



MINUTES

UPPER TRINITY REGIONAL WATER DISTRICT BOARD OF DIRECTORS

October 3, 2019

REGULAR SESSION BOARD MEETING

1. Call to Order

The Board of Directors of the Upper Trinity Regional Water District convened, with President Richard Lubke presiding at 1:00 P.M. on Thursday, October 3, 2019, at the UTRWD Board Meeting Room, 900 N. Kealy, Lewisville, TX 75057.

2. Roll Call and confirm Quorum

The attendance of the Board of Directors was taken. A quorum was present for the meeting.

Board Members in Attendance:

Richard Lubke, President, Highland Village
Mike Fairfield, Treasurer, Lake Cities MUA
Troy Norton, Argyle
Mark Pape, Copper Canyon
Bob Hart, Corinth
Johnny Harris, Denton County
Kristina Clark, DCFWSD #1A
Dick Cook, Double Oak
Virginia Blevins, Justin
Chris Boyd, Mustang SUD
Allen McCracken, Pilot Point

Ramiro Lopez, Vice President, Irving
Brian Roberson, Secretary, Aubrey
Del Knowler, Bartonville
James Burnham, Celina
Frank Pugsley, Denton
Gary Calmes, Denton County at Large
Kevin Mercer, DCFWSD #7
Clay Riggs, Flower Mound
Devon Kennedy, Krum
Lyle Dresher, Northlake
Frank Jaromin, Prosper

Absent:

Eric Ferris, Lewisville *
Tracy LaPiene, Sanger *

Michael Anderson, Ponder *

* Excused Absence

Staff & Advisors in Attendance:

Larry N. Patterson, Executive Director
Thomas E. Taylor, Former Executive Director
Nancy Tam, Assistant to Executive Director
Jody Zabolio, Director of Operations/Water Rscs
Doug Janeway, Manager of Property Services
Ed Motley, LRH Program Manager
Mark Skaggs, Manager / IT Services
Jan Morris, Assistant Director / Administration
Jeremy Sanders, Purchasing
Nick Bulaich, Financial Advisor

John F. Boyle, Jr., Boyle & Lowry
Bill Greenleaf, Chief Financial Officer
Tom Snyder, Director Const. & Eng.
Jason Pierce, Mgr/Gov Affairs & Comm
Lester Harris, Controller
Ronna Hartt, Water Resource Manager
Kurt Staller, Asst. Dir, Const. & Eng.
Elizabeth Boddicker, Graduate Engineer
Rob Collins, Bond Counsel

Others in Attendance:

Clete Martin, Plummer

3. Pledge of Allegiance and Invocation

Pledge: Brian Roberson

Invocation: Johnny Harris

4. Opening Remarks:

- A. President's Remarks concerning current events, conduct of the meeting, posted agenda items, committee assignments, and related matters.

Lubke expressed appreciation for good attendance for the recent Board meetings; it is always best when we are all available to conduct the business of the District.

- B. Executive Director's Status Report about legislation and regulatory matters, about budgets, current projects and on-going programs of the District, including: the Regional Water System, Water Resource Development, Regional Water Reclamation Systems, Watershed Protection and Water Conservation.

- The current water supply is at 96% - - we are in good shape.
- The Environmental Impact Statement is an important component regarding planning for Lake Ralph Hall. The good news is that this long and complicated process will be concluding soon. Patterson recognized Ed Motley and Ronna Hartt for staying on top of this important task.
- We are keeping an eye on the concern of the **United States Senate** with the **U.S. Army Corps of Engineers (Corps)** regarding proposed rulemaking on the use of Corps reservoir projects for domestic, municipal, and industrial water supply.
- We are also monitoring the "America's Water Infrastructure Act of 2018" under which we are required to complete a Risk and Resilience Assessment every 5 years. Coming due March 2020; will keep you informed.
- UTRWD is an annual sponsor of Denton County Master Gardeners Association's "Cool Shade for the Third Grade" program. This year, 3,000 native shade trees will be planted at local schools. The event dates are October 24 & 25th.
- Mike Fairfield announced that LCMUA plans to name their new pump station located on FM 2181, the Johnny D. Harris Pump Station. The Dedication is scheduled for October 21st, Upper Trinity Board Members are invited.

- C. Presentations about awards, recognitions, achievements, etc. of the District, Board Members, Member Entities and Staff.

None.

5. Visitor Comments Concerning Agenda Topics.

None.



CONSENT AGENDA

President Lubke asked for a motion to approve items on Consent Agenda. **Kristina Clark made a motion to approve Consent Agenda Items 6 – 11. Seconded by Bob Hart.** The vote was all Yes. Motion Carried. Items approved were:

6. Adopt minutes of September 5, 2019 Board Meeting.
7. Accept Monthly Management Report for the period ended August 31, 2019.
8. Consider approval of an Engagement Letter with Deloitte & Touche LLP, external auditor, to conduct the District's FY 2019 annual financial audit.
9. Authorize the Executive Director to enter into a pricing agreement with Republic Services for the Transportation and Disposal of Bio-Solids.
10. Authorize the Executive Director to enter into a pricing agreement with:
 - Chemtrade Chemicals US, LLC for the purchase of Aluminum Sulfate.
 - Polydine, Inc. for the purchase of Liquid Polydiallyldimethyl/Ammonium Chloride (Water Polymer).
11. Receive report of construction change orders approved by staff.

ITEMS FOR INDIVIDUAL CONSIDERATION

12. Consider approval of the proposed Resolution and Master Agreement for Texas Water Development Board "Board Participation" in Lake Ralph Hall funding, as previously approved in the amount of \$30,000,000. **(Weighted Capital Vote)**

Nick Bulaich, Financial Advisor explained the proposed Resolution and Master Agreement for Texas Water Development Board "Board Participation" in Lake Ralph Hall funding, as previously approved in the amount of \$30,000,000. The Final True Interest Cost is 3.05%.

Staff recommended that the enclosed Resolution and Master Agreement as companion documents to the previously approved Financing Agreement, subject to any non-substantive changes mutually agreed prior to final execution. Vote: Combined with Agenda Item 13.

13. Consider Bond Resolution authorizing the issuance and sale of Upper Trinity Regional Water District Regional Treated Water Supply System Revenue Bonds, Series 2019 in an Aggregate Principal Amount of \$18,640,000 related to financial assistance from the Texas Water Development Board (for Water System Parallel Pipeline Project). **(Weighted Capital Vote)**

Bill Greenleaf and Nick Bulaich presented the highlights of the Bond Resolution for the remainder TWDB Bonds. The Final True Interest Cost is 2.02%. The District saves approximately \$2.6 million in interest.

Staff recommended that the Board approve the Bond Resolution as a companion document to the previously approved Financing Agreement, subject to any non-substantive changes mutually agreed prior to final execution.

For Agenda Item 12 & Agenda Item 13, Bob Hart made a motion to approve both items as recommended by staff. Seconded by Del Knowler. The vote was 39 Yes. 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follows:

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Burnham	2	2		
CORINTH – Hart	3	3		
DENTON (CITY) – Pugsley	2	2		
DC AT-LARGE - Calmes	1	1		
DCFWS #1A – Clark	2	2		
DCFWS #7 – Mercer	2	2		
DOUBLE OAK – Cook	1	1		
FLOWER MOUND – Riggs	9	9		
HIGHLAND VILLAGE – Lubke	2	2		
IRVING – Lopez	2	2		
JUSTIN – Blevins	1	1		
KRUM - Kennedy	1	1		
LAKE CITIES MUA – Fairfield	2	2		
LEWISVILLE – Ferris	2	0		2
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		
PONDER - Anderson	1	0		1
PROSPER - Jaromin	1	1		
SANGER – LaPiene	1	0		1
TOTAL	43	39	0	4

14. Consider certain special strategies for the development of Lake Ralph Hall. **(Weighted Capital Vote)**

- A. Authorize Staff to proceed with a Progressive Design-Build procurement method for the Roadway Relocations necessary for development of Lake Ralph Hall.

For development of Lake Ralph Hall, Ed Motley provided a briefing on the Progressive Design-Build approach for the Roadway Relocations. Funding is not required for this Board action. Staff plans to solicit proposals from potential Design-Builders and bring a recommendation to the Board for a contract award later. Staff recommended that the Board: (1) make a finding that the Progressive Design-Build delivery model for the Lake Ralph Hall Roadway Improvements will achieve best value for the District, and (2) authorize staff to proceed with the Progressive Design Build process, pending approval of the U.S. Army Corps of Engineers Section 404 Permit for Lake Ralph Hall.

- B. Authorize staff to proceed with a Competitive Sealed Proposal procurement for a Full Service Provider Contractor to implement the mitigation plan for Lake Ralph Hall.

Regarding implementation of the mitigation plan for Lake Ralph Hall, there are no capital expenditures required at this time, rather a policy decision to authorize the CSP procurement method and to begin the process. Staff recommended the following:

- Board make a finding that the Full Service Provider contracting model using a Competitive Sealed Proposal (CSP) procurement selection method will achieve the best value for the District.
- Pending approval of the Section 404 Permit by the USACE, Board authorizes staff to proceed with the Competitive Sealed Proposal procurement for a Full Service Provider Contractor to implement the compensatory mitigation required by the Section 404 Permit for Lake Ralph Hall project.

For Agenda Items 14A and 14B, Gary Calmes made a motion to approve both items as recommended by staff. Seconded by Bob Hart. The vote was 39 Yes. 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follows:

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Burnham	2	2		
CORINTH – Hart	3	3		
DENTON (CITY) – Pugsley	2	2		
DC AT-LARGE - Calmes	1	1		
DCFWS #1A – Clark	2	2		
DCFWS #7 – Mercer	2	2		
DOUBLE OAK – Cook	1	1		
FLOWER MOUND – Riggs	9	9		
HIGHLAND VILLAGE – Lubke	2	2		
IRVING – Lopez	2	2		
JUSTIN – Blevins	1	1		
KRUM - Kennedy	1	1		
LAKE CITIES MUA – Fairfield	2	2		
LEWISVILLE – Ferris	2	0		2
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		

PONDER - Anderson	1	0		1
PROSPER - Jaromin	1	1		
SANGER – LaPlene	1	0		1
TOTAL	43	39	0	4

15. Consider approval of a Reimbursement Agreement with Energy Transfer Partners regarding Design of the relocation of a Gas Transmission Pipeline in conflict with the Lake Ralph Hall project. (Weighted Capital Vote)

Funding for the Lake Ralph Hall project is included in the Regional Treated Water System FY 2020 Capital Budget. It is anticipated that funding through the Texas Water Development Board SWIFT Board Participation program will be used to reimburse this expense. Staff recommended for the Board to approve of a Reimbursement Agreement with Energy Transfer Partners regarding design of the relocation of a Gas Transmission Pipeline in conflict with the Lake Ralph Hall project.

Kevin Mercer made a motion to approve Agenda Item 15 as recommended by staff. Seconded by Lyle Dresher. The vote was 39 Yes (including 9 Abstain), 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follows:

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	ABSTAIN	NO	ABSENT
ARGYLE – Norton	1	1			
AUBREY - Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Burnham	2	2			
CORINTH – Hart	3	3			
DENTON (CITY) – Pugsley	2	2			
DC AT-LARGE - Calmes	1	1			
DCFWSO #1A – Clark	2	2			
DCFWSO #7 – Mercer	2	2			
DOUBLE OAK – Cook	1	1			
FLOWER MOUND – Riggs	9		9*		
HIGHLAND VILLAGE – Lubke	2	2			
IRVING – Lopez	2	2			
JUSTIN – Blevins	1	1			
KRUM - Kennedy	1	1			
LAKE CITIES MUA – Fairfield	2	2			
LEWISVILLE – Ferris	2	0			2
MUSTANG SUD - Boyd	3	3			
NORTHLAKE - Dresher	1	1			
PILOT POINT - McCracken	1	1			

PONDER - Anderson	1	0		1
PROSPER - Jaromin	1	1		
SANGER – LaPiene	1	0		1
TOTAL	43	30	9*	4

* An abstain vote without personal conflict counts as yes vote.

16. Consider award of contract to Eagle Contracting, L.P. for construction of Phase 2 Expansion at Doe Branch Water Reclamation Plant. **(Weighted Capital Vote)**

Elizabeth Boddicker provided a briefing to the Board. Staff recommended to award construction contract for the Doe Branch Phase 2 Plant Expansion to Eagle Contracting, L.P. in the amount of \$17,302,000.00. **Virginia Blevins made a motion to approve Agenda Item 16. Seconded by Frank Pugsley.** The vote was 39 Yes, 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follows:

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Burnham	2	2		
CORINTH – Hart	3	3		
DENTON (CITY) – Pugsley	2	2		
DC AT-LARGE - Calmes	1	1		
DCFWS #1A – Clark	2	2		
DCFWS #7 – Mercer	2	2		
DOUBLE OAK – Cook	1	1		
FLOWER MOUND – Riggs	9	9		
HIGHLAND VILLAGE – Lubke	2	2		
IRVING – Lopez	2	2		
JUSTIN – Blevins	1	1		
KRUM - Kennedy	1	1		
LAKE CITIES MUA – Fairfield	2	2		
LEWISVILLE – Ferris	2	0		2
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		
PONDER - Anderson	1	0		1
PROSPER - Jaromin	1	1		



SANGER – LaPiene	1	0		1
TOTAL	43	39	0	4

17. Consider Resolution authorizing acceptance of completed work, approval of final payment and release of retainage for construction contract awarded to Atkins Brothers Equipment Company, Inc. for Proposed Treated Water Pipeline Relocations and Modifications Along FM 720. **(Weighted Capital Vote)**

All work performed has been completed in accordance with the plans, specifications and change orders. Staff recommended Board approval of resolution authorizing acceptance of completed work and final payment including release of retainage to Atkins Brothers Equipment Company, Inc. pending completion of minor punch list items.

Patterson thanked Chris Boyd, Mustang SUD for his support of the project. **Lyle Dresher made a motion to approve Agenda Item 17 as recommended by staff. Seconded by Kristina Clark.** The vote was 39 Yes. 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follows:

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Burnham	2	2		
CORINTH – Hart	3	3		
DENTON (CITY) – Pugsley	2	2		
DC AT-LARGE - Calmes	1	1		
DCFWS #1A – Clark	2	2		
DCFWS #7 – Mercer	2	2		
DOUBLE OAK – Cook	1	1		
FLOWER MOUND – Riggs	9	9		
HIGHLAND VILLAGE – Lubke	2	2		
IRVING – Lopez	2	2		
JUSTIN – Blevins	1	1		
KRUM - Kennedy	1	1		
LAKE CITIES MUA – Fairfield	2	2		
LEWISVILLE – Ferris	2	0		2
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		
PONDER - Anderson	1	0		1
PROSPER - Jaromin	1	1		

SANGER – LaPlene	1	0		1
TOTAL	43	39	0	4

1:40 PM: A ten-minute break was called.

18. Executive Session concerning granting or acquisition of easements, rights-of-way and other property for Water Resource Development or for Regional Treated Water System, pursuant to Texas Government Code, Section 551.072, according to location maps of the projects available in the District Office; and regarding water rights and related permits; for discussion of security matters pursuant to Texas Government Code, Section 551.076; and, regarding General Counsel and Executive Director's review of legal implications for the relocation of a District water pipeline; and, meeting with legal counsel pursuant to Texas Government Code, Section 551.071, relative to a matter in which the attorney is required under the Texas Disciplinary Rules of Professional Conduct to convey advice in Executive Session.

The Board of Directors went into Executive Session at 1:50pm.
 The Board returned to open meeting at 2:15pm.

19. Consider action on property matters, some of which may have been discussed in Executive Session. (Weighted Capital Vote)

The Board discussed the purchase of the following property items in Executive Session necessary for the following projects:

- A. Parallel Pipeline Project:
 - Parcel 28 (MarineMax)
 - Parcels 19 & 20 (Denkmann Associates)
 - Parcel 56 (MBM Beef)
- B. Lake Ralph Hall Project:
 - Parcel P142-LRH (Herbert Ray McKamie)

Bob Hart made a motion to approve the purchase of properties listed above necessary for the Parallel Pipeline and Lake Ralph Hall Projects. Seconded by Virginia Blevins. The vote was 39 Yes. 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follows:

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Burnham	2	2		
CORINTH – Hart	3	3		
DENTON (CITY) – Pugsley	2	2		
DC AT-LARGE - Calmes	1	1		
DCFWSO #1A – Clark	2	2		
DCFWSO #7 – Mercer	2	2		
DOUBLE OAK – Cook	1	1		

FLOWER MOUND – Riggs	9	9		
HIGHLAND VILLAGE – Lubke	2	2		
IRVING – Lopez	2	2		
JUSTIN – Blevins	1	1		
KRUM - Kennedy	1	1		
LAKE CITIES MUA – Fairfield	2	2		
LEWISVILLE – Ferris	2	0		2
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		
PONDER - Anderson	1	0		1
PROSPER - Jaromin	1	1		
SANGER – LaPiene	1	0		1
TOTAL	43	39	0	4

20. Review potential agenda items, activities and announcements for future Board meetings.

- For November 7th Board Meeting, it will be an all-day retreat to the Lake Ralph Hall and Bois d’Arc Lake area. We plan to leave at 7:30 a.m. and return by 4:30 p.m.
- Save the Date: Wednesday, December 11, 2019, 3:00 – 5:00 p.m. We are planning a retirement celebration for Tom Taylor, Former Executive Director.

21. Visitor Comments Concerning Non-Agenda Topics.

None.

22. Adjournment.

There being no further business, President Lubke adjourned the meeting at 2:16pm.

Recorded By: 
 Nancy T. Tam, Assistant Secretary, Board of Directors

Certified By: 
 Brian Roberson, Secretary, Board of Directors

