

**NORTH LITTLE ROCK
WASTEWATER TREATMENT COMMITTEE**

MINUTES OF A MEETING HELD TUESDAY, NOVEMBER 14, 2023

A meeting of the North Little Rock Wastewater Treatment Committee was held on Tuesday, November 14, 2023 in the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:10 p.m. The roll was called and all Committee members were present. Those in attendance at the meeting were Chairman Matthews, Mr. Ed Nelson, Ms. Karen Bryant, Mr. Gabe Stephens and Ms. Marie Hollowell. Also in attendance were Mr. Michael Clayton, Director, Ms. Alice Fulk, Human Resources Director, Ms. Kayla Koba, Senior Accountant, Mr. Scott Hilburn with Hilburn & Harper, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its October 10, 2023, meeting. There being no questions or comments, a motion was made by Ms. Bryant, seconded by Mr. Nelson to approve the minutes of the October 10, 2023, meeting as submitted. The motion carried unanimously.

The Committee reviewed the cash disbursements for October 2023. After review of the disbursements, a motion was made by Mr. Stephens, seconded by Ms. Hollowell, to approve the cash disbursements for October 2023 reflecting total cash disbursements of \$1,618,899.95 and fund transfers between accounts of \$1,293,925.30. The motion carried unanimously.

The Committee then reviewed the Financial Statement for October 2023. Director Clayton explained to the Committee that the year-to-date numbers reflected are not completely in line due to several factors causing the net income to be skewed heavily in favor of NLRW:

- there were no emergency projects this year;
- additional funds placed into CDs earning more interest; and
- pipe bursting projects have fallen behind this year, and the Utility will have to play catch up over the next two years.

After further discussion, a motion was made by Mr. Nelson, seconded by Mr. Stephens, to approve the Financial Statement for October 2023. The motion carried unanimously.

Arkansas Cleaning and Televising, LLC was awarded the contract for the Broadway Area Pipe Bursting 2023 Collection Systems Renewal Project on June 22, 2023, for \$3,640,045.00. That contract was signed last week and the Notice to Proceed is in the process of being issued. Another contractor was performing pipe bursting activities on 18th Street (West of Main Street) back in February of 2023. Since the sewer line segment slated for pipe bursting was parallel to 18th Street, the contractor had to make several street cuts for the insertion pits and restoring individual services as part of the pipe bursting process. However, the City of North Little Rock has recently, in the last two years, overlaid the street and Mayor Hartwick asked if the Utility would fully restore the street to its original condition. The staff has negotiated a price from Arkansas Cleaning and Televising, LLC of \$97,355 for 1.5" of cold milling, 2" of ACHM Surface Course and striping the section of 18" Street where the pipe bursting activities were performed. Due to the potential unknown costs related to the restoration of streets as a result of pipe bursting, the staff has recommended removing two (2) line segments from the contract at this time. The reduction in costs for these two (2) line segments is \$25,594.00 which makes the total cost of Change Order #1 to be \$71,761.00. After further discussion, a motion was made by Mr. Nelson, seconded by Ms. Bryant, to authorize the staff to execute Change Order #1 for the Broadway Area Pipe Bursting 2023 Collection Systems Renewal Project approving the expenditure of \$71,761.00. The motion carried unanimously.

The Retirement Committee for the North Little Rock Wastewater's Defined Benefit Pension Plan met on October 11, 2023, and Mr. Nelson updated the Committee with regard to this year's pension plan contribution. The July 1, 2023, actuarial valuation report, provided by Mr. Jody Carreiro of Osborn, Carreiro & Associates, Inc. suggested a minimum contribution of \$650,000 up to \$750,000. That range would pay the unfunded accrued liability off in 9.2 to 13.3 years. The Retirement Committee recommends the contribution of the budgeted amount of \$860,000.00. Therefore, Mr. Nelson made a motion, seconded by Mr. Stephens, to authorize the contribution amount of \$860,000.00, as budgeted, to the North Little Rock Wastewater Utility Defined Benefit Pension Plan. The motion carried unanimously.

The Committee then discussed the proposed Budget for 2024. The Notes for 2024 Budget which were addressed in detail by Director Clayton, are attached to the Minutes as Exhibit A and incorporated herein. After a lengthy discussion, action on the 2024 Budget was tabled until the December 2024 meeting in order to give the Committee members additional time to review the proposed Budget for 2024.

There being no further action to come before the Committee, a motion was made by Mr. Nelson to adjourn the meeting. The motion was carried unanimously, and the meeting was adjourned at approximately 1:05 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



VICE-CHAIRMAN/SECRETARY