



# MINUTES

## UPPER TRINITY REGIONAL WATER DISTRICT BOARD OF DIRECTORS SEPTEMBER 1, 2022

### REGULAR SESSION BOARD MEETING

#### 1. Call to Order

The Board of Directors of the Upper Trinity Regional Water District (UTRWD) convened in Regular Session Board Meeting with President Brian Roberson presiding at 12:56 P.M. on Thursday, September 1, 2022.

#### 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:

|   |  |
|---|--|
| Brian Roberson, President, Aubrey               | Clay Riggs, Vice President, Flower Mound |
| Lyle Dresher, Treasurer, Denton County At Large | Greg Scott, Secretary, Justin            |
| Troy Norton, Argyle                             | Del Knowler, Bartonville                 |
| Corbett Howard, Celina                          | Mark Pape, Copper Canyon                 |
| George Marshall, Corinth                        | Stephen Moore, Denton                    |
| Dave Nelson, Double Oak                         | Richard Lubke, Highland Village          |
| Orlando Sanchez, Irving                         | Nate Winchester, Krum                    |
| Mike Fairfield, Lake Cities MUA                 | Chris Boyd, Mustang SUD                  |
| Drew Corn, Northlake                            | Allen McCracken, Pilot Point             |
| Michael Anderson, Ponder                        | Frank Jaromin, Prosper                   |
| Alina Ciocan, Sanger                            |  |

##### Absent:

|                           |                           |                 |
|---------------------------|---------------------------|-----------------|
| Kevin Mercer, DCFWSD #7 * | Eric Ferris, Lewisville * | * Excuse Absent |
|---------------------------|---------------------------|-----------------|

##### Vacant: Denton County

##### Staff & Advisors in Attendance:

|  |   |
|--|---|
| Larry N. Patterson, Executive Director       | Matthew Boyle, General Counsel                    |
| Nancy Tam, Assistant to Executive Director   | Jason Pierce, Manager of Governmental Affairs     |
| Bill Greenleaf, Chief Financial Officer      | Lester Harris, Controller                         |
| Todd Williams, Mgr of Budget & Financial     | Mark Skaggs, Manager of IT Services               |
| Dustin Wright, Network System Administrator  | Marcos Zepeda, IT Specialist                      |
| Tom Snyder, Director of Eng & Constr         | Kurt Staller, Assistant Director, Eng & Const     |
| Adam McKnight, Sr. Professional Engineer     | Jody Zabolio, Director of Op. & Water Resources   |
| Ben Hodges, Assistant Director of Operations | Ed Motley, LRH Program Manager                    |
| Doug Janeway, Manager of Property Services   | Jan Morris, Assistant Director for Administration |
| Nick Bulaich, Financial Advisor              |   |

##### Others in Attendance:

|  |                                       |
|--|---------------------------------------|
| Heather Harward, Harward Consulting, LLC | Lance Klement, Garver, LLC            |
| Andre Garces, Plummer Associates, Inc.   | Alan Tucker, Plummer Associates, Inc. |
| Kaye Bealer, Tetra Tech                  | Troy Laman, Carollo Engineers, Inc.   |

3. Pledge of Allegiance and Invocation.

Pledge of Allegiance was led by Clay Riggs. Invocation was delivered by Larry Patterson.

4. Oath of Office.

None.

5. Opening Remarks:

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

President Roberson apologized for not being able to attend the District's Family Event; however, he was glad that many attended had a great time there.

- 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.

Executive Director reported that the recent rain provided some relief to the high water demands. However, because of the extended dry weather, the soil had soaked up the rainwater, therefore area lake levels did not rise as much as expected. Regarding water conservation and drought management, Drew Corn suggested having a unifying stage regarding various watering schedules among members and customers. Patterson suggested that the matter might be best discuss with the Customer Advisory Council and Water Conservation Committee will be a helpful first step.

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


None.

6. Visitor Comments Concerning Agenda Topics.

None

**CONSENT AGENDA**

**Richard Lubke made the motion to approve the Consent Agenda Items No. 7 - 11 as presented. Seconded by Troy Norton.** The *Roll Call Vote* was 20 Yes, 0 No, 2 Absent (Mercer & Ferris). Motion carried. The approved Consent Agenda items were:

7. Adopt Minutes of August 4, 2022 Board Meeting.
  8. Accept Monthly Management Report for the period ended July 31, 2022
  9. Consider appointment of Trustee for Place 3 on the Board of Trustees for the Upper Trinity Conservation Trust.
  10. Authorize the Executive Director to enter into appropriate agreements with Sigler Communications and certain media outlets, based on recommendations from Sigler Communications, for advertising related to the District's Water Conservation and Watershed Protection education and outreach programs.
  11. Receive report of construction change orders approved by staff.
- 

**ITEMS FOR INDIVIDUAL CONSIDERATION**

12. Consider adoption of Rates for Services provided by the District:

- A. Wholesale Rates for Regional Treated Water System.
- B. Wholesale Rates for Lakeview Regional Water Reclamation System.
- C. Wholesale Rates for Northeast Water Reclamation System.
- D. Wholesale Rates for Peninsula Water Reclamation Plant.
- E. Wholesale Rates for Non-Potable Water Service.
- F. Rates for Collection of Household Hazardous Waste.
- G. Administrative/Planning and Growth Program Fees (Approved by Budget Adoption)

**Stephen Moore made the motion to approve Agenda Item 12 as presented. Seconded by Lyle Dresher.** The *Roll Call Vote* was 20 Yes, 0 No, 2 Absent (Mercer & Ferris). Motion carried.

13. Consider adoption of Budgets for Fiscal Year 2022-2023:

- A. Operating Budgets
- B. Capital Improvement Budgets
- C. Budget for Upper Trinity Conservation Trust

**Drew Corn made the motion to approve Agenda Item 13 as presented. Seconded by Del Knowler.** The *Roll Call Vote* was 20 Yes, 0 No, 2 Absent (Mercer & Ferris). Motion carried.

14. Presentation of 5-Year Rate Forecast for the Regional Treated Water System (RTWS).

Lester Harris provided the 5-Year Rate Forecast to the Board. As with any forecast, results may or may not be realized as numerous assumptions and related results can be affected by any number of things, ranging from regulatory mandates and environmental conditions (drought) to economic changes (recessions). However, based on District’s staff’s current evaluation, the five-year forecast appears to show a blended rate impact from 4.60% to 7.65%. This is an informational item only. No action required.

15. Consider approval of a Financing Agreement with the Texas Water Development Board (TWDB) under the State Water Implementation Fund for Texas (SWIFT) Program for the Regional Treated Water System — Board Participation for the Lake Ralph Hall Project. **(Weighted Capital Vote)**

Texas Water Development Board commitment for Lake Ralph Hall for FY 2022 is \$110 Million. Term of Financing is 34 years. No Compound Interest on Deferred Interest Payments. Fund up to 80% of the Total Project Cost. **Stephen Moore made the motion to approve Agenda Item 15 as presented. Seconded by Greg Scott.** The *Weighted Capital Vote* was 41 Yes, 0 No, 5 Absent (Mercer and Ferris). Motion carried.

| ENTITY                | ELIGIBLE WEIGHTED VOTE | YES | NO | ABSTAIN | ABSENT |
|-----------------------|------------------------|-----|----|---------|--------|
| ARGYLE – Norton       | 1                      | 1   |    |         |        |
| AUBREY - Roberson     | 1                      | 1   |    |         |        |
| BARTONVILLE – Knowler | 1                      | 1   |    |         |        |
| CELINA – Howard       | 3                      | 3   |    |         |        |
| CORINTH – Marshall    | 3                      | 3   |    |         |        |
| DENTON (city) – Moore | 2                      | 2   |    |         |        |
| DC AT-LARGE Dresher   | 1                      | 1   |    |         |        |

|                             |    |    |  |   |
|-----------------------------|----|----|--|---|
| DCFWSD #7 – Mercer          | 2  |    |  | 2 |
| DOUBLE OAK – Nelson         | 1  | 1  |  |   |
| FLOWER MOUND – Riggs        | 9  | 9  |  |   |
| HIGHLAND VILLAGE – Lubke    | 2  | 2  |  |   |
| IRVING – Sanchez            | 2  | 2  |  |   |
| JUSTIN – Scott              | 1  | 1  |  |   |
| KRUM – Winchester           | 1  | 1  |  |   |
| LAKE CITIES MUA – Fairfield | 2  | 2  |  |   |
| LEWISVILLE – Ferris         | 3  |    |  | 3 |
| MUSTANG SUD – Boyd          | 5  | 5  |  |   |
| NORTHLAKE – Corn            | 2  | 2  |  |   |
| PILOT POINT – McCracken     | 1  | 1  |  |   |
| PONDER – Anderson           | 1  | 1  |  |   |
| PROSPER – Jaromin           | 1  | 1  |  |   |
| SANGER – Ciocan             | 1  | 1  |  |   |
| TOTAL                       | 46 | 41 |  | 5 |

16. Consider approval of a Financing Agreement with the Texas Water Development Board (TWDB) under the State Water Implementation Fund for Texas (SWIFT) Program for the Regional Treated Water System — Board Participation for the Northeast Pipeline Project. (Weighted Capital Vote)

Texas Water Development Board commitment for Northeast Pipeline FY 2022 is \$9.1 Million. Term of Financing is 34 years. No Compound Interest on Deferred Interest Payments. Fund up to 75% of the Total Project Cost. **Richard Lubke made the motion to approve Agenda Item 16 as presented. Seconded by Dave Nelson.** The *Weighted Capital Vote* was 41 Yes, 0 No, 5 Absent (Mercer and Ferris). Motion carried.

| ENTITY                   | ELIGIBLE WEIGHTED VOTE | YES | NO | ABSTAIN | ABSENT |
|--------------------------|------------------------|-----|----|---------|--------|
| ARGYLE – Norton          | 1                      | 1   |    |         |        |
| AUBREY - Roberson        | 1                      | 1   |    |         |        |
| BARTONVILLE – Knowler    | 1                      | 1   |    |         |        |
| CELINA – Howard          | 3                      | 3   |    |         |        |
| CORINTH – Marshall       | 3                      | 3   |    |         |        |
| DENTON (city) – Moore    | 2                      | 2   |    |         |        |
| DC AT-LARGE Dresher      | 1                      | 1   |    |         |        |
| DCFWSD #7 – Mercer       | 2                      |     |    |         | 2      |
| DOUBLE OAK – Nelson      | 1                      | 1   |    |         |        |
| FLOWER MOUND – Riggs     | 9                      | 9   |    |         |        |
| HIGHLAND VILLAGE – Lubke | 2                      | 2   |    |         |        |



|                             |    |    |  |   |
|-----------------------------|----|----|--|---|
| IRVING – Sanchez            | 2  | 2  |  |   |
| JUSTIN – Scott              | 1  | 1  |  |   |
| KRUM – Winchester           | 1  | 1  |  |   |
| LAKE CITIES MUA – Fairfield | 2  | 2  |  |   |
| LEWISVILLE – Ferris         | 3  |    |  | 3 |
| MUSTANG SUD – Boyd          | 5  | 5  |  |   |
| NORTHLAKE – Corn            | 2  | 2  |  |   |
| PILOT POINT – McCracken     | 1  | 1  |  |   |
| PONDER – Anderson           | 1  | 1  |  |   |
| PROSPER – Jaromin           | 1  | 1  |  |   |
| SANGER – Ciocan             | 1  | 1  |  |   |
| TOTAL                       | 46 | 41 |  | 5 |

17. Consider authorizing the Executive Director to execute an Engagement Letter with Deloitte and Touche, LLP, the District’s external auditor, to conduct the District’s FY 2022 annual financial audit.

The FY 2022 Audit represents the final year of the 3-year term with Deloitte and Touche, LLP. The proposed cost of \$170,000 is consistent with the amount specified in the agreement. **Drew Corn made the motion to approve Agenda Item 17 as presented. Seconded by Stephen Moore.** The Roll Call Vote was 20 Yes, 0 No, 2 Absent (Mercer & Ferris). Motion carried.

18. Engineering Contracts and Task Orders: **(Weighted Capital Vote)**

- A. Consider approval of Task Order No. 3 with Carollo Engineers, Inc. for engineering services related to the preliminary design of Doe Branch Water Reclamation Plant’s Phase 3 Expansion Project.

Proposed Task Order No. 3 with Carollo Engineers provides for preliminary design phase services related to the next plant expansion of Doe Branch Plant. Engineering services include analysis of the current plant to determine the next required capacity increase. Other key items included in the evaluation are hydraulic process modeling, development of a basis of design memorandum and assistance in selecting a Construction Manager at Risk. Staff recommended the approval of proposed Task Order No. 3 with Carollo Engineers, Inc. in the not to exceed amount of \$410,528.00.

- B. Consider approval of Task Order No. 4 with Freese and Nichols, Inc. for engineering services related to final design for the Doe Branch Water Reclamation System Parallel Interceptor, Phase I Project.

The preliminary engineering design is complete for the Doe Branch Water Reclamation System Interceptor, Phase1 Project. The next step is to proceed with final design and moving forward with construction. It is anticipated that bidding and construction of the Parallel Interceptor will be included as part of a Construction Manager at Risk (CMAR) project delivery method that will include the Doe Branch Water Reclamation Plant Phase 3 Expansion Project.

Staff recommended to approve Task Order No. 4 with Freese and Nichols, Inc. for engineering services related to the final design, and construction services for Doe Branch Water Reclamation System Parallel Interceptor, Phase 1 for a not to exceed amount of \$1,135,085.



- C. Consider approval of Task Order No. 2 with Garver, LLC. for engineering services related to design of Regional Treated Water System Hydraulic Improvements Project.

This summer, the Regional Treated Water System has experience record setting water demands. To improve operational flexibility hydraulic improvements are needed. Targeted hydraulic improvements will increase pumping efficiency and allow for additional flows to meet members and customers growing water demands.

Staff recommended to approve Task Order No. 2 with Garver, LLC. for engineering services related to design of Regional Treated Water System Hydraulic Improvements Project for a not to exceed amount of \$ 273,275.

- D. Consider approval of Task Order No. 7 with Plummer Associates, Inc. for engineering services related to Regional Treated Water System Optimization and Implementation Plan Project.

To better plan for anticipated future Regional Treated Water System needs, staff engaged Plummer Associates to develop a scope of work for a system optimization and implementation planning effort to support staff in prioritizing projects to meet Members' and Customers' needs.

Staff recommended to approve Task Order No. 7 with Plummer Associates, Inc. for engineering services in support of the Regional Treated Water System Optimization and Implementation Plan for a not to exceed amount of \$205,020.

**Del Knowler made the motion to approve Agenda Item 18 A, B, C and D as presented. Seconded by Clay Riggs.** The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 5 Absent (Mercer and Ferris). Motion carried.

19. Consider Resolution authorizing acceptance of completed work and final payment including release of retainage for construction contract awarded to Heritage Constructors, Inc. for Riverbend Water Reclamation Plant Improvements Project. (Weighted Capital Vote)

All work has been completed in accordance with the plans, specifications, and change orders, except for minor punch list items. **Alina Ciocan made the motion to approve Agenda Item 19 as presented. Seconded by Troy Norton.** The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 5 Absent (Mercer and Ferris). Motion carried.

20. Consider Resolution ratifying District's position as stated in letter to the Fannin County Judge dated September 10, 2013 related to high quality development around and adjacent to Lake Ralph Hall, including provisions for boat docks according to master plans that will be developed with County participation.

In September 2013, District representatives met with State Representative Larry Phillips and the Honorable Fannin County Judge Creta "Spanky" Carter with a special focus on shoreline development at Lake Ralph Hall. On September 10, 2013, a follow-up letter was sent to Judge Carter summarizing the meeting and stating the District's support for Economic Development, High-Quality Development around and adjacent to the lake, and reasonable access to the lake, including provisions for boat docks.

Staff recommends approval of Agenda Item 20 ratifying the District's position as stated in letter to the Fannin County Judge dated September 10, 2013 related to high quality development around and adjacent to Lake Ralph Hall, including provisions for boat docks according to master plans that will be developed with County participation.

**Lyle Dresher made the motion to approve Agenda Item 20 as presented. Seconded by Drew Corn.** The *Roll Call Vote* was 20 Yes, 0 No, 2 Absent (Mercer & Ferris). Motion carried.

Mike Anderson and Mark Pape left meeting.



21. Executive Session concerning granting or acquisition of easements, rights-of-way and other property including leases 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, regarding potential lawsuit related to construction projects; 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 2:17 p.m.  
 The Board returned to open meeting at 2:35 p.m.

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

None.

23. Approve Resolution(s) deeming necessity and authorizing acquisition of property including exercising the Power of Eminent Domain for the Lake Ralph Hall Project. (Weighted Capital Vote)

The Board of Directors discussed purchases of properties necessary for the Lake Ralph Hall Project in Executive Session. Staff recommended to approve individual Resolution deeming necessity and authorizing acquisition of real property, including exercising the power of eminent domain for the following parcels and take the necessary steps to finalize and close the purchase of property necessary for the Lake Ralph Hall Project:

- Resolution # 2022 – 44: Parcel 581 Armando Martinez Saucedo
- Resolution # 2022 – 45: Parcel 582 Armando Martinez Saucedo
- Resolution # 2022 – 46: Parcel 680 Bambi Valenzuela and Dove Gutman
- Resolution # 2022 – 47: Parcel 710 & 720 Felix A. Lewis and Linda L. Lewis Revocable Living Trust
- Resolution # 2022 – 48: Parcel 910 Patricia Lucille Clark
- Resolution # 2022 – 49: Parcel 950 John Michael Teeling and Joan C. Teeling
- Resolution # 2022 – 50: Parcel 1210 Jeremy Bauman and Sophie Bauman
- Resolution # 2022 – 51: Parcel 1280 Ernesto Perez and Maria Guadalupe Perez

**Frank Jaromin made the motion to approve Agenda Item 22 as presented. Seconded by George Marshall.** The *Weighted Capital Vote* was unanimous with 40 Yes, 0 No, 6 Absent (Mercer, Ferris and Anderson). Motion carried.

| ENTITY                | ELIGIBLE WEIGHTED VOTE | YES | NO | ABSTAIN | ABSENT |
|-----------------------|------------------------|-----|----|---------|--------|
| ARGYLE – Norton       | 1                      | 1   |    |         |        |
| AUBREY - Roberson     | 1                      | 1   |    |         |        |
| BARTONVILLE – Knowler | 1                      | 1   |    |         |        |
| CELINA – Howard       | 3                      | 3   |    |         |        |
| CORINTH – Marshall    | 3                      | 3   |    |         |        |
| DENTON (city) – Moore | 2                      | 2   |    |         |        |
| DC AT-LARGE Dresher   | 1                      | 1   |    |         |        |
| DCFWSO #7 – Mercer    | 2                      |     |    |         | 2      |

|                             |    |    |   |
|-----------------------------|----|----|---|
| DOUBLE OAK – Nelson         | 1  | 1  |   |
| FLOWER MOUND – Riggs        | 9  | 9  |   |
| HIGHLAND VILLAGE – Lubke    | 2  | 2  |   |
| IRVING – Sanchez            | 2  | 2  |   |
| JUSTIN – Scott              | 1  | 1  |   |
| KRUM – Winchester           | 1  | 1  |   |
| LAKE CITIES MUA – Fairfield | 2  | 2  |   |
| LEWISVILLE – Ferris         | 3  |    | 3 |
| MUSTANG SUD – Boyd          | 5  | 5  |   |
| NORTHLAKE – Corn            | 2  | 2  |   |
| PILOT POINT – McCracken     | 1  | 1  |   |
| PONDER – Anderson           | 1  |    | 1 |
| PROSPER – Jaromin           | 1  | 1  |   |
| SANGER – Ciocan             | 1  | 1  |   |
| TOTAL                       | 46 | 40 | 6 |

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

- Frank Jaromin requested an update regarding the Household Hazardous Waste Program.
- Drew Corn requested future discussion regarding Water Conservation/Drought Management.
- April 2023 Retreat to visit Lake Ralph Hall Construction Project

25. Visitor Comments Concerning Non-Agenda Topics.

None.

26. Adjournment.

There being no further business, President Roberson adjourned the meeting at 2:38 p.m.

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

Certified by:   
 Greg Scott, Secretary, Board of Directors

