MEMORANDUM

TO: BOARD OF COMMISSIONERS

FROM: GERALD L. HARTLEY, DISTRICT MANGER

DATE: MAY 16, 2013

SUBJECT: MAY 20TH REGULAR MEETING

For information purposes, this agenda is being processed earlier than normal. Supporting materials may not be available at the time the meeting materials are forwarded to you. Supporting materials will be provided to you as they become available.

The following is intended to provide additional information to the above referenced agenda:

Old Business:

A. HISID Opposition to SWEPCO Power Lines: This item has been listed at the request of Commissioner Kenneth Brown. Should the Board elect to issue a letter opposing the proposed routing of the transmission lines, the letter should be directed to the Public Service Commission. The most recent information and status of the proposed routes appears in the Carroll County News.

B. Report from the Solutions Committee: This item has been scheduled at the request of Commissioner Brown. As you may recall, a Solutions Committee was formed several months ago. I understand that Bill Branum is its chairperson. I understand the committee does have several solutions to present to the Board of Commissioners. I have not been provided with any information to share with you.

New Business:

A. Deputy's Contract and Housing Issue: This item has been scheduled at the request of Commissioner Linda Graves.

I have invited Sheriff Grudek to attend as well as Andy Alman, the Deputy that will be assigned to HISID.

To wrap up this matter several decisions are needed from the Board:

1. Cost proposal: There are two methods of payment that have been prepared. The Board will need to select and adopt a cost proposal. For informational purposes, two proposals are available for consideration. Both are attached for your review. The February 13, 2013 is the

proposal that was handed out by Sheriff Grudek at the February 19, 2013 meeting. The April 5, 2013 proposal represents an outgrowth of the February 13th proposal.

The contract has been revised to allow the Board to simply attach a cost proposal to the contract as Exhibit "A". The contract dates have been revised to reflect a fiscal year basis. The contact can be easily revised from year to year – hopefully it can serve as a template for further contracts.

2. Housing Allowance and HISID Apartment: The Sheriff has informed me that continuation of the housing allowance and HISID apartment are "deal breakers" with respect to the adoption of a new contract.

For information purposes, the current deputy's contact (expired but continued on a month to month basis by the parties) provided that HISID would pay a $250 monthly housing allowance in the event that the deputy was able to show proof of HISID residency. There are no contractual provisions requiring HISID to provide an apartment. It appears that HISID made a decision independent of the contract to provide an apartment to Jennifer Sibley.

The Board will need to decide what, if any, housing allowances will be provided to the Deputy contract. The HISID apartment will require painting as well as floor coverings. New appliances should be installed as well. The approved budget did not include any expenses for the apartment.

B. Sludge Status and Corrective Action: This item was requested by Commissioner Linda Graves. At the last regular meeting, the staff was instructed to have the design firm (McGoodwin, Williams & Yates) of the plant to make a recommendation regarding sludge management options. Mr. Jeffrey Richards of McGoodwin Williams & Yates will be in attendance to discuss the attached proposal dated May 15, 2013.

C. Responses to Leak Detection RFPs: This item was requested by Commissioner Linda Graves. The agenda will go out earlier this week because of staff absences and before the RFPs are opened. A tabulation of received proposals will be provided to the Board by way of a separate email or at the meeting. This RFP addresses leak detection only. Decisions regarding repair expenses and equipment are needed.

Keep in mind that finding the leaks does nothing to reduce water loss. The only way water loss reduction can occur is to repair the leaks either in-house or by independent contractor. The results of the leak detection program should be an indicator of estimated expenses.

Consideration for a repair program should be made during the next several weeks. As discussed with the Board several weeks ago, the water department budget does not have adequate funding for such a program. The program will have to be funded through the establishment of budget

expenditures, use of HISID reserve funds, grants, loans or private financing. Leak repair should take precedent over the use of any HISID resources.

D. Holiday Island Chamber of Commerce 2013 Fourth of July Activities: This item has been requested by Pam Hinson of the Holiday Island Chamber of Commerce. I understand the Board will be apprised of the Fourth of July activities and assistance needed by the Chamber of Commerce at the event. I have not been provided with any materials to provide to you.

E. Chip & Seal Program for 2013: Direction is needed from the Board regarding the size and scope of this program for this year. Chip and seal funding had been suggested as a possible funding source for water leak repairs. Kenny Dehart will be present to answer your questions and concerns.

F. Use of Roads Department Personnel to weed eat the Driving Range: This item has been requested by Commissioner Greg Davis. No supporting materials were provided to be forwarded to you.

AGREEMENT FOR LAW ENFORCEMENT SERVICES

CARROLL COUNTY SHERIFF'S DEPARTMENT

AND

HOLIDAY ISLAND SUBURBAN IMPROVEMENT DISTRICT NO. 1

Recitals

Whereas, the Holiday Island Suburban Improvement District No. 1 (hereafter "HISID") and the Carroll County Sheriff's Department (hereafter "SHERIFF") desire to enter into a contract to provide law enforcement services to HISID; and

Whereas, the existing contract between HISID and the SHERIFF expired on the last day of February 2013; and

Whereas, HISID and the SHERIFF have agreed upon new terms and conditions to provide law enforcement services to HISID.

THEREFORE, BE IT APPROVED AND AGREED by the parties that:

1. Term: The term of this Agreement shall be for the time period beginning on June 1, 2013 and ending on December 31, 2013.

2. Renewal Option: This Agreement may be renewed for an additional HISID fiscal year (January 1, 2014 to December 31, 2014) as mutually agreed by the parties.

3. Termination: This Agreement may be terminated upon thirty (30) day advance written notice by any party.

4. Notice: Any notice required by this Agreement shall be in writing and delivered by registered mail, return receipt as provided below:

a. HOLIDAY ISLAND SUBURBAN IMPROVEMENT DISTRICT NO. 1
Attention: District Manager
110 Woodsdale Drive
Holiday Island, AR 72631

b. CARROLL COUNTY SHERIFF'S DEPARTMENT
Attention: County Sheriff
205 Hailey Road
Berryville, AR 73616

5. Purpose: The purpose of this Agreement is for the SHERIFF to provide an assigned Deputy Sheriff and patrol vehicle within the boundaries of HISID.

6. Geographical Limits: It is mutually understood and agreed that services provided by this agreement shall be performed within the boundaries of HISID unless as provided otherwise by this Agreement.

7. Consideration: HISID and SHERIFF agree that consideration is joint and mutual.

8. Service to be provided: SHERIFF will provide HISID with one full-time commissioned Deputy Sheriff to provide typical and customary law enforcement activities within the boundaries of HISID including but not limited to patrol, investigation, observation, traffic enforcement, accident investigation, arrest and enforcement of juvenile laws. IT IS CLEARLY UNDERSTOOD THAT ALL SUPERVISION AND OPERATIONAL DECISIONS FOR SAID DEPUTY SHERIFF SHALL BE MADE BY THE SHERIFF OR SHERIFF'S DESIGNEE.

6. Services Rates: The following rates shall apply to the services provided to HISID by SHERIFF as provided on the attached document, identified as Exhibit "A" that is incorporated for all purposes.

7. Billings and Payment:

a. No later than the 10th day of each month, the SHERIFF shall provide an invoice to HISID for payment purposes. The invoice shall list the date and hours worked by the Deputy Sheriff along with applicable miles driven for the previous calendar month.

b. No later than the last of day of each month, HISID shall issue payment for the invoice received from SHERIFF.

c. In the event that any hour/s worked or miles driven are disputed by the parties, the SHERIFF and HISID District Manager will meet to resolve any disputed charges. In the event the dispute cannot be resolved by the District Manager, the issues will be scheduled for resolution at the next regular meeting of the HISID Board of Commissioners. Any agreement between HISID and Sheriff concerning the charges shall replace and void the previously submitted invoice.

8. Monthly Report: SHERIFF will provide a summary of provided law enforcement activities that corresponds with the invoice submitted to HISID. The monthly report shall accompany the invoice submitted to HISID for payment purposes.

9. Indemnification: SHERIFF agrees to indemnify, and hold HISID harmless from any and all claims, liability, expenses or damages in any action, suit or proceeding brought by a third party in which the SHERIFF is determined negligent in the performance or failure to perform activities under this Agreement subject to the limitations of Arkansas law. Likewise, HISID

agrees to protect, defend, indemnify, and hold the SHERIFF harmless from any and all claims, liability, expenses or damages, in any action, suit or proceeding, brought by a third party in which HISID is determined negligent in the performance or failure to perform activities und this Agreement subject to the limitations imposed by Arkansas law. IT IS CLEARLY UNDERSTOOD BY BOTH PARTIES THAT THE EMPLOYEES PERFORMING LAW ENFORCMENT DUTIES PURSUANT TO THIS AGREEMENT, INCLUDING DEPUTY SHERIFFS, SUPERVISORY OFFICERS, AND ADMINISTRATIVE SUPPORT STAFF OF THE CARROLL COUNTY SHERIFF'S DEPARTMENT ARE AND SHALL REMAIN EMPLOYEES OF THE CARROLL COUNTY SHERIFF'S DEPARTMENT.

10. Waiver: The waiver by HISID of any breach, covenant or condition herein shall not be determined to be a waiver of any subsequent breach of the same or any other term, covenant, or condition herein.

11. Entire Agreement: This written agreement represents the entire agreement between HISID and SHERIFF with respect to providing law enforcement activities. Any and all representations, oral and written, made by the parties are merged into this Agreement.

12. Modification: This agreement can only be modified in writing by the mutual consent of both parties and with the same formalities required to approve this Agreement.

SIGNED THIS ____ DAY OF MAY 2013.

Carroll County, Arkansas

_____

By: Sam L. Barr, County Judge

Holiday Island Suburban Improvement District No. 1

_____

By: Gerald L. Hartley, District Manager

Carroll County Sheriff's Department

Robert T. Grudek
Sheriff

205 Hailey Road • Berryville, Arkansas 72616
870-423-2901 • 479-253-5000
Sheriff's Office Fax 870-423-4336
Jail Fax 870-423-5898

April 29, 2013

Gerald Hartley
HISID District Manager
110 Woodsdale Drive
Holiday Island, AR 72631

Re: Holiday Island Deputy Contract

Dear Mr. Hartley, Gerald

In response to your email dated April 10, 2013, and our subsequent discussion, I propose the following terms:

1. HISID will pay the Sheriff at the rate of $30 per hour for all hours worked on or off the Island, which are related to investigations or traffic enforcement on the Island.

2. HISID will not be charged for non-mandatory training, vacation, sick leave, or time off the Island for servicing a vehicle.

3. All hours worked on the Island, even if the total hours exceed 43 hours, will be paid at the rate of $30 per hour. HISID will not be required to pay time and one-half (1 ½).

4. Depreciation, maintenance, fuel, clothing and weapon expenses are included in the $30 per hour rate.

As information, we have hired a deputy for the Island. His name is Andy Alman. We need to know if he will be occupying the same downstairs apartment at HISID as Deputy Sibley, or if he will be required to find lodging elsewhere. Under the previous contracts, the District was paying a housing allowance of $250 per month directly to the Deputy.

Please call if you have any questions.

Sincerely,

Bob

Sheriff Bob Grudek

RTG/ldm

Carroll County Sheriff's Department

Robert T. Grudek
Sheriff

205 Hailey Road • Berryville, Arkansas 72616
870-423-2901 • 479-253-5000
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February 13, 2013

Gerald L. Hartley
District Manager / HISID
100 Woodsdale Drive
Holiday Island, AR 72631

Re: Law Enforcement Services – Compensation

Dear Mr. Hartley, Gerald

Per your request, I am providing you with the compensation costs being requested by the Carroll County Sheriff's Office for the law enforcement services provided by Deputy Jennifer Sibley, who is assigned to Holiday Island.

Salary:

- Annual with benefits - $39,355.84
- Hourly - $18.93
- Time and one-half (1½) = $28.40
- Deputy will be paid for hours worked on Holiday Island and for hours off the Island if related.

Other Paid Benefits:

- Vacation – 10 days/year
- Sick Leave – 12 days/year
- Training – paid as hours worked
- Holidays – 11 days/year
- Overtime – hours worked over 43 hours in a week are paid at time and one-half (1½)

Fixed Costs:

• Depreciation	$ 6,000
• Equipment	2,600
• Insurance	1,200
• Uniform Allowance	300
	$10,100

Variable Costs – computed as cost per mile:

- Gasoline
  (1) Drive approximately 27,600 miles/year
  (2) Vehicle gets about 10 miles/gallon
  (3) Average price of gas is $3.75/gallon
- Maintenance - $1900/year
- Computes to 45¢/mile

Housing: to be arranged between HISID and Deputy Sibley

Payment Method: to be determined

Example: if deputy works 2080 hours in the year and drives 27,600 miles

• Salary	39,355.84
• Fixed costs	10,100.00
• Variable costs	
27,600 miles @ 45¢/mi =	12.420.00
	$ 61,875.84/year
• If paid every four weeks,	
divide by thirteen (13)	$ 4,759.68/4 wks

I hope this meets your satisfaction and approval. Please contact me if you have any questions.

Sincerely,

Bob

Sheriff Bob Grudek

RTG/ldm

McGoodwin Williams & Yates
Engineering Confidence

May 15, 2013

Mr. Dan Schrader
Holiday Island Suburban Improvement District
8 Elm Lane
Holiday Island, Arkansas 72631

Re: Wastewater Treatment Plant Construction Project
MWY Project No. HI-10

Dear Mr. Schrader:

At your request, we have prepared a brief synopsis of the Holiday Island Wastewater Treatment Plant construction project completed for your Suburban Improvement District in 2010. Since Revolving Loan Fund monies were to be utilized by Holiday Island Suburban Improvement District for design and construction of the new facility, a *Facility Plan and Environmental Information Document* was required to be prepared for the funding agency (the Arkansas Natural Resources Commission or ANRC). This was completed by McGoodwin Williams and Yates (MWY) and the *Final Facility Plan* and *EID*, dated January 28, 2007, were transmitted to ANRC for their review.

Existing Facilities.

As set out in the Facility Plan as of 2007, your existing facilities had been *"constructed in 1978 and consisted of a single-train activated sludge "package plant" manufactured by the Sanitaire Corporation. Additional facilities consist of an inlet structure containing a manually cleaned bar screen and flow measuring device, two anthracite/sand filters with clear well, a chlorine contact chamber, two sludge drying beds, two sludge holding bins, a site pump station, and an operations building. Also on-site is a flash mix/flocculation basin."*

"The existing plant was designed to be operated in either a contact stabilization mode or an extended aeration mode. A higher flow (0.5 MGD) can be treated in the contact stabilization mode than in the extended aeration extended aeration mode to achieve the effluent limitations for ammonia which are contained in the NPDES discharge permit."

Currently, the plant is treating an average of 0.25 MGD in the extended aeration mode and is complying with the NPDES ammonia limit. However, the operator of the plant has reported that during hot weather the amount of aeration at these flows is marginal. The plant

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is, therefore, near its capacity to meet current effluent limitations for ammonia unless additional aeration basin at an average flow of 0.25 MGD is only 18 hours, compared to a normal design value of 24 hours for extended aeration processes.

New WWTP Alternatives.

The existing plant had the capacity to treat for BOD, TSS, and ammonia (in the extended aeration mode only) but had no method to treat for influent phosphorous. Phosphorous was contained in your anticipated effluent discharge permit (NPDES permit) issued by the Arkansas Department of Environmental Quality under authority of the Environmental Protection Agency.

The *Facility Plan* examined four alternatives for implementation of the plan for a WWTP upgrade from 0.25 to 0.50 MGD and for your new anticipated phosphorous limit. These alternatives ranged in anticipated capital cost from approximately $4.7 million to $6.1 million dollars. Alternative 3, the addition of a 0.50 MGD biological phosphorous removal facility with an anticipated capital cost of $4.7 million, was the selected alternative for construction.

Design.

In order to keep costs within the anticipated budget, all of the existing 1978 facilities were utilized in the design. For example: the existing extended aeration system was repurposed for use for flow equalization and sludge stabilization. In addition, a new biological phosphorous removal type facility was constructed to remove BOD, TSS, ammonia, nitrogen and phosphorous prior to discharge. The existing filters at your facility were also utilized to the maximum extent possible to polish the effluent prior to discharge and the existing chlorine contact tank was also modified to meet the pathogen reduction requirements contained within your final permit. In addition, new screens were to be installed prior to the raw wastewater entering the biological units and a new metal roof approximately 80' x 80' was to be constructed over the existing sludge drying beds to help improve the dewatering efficiency of the beds by preventing rainfall from remoistening the biosolids.

During the design process, it was determined by HISID and the engineer that the funds available for construction were not sufficient for construction. It was decided that the filters could be retrofitted by HISID staff prior to construction, and that the roofing over the existing sludge drying beds be deleted from the construction contract and instead sludge handling alternatives would be revisited by HISID when required.

Construction Contract Award.

Bids for the project were taken on August 28, 2008. Four bids were received and the lowest bid submitted was from BRB Contractors of Topeka, Kansas in the amount of $5,295,000.00. Again, in order to reduce capital construction costs to stay within the project budget, HISID directed MWY and BRB to create a list of items which could be deleted to reduce the scope of the Project. BRB presented costs for "Scope Reduction" from the list developed by MWY and BRB, and, HISID accepted these deletions. This resulted in Change Order No. 1, which reduced the total construction amount to $4,781,885.00. The contract was awarded to BRB, and the facility with various Change Orders was constructed and now treats wastewater to

the limits contained in the NPDES Permit. It is our understanding that HISID now desires to revisit the deletion of the sludge dewatering facilities from the original construction contract.

Dewatering Facility.

It is our understanding that HISID currently disposes of its biosolids in the landfill outside Tontitown, Arkansas. It is also our understanding that HISID currently produces at least a Class B biosolid. It is MWY's considered opinion that a belt filter press (BFP) facility would provide a more adequate type facility to be utilized in dewatering the waste activated sludge produced at this facility. The sand drying bed, while it would work, is marginal for the design flows and loadings your WWTP facility has been designed to treat. While the cost associated for its construction (approximately $520,000.00 for a cover) would be marginally less expensive than a belt press facility, we believe the additional cost for a BFP facility would be justified. The belt press facility could be operated year round and the sludge would not be subject to freezing during the winter. Additionally, the problems of "tracking" sludge while loading and unloading would not pose problems with regulatory agencies.

A 32' x 28' concrete block building would house a 0.50 meter belt filter press. The BFP would be designed for year round service to produce a biosolid having a minimum solids concentration of 14%. The BFP building would be constructed in the area of the existing sand drying beds. Truck access to the BFP would be through a covered drive area located to the south of the BFP building.

The estimated capital cost for this facility (shown on the attached Opinion of Probable Cost) is approximately $537,000.000 and includes construction, contingencies, and design phase engineering. Construction phase services could be negotiated depending on the loan type.

Financing.

A commercial loan or possibly ANRC financing should be available for this project. The debt service for a $537,000 loan at 3% annual percentage rate for 20 years would be approximately $35,900/year.

If you have questions or require additional information, please feel free to call.

Sincerely,

Jeffrey L. Richards, P.E.
Vice President of Engineering

JLR:bp
enclosure

PRELIMINARY ESTIMATE of PROBABLE COST
HOLIDAY ISLAND WWTP - BELT FILTER PRESS ADDITION

Item	Quantity	Unit	Unit Cost	Extended Cost
Equipment				
Belt Filter Press	1	EA	$ 137,500.00	$ 137,500.00
Polymer feeder	1	EA	15,000.00	15,000.00
Feed Pump	1	EA	3,000.00	3,000.00
Filtrate Pump	1	EA	5,000.00	5,000.00
Conveyor	1	EA	20,000.00	20,000.00
Equipment Installation	33%		59,565.00	59,565.00
Building				
Excavation	60	CY	$ 17.00	$ 1,020.00
SB-2 Base	44	EA	$ 20.00	$ 880.00
Concrete	35	EA	400.00	14,000.00
Reinforcing Steel	4900	Lbs	1.25	6,125.00
Building	896	SF	125.00	112,000.00
Outside Piping	1	LS	$ 5,000.00	$ 5,000.00
Electrical	17%		$ 41,756.80	$ 41,756.80
Mechanical	8%		$ 8,650.26	$ 8,650.26
SUBTOTAL - CONSTRUCTION				**$ 429,497.06**
Contingencies and Engineering	**25%**		$ 107,374.27	$ 107,374.27
TOTAL ESTIMATED PROJECT COST				**$ 536,871.33**