

**NORTH LITTLE ROCK
WASTEWATER TREATMENT COMMITTEE**

MINUTES OF A MEETING HELD TUESDAY, NOVEMBER 12, 2024

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, November 12, 2024, in the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:14 p.m. The roll was called, and all Committee members were present. Those in attendance at the meeting were Chairman Matthews, Mr. Gabe Stephens, Mr. Ed Nelson, Ms. Karen Bryant and Ms. Marie Hollowell. Also in attendance were Mr. Michael Clayton, Director, Ms. Shelley Cline, Director of Finance, Mr. Sam Hilburn and Mr. Scott Hilburn with Hilburn & Harper, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its October 15, 2024, meeting. There being no questions or comments, a motion was made by Mr. Stephens, seconded by Ms. Hollowell, to approve the minutes of the October 15, 2024, meeting as submitted. The motion carried unanimously.

The Committee then reviewed the cash disbursements for October 2024. There being no questions, a motion was made by Mr. Nelson, seconded by Mr. Stephens, to approve the cash disbursements for October 2024 reflecting total cash disbursements of \$2,749,958.22 and fund transfers between accounts of \$1,921,150.00. The motion carried unanimously.

Upon motion made by Mr. Nelson, seconded by Ms. Bryant, the Committee unanimously approved the Financial Report for the month of October 2024.

Mr. Nelson then advised the Committee that the Retirement Committee for the North Little Rock Wastewater's Defined Benefit Pension Plan met on October 9, 2024. The July 1, 2024, actuarial valuation report, provided by Mr. Jody Carreiro of Osborn, Carreiro & Associated, Inc. suggested two contribution amounts. The \$576,796.00 would pay the unfunded actuarial accrued liability in 15 years, and the \$645,499.00 would pay the unfunded actuarial accrued liability in 10 years. The assumed rate of return was 6.5%, so based on the numbers the Utility is approximately 11.8% ahead. The Utility budgeted the amount of \$904,000.00 for the 2024 contribution. Mr. Nelson went on to add that the workforce is maturing and the plan paid out \$1 million last year, which is about \$80,000.00 per month. After further discussion, a motion was made by Ms. Hollowell, seconded by Ms.

Bryant, to authorize a contribution of \$850,000.00 to the North Little Rock Wastewater Utility Defined Benefit Pension Plan. The motion carried unanimously.

The staff advertised and received bids for the Dark Hollow Interceptor CIPP 2024 Rehabilitation Project, Phase II on Tuesday, November 5, 2024, at 1:00 PM. This project includes heavy cleaning and internal lining of approximately 4,667 linear feet of 48" reinforced concrete pipe interceptors. The low bid was submitted by SAK Construction, LLC in the amount of \$3,784,812.00. The staff has verified multiple successful installations similar in size and scope to this project and based on the references being positive, the contractor is well equipped to perform the project. There is \$4,500,000.00 in the 2024 budget for this project, and the funds will come from the revolving loan fund, currently ANRC #14068-CWSRF-L. After discussion, a motion was made by Mr. Stephens, seconded by Mr. Nelson, to authorize the staff to award the contract for the Dark Hollow Interceptor CIPP 2024 Rehabilitation Project, Phase II, to SAK Construction, LLC, in the amount of \$3,784,812.00 subject to approval from NRD. The motion carried unanimously.

The staff also advertised and received bids for the Five Mile Creek Interceptor CIPP 2024 Rehabilitation Project on Tuesday, November 5, 2024, at 1:30 PM. This project includes heavy cleaning and internal lining of approximately 17,212 linear feet of 24" - 26" reinforced concrete pipe interceptors. The low bid was also submitted by SAK Construction, LLC in the amount of \$3,917,844.00. The staff has verified multiple successful installations similar in size and scope to this project and based on the references being positive, the contractor is well equipped to perform the project. There is \$5,500,000.00 in the 2024 budget for this project, and the funds will come from the revolving loan fund, currently ANRC #01068-CWSRF-L. A motion was then made by Stephens, seconded by Ms. Bryant, to authorize the staff to award the contract for the Five Mile Creek Interceptor CIPP 2024 Rehabilitation Project to SAK Construction, LLC in the amount of \$3,917,844.00 subject to approval from NRD. The motion carried unanimously. Director Clayton advised the Committee that this is the third and final project under this loan.

Director Clayton then presented the 2025 "draft" Budget to the Committee for their review. Director Clayton highlighted a few major points and went on to add that the draft budget is in part based on a 6% rate increase going into effect in January 2025 and includes a 3% across the board cost of living increase.

Next, Director Clayton brought the Committee up to date on two (2) legal issues:

1. Pump station at Cypress Crossing. Approximately eighty-eight (88) lots were developed in this subdivision and the property was never

dedicated to the North Little Rock Wastewater. Working on trying to get everything formalized; and

2. Morgan Sewer Improvement District. This SID was developed in the mid 90's. All agreements are in place and the debt has been paid off. Once completed, it was deeded over the Utility; however, the Utility never received a clear deed and now Todd Ashley, a local developer, it trying to make a claim to the SID.

Director Clayton then advised the Committee on two (2) projects involving Horseshoe Construction:

1. Broadway Area Pipe Bursting 2023 Collection System Renewal Project. There was a lien issue that the Utility is in the process of getting cleared up; and
2. Levy/Pershing Area Pipe Bursting 2024 Collection System Renewal Project. The work on this project has not started and is supposed to be completed in August 2025.

Director Clayton stated he would keep the Committee members fully advised on these projects.

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 1:14 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



**GABE STEPHENS, VICE-CHAIRMAN/
SECRETARY**