

NORTH LITTLE ROCK WASTEWATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, SEPTEMBER 13, 2016

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, September 13, 2016 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. Those in attendance at the meeting were Mr. K.W. Matthews, Mr. Sylvester Smith, Mr. Ed Nelson, Mr. Clark McGlothin and Ms. Karen Bryant, and in addition, Mr. Jack Stowe and Ms. Judy Keller, representatives from the City of Maumelle, Mr. Scott Greenwood representative from the City of Sherwood, Mr. John Todd, a citizen and Mr. Dennis Benson, Wastewater Manager. Also in attendance were Mr. Marc Wilkins, Director, Ms. Gina Briley, Mr. Charles Frost, Mr. Ronnie Thompson, Mr. Michael Clayton and Mr. Lyle Leubner, Mr. Byron Hicks with McClelland Consulting Engineers, Inc., Mr. Mark Halter with Hilburn, Calhoon, Harper, Pruniski & Calhoun, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its August 9, 2016 meeting. After review, a motion was made by Mr. McGlothin, seconded by Ms. Bryant, to approve the minutes of the August 9, 2016 meeting as submitted. The motion carried unanimously.

Next, the Committee reviewed the cash disbursements for August 2016. There being no comments or questions, a motion was made by Mr. Nelson, seconded by Mr. McGlothin, to approve the cash disbursements for August 2016 reflecting total cash disbursements of \$2,365,886.00 and transfers between accounts of \$1,696,936.67. The motion carried unanimously.

Upon motion made by Mr. Smith, seconded by Mr. Nelson, the Committee unanimously approved the Financial Statement for August 2016. Mr. Nelson noted that the last three (3) pages of the Financial Statement sets forth the financial analysis through the year end due to the amount of funds expended on emergency repairs. It was also noted that as a result there will be no unnecessary purchases or non-essential capital expenditures till year end.

Mr. Wilkins then updated the Committee that the staff has prepared bid documents for pipe bursting pipeline rehabilitation in the Baring Cross and Argenta areas based on the 2014 Sewer System Evaluation Survey. The project includes pipe bursting rehabilitation of approximately 46,021 linear feet of 6", 8", 10" and 12" gravity sewer mains. The estimated cost for the project is \$3,518,535.00 which will be funded through the 2012 and 2016 Revolving Loan Fund Loan. After discussion, a motion was made by Mr. McGlothin, seconded by Ms. Bryant, to authorize the staff to advertise for bids for Baring Cross Basin pipe bursting contingent upon receiving authorization from the Arkansas Natural Resources Commission. The motion carried unanimously.

Mr. Wilkins then advised the Committee that the Utility intends to borrow \$30,000,000.00 through the Revolving Loan Fund for system improvements outlined in the 2015 Facility Plan. The Hilburn Law Firm has prepared a Bond Purchase Agreement and a Bond Ordinance with a proposed loan closing date of October 15, 2016. In order to meet publishing requirements thirty (30) days prior to closing, the Bond Purchase Agreement and Bond Ordinance were put before the City Council at the regularly scheduled meeting on September 12, 2016. The vote was 7 - 0 in favor. The terms of the agreement are for a \$30,000,000.00 principal amount with a 1.25% interest rate and a 1.00% financing fee. After further discussion, a motion was made by Mr. Smith, seconded by Mr. McGlothlin, to ratify the Bond Purchase Agreement and Bond Ordinance prepared by the Hilburn Law Firm and put before the City Council on September 12, 2016. The motion carried unanimously.

It was then brought to the Committee's attention that in negotiating with the Arkansas Natural Resources Commission for the terms of the Revolving Loan Fund, Mr. Wilkins brought up the fact that the Utility has put in place "best management practices" for the sustainability of each project. This allowed the Utility to secure an interest rate of 1.25%, 1% lower than normal. Due to the savings on this issue, Chairman Matthews asked the Committee to consider a one time bonus incentive in the sum of \$5,000.00 for Mr. Wilkins to be paid out of the salary account. A motion was then made by Mr. Smith, seconded by Mr. McGlothlin, to pay Mr. Wilkins a one time bonus incentive in the sum of \$5,000.00 for the monies saved on the 2015 Facility Plan. The motion carried unanimously.

There being no further action to come before the Committee, a motion was made by Mr. Smith to adjourn the meeting. The motion carried unanimously, and the meeting was adjourned at approximately 12:35 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



SYLVESTER SMITH,
VICE-CHAIRMAN/SECRETARY