



MINUTES

UPPER TRINITY REGIONAL WATER DISTRICT BOARD OF DIRECTORS

September 7, 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 12:50 P.M. on Thursday, September 7, 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
Nate Winchester | Krum
Kelly Rouse | Lewisville
Drew Corn | Northlake
Alina Ciocan | Sanger

Lyle Dresher, VP | Denton County At Large
Allen L. McCracken, II, Secretary | Pilot Point
Brian Roberson | Aubrey
Kimberly Brawner | Celina
Kevin Mercer | DCFWSD #7
Orlando Sanchez | Irving
Mike Fairfield | Lake Cities MUA
Chris Boyd | Mustang SUD
Michael Anderson | Ponder

Absent:

Glenn Barker | Corinth
Richard Lubke | Highland Village

Mark Pape | Copper Canyon
Frank Jaromin | Prosper

Staff and Advisors in Attendance:

Larry N. Patterson, Executive Director
Nancy Tam, Assistant to Executive Director
Lester Harris, Chief Financial Officer
Dustin Wright, Manager of IT Services
Mary Dockery, Controller
Elisa Moreno, Staff Accountant II
Adam McKnight, Chief Engineer
Ed Motley, LRH Program Manager
Jan Morris, Chief Administrative Officer

Matthew Boyle, General Counsel
Jason Pierce, Mgr of Gov Affairs & Comm
Todd Williams, Mgr of Budget & Financial
Marcos Zepeda, IT Specialist
Stephanie Noel, Sr Financial Analyst
Kurt Staller, Director of Eng and Construction
Jody Zabolio, Director of Operations
Ronna Hart, Asst Dir of Ops & Water Res
Rhonda Dutton, Sr. HR Analyst

Others in Attendance:

Andre Garces, Plummer

Rusty Guzman, City of Corinth

Logan Lunt, Freese and Nichols
Anthony Samarripas, Kimley-Horn

Alec Pollok, Kimley-Horn

3. Pledge of Allegiance and Invocation

Pledge of Allegiance was led by Greg Scott. The invocation was delivered by Brian Roberson.

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.

- President Riggs commented that for our area, this is the fourth driest summer on record. We are looking forward to some rain and cooler weather.
- For the November Board meeting, Staff is planning for a Fall Retreat to visit the Lake Ralph Hall site.

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.

- Because of the heatwave, the District has been pumping a lot of water this year. Lake levels are down (composite storage at 89.0%) due to the weather.
- Additionally, the staff received notice that Upper Trinity has been selected as Association of Metropolitan Water Agencies (AMWA) Gold Award recipient for exceptional utility performance and management.
- An updated video was presented on the construction of Lake Ralph Hall.

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

- Jody Zabolio recognized and congratulated Jeff Mlak, Senior Water Operator for achieving his AA licenses. This is a significant achievement for the Water and Wastewater Industry. On behalf of the Board of Directors, President Riggs presented Mr. Mlak a Certificate of Recognition.
- Zabolio also announced that at the recent **South Central Membrane Association Conference**, Mr. Mlak was honored with the Operator of the Year Award. This award recognizes an operator who exhibits efforts above and beyond the normal requirement for his position in the water and wastewater industry.



6. Visitor Comments Concerning Agenda Topics

None.

CONSENT AGENDA

Brian Roberson made the motion to approve the Consent Agenda Items 7-11 as presented by staff. Seconded by Kimberly Brawner. The *Roll Call Vote* was 19 Yes, 0 No, 3 Absent. Motion carried. The approved Consent Agenda Items were:

7. Adopt Minutes of August 3, 2023 Board Meeting.
8. Accept Monthly Management Report for the period ended July 31, 2023.
9. Receive report of construction change orders approved by staff.
10. Consider approval of District Policies concerning:
 - A. Service Incentive Pay
 - B. Random Alcohol and Drug Testing
 - C. Emergency Callout
11. Authorize approval of a contract amendment with the City of Fort Worth to increase fees related to the disposal of Household Hazardous Waste collected under Upper Trinity's program.

ITEMS FOR INDIVIDUAL CONSIDERATION

During Work Session, the proposed Operating Budget & Rates for FY 2023-2024 were presented to the Board. Staff recommended approval of the proposed Rates as presented.

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

Drew Corn made the motion to approve Agenda Items 12A-12G as presented by staff. Seconded by Brian Roberson. The *Roll Call Vote* was unanimous with 19 Yes, 0 No, 3 Absent. Motion carried.

13. Consider adoption of Budgets for Fiscal Year 2023-2024:
 - A. Operating Budgets
 - B. Capital Improvement Budgets
 - C. Budget for Upper Trinity Conservation Trust



Lyle Drescher made the motion to approve Agenda Item 13A-13C as presented by staff. Seconded by Troy Norton. The *Roll Call Vote* was unanimous with 19 Yes, 0 No, 3 Absent. Motion carried.

Harris introduced Elisa Moreno, District's new Staff Accountant, to the Board.

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 current evaluation, the five-year forecast appears to show a blended rate impact from 5.0% to 7.25%. This is an informational item only, no action required.

15. Financing Agreements with Texas Water Development Board (TWDB): (Weighted Capital Vote)

- A. Consider approval of a Financing Agreement with the 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.

For the Lake Ralph Hall Project (\$398 Million), TWDB Commitment for FY 2023 is \$48 Million of Board Participation funding. TWDB has agreed to provide up to 80% of the Total Project Cost. Term of Financing is 34 Years with no Compounding Interest on Deferred Interest Payments.

- B. Consider approval of a Financing Agreement with the TWDB under the State Water Implementation Fund for Texas (SWIFT) Program for the Regional Treated Water System – Board Participation for the Northeast Pipeline Project.

For the NE Pipeline Project (\$29,115 Million), the TWDB Commitment for FY 2023 is \$4.705 Million. Funding up to 75% of the Total Project Cost. Term of Financing is 34 Years with no Compounding Interest on Deferred Interest Payments.

- C. Consider approval of a Financing Agreement with the TWDB under the State Water Implementation Fund for Texas (SWIFT) Project for the Regional Treated Water System – Board Participation for the Taylor Plant Expansion Project.

For the Taylor Plant Expansion Project (\$76.255 Million), TWDB Commitment for FY 2023 is \$18.08 Million. Funding up to 80% of the Total Project Cost. Term of Financing is 34 years with no Compounding Interest on Deferred Interest Payments.

- D. Consider approval of a Financing Agreement with the TWDB under the State Water Implementation Fund for Texas (SWIFT) Program for the Regional Treated Water System – Board Participation for Phase 3 of the Northeast Pipeline Project.

For the Phase 3 of the Northeast Pipeline Project (\$40.785 Million), TWDB Commitment for FY 2023 is \$5.81 Million. Funding up to 80% of the Total Project Cost. Term of Financing is 34 years; no Compounding Interest on Deferred Interest Payments.



Kevin Mercer made the motion to approve Agenda Items 15A-D as presented by staff. Seconded by Del Knowler. The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 6 Absent. Motion carried.

Entity	Eligible Weighted Vote(s)	Yes	No	Abstain	Absent
ARGYLE – Norton	1	1			
AUBREY – Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Brawner	3	3			
CORINTH – Barker	3				3
DENTON (city) – Gay	2	2			
DC AT-LARGE – Dresher	1	1			
DCFWS #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 – 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

16. Consider Resolution authorizing Executive Director to release funding to the City of Irving to design improvements to the Princeton Booster Pump Station in accordance with the Lake Ralph Hall Water Transportation Agreement. (Weighted Capital Vote)

The City of Irving has negotiated a Task Order No. 2 with Black and Veatch for final design of the Princeton Pump Station improvements. District Staff has reviewed the proposed Task Order and found the scope of services and fee to be reasonable. The proposed Task Order includes a total budget amount not to exceed \$2,146,210.62.

Staff recommended that the Board approve the Resolution authorizing the Executive Director to release funding to reimburse the City of Irving for final design of the Princeton Pump Station improvements project. **Greg Scott made the motion to approve Agenda Item 16 as presented by staff. Seconded by Alina Ciocan.** The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 6 Absent. Motion carried.

Entity	Eligible Weighted Vote(s)	Yes	No	Abstain	Absent
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ARGYLE – Norton	1	1			
AUBREY – Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Brawner	3	3			
CORINTH – Barker	3				3
DENTON (city) – Gay	2	2			
DC AT-LARGE – Dresher	1	1			
DCFWS #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 – 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

17. Consider Change Order to existing Replacement and Upsize of Segment of Phase 1A Pipeline Construction Contract with S.J. Louis Construction of Texas, Ltd. for additional over excavation of pipeline trench. (Weighted Capital Vote)

Bid Item No. 28 was for 500-cubic yards of over excavation. However, during construction, the contractor was required to excavate an additional 1,812.80 cubic yards of material. Staff recommended the Board approve Change Order No. 3 to the Replacement and Upsize of Segment of Phase 1A Pipeline Construction Contract with S.J. Louis Construction of Texas, Ltd. for additional over excavation of the pipeline trench in the amount of \$90,640.00.

Alina Ciocan made the motion to approve Agenda Item 17 as presented by staff. Seconded by Allen L. McCracken. The *Weighted Capital Vote* was unanimous with 41 Yes, 0 No, 6 Absent. Motion carried.

Entity	Eligible Weighted Vote(s)	Yes	No	Abstain	Absent
ARGYLE – Norton	1	1			
AUBREY – Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Brawner	3	3			
CORINTH – Barker	3				3
DENTON (city) – Gay	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 – 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. 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 1:34 P.M.
 The Board returned to open meeting at 2:25 P.M.

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

None.

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

Lyle Drescher made the motion to authorize the Executive Director to execute a Change Order with Granite Construction Company regarding the ANTP and Site 60 matters consistent with our deliberation in Executive Session. Seconded by Brian Roberson. The Weighted Capital Vote was unanimous with 41 Yes, 0 No, 6 Absent. Motion carried.

Entity	Eligible Weighted Vote(s)	Yes	No	Abstain	Absent
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ARGYLE – Norton	1	1			
AUBREY – Roberson	1	1			
BARTONVILLE – Knowler	1	1			
CELINA – Brawner	3	3			
CORINTH – Barker	3				3
DENTON (city) – Gay	2	2			
DC AT-LARGE – Dresher	1	1			
DCFWS #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 – 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

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

None.

22. Visitor Comments Concerning Non-Agenda Topics.

None.

23. Adjournment.

There being no further business, President Riggs adjourned the meeting at 2:33 P.M.

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

Certified by: 
 Allen L. McCracken, II, Secretary, Board of Directors

