



MINUTES

UPPER TRINITY REGIONAL WATER DISTRICT BOARD OF DIRECTORS

October 5, 2023

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 Clay M. Riggs presiding at 1:10 P.M. on Thursday, October 5, 2023.

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:

Clay M. Riggs, President | Flower Mound
Greg Scott, Treasurer | Justin
Troy Norton | Argyle
Del Knowler | Bartonville
Stephen Gay | Denton
Dave Nelson | Double Oak
Orlando Sanchez | Irving
Mike Fairfield | Lake Cities MUA
Chris Boyd | Mustang SUD
Frank Jaromin | Prosper

Lyle Drescher, VP | Denton County At Large
Allen L. McCracken, II, Secretary | Pilot Point
Brian Roberson | Aubrey
Glenn Barker | Corinth
Kevin Mercer | DCFWSD #7
Richard Lubke | Highland Village
Nate Winchester | Krum
Kelly Rouse | Lewisville
Michael Anderson | Ponder
Alina Ciocan | Sanger

Absent:

Kimberly Brawner | Celina
Drew Corn | Northlake

Mark Pape | Copper Canyon

Staff and Advisors in Attendance:

Larry N. Patterson, Executive Director
Nancy Tam, Asst to Executive Director
Jody Zabolio, Director of Operations
Mary Dockery, Controller
Dustin Wright, Manager of IT Services
Rob Collins, Bond Counsel
Tom Snyder, Director of Special Projects
Adam McKnight, Chief Engineer
Ed Motley, LRH Program Manager
Jan Morris, Chief Administrative Officer
Rhonda Dutton, HR Manager

Matthew Boyle, General Counsel
Jason Pierce, Mgr of Gov Affairs & Comm
Lester Harris, Chief Financial Officer
Elisa Moreno, Staff Accountant II
Marcos Zepeda, IT Specialist
Nick Bulaich, Financial Advisor
Kurt Staller, Director of Eng and Construction
Kaylee Waldo, Project Engineer
Ben Hodges, Deputy Director of Operations
Doug Janeway, Manager of Property Services

Others in Attendance:

Andre Garces, Plummer
Chad Simmons, Freese & Nichols
Ignacio Cadera, Black & Veatch
Matt Duenwald, Kimley-Horn

Anthony Samarripas, Kimley-Horn
Ana Smith, Black & Veatch
Jerry Snead, HDR
Heather Howard, Heather Howard Consultant

3. Pledge of Allegiance and Invocation

Pledge of Allegiance was led by Allen McCracken. The invocation was delivered by Dave Nelson.

4. Oath of Office

None.

5. Opening Remarks:

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

The President commented that he was grateful for the nice rain the prior evening. He also congratulated Larry Patterson on receiving his Distinguished Graduate Award from Texas A&M.

- B. Executive Director's Status Report about legislation and regulatory matters, 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 Executive Director discussed the following topics:

- The Water Demand Chart indicated water pumping is dropping back closer to normal for now. Thanks to the recent rain and cooler weather.
- District Water Supplies are good, current composite storage is 86.4%
- LRH Conveyance System: Installation of pipe and tunneling work are moving forward swiftly.
- A news video from Spectrum News 1 was shown which featured the growth of our region and the construction of the new Lake Ralph Hall.
- **Propositions 6, 7, and 8:** Election Day is coming up soon. If approved, Prop 6 would create the Texas Water Fund to be administered by Texas Water Development Board. SB 30 authorized one-time investment of \$1 billion if voters approved Prop 6.

- 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

Rich Lubke made the motion to approve the Consent Agenda Items 7-11 as presented by staff. Seconded by Frank Jaromin. The *Roll Call Vote* was 20 Yes, 0 No, 2 Absent. Motion carried. The approved Consent Agenda Items were:

- 7. Adopt Minutes of September 7, 2023 Board Meeting.
- 8. Accept Monthly Management Report for the period ended August 31, 2023.
- 9. Receive report of construction Change Orders approved by staff.
- 10. Consider approval of Resolution supporting Proposition 6 on the November 7, 2023 general election ballot to amend the Texas Constitution to create the Texas Water Fund to assist in financing water projects in the State Water Plan.
- 11. Authorize the Executive Director to enter into a pricing agreement with Russell Madden, Inc. for the purchase of HVAC and Electrical Services.

ITEMS FOR INDIVIDUAL CONSIDERATION

- 12. Authorize the Executive Director to enter into a purchasing agreement with Carbon Silica Services, LLC (dba Diamond Services) for the purchase of a Caustic Chemical Storage Tank for the Taylor Regional Water Plant. **(Weighted Capital Vote)**

Taylor Plant utilizes two tanks to meet the TCEQ requirements for on-site storage of Sodium Hydroxide 50% (Caustic Soda). Since these tanks are reaching the end of their service life, last year one of the tanks was replaced and the second tank was budgeted for replacement this fiscal year. Staff recommended the authorization of the Executive Director to enter into a purchasing agreement with Carbon Silica Services, LLC (dba Diamond Services) in the amount of \$173,863.00 for the purchase and installation of a caustic chemical storage tank.

Brian Roberson made the motion to approve Agenda Item 12 as presented. Seconded by Alina Ciocan. The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 6 Absent. Motion carried.

Entity	Eligible Weighted Votes	Yes	No	Abstain	Absent
ARGYLE – Norton	1	1			
AUBREY – Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Brawner	3				3
CORINTH – Barker	3	3			
DC AT-LARGE – Dresher	1	1			
DCFWSO #7 – Mercer	2	2			



DENTON (city) – Gay	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 – Rouse	3	3			
MUSTANG SUD – Boyd	5	5			
NORTHLAKE – Corn	3				3
PILOT POINT – McCracken	1	1			
PONDER – Anderson	1	1			
PROSPER – Jaromin	1	1			
SANGER – Ciocan	1	1			
TOTAL:	47	41	0	0	6

13. Consider approval of a Term Sheet from Wells Fargo Bank NA for Short-Term Variable Rate Financing for the Regional Treated Water System. (Weighted Capital Vote)

According to staff, in October 2022, the Board authorized a \$75 Million Direct Purchase (DP) Program with PNC Bank to replace the Commercial Paper Program as a short-term variable rate financing tool for projects of the Regional Treated Water System (RTWS). Due to the growing capital needs of the RTWS and to provide least-cost financing for those projects, District Staff concluded that it is now beneficial to expand the DP Program to \$100 million.

Staff received an offer to expand the DP Program by \$25 million from two entities – PNC Bank and Wells Fargo Bank NA (Wells Fargo). Wells Fargo not only provided a superior proposal for the additional \$25 million, but also provided a superior proposal for the entire \$100 million DP Program.

Staff recommended approval of the Wells Fargo Bank Direct Term Sheet to replace PNC as the District’s Direct Purchase Program financing provider. **Del Knowler made the motion to approve Agenda Item 13 as presented by staff. Seconded by Frank Jaromin.** The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 6 Absent. Motion carried.

Entity	Eligible Weighted Votes	Yes	No	Abstain	Absent
ARGYLE – Norton	1	1			
AUBREY – Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Brawner	3				3
CORINTH – Barker	3	3			
DC AT-LARGE – Dresher	1	1			
DCFWS #7 – Mercer	2	2			
DENTON (city) – Gay	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 – Rouse	3	3			
MUSTANG SUD – Boyd	5	5			
NORTHLAKE – Corn	3				3
PILOT POINT – McCracken	1	1			
PONDER – Anderson	1	1			
PROSPER – Jaromin	1	1			
SANGER – Ciocan	1	1			
TOTAL:	47	41	0	0	6

14. Consider Bond Resolution authorizing the issuance of Upper Trinity Regional Water District Regional Treated Water Supply system Revenue Refunding Bonds, Series 2023, in an aggregate principal amount not to exceed \$35,000,000; providing for the security and payment thereof; providing for the award of the sale thereof in accordance with specified parameters; authorizing the execution and delivery of one or more paying Agent/Registrar Agreements, Escrow/Deposit Agreements, and Bond Purchase Contracts; approving the preparation of the Official Statement with respect to the bonds; and enacting other provision relating thereto. **(Weighted Capital Vote)**

In accordance with the District’s long-term financial plan, Staff recommended replacing approximately \$30 million in “temporary” Direct Purchase Program short-term variable debt with “permanent debt” through the issuance of Revenue Bonds. The primary objective of the refunding is to lower the amount of Direct Purchase Notes outstanding to provide added flexibility to the District for funding of capital projects in the Regional Treated Water System.

Staff recommended approval of the proposed Resolution authorizing the issuance of Refunding Revenue Bonds for the Regional Treated Water System, subject to specified parameters. **Greg Scott made the motion to approve Agenda Item 14 as presented by staff. Seconded by Dave Nelson.** The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 6 Absent. Motion carried.

Entity	Eligible Weighted Votes	Yes	No	Abstain	Absent
ARGYLE – Norton	1	1			
AUBREY – Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Brawner	3				3
CORINTH – Barker	3	3			
DC AT-LARGE – Dresher	1	1			
DCFWSD #7 – Mercer	2	2			
DENTON (city) – Gay	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 – Rouse	3	3			
MUSTANG SUD – Boyd	5	5			
NORTHLAKE – Corn	3				3
PILOT POINT – McCracken	1	1			
PONDER – Anderson	1	1			
PROSPER – Jaromin	1	1			
SANGER – Ciocan	1	1			
TOTAL:	47	41	0	0	6

15. Consider a Resolution of the Board of Directors of the Upper Trinity Regional Water District authorizing and expressing intent to reimburse expenditures made from District sources for certain improvements to the Regional Treated Water Supply System.

The purpose is to allow the District to reimburse capital expenditures that might be incurred prior to the \$100 million Direct Purchase (DP) Program expansion. Once expanded – or the proposed refunding provides DP availability – DP Notes will be issued to repay sources for capital projects. The proposed maximum amount allowed to be reimbursed is \$20 million.

Staff recommended approval of the proposed Reimbursement Resolution 2023–60 authorizing the issuance of Direct Purchase Notes to reimburse expenditures made from District sources for certain improvements to the Regional Treated Water System. **Alina Ciocan made the motion to approve Agenda Item 15 as presented by staff. Seconded by Brian Roberson.** The *Roll Call Vote* was unanimous with 20 Yes, 0 No, 2 Absent. Motion carried.

16. Engineering Contracts and Task Orders. (Weighted Capital Vote)
- A. Consider approval of Task Order No. 2 with Black and Veatch Corporation for engineering services related to the final design, bidding, and construction of the Lift Station Rehabilitation Improvements Project.

At the March 2019 Board Meeting, the Board authorized Task Order No. 1 with Black and Veatch Corporation for professional services to conduct a condition assessment of six aging water reclamation lift stations. In July 2023, the Customer Advisory Committee (CAC) met and reviewed the project concept and decided it was time to move forward with the rehabilitated design.

Staff recommended the Board to authorize Task Order No. 2 with Black and Veatch Corporation for engineering services related to the final design, bidding, and construction of the Lift Station Rehabilitation Improvements Project, not to exceed the amount of \$341,739.00.

- B. Consider approval of Task Order No. 7 with HDR Engineering, Inc. for engineering services related to updating District water and wastewater standard details for construction projects.

At the May 2020 Meeting, the Board authorized Contract and Task Order No. 1 with HDR Engineering, Inc. for pipeline cathodic protection and creation of standard design detail for water and wastewater pipelines. Task Order No. 7 includes the development of front-end contract

documents, standard specifications for buried pipelines and appurtenances, revise standard details and create additional details as necessary.

Staff recommended the Board authorize Task Order No. 7 with HDR Engineering, Inc. for engineering services related to updating District water and wastewater standard details, for a fee not to exceed \$100,000.00. **Kevin Mercer made the motion to approve Agenda Items 16A and 16B as presented by staff. Seconded by Rich Lubke.** The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 6 Absent. Motion carried.

Entity	Eligible Weighted Votes	Yes	No	Abstain	Absent
ARGYLE – Norton	1	1			
AUBREY – Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Brawner	3				3
CORINTH – Barker	3	3			
DC AT-LARGE – Dresher	1	1			
DCFWSD #7 – Mercer	2	2			
DENTON (city) – Gay	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 – Rouse	3	3			
MUSTANG SUD – Boyd	5	5			
NORTHLAKE – Corn	3				3
PILOT POINT – McCracken	1	1			
PONDER – Anderson	1	1			
PROSPER – Jaromin	1	1			
SANGER – Ciocan	1	1			
TOTAL:	47	41	0	0	6

- Consider award of construction contract to Stoltz Mechanical Contractors, LLC for Lakeview Regional Water Reclamation Plant Improvements Project. (*Weighted Capital Vote*)

On August 5, 2021, the Board authorized Task Order No. 2 with Carollo Engineering, Inc. (Carollo) to provide the final design, bidding, and construction services for the Phase 3 Expansion of the Lakeview Regional Water Reclamation Plant. In June 2022, plant flows were holding slightly under the Texas Commission on Environmental Quality (TCEQ) required expansion threshold. Therefore, Expansion was placed on hold. During the design process, certain hydraulic improvements were identified that needed to be addressed now to maintain an effective and stable treatment process. The improvements included upsizing the secondary clarifier effluent piping and rehabilitation of the existing effluent filters.



Staff recommended Board approval of Resolution (2023–61) awarding a construction contract in the amount of \$2,150,400.00 to Stoltz Mechanical Contractors, LLC for Lakeview Regional Water Reclamation Plant Improvements. **Rich Lubke made the motion to approve Agenda Item 17 as presented by staff. Seconded by Nate Winchester.** The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 6 Absent. Motion carried.

Entity	Eligible Weighted Votes	Yes	No	Abstain	Absent
ARGYLE – Norton	1	1			
AUBREY – Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Brawner	3				3
CORINTH – Barker	3	3			
DC AT-LARGE – Dresher	1	1			
DCFWS #7 – Mercer	2	2			
DENTON (city) – Gay	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 – Rouse	3	3			
MUSTANG SUD – Boyd	5	5			
NORTHLAKE – Corn	3				3
PILOT POINT – McCracken	1	1			
PONDER – Anderson	1	1			
PROSPER – Jaromin	1	1			
SANGER – Ciocan	1	1			
TOTAL:	47	41	0	0	6

18. Lake Ralph Hall Agenda Items: (Weighted Capital Vote)

- A. Consider approval of Task Order No. 3 to the existing contract with Kleinfelder, Inc. for professional engineering services relating to Construction Quality Management and Assurance Team for the Lake Ralph Hall Project.

The Board previously approved a contract with Kleinfelder, Inc. to provide Quality Management Services for the construction of Lake Ralph Hall. The Contract anticipated multiple Task Orders, each covering approximately one year of services. It is timely to issue a new Task Order to continue Kleinfelder’s services for another year.

Staff recommended approval of Task Order No. 3 with Kleinfelder, Inc. not to exceed \$2,007,280 for Quality Management Services for the construction of Lake Ralph Hall. This Task Order is anticipated to be funded by the Texas Water Development Board through its SWIFT Board Participation Program.



- B. Consider approval of Amendment No. 4 to an existing Construction Manager at Risk (CMAR) contract with Garney Companies, Inc. to establish a Progressive Guaranteed Maximum Price No. 4 for Lake Ralph Hall Conveyance System.

Garney publicly solicited requests for Bid Package No. 4 which includes construction of the Balancing Reservoir (Series 30) and the South Sulphur River tunnel installation. The awarded items in Bid Package No. 4 will be included in a Progressive GMP No. 4 for this Project. In addition, GMP No. 4 will include an allowance for construction of a water well at the balancing reservoir site.

Staff recommended the Board approve Amendment No. 4 to the Garney Companies, Inc. CMAR contract for Lake Ralph Hall Pipeline Conveyance – Progressive GMP No. 4 in the not to exceed amount of \$57,717,333.26. Amendment No. 4 is anticipated to be funded by the Texas Water Development Board through its SWIFT Board Participation Program. **Lyle Dresher made the motion to approve Agenda Items 18A and 18B as presented by staff. Seconded by Troy Norton.** The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 6 Absent. Motion carried.

Entity	Eligible Weighted Votes	Yes	No	Abstain	Absent
ARGYLE – Norton	1	1			
AUBREY – Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Brawner	3				3
CORINTH – Barker	3	3			
DC AT-LARGE – Dresher	1	1			
DCFWSD #7 – Mercer	2	2			
DENTON (city) – Gay	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 – Rouse	3	3			
MUSTANG SUD – Boyd	5	5			
NORTHLAKE – Corn	3				3
PILOT POINT – McCracken	1	1			
PONDER – Anderson	1	1			
PROSPER – Jaromin	1	1			
SANGER – Ciocan	1	1			
TOTAL:	47	41	0	0	6

Alina Ciocan (Sanger) left the meeting.
 The President called for a 10-minute break.



19. 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 including but not limited to construction contracts and projects related to Lake Ralph Hall.

The Board of Directors went into Executive Session at 2:08 P.M.
The Board returned to open meeting at 2:45 P.M.

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

None.

21. Consider action on Lake Ralph Hall construction change orders, some of which may have been discussed in Executive Session. (Weighted Capital Vote)

None.

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

Please note that the November 2, 2023 Board Meeting will be a retreat. It will be an all-day affair. Staff is planning a field trip for the Board to see the Lake Ralph Hall construction site.

23. Visitor Comments Concerning Non-Agenda Topics.

None.

24. Adjournment.

There being no further business, President Riggs adjourned the meeting at 2:55 P.M.

Recorded by:



Nancy T. Tam, Assistant Secretary, Board of Directors

Certified by:



Allen L. McCracken, II, Secretary, Board of Directors

