

NORTH LITTLE ROCK WASTEWATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, AUGUST 13, 2024

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, August 13, 2024, in 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. Those in attendance at the meeting were Chairman Matthews, Mr. Gabe Stephens, Ms. Karen Bryant and Ms. Marie Hollowell. Also in attendance were Mr. Michael Clayton, Director, Ms. Alice Fulk, Human Resources Director, Ms. Shelley Cline, Director of Finance, and Mr. Scott Hilburn with Hilburn & Harper, Ltd., Ms. Lindsey Baker of EGP, PLLC, and Marolyn Dorman.

Chairman Matthews moved Agenda Item (5), *2023 Audit Report* to be the first item addressed on the agenda for Ms. Baker to be able to give her report and be free to leave the meeting. The significant finding required to be reported by Government Auditing Standards related to a change in key personnel which resulted in the internal control procedures for reconciliation of account balances not being maintained subsequent to that personnel change. Management responded by hiring a consultant to reconcile and adjust balances as of December 31, 2023, and additionally hired a new Director of Finance. Ms. Baker stated these actions provide the auditors with a belief in good order going forward. A motion was made by Mr. Stephens, seconded by Ms. Bryant, to accept the Audit Report and authorize distribution. The motion carried unanimously.

Next, the Minutes of the July 9, 2024, meeting were considered and there being no questions or comments, Mr. Stephens moved they be accepted, and Ms. Bryant seconded. The minutes were approved with no dissension.

The Committee then reviewed the cash disbursements for July 2024. There being no comments or questions, a motion was made by Mr. Stephens, seconded by Ms. Bryant, to approve the cash disbursements for July 2024 reflecting total cash disbursements of \$3,075,952.85 and fund transfers between accounts of \$2,640,460.00. The motion carried unanimously.

The Financial Report for the 1st Quarter 2024 and April 2024 were presented and Mr. Stephens moved to approve, followed by Ms. Bryant's second. The Committee's approval was unanimous.

An amended Asset Capitalization Policy draft was presented to update the existing policy, which had been adopted in 2011. Mr. Clayton explained the draft policy is more granular, specifying more computer hardware and software, for example, as well as raising the acquisition cost to \$1,500. Mr. Stephens moved to approve the amended Asset Capitalization Policy as presented, and Ms. Bryant seconded. The motion was approved.

The last item to be considered, *500kW Diesel Powered Mobile Generator Purchase*, Mr. Clayton informed the Committee of the need for redundancy to power our largest pumps in the event of an emergency. A vulnerability was discovered last year when one of the backup generators was offline awaiting repair parts and the Five Mile plant was without power from Entergy for 15 hours. That emergency was covered by an old portable generator the Utility happened to have on hand. Staff recognized the need to be able to power ANY sizable facility within our system. After consulting with generator manufacturers, it was determined that a 500kW unit would power our largest pumps (minus aeration equipment.) Our good experience with Cummins generators and availability via Sourcewell cooperative purchasing group led Staff to request a 500kW Cummins generator at a cost of \$319,085. Included in the 2024 Budget is \$310,000 for this purchase. Ms. Bryant made motion to approve this request and Ms. Hollowell provided a second. The motion passed unanimously.

Director Clayton then updated the Committee on the following:

1. The Natural Resources Division Arkansas Department of Agriculture has agreed to extend the disbursement cut-off date to October 15, 2025, on the 2022 CWSRLF. The next 9 to 14 months will be very busy working on the Lower Riverside Interceptor CIPP, Phase II; Dark Hollow Interceptor CIPP; Five Mile Creek Interceptor CIPP.
2. Five Mile Creek and White Oak Water Reclamation Facilities received **Platinum 6** awards from the National Association of Clean Water Agencies for six consecutive years of permit compliance. The Director credited this achievement to Operations and Environmental Compliance staff.
3. Further acknowledgements went to our Vac Truck crews for doing a great job keeping our pipes cleaned and SSO's year to date at only 16 despite this year being in the top 10 wettest on record.

A motion was made by Ms. Bryant to excuse the absence of Mr. Nelson, seconded by Ms. Hollowell and approved by the Committee.

There being no further action to come before the Committee, a motion was made by Ms. Bryant to adjourn the meeting. The motion carried unanimously, and the meeting was adjourned at approximately 12:40 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



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