

LITTLE ROCK WATER RECLAMATION COMMISSION
Minutes of the Meeting Held
September 21st, 2022

The Little Rock Water Reclamation Commission (“LRWRC”) met at 4:00 p.m., Wednesday, September 21st, in the Board Room of Little Rock Water Reclamation Authority and via livestream.

Little Rock Water Reclamation Commission

Ganelle McBryde, Chair
Schawnee Hightower, Vice Chair
Debbie Shock, Secretary
Chris Marsh, Commissioner
Richard Mays, Jr., Commissioner
Jonathan Semans, Commissioner
Lauren Waldrip, Commissioner
Director Lance Hines, Ex Officio Member

Little Rock Water Reclamation Authority Personnel

Greg Ramon, Chief Executive Officer
Howell Anderson, P.E., Chief Operating Officer
Jean Block, Chief Legal Officer
Michael Rhoda, Chief Financial Officer
Walter Collins, P.E., Director of Operations & Facilities
John Holloway, P.E., Director of Engineering Services
Rebecca Burkman, Director of Environmental Affairs
Harold Hounwanou, P.E., Director of Collection System Maintenance

Attendees included: Commissioners Ganelle McBryde, Schawnee Hightower, and Jonathan Semans appeared in-person. Commissioners Chris Marsh, Lauren Waldrip, and Debbie Shock appeared via livestream. Commissioner Mays and Director Hines were absent. Senior Staff Members: Greg Ramon, Jean Block, Howell Anderson, Michael Rhoda, Walter Collins, John Holloway, Rebecca Burkman, and Harold Hounwanou.

Chair McBryde brought the meeting to order and called for Mr. Anderson to lead the Pledge of Allegiance.

Chair McBryde then asked Tremayne Pearson, Crew Leader - Maintenance, to present the Safety Minute.

Chair McBryde recognized Harold Hounwanou, Director of Collection System Maintenance, to present a 25-year service award to Frederick “Skip” Mellor.

Chair McBryde then asked the Commissioners if they had reviewed the minutes of the August 17th meeting. Being that there were no revisions, Chair McBryde asked if there were any objections to approving the minutes. Hearing none, the minutes were approved.

Rebecca Burkman, Director of Environmental Affairs, presented on “Per and Poly Fluoroalkyl Substances” (PFAS) in wastewater. She gave a brief background on PFAS. She noted that PFAS is a trending environmental topic with new research, testing methods, and federal guidance still in development. She stated that the utility will be seeking federal funds from the Bi-Partisan Infrastructure Law (BIL) to fund a multi-phase study on PFAS in the LRWRA system. Additionally, Ms. Burkman emphasized the importance of advocating for a CERCLA exemption for public utilities. Chair McBryde asked for clarification on the funding for the studies, and Ms. Burkman replied that it was from the BIL. Mr. Ramon noted the need for the study of this and other emerging issues, and that he has reached out to the Arkansas congressional delegation regarding a CERCLA exemption.

She stated that the utility will be seeking federal funds from the Bi-Partisan Infrastructure Law (BIL) to fund several studies on PFAS in the LRWRA system, while also advocating a CERCLA exemption for public utilities. Chair McBryde asked for clarification on the funding for the studies, and Ms. Burkman replied that it was from the BIL. Mr. Ramon noted the need for the study of this and other emerging issues, and that he has reached out to the Arkansas congressional delegation regarding a CERCLA exemption.

Next, Tonya Wallace, Program Manager – Facilities, presented Resolution 2022-02 entitled:

**A RESOLUTION AUTHORIZING GREG RAMON, HOWELL ANDERSON,
MICHAEL RHODA, AND JOHN HOLLOWAY AS SIGNATORY AGENTS OF
LITTLE ROCK WATER RECLAMATION COMMISSION TO MAKE
APPLICATION TO ARKANSAS NATURAL RESOURCES COMMISSION FOR
ASSISTANCE UNDER PUBLIC LAW 100-4 AND THE ARKANSAS
REVOLVING LOAN FUND, AND TO SIGN THE ACCEPTANCE AND ANY
OTHER REQUIRED DOCUMENT RELATED THERETO.**

Ms. Wallace explained that this Resolution designates signatory agents to execute funding applications and acceptance of the loan agreement. She stated that this Resolution is needed now because the BIL will give the state of Arkansas \$612,000 a year over 5 years to research emerging contaminants (including PFAS) with potential for 100% principal forgiveness loans. Chair McBryde asked how long the studies would last, and Ms. Burkman replied they would last 4-5 months per phase.

Staff requested the Commission to adopt the Resolution of Signatory Authority that must be submitted with the Emerging Contaminants funding application to Arkansas Natural Resource Commission.

Chair McBryde requested a motion to approve. A motion was made, seconded, and approved unanimously.

Mr. John Holloway, Director of Engineering Services, introduced two employees to the Commission from Engineering: Terrian Tyler, Project Engineer – Developer Funded, and Les Price, Engineering Manager, Developer Funded, Service Line Replacement, Fats Oils Grease. He then asked Mr. Price to present the Recommendation of Award for Professional Services for AR Hwy 10 Relocation (Phase II). Mr. Price explained that LRWRA is seeking to relocate 13,423 Linear Feet of gravity sewer lines and 78 manholes to accommodate the improvements undertaken by ARDOT on Arkansas Highway 10 (Cantrell Road) between Taylor Loop Road and Pleasant Ridge Rd.

Commissioner Semans asked for clarification how reimbursement was determined. He asked if reimbursement would be 10% to 15%. Mr. Price explained that the reimbursement percentage is determined in the design phase. During the design phase, Garver will determine the sewer lines that are inside and outside of the existing right-of-way that must be relocated. Once the sewer lines that must be relocated are determined, then we will measure the lines and the reimbursement percentage is based upon the measurement.

Then Commissioner Semans asked if our lines are 100% within the existing right-of-way, and what would the reimbursement percentage would be. Mr. Price stated the percentage would be zero, and that if our lines are 100% outside of the right-of-way, then the reimbursement percentage would be 100%. Commissioner Hightower asked if ARDOT construction would be happening at the same time we would be moving our sewer lines. Mr. Price answered that all utilities would be moved prior to ARDOT beginning their construction. There was general discussion on where phase 1 ended and phase 2 begins. Mr. Price stated there was a little overlap between phase 1 and phase 2 around Pleasant Ridge Road.

Staff requested that the Commission authorize CEO Greg Ramon to negotiate and execute the professional services contract with Garver for the Gravity Sewer Main Relocation Design, Bidding and Construction Administration for an amount not to exceed \$735,000.

Chair McBryde requested a motion to approve. A motion was made, seconded, and approved unanimously.

Michael Rhoda, Chief Financial Officer, presented an update on Self-funded Healthcare. Mr. Rhoda gave brief background on the transition to self-funded healthcare this year and stated that it has worked out very well for the utility so far. He noted that the healthcare reserve account balance was currently at \$801,206, the operating account balance at \$781,143, and a total cash balance at \$1,582,349. Commissioner Hightower asked what the employees thought about the self-funded healthcare. Mr. Rhoda explained that the utility had sent a survey asking employees to provide feedback on

their experiences with medical and pharmacy benefit and that a majority of respondents had either favorable or limited experience with UMR/UHC. He did note there were a handful of critical or negative responses, but overall favorable responses.

Mr. Rhoda then presented a summary of the August Financial Report. He explained for August that total revenue of \$5.8 million exceeded budget by \$563,000 (10.8%), and that year-to-date revenues of \$44.4 million are \$2.2 million over budget (5.3%). Operating expenses of \$2.8 million were on budget with Salaries under budget by \$82,000 (6.8%), Supplies over budget by \$121,000 (53.3%), and Contract Services over budget by \$52,000 (9.5%). Commissioner Semans asked why the chart reflected a spike in revenue in July 2022, and Mr. Rhoda replied it was due to increased water use by an industrial user.

Mr. Rhoda then mentioned potential debt refinancing with the Arkansas Natural Resources Division to address the “debt cliff” that will occur in 2037. Ideally the utility would like to flatten out the costs from 2024 through 2037. He noted that talks were going on successfully with ANRD and he hoped to have a voting item for the Commission next month.

Jean Block, Chief Legal Officer, then gave the Legal Update. She highlighted: status of ongoing litigation; work on contracts, garnishments, H.R. projects, and budget items.

Greg Ramon, Chief Executive Officer, delivered the monthly highlights that included: Back to School Activities, CPM Panel Discussion, Partnership with the National Center for Toxicological Research, Downtown Little Rock Food Truck Festival, Notification for Advertisement – Professional Services - PFAS Study, and Notification for Advertisement – Construction – Generator Relocation.

Chair McBryde called for other business and there was none.

Chair McBryde stated the next LRWRC meeting would be October 19th, 2022. She then asked if there were any objections to adjourning the meeting. Hearing none, the meeting was adjourned.

Respectfully Submitted,



Debbie Shock, Secretary