

**MINUTES OF
SPRINGDALE WATER AND SEWER COMMISSION MEETING
August 25, 2021**

1. Call to Order – Vice-Chair Al Hanby

The meeting was called to order by Vice-Chair Al Hanby at 10:00 a.m. on Wednesday, August 25, 2021, in the commission chambers of the Walter Turnbow Administration Building, Springdale Water Utilities, 526 Oak Avenue, Springdale, Arkansas.

2. Roll call – Jessica Key

Roll call was answered by: Vice-Chair Al Hanby (via Zoom), Secretary Paul Lawrence (via Zoom), Commissioner Lynn Carver (via Zoom), and Commissioner J. Max Van Hoose. Chair Weiser joined the meeting after roll call.

Staff members attending: Executive Director Heath Ward, Chief Operating Officer Rick Pulvirenti, Director of Administration and Human Resources Kim Patulak, Distribution Director Shawn Dorman, Technical Services Director Tim Hawkins, Director of Finance Chris Clark, Pretreatment Manager Brad Stewart, and HR Assistant Jessica Key. Also attending: Legal Counsel Charles Harwell (via Zoom); Brad Hammond and Chris Hall with Olsson; Travis Chaney with Illinois River Watershed Partnership; Will Gladden with GT Electric Housing, LLC; and Laurinda Joenks with the *Northwest Arkansas Democrat Gazette*.

3. Presentation of 20-year employee service award to Joshua Weaver – Vice-Chair Al Hanby

Executive Director Heath Ward presented a 20-year employee service award to Joshua Weaver who was employed on August 3, 2001 and is currently a WWTF Operations Supervisor.

4. Consent Items – Vice-Chair Al Hanby

A motion was made by Commissioner Carver to approve consent items as presented which included: a) Minutes of the July 28, 2021 commission meeting, b) Financial statements and bills paid – July 2021, c) Management report – July 2021, and d) Revisions to Policy Bulletins No. 39 and 72. The motion was seconded by Secretary Lawrence. Motion passed.

5. Presentation on Illinois River Watershed Partnership – Heath Ward

As discussed at last month's meeting the profit from the logging and forestry management program is intended for water quality projects that benefit the Illinois River watershed. The profit thus far is \$176,000. A proposal that includes water quality projects was presented last month by the Illinois River Watershed Partnership (IRWP). Travis Chaney, restoration specialist with the IRWP stated one proposal is for a restoration plan at the Johnson Lift Station site. The IRWP has been working at the site for approximately two years and is now seeing results. Funds from the Arkansas Game and Fish Commission and IRWP are

being used. IRWP has spent the past couple of years looking for potential funding to do some stream bank restoration work at the site. The engineering cost for the project is \$95,000. Mr. Chaney stated IRWP is requesting the commission contribute \$50,000 of the cost and IRWP will contribute \$45,000. The second proposal is for a riparian restoration project on Haden Road on property owned by the commission. The property is currently being leased for cattle, and the Little Osage creek running through the property is impaired by e-coli. IRWP is proposing to put in a gravel stabilized crossing and to install watering tanks for the cattle to keep them out of the stream. IRWP is requesting the commission contribute \$10,000 or up to 25% of the project. Legal Counsel Charles Harwell asked if anyone has talked to the lessee of the property. Mr. Chaney stated as far as he knows no one has talked to the lessee, but he will attempt to make contact with him. Executive Director Ward stated staff would also contact the lessee. The commission agreed that communication with the lessee and further investigation was needed before approving the \$10,000 contribution. Commissioner Van Hoose made a motion to authorize the expenditure of \$50,000 for design work at the Johnson Lift Station site. Commissioner Carver seconded the motion. Motion was accepted.

6. Request authorization to purchase an easement in the vicinity of Cow Face Road and Schoolhouse Road – Rick Pulvirenti

Chief Operating Officer Rick Pulvirenti stated a property owner planted pine trees on top of a water line for approximately ¼ mile in the vicinity of Cow Face Road and Schoolhouse Road. The trees are attacking the pipe line that is buried approximately three feet underneath the trees causing the water line to break frequently. Approximately 1,000 customers are affected when the line breaks until the line is isolated. The water line was originally served by White River Rural Water. Waco has researched for easements, and none were found. The thought was to go in and cut all of the trees down to construct a new line. Three easements would be required for an estimated cost of \$22,000 for the land plus miscellaneous costs for trees for an estimated cost of \$60,000 to purchase rights of way. The trees would need to be removed and grind the stumps bringing the total to approximately \$110,000. If the utility built a line on the other side of the road it would cost approximately \$150,000. Staff has discussed getting quotes from contractors to establish an estimated cost to construct a new line. The commission requested staff obtain more information on constructing a new line. Staff will develop plans and report back to the commission.

7. Consider resolution and fee agreement with GT Electric Housing, LLC for cost sharing of upgrades to the Clear Creek Lift Station and collection systems – Rick Pulvirenti

Chief Operating Officer Pulvirenti stated GT Electric Housing, LLC plans to develop 80 units essentially along Electric Avenue. The Clear Creek Lift Station is currently at capacity. In an effort to keep growth occurring in the region, the commission is working with developers, particularly GT Electric Housing. Modeling and testing of the lift station have been done, and staff is working with Olsson to upgrade the lift station in the interim. The plan calls for doubling the size of the lift station and the number of pumps from three

to six pumps. In the interim to keep the growth going Pulvirenti believes the commission can purchase newer and hopefully bigger pumps to put in the lift station to meet the demand for this development as well as other developments in the area by next summer. Pulvirenti hopes to get the pumps ordered and let a contract for the Clear Creek Lift Station upgrades before Christmas. The contractor would phase his construction to allow installation of the three additional pumps to meet the demand. Olsson has prepared a report that has been sent to the Arkansas Department of Health. Chief Operating Officer Pulvirenti and Executive Director Ward will meet with the Arkansas Department of Health on Friday to go over the plan. GT will contribute \$24,000 for their share of costs to upgrade the lift station. Commissioner Van Hoose asked what would happen if the schedule is not met. Legal Counsel Harwell stated a clause was included in the agreement stating if the construction contract has not been bid within six months from the approval of plans by the Arkansas Department of Health, then GT may request the return of their fee. In addition, Chief Operating Officer Pulvirenti stated growth will be limited if the upgrades are not done. Commissioner Van Hoose made a motion to approve the resolution and agreement. A second was made by Commissioner Carver. The motion passed. The resolution was numbered 18-21.

8. Discussion and authorization to negotiate a contract with TischlerBise to determine a fair application of capital recovery and future rates as necessary to meet continued growth in the City of Springdale and surrounding service area – Rick Pulvirenti

Chief Operating Officer Pulvirenti stated that two firms were interviewed, and staff is recommending TischlerBise to conduct the study. Last month Pulvirenti reported the study was estimated to cost \$40,000 to \$60,000, but he now believes that figure will increase. Staff has decided to expand the study in order for TischlerBise to look at multiple ways to generate revenue. It will take six to nine months to go through records to investigate capital improvements. Pulvirenti asked for authorization to negotiate with TischlerBise and hopefully bring back an agreement next month for services as it relates to capital recovery and future rates. A motion was made by Commissioner Carver to approve negotiations with TischlerBise. Secretary Lawrence seconded the motion. Motion was approved.

9. Presentation and alternate routings for the Western Corridor Transmission Main – Brad Hammond, Olsson

Chief Operating Officer Pulvirenti stated the utility intends to have public meetings to go over options for the routings so the public can have input. It will also be posted on the utility's website. Brad Hammond with Olsson gave an overview of three alternatives for routings of the 48-inch transmission main. Detailed cost estimates have not been determined for each route, but they should be available before the first public meeting. In terms of the overall project, it has to be completed and in operation by 2025. Legal Counsel Harwell asked what size of easements would be needed. Chief Operating Officer Pulvirenti stated a 50' exclusive easement would be necessary. Pulvirenti thinks a final route will be determined by Christmas to bring to the commission. Hammond believes within a month after the public meetings he should have recommendations.

10. Discussion and authorization to bid replacement pumps and electrical systems for the Clear Creek Lift Station – Rick Pulvirenti

As discussed in Item #7, additional pumps will be needed for upgrades to the Clear Creek Lift Station. Chief Operating Officer Pulvirenti asked for authorization to advertise for up to six pumps and switch gears. The pumps are estimated to cost \$350,000 and the switch gear cost is \$150,000. The pumps will be bought in advance of the lift station bidding, so the contractor will have pumps in hand when construction begins. A motion was made by Secretary Lawrence authorizing advertisement for the pumps and switch gears. The motion was seconded by Commissioner Van Hoose. Motion passed.

11. Consider resolution to allow an increase in the monthly allowance paid to staff members who utilize their personal vehicles for department business – Heath Ward

Executive Director Ward stated the monthly allowance for use of personal vehicles has not increased since 2000. Ward recommended the allowance be increased from \$400 to \$600. Commissioner Carver made a motion to approve the increase. She asked if the allowance could be considered on a regular basis. Executive Director Ward stated it could be re-evaluated during the routine budgeting process. Vice-Chair Hanby asked how many employees are compensated for use of their personal vehicles. Executive Director Ward stated that three employees receive compensation. Commissioner Van Hoose seconded the motion after the brief discussion. The motion was approved. The resolution was numbered 17-21. The increase would become effective September 1, 2021.

12. Consider resolution and ANRC offer letter regarding Bethel Heights remediation – Heath Ward

Executive Director Ward has received an offer letter from the Arkansas Natural Resources Commission (ANRC) approving a loan with principal forgiveness in an amount up to \$1,000,000 for final cleanup of the Bethel Heights wastewater treatment plants. ANRC also offered a loan in the amount of \$2,054,083 with an interest rate of 1%. The utility can take any money that is left over from the remediation and use it for improvements. A resolution has been prepared authorizing the Executive Director to execute documents for the funding. Commissioner Carver made a motion to approve the resolution. Secretary Lawrence seconded the motion. Motion accepted. The resolution was numbered 16-21.

13. Progress report on construction projects – Rick Pulvirenti

All projects are moving forward without any issues.

Bethel Heights Remediation – Staff is still waiting on determination of the Indiana Long Eared Bats. Approximately 80% of the appraisals are in. Once all the appraisals are in, easement acquisition will begin. Pulvirenti asked for approval to move forward on bidding the project once all easements are in hand. A motion was made by Commissioner Van

Hoose to approve advertisement for bids. A second was made by Commissioner Carver. Motion approved.

14. Comments from staff, legal counsel, and commissioners – Vice-Chair Al Hanby

a) Report on Nashville trip – Heath Ward

Executive Director Heath Ward, Director of Administration and Human Resources Kim Patulak and HR Assistant Jessica Key recently attended a ParetoHealth conference in Nashville, Tennessee. Executive Director Ward stated it was a great meeting and staff brought back a lot of knowledge. Director of Administration and Human Resources Patulak stated staff is still looking at cost containment. Executive Director Ward stated the commission still has a great benefit package for employees and he doesn't foresee that changing.

b) American Recovery Plan update – Heath Ward

Executive Director Ward reported the firm in Little Rock retained by the commission is still working on obtaining funds on behalf of the commission. Executive Director Ward expects the commission will get participation from the cities of Springdale, Johnson and Lowell.

Vice-Chair Hanby asked about the status of the sludge dryer. Chief Operating Officer Pulvirenti stated it is in the final stages of completion. Huber should be on-site next week to work out problems. Pretreatment Manager Brad Stewart stated the facility is transporting only two dump truck loads a week to the landfill.

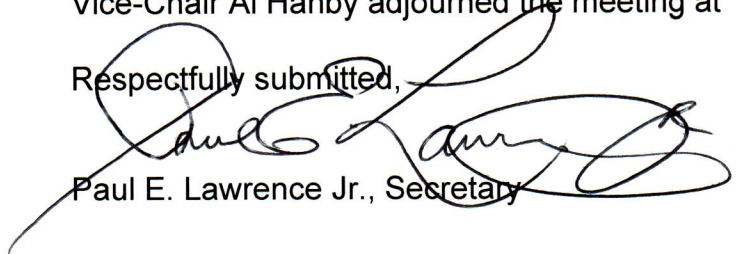
15. Confirmation of date and time for the next commission meeting scheduled for September 15, 2021 at 10:00 a.m. – Vice-Chair Al Hanby

The next meeting was scheduled for September 15, 2021 beginning at 10:00 a.m. The meeting will be open for the public to attend in person as well as conducted via Zoom.

16. Adjournment – Vice-Chair Al Hanby

Vice-Chair Al Hanby adjourned the meeting at 11:48 a.m.

Respectfully submitted,



Paul E. Lawrence Jr., Secretary