



MINUTES

UPPER TRINITY REGIONAL WATER DISTRICT BOARD OF DIRECTORS

September 5, 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 12:58 P.M. on Thursday, September 5, 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
Eric Ferris, Lewisville
Lyle Dresher, Northlake
Michael Anderson, Ponder

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
Chris Boyd, Mustang SUD
Allen McCracken, Pilot Point
Tracy LaPiene, Sanger

Absent:

Frank Jaromin, Prosper *
*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
Kim Probasco, Budget Manager
Mark Skaggs, Manager / IT Services
Jason Pierce, Mgr/Gov Affairs & Comm
Rob Collins, Bond Counsel
Stephanie Noel, Financial Analyst
Elizabeth Boddicker, Graduate Engineer
Ben Hodges, Assistant Director / Operations
Jarrod Stevens, Lead Operator / Harpool

John F. Boyle, Jr., Boyle & Lowry
Bill Greenleaf, Chief Financial Officer
Tom Snyder, Director Const. & Eng.
Lester Harris, Controller
Kurt Staller, Asst. Dir, Const. & Eng.
Ed Motley, LRH Program Manager
Todd Williams, Sr. Financial Analyst
Nick Bulaich, Financial Advisor
Adam Mcknight, Sr. Professional Engineer
Jan Morris, Assistant Director / Administration
Brad Rebhan, NE Sr. Water Operator

Others in Attendance:

Raj Mehta, Jacobs

Alan Tucker, Plummer

3. Pledge of Allegiance and Invocation

Pledge: Kevin Mercer

Invocation: Gary Calmes

4. Oath of Office

City of Pilot Point appointed Allen McCracken to serve the remainder of Alan Guard's term. President Lubke administered the Oath of Office and welcomed him to the Board.

5. Opening Remarks:

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

Along with the growth and development with many communities in the region, Upper Trinity is working hard to keep up with the services required on water and wastewater. Lubke encourages Board Members to brief their government officials regarding how the District is managing growth.

- 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.

- Doug Franklin, District's Representative in Ladonia and UTCT Trustee Member, is retiring after 9 years. His years of service are very appreciated; he will be missed and we wish him the best of luck.
- Congrats to Bob Hart, Corinth, on receiving the TCEQ Top Award for Safety in the Water Utility category.
- On behalf of the Board, staff attended the Open House Celebration for the new Town Hall of Providence Village.
- Appreciate the good rainfall this year, District's water supplies are still in great shape.

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

Congrats to the team at Harpool Plant for achieving "Best Tasting Water" and "Outstanding Large Membrane Plant" recognized by the South Central Membrane Association. Ben Hodges, Assistant Director of Operations, provided a briefing regarding Harpool Water Operations, he also recognized the following dedicated team members who support the Plant's day-to-day operations:

- i. Brad Rebhan, NE Sr. Water Operator at Harpool Plant
- ii. Jarrod Stevens, Lead Operator at Harpool Plant

6. 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 7 – 12. **Seconded by Lyle Dresher.** The vote was all Yes. Motion Carried. Items approved were:

7. Adopt minutes of August 1, 2019 Board Meeting.
8. Accept Monthly Management Report for the period ended July 31, 2019.
9. Authorize advertising for construction bids for Installation of Additional Membranes, Chemical Storage Tanks and Electrical Improvements at the Harpool WTP.
10. Authorize advertising a Request for Qualifications for Professional Engineering Services relating to General Engineering Consultant – Lake Ralph Hall Conveyance System.
11. Authorize the Executive Director to enter into a pricing agreement with Cherokee Painting and Sandblasting, Inc. for the rehabilitation of a Sludge Holding Tank at the Riverbend Water Reclamation Plant.
12. Ratify emergency purchase for the repair of motor on District's High Service Pump No. 7 at the Taylor Water Treatment Plant.

ITEMS FOR INDIVIDUAL CONSIDERATION

13. 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)

The proposed rates were briefed and discussed in the Work Session. There were no additional questions. Virginia Blevins made a motion to approve Item No. 13 as recommended by staff. **Seconded by Kevin Mercer.** The vote was all Yes. Motion carried.

14. Consider Adoption of Budgets for Fiscal Year 2019-2020:
 - A. Operating Budgets
 - B. Capital Improvement Budgets
 - C. Budget for Upper Trinity Conservation Trust

This item was briefed and discussed in Work Session. There were no additional questions. Kevin Mercer made a motion to approve the proposed Budgets for Fiscal Year 2019-2020 as recommended by staff. **Seconded by Dick Cook.** The vote was all Yes. Motion carried.

15. Receive presentation of 5-year Rate Forecast for the Regional Treated Water System (RTWS).

Bill Greenleaf, Chief Financial officer, provided the briefing to the Board. As with any forecast, the 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, environmental conditions (drought) to economic



changes (recession). However, based on staff's current rate evaluation, the five-year forecast appears to show annual increases ranging between 3.0% to 3.5%. This is an information item only. No action was required.

16. Consider approval of Financing Agreement with the Texas Water Development Board (TWDB) for SWIFT funding for the Regional Treated Water System – Board Participation for the Lake Ralph Hall Project. **(Weighted Capital Vote)**

The District's application of up to \$45.5 million in SWIFT funding from the Texas Water Development Board received formal approval to fund land acquisition for Lake Ralph Hall. The Board's approval of the Financing Agreement is the initial commitment of the District to borrow the funds. The borrowing allows deferral of payments until future fiscal years; there is no FY 2019 financial impact from this action. **Vote:** Combined with Agenda Item 17.

17. Consider approval of Financing Agreement with the Texas Water Development Board (TWDB) for SWIFT funding for the Regional Treated Water System – 2nd issue of Bonds for the Parallel Pipeline Project from the Taylor Treatment Plant to the Stonehill Pump Station. **(Weighted Capital Vote)**

The District's application (up to \$42.07 million) in SWIFT funding from the Texas Water Development Board received formal approval for funding for a series of low-interest loans for planning and preparations for a parallel pipeline from the Taylor Water Treatment Plant to the Stonehill Pump Station.

The next step in the process is for the Upper Trinity Board to approve the actual Financing Agreement of \$18.64 million. The Agreement outlines the nature of the financing and provides a binding commitment by the District to continue with the borrowing process. Approval of the Financing Agreement will enable the TWDB to sell bonds and secure the proceeds to fulfill the District's funding request.

For Agenda Item #16 and Item #17, Troy Norton made a motion for approval of both Financing Agreements with the Texas Water Development Board (TWDB) for SWIFT fundings as recommended by staff. Seconded by Del Knowler. The vote was 42 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	2		
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1			1
SANGER – LaPiene	1	1		
TOTAL	43	42	0	1

18. Consider proposed Resolution authorizing an amended and restated Letter of Credit and Reimbursement Agreement (LOC) with Bank of America to extend the use of Commercial Paper financing for the Regional Treated Water System. (Weighted Capital Vote)

Under the current Agreement, the District is paying Bank of America 65 basis points (0.65%) for the LOC on the entire \$50 million Commercial Paper line. The current Agreement is set to expire in December 2019. In order to meet the expanding liquidity needs for the District’s Capital Improvement Program, Staff is recommending expanding the program from \$50 million to \$75 million. Because the newly proposed LOC fee is lower, such an expansion in the Commercial Paper program would result in a very minimal cost increase over the current LOC fee. The Finance and Investment Committee was informed of the new LOC terms.

Virginia Blevins made the motion to approve the Resolution to enter into an amended and restated Letter of Credit and Reimbursement Agreement with Bank of America to extend the use of Commercial Paper financing for the Regional Treated Water System. Seconded by Lyle Dresher.
 The vote was 42 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	2		
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1			1
SANGER – LaPiene	1	1		
TOTAL	43	42	0	1

19. Consider award of contract to Archer Western Construction, LLC for construction of Sidestream Ozone Rehabilitation at the Taylor Water Treatment Plant. **(Weighted Capital Vote)**

Elizabeth Boddicker, Graduate Engineer provided a briefing to the Board. The existing nonfunctioning ozone unit will be demolished. New unit will be installed into existing ozone generation building. The new unit will improve recycled water quality and will meet regulatory treatment requirements. District received three bids and Archer Western Construction, LLC submitted the lowest, most responsible base bid.

Devon Kennedy made a motion to award contract for construction of sidestream ozone rehabilitation to Archer Western Construction, LLC in the amount of \$685,500.00. Seconded by Frank Pugsley. The vote was 42 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	2		
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1			1
SANGER – LaPlene	1	1		
TOTAL	43	42	0	1

20. Consider approval of Task Order No. 2 with Halff Associates, Inc. for professional services related to relocations and modifications of District’s water and wastewater facilities along US 380 between US 377 and the Collin County Line as a result of TxDOT’s roadway improvement project. **(Weighted Capital Vote)**

Kurt Staller provided the briefing to the Board. Since February 2019, Halff Associates, Inc. (Task Order No. 1) has identified conflicts between District’s existing water and wastewater pipelines and appurtenances within the TxDOT’s proposed US 380 roadway improvements. As a result of this analysis, several conflicts have been identified that require relocation and/or modification to District water/wastewater facilities. Staff has negotiated Task Order No. 2 with Halff Associates to resolve these conflicts. According to staff, part of the funds spent will be reimbursed by TxDOT. Staff recommended for Board to approve Task Order No. 2 with Halff Associates, Inc. for professional services related to relocating water and wastewater facilities in the not to exceed amount of \$721,470.00. **Vote:** Combined with Agenda Item 21.

21. Consider approval of Task Order No. 3 with Halff Associates, Inc. related to design and construction services for upsizing and relocation of District’s 18-inch water transmission pipeline along FM 2181 in the City of Denton. **(Weighted Capital Vote)**

Kurt Staller provided the briefing to the Board. In 2017, District performed an analysis and determined that no major conflicts were identified with TxDOT’s proposed widening of FM2181 between Montecito and Hickory Creek in the City of Denton. Since then, TxDOT’s project was delayed. During this delay, District’s demands have continued to increase. In order to stay ahead of the roadway construction and be prepared for next summer’s demands, upsizing and relocation of the water transmission pipeline needs to be initiated. Staff recommended to approve Task Order No. 3 with Halff Associates, Inc. for professional services related to treated water pipeline upsizing and relocation in the not to exceed amount of \$230,000.00.

For Agenda Item #20 and Item #21, Kristina Clark made a motion to approve both items as recommended by staff. Seconded by Bob Hart. The vote was 42 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	2		
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1	0		1
SANGER – LaPlene	1	1		
TOTAL	43	42	0	1

22. Authorize the Executive Director to enter into an agreement with Wunderlic-Malec Engineering for services to complete Part 1 of the upgrade for the District’s SCADA system. *(Weighted Capital Vote)*

The District monitors the status and controls the operation of its various water treatment, transmission and wastewater collection equipment using a software application known as Supervisory Control and Data Acquisition (SCADA). The proposed upgrade will result in a simpler and more flexible monitoring system capability of controlling across all the facilities. In addition, this new SCADA system will decrease hardware and software licensing costs and provide for enhanced remote monitoring capabilities.



This project consists of two parts. For this proposed Part One, the vendor will meet with staff on-location to determine the required scope to upgrade the engineered software for each monitored facility at a cost of \$136,900. The future Part Two in this process will provide the services to engineer the centralized server and software, and install the software District-wide.

Dick Cook made a motion to authorize the Executive Director to enter a price agreement with Wunderlic-Malec Engineering in the amount of \$136,900 for services to complete Part One of the upgrade the District's SCADA software. Seconded by Mike Fairfield. The vote was 42 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	2		
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1			1
SANGER – LaPlene	1	1		
TOTAL	43	42	0	1



Dick Cook left meeting.

23. 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 2:09pm.

The Board returned to open meeting at 2:30pm

24. 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 26 (Bridge Tower Dallas One Sub, LLC)
 - Parcel 27 (BT Cole Two, LLC)
- B. Lake Ralph Hall Project:
- Parcel P134-LRH (Naeem U. Ahmad)
 - Parcel P136-LRH (Matthew Todd)
 - Parcel P137-LRH (Dale Bordelon Inc.)
 - Parcel P138 (Bill Dolan)

Lyle Dresher made a motion to approve the purchase of properties listed above necessary for the Parallel Pipeline and Lake Ralph Hall Projects. Seconded by Kristina Clark. The vote was 41 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	2		
MUSTANG SUD - Boyd	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - McCracken	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1	0		1
SANGER – LaPlene	1	1		
TOTAL	43	41	0	2

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

None.

26. Visitor Comments Concerning Non-Agenda Topics.

None.

27. Adjournment.

There being no further business, Richard Lubke adjourned the meeting at 2:30pm.

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

Certified By: 
 Brian Roberson, Secretary, Board of Directors

