The Little Rock Sanitary Sewer Committee met at 4:00 p.m., Wednesday, January 21, 2015, in the Board Room of Little Rock Wastewater. Those attending included:

**Little Rock Sanitary Sewer Committee**

Richard L. Mays, Jr., Chair  
Jean Block, Vice Chair  
Patrick D. Miller, Secretary  
Pete Hornibrook, Member  
Ken Griffey, Member (Absent)  
Maurice Rigsby, Member (via teleconference)  
Marilyn K. Perryman, Member  
Director Lance Hines, Ex Officio Member (via teleconference)  
Carolyn Witherspoon, Chief Legal Counsel

**Little Rock Wastewater**

Greg Ramon, Chief Executive Officer  
Howell Anderson, P.E., Chief Operating Officer  
Walter Collins, P.E., Director of Operations  
John Holloway, P.E., Director of Engineering Services  
John Jarratt, Chief Administration Officer  
Stanley Suel, Director of Environmental Assessment  
Debbie Williams, Director of Finance


The regularly scheduled meeting was called to order by Chair Mays. Mr. Mays asked if everyone had an opportunity to review the minutes of the December 17, 2014 meeting and if there were any corrections or changes. There were none, and therefore, on motion duly made and seconded, the minutes of the regularly scheduled December 17, 2014 meeting were approved as written.

Mr. Mays asked if there were any public comments and there were none.
Mr. Mays called on Mr. Anderson to present an IWO for the replacement or new manhole and/or maintenance port installations for 2015. Mr. Anderson explained the IWO was included in the 2015 Budget and this is to obtain approval to begin work installing new manholes. Staff requested approval of the IWO due to the amount being over $100,000.00. There were no questions for Mr. Anderson and upon a motion made and seconded, the IWO was approved.

John Holloway then addressed the committee seeking approval of an IWO for the 2015 annual CIPP/Pipeburst rehabilitation contract. This is needed for maintaining reliable service for the residents of Little Rock. He explained this is a trenchless method of rehabilitation of lines which enables contracted crews to go under surface restrictions. Mr. Holloway advised the Committee the item was approved in the 2015 budget. Staff requested approval in the amount of $1,335,700. There were no questions for Mr. Holloway and upon a motion made and second, the IWO was approved.

Mr. Holloway proceeded to introduce an IWO for a 42-inch force main inspection. This is for an inspection of the force main which extends eight miles from Arch Street Pump Station to the Fourche Creek Treatment Facility. The main has been in service since 1983. Since 1991, LRW has experienced five premature structural failures on the force main. This IWO calls for a more extensive inspection. A preliminary inspection was done this past summer and there were no leaks or structural threats; however, it was discovered the air release valves are undersized and need to be replaced. This inspection will cover the most critical 40% of the line adjacent to the air release valves. Mr. Holloway indicated this item was approved in the 2015 budget and the funds needed for the inspection are available through RLF XI. Staff is requesting approval of the IWO in the amount of $2,000,000. There were no questions for Mr. Holloway and upon a motion made and second, the IWO was approved.

Mr. Mays then called on Debbie Williams to present a Resolution recommending the refunding of six sewer revenue bond issues. This Resolution will also authorize Staff to proceed with the refunding and recommend to Little Rock Board of Directors that Crews & Associates serve as bond underwriters and Friday, Eldredge & Clark serve as bond counsel. Mrs. Williams provided several charts which detailed the historical highs and lows of interest rates for bonds. Due to the current interest rates, this is the right time to consider refunding. Mrs. Williams also provided a spreadsheet indicating the gross savings for all will be approximately $12 million over the life of the refunding, or approximately $632,000 per year. This amount is 1.25% of LRW’s budgeted revenues. The refunding of this issue will enable LRW to lessen the burden on ratepayers and provide a positive impact on LRW’s bond rating. Edmond Hurst of Crews & Associates indicated all six issues will be refinanced and sold as one unit. He indicated items such as this typically sell quickly. Therefore, after a motion was made and seconded, Resolution No. 2015-01 was adopted:
A RESOLUTION RECOMMENDING THE REFUNDING OF VARIOUS ISSUES OF CITY OF LITTLE ROCK, ARKANSAS SEWER REVENUE BONDS

Mr. Mays asked Mrs. Williams to continue with the next agenda item. She in turn introduced Rebecca Kee to present a Purchase Authorization Request for an engine service and maintenance contract. Mrs. Kee indicated this was for the 40,000 hour maintenance and overhaul of the Jenbaucher engine located at the Fourche Creek Wastewater Treatment Facility. She indicated Nixon Energy Solutions was the sole source authorized technicians who are factory trained and certified to perform this work. Mrs. Kee indicated the purchase order was in the amount of $251,956.25 and asked for Staff approval. Upon motion made and duly seconded, the purchase order was approved.

Mrs. Kee continued with an update on two chemicals, chlorine and sulfur dioxide, which was bid in 2011 cooperatively with Central Arkansas Water to leverage LRW’s buying power. The contract has been utilized since 2012. This year, the anticipated usage is estimated to exceed a $50,000 threshold. Staff is asking the Committee to approve a purchase authorization not to exceed $54,370. Upon motion made and duly seconded, the purchase was approved.

Mr. Mays then asked John Jarratt to introduce his purchase approval to the Committee. Mr. Jarratt indicated this is simply to stay on top of the software currently used by LRW. He indicated LRW chose to enter into a three-year contract to obtain a better price, which placed it over the $50,000 limit. The budgeted price per year was $28,000. He introduced Patrick Grimmett of LRW Staff to explain the request further. Mr. Grimmett explained the software was the basic Microsoft software most computers use. In the past, this purchase was listed in the budget as a capital expense, however, now it is a subscription and LRW will be renting the software. As long as the rent is paid, LRW is entitled to the most recent upgrades. LRW will need to sign a Microsoft enrollment agreement through LRW’s normal purchasing guidelines. In preparing for the 2015 Budget, Mr. Grimmett estimated the cost based on one of the offered plans, but after further review, he felt a better plan was necessary, which explained the difference in the purchase price versus the budgeted amount. Mrs. Williams explained to Mrs. Block that LRW’s policy allows for the budget to be amended in matters such as this as long as the total amount does not change. Upon a motion being duly made and seconded, approval was made to purchase the Microsoft Office 365 software for a three-year contract in the approximate amount of $96,000, or a yearly cost of approximately $32,000.

Mr. Mays called Mr. Holloway to return to the podium to present the next agenda item. Mr. Holloway indicated he wanted to give the Committee an update on the Cantrell Road Pump Station and Force Main Projects. He reminded the Committee this pump station was put into service in 1968 and serves several portions of Little Rock, including Central High School, the State Capitol, Children’s Hospital, UAMS, and Cammack Village
as well as others, and at one time, it served much of northwest Little Rock. It has proved to be a very reliable pump station in the past however, it is now time for a reliability upgrade. This project started in April 2014. Mr. Holloway showed several views of the work done around the outside of the pump station in the beginning of the project. The building is actually five stories underground. LRW has been very conscientious in preserving some of the large trees around the structures and it continues to survive. Mr. Holloway continued showing numerous slides of parts of the pump station which have been removed. He advised the Committee there are two bypass pump stations to take the old pump station out of service and allow the construction crew room to work. LRW will be able to utilize the underground portion of the building. Mr. Holloway stated LRW has had a very successful relationship with the Episcopal Collegiate School. Staff met with the school representatives on December 18 to discuss their concerns with the work on the entrance to the school, and was pleasantly surprised to learn the work had already been done with no interruption to the school’s traffic. He also indicated the portion of the Arkansas River Trail System had remained open during the construction and will remain open. Mr. Holloway stated the Pump Station Project should be completed in August and the Force Main Project should be completed by Memorial Day. Mr. Anderson pointed out this pump station handles 32 million gallons per day. Mr. Holloway stated that a great deal of credit goes to the good equipment, good construction and design, and especially to Walter Collins’ crews who have kept everything running so well to have this pump station still operating since 1968. The Committee stated their appreciation in being informed as to where the budget money is spent.

Mr. Mays then called on Walter Collins to give a presentation on LRW’s Nutrient Investigation Requirements. Mr. Collins began by showing a slide representing the typical system used at Adams and Fourche Creek Treatment Facility. Primary and secondary treatments were utilized which worked great for decades. The primary focus of the secondary level treatment is to remove organics, which utilizes some nutrients, primarily nitrogen and phosphorus, in the micro-biological conversion. However, higher nutrient loading, beyond that used by the biology, is making its way out of the treatment plant, and potentially contributing to the alga plumbs, and low or no D.O. zone sections of the Gulf of Mexico. Because of this, in 2007 the EPA encouraged all states to accelerate their efforts and give priority to adopting numeric nutrient standards for all waters in the states that contribute nutrient loadings to waterways. Mr. Collins continued by stating that as a result of this effort the Little Maumelle Treatment Facility, while permitted in 2008 prior to being constructed and put on line, was given an ammonia limit, thus allowing LRW the ability to design a treatment plant to meet that limit. The Adams and Fourche Facilities were evaluated in the latest NPDES permitting cycle and are under a compliance schedule for new ammonia limits. The ADEQ has indicated LRW will need to evaluate both treatment plants’ capability for meeting the new permit limit. Thus, LRW will have concurrent studies to evaluate the Adams and Fourche nutrient loading conditions and the best way to treat them. Mr. Collins indicated Staff would like to issue an RFQ to bring in engineers to evaluate the
data in-house crews have collected, as well as study the processes used at Adams and Fourche. A nutrient investigation has been budgeted in 2015 and 2016 for Adams, which may cost up to $250,000 due to the fact that its permit limit is 6.1 mg/L with no alternative limit option. At Fourche Creek, the investigation will be approximately $70,000 due to the fact there are two possible limit options. The projected costs for nutrient treatment to achieve an ammonia limit at Adams Field could possibly reach $50 million and approximately $30 million at Fourche Creek. These amounts will be budgeted in the coming years as needed and will be included in the rate study. Mr. Collins stated there is no action necessary from the Committee, and the purpose of this presentation was to simply inform it as what may be coming in the future. Mr. Anderson pointed out this was a national mandate, and there are several cities already in compliance.

Mr. Mays proceeded with the agenda, and asked Carolyn Witherspoon to give her legal report. She stated during 2014, no lawsuits were filed against LRW. She also indicated she had researched issues concerning Entergy easements and other matters.

Mr. Mays then asked Greg Ramon to give the Committee a review of the month of December. Mr. Ramon stated the staff had a great month. He informed the Committee of a meeting between LRW's executive staff and CAW's executive staff to discuss similarities between both agencies and how to work together to better serve the residents of Little Rock. The meeting between both agencies assigned several subcommittees and agreed to meet quarterly. The next meeting is scheduled for early May. Mr. Ramon also reported staff had their kick-off meeting on the rate study and asked that at least one Committee member join the rate study team. Mr. Mays volunteered to serve on the committee and it was suggested the team meet possibly once a month. Mr. Ramon continued by stating staff's goal was to come up with at least one or two options. He stated he had received suggestions on possibly changing the name of the Little Rock Sanitary Sewer Committee to make the title more current with the times. If the Committee agrees, he suggested another subcommittee be formed to look at options. Mr. Ramon asked if Marilyn Perryman would lead the group, and she agreed. He indicated Bruce Moore and Tom Carpenter are aware of this, and Mr. Carpenter will assist in making the change, if necessary. The Committee unanimously agreed to have a subcommittee bring back suggestions to the Committee. Mr. Ramon also reported on a meeting between staff and the Acting Director of ADEQ and his staff concerning issues of mutual interest and permit concerns and to develop a good working relationship between both agencies. Mr. Ramon continued by stating staff would be having the first “All Hands On Supervisors” meeting which will give him the opportunity to discuss some objectives for 2015 and to highlight the departments' priorities. These meetings will continue on a quarterly basis. Mr. Ramon stated one of his major objectives is to maintain an open line of communication. He also reported that all the plants are operating correctly and there were no compliance issues for the month of December.
Mr. Ramon also advised the Committee that he would be reporting in February on the 2014 Sierra Club Annual Report, and will have a recap of LRW’s 2014 safety record. He has also asked Debbie Williams to give a financial report of 2014. There will also be a purchase authorization for materials to construct a grit chamber cover at the Scott Hamilton Facility. Mr. Hornibrook complimented Mr. Ramon and staff for doing such a good job in keeping the lines of communication open, which have been helpful. Mr. Mays commented on the recent article on the Fort Smith wastewater rates had been raised by 75%. Mrs. Block asked about the timeline for the rate study, and she was advised that it should be completed by May.

There being no other business, and on motion duly made and seconded, the meeting was adjourned.

Respectfully Submitted,

Patrick D. Miller, Secretary