurance carrier.**

Concerning the long term solution to prevent recurrences of the private service overflow:

- The staff are reviewing options to relocate the main to the outside of the building; and
- A letter will be sent to the property owner recommending the installation of a backflow preventer on the private service and that the floor drain be sealed. (Based on the statement of Ms. Stanley, the backflow preventer has been installed).

Ms. Stanley then addressed the Committee stating that her business has been at this same location for thirty-five (35) years and the business had to close for fourteen (14) days due to the sewage that backed up inside the building. She went over her expenses associated with the cleanup and told the Committee she was seeking reimbursement for her expenses and monies she had to take out of her personal savings account. After much discussion, a motion was made by Mr. McGlothlin, seconded by Mr. Smith, to reimburse Ms. Stanley the sum of \$38,261.67, less what has previously been paid **by the Utility. Mr. Nelson then addressed the Committee as to Ms. Stanley's standing in the community and all her civic contributions. After further discussion, a motion was made to amend Mr. McGlothlin's motion to include a provision for lost wages, making the total reimbursement \$41,355.05. The motion carried unanimously.**

EGP, PLLC has completed the audit for the year ended December 31, 2015. Ms. Lindsey Baker was present at the meeting to present the audit findings and answer any **questions. The most notable change in this year's audit is the inclusion of GASB 58 as**

reflected on the Balance Sheet located on page 11 which deals with the pension liabilities. This was another good clean audit which reflects a 1.5 million increase for the year. Again, Ms. Baker thanked Ms. Briley, Mr. Wilkins and members of the staff for their cooperation and good work. After a brief discussion, a motion was made by Mr. Nelson, seconded by Mr. Smith, to approve the 2015 Audit Report and authorize distribution of same. The motion carried unanimously.

Next, Mr. Wilkins advised the Committee that two (2) Andritz belt filter presses at the Faulkner Lake Treatment Plant were installed in 1997 with the Phase I Improvement. Belt press #1 (BP#1) is out of service and needs extensive renovation. The staff received bids to renovate BP#1 and the Tabulation of Bids was reviewed by the Committee. The scope of work includes a new belt, new bull gear, replace all wear parts, replace the bellows, new gear box, new electric motor, new seals and recoat the drive and the tracking rollers. This item is included in the 2016 Budget in the amount of \$200,000. A motion was then made by Mr. Nelson, seconded by Ms. Bryant, to authorize the staff to enter into an agreement with Andritz Separation, Inc. of Arlington, Texas, the low bidder, in the amount of \$188,435 for the Faulkner Lake Plant Belt Press Refurbishment. The motion carried unanimously.

Mr. Wilkins then reported to the Committee another cave-in has occurred in a line segment beneath the water table near 409 Water Street. The segment is approximately 120 LF and is about twelve (12) feet deep. The staff has installed a well and piezometers to depress the groundwater table but has requested outside assistance in making the repair. The cost of this repair may range from \$60,000 to \$100,000. This item is not budgeted for separately but is included in the 2016 Budget item for Emergency Repairs. A motion was then made by Ms. Bryant, seconded by Mr. Smith, to authorize the staff to utilize Diamond Construction, Inc. to assist with the repair near 409 Water Street. The motion carried unanimously.

Also, a cave-in occurred in the backyard of 6600 Farmstead. This repair will include replacement of approximately 60 LF of 6" gravity pipeline, approximately 10 feet in depth and beneath the water table. The staff is coordinating the installation of a dewatering well and is maintaining sewage flow control with frequent rodding. Mr. Wilkins added that the Utility staff intends to complete this repair in-house. No action was requested.

Mr. Wilkins then reviewed with the Committee changes to the 2016 Draft Budget which are as follows:

- The injuries & damages expense on page 3 and page 5 was increased from \$5,000 to \$25,000.
- The emergency repairs on page 3 and page 5 were increased from \$850,000 to \$1,600,000. This adjustment was made to show the repair being made at Faulkner Lake in addition to any other line repairs.
- The manhole crew and the power rodder crew have different labor amounts on page 3 and 4. This change did not affect the total labor

amount. It was just a correction between the number of labor positions on each crew.

- The additional expenses lowered the Utilities budgeted net income.

After a review of the revisions to the revised budget draft, a motion was made by Mr. Smith, seconded by Mr. Nelson, to approve the revisions to the Revised 2016 Budget. The motion carried unanimously.

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 1:08 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,

SYLVESTER SMITH,
VICE-CHAIRMAN/SECRETARY

