



# MINUTES

## UPPER TRINITY REGIONAL WATER DISTRICT BOARD OF DIRECTORS MEETING

April 6, 2017

### REGULAR SESSION BOARD MEETING

1. Call to Order

The Board of Directors of the Upper Trinity Regional Water District convened, with President Vanzant presiding, at 1:20 P.M. on Thursday, April 6, 2017, 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:**

Lance Vanzant, President, Celina  
Gary Calmes, Treasurer, Krum  
Troy Norton, Argyle  
Del Knowler, Bartonville  
Cody Collier, Corinth  
Johnny Harris, Denton County  
Kristina Clark, DCFWSD #1A  
Dick Cook, Double Oak  
Richard Lubke, Highland Village  
Mike Fairfield, Lake Cities MUA  
Scott Ingalls, Pilot Point  
Frank Jaromin, Prosper

Chris Boyd, Vice President, Mustang SUD  
Ramiro Lopez, Secretary, Irving  
Brian Roberson, Aubrey  
Janet Aune, Copper Canyon  
Timothy Fisher, Denton  
Jean Campbell, Denton County At-Large  
Kevin Mercer, DCFWSD #7  
Kenneth Parr, Flower Mound  
Virginia Blevins, Justin  
Eric Ferris, Lewisville  
Michael Anderson, Ponder

**Absent:**

Mike Brice, Sanger \*

\* Excused Absent

**Staff & Advisors in Attendance:**

Thomas E. Taylor, Executive Director  
Larry Patterson, Deputy Executive Director  
Nancy Tam, Assistant to Executive Director  
Jason Pierce, Mgr / Watershed & Contract Srvc  
Don Hill, Manager / Property Services  
Kim Probasco, Budget Manager  
David Medanich, Financial Advisor

John F. Boyle, Jr., General Counsel  
Bill Greenleaf, Director / Business Services  
Jody Zabolio, Ass't Director/Operations  
Jan Morris, Interim HR/Purchasing Manager  
Lester Harris, Accounting Manager  
Mark Skaggs, IT Administrator  
Mary Dockery, Sr. Accountant

**Others in Attendance:**

Alan Tucker, APAI

Kelly Chamberlin, Deloitte & Touche

Tony Almeida, Half Associates

Rob Wachal, Black & Veatch

3. Pledge of Allegiance and Invocation:

Pledge of Allegiance: Ramiro Lopez

Invocation: Gary Calmes

4. Oath of Office:

President Vanzant administered the Oath of Office for Eric Ferris, newly appointed Board Member for the City of Lewisville. Eric is the Deputy City Manager for the City of Lewisville. He will be serving the remainder term of office for Lathan Watts (which will expire May 31) and will begin his new four-year term on June 1, 2017.

5. Opening Remarks:

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

President Vanzant encouraged Board Members to review the Financial Report (CAFR). It is a comprehensive, well thought out and well written document.

- 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.

- Educational visits by schools and college classes. Our whole campus is a classroom. The District is attracting a large number of school kids from campuses in Denton, Irving, Plano, Flower Mound and surrounding areas. Teachers are bringing their elementary, high school and college classes here for education as their interests are focusing on water science, water conservation and water quality. This outreach program reflects greatly on the credibility of the District's program. Just another example of how Upper Trinity sets high standards for itself.
- Budget. The District has received another award from GFOA for their recognition of our budget documents again this year. Jan Morris just gave her final presentation as Budget Manager for the District today. She will be moving into her new position as Manager of Personnel & Purchasing. Since December, Jan has been serving in an interim capacity and has done an outstanding job - - providing excellent service for the entire Upper Trinity team.

The new Budget Manager is Kim Probasco. Kim moves up from TRA (Trinity River Authority). We welcome her to the District.

- Lewisville Celebration for Fourth of July. The City of Lewisville contacted the District regarding the possibility of participating with the City in a Fourth of July Celebration. Eric Ferris commented that the City has a long history of Fourth of July Celebrations - - some 50+ years. This year, the City decided to have staff look at other options in the area east of the Old Town area. The City then



contacted the District to see if it would be possible to use the District's property near the DCTA's train station for the fireworks display. Taylor indicated that the District is considering this possibility, but is looking into safety issues as this area is located next to the District's water treatment facilities and lagoon. The discussions will be completed soon and the District will act accordingly.

- **Outlook for Water Supply.** Already this year, water demands are running ahead of prior years. Demand will be up because of increased growth in the area. The District's supplies are adequate and local lakes are full. Reservoirs are generally in good condition, but Lake Chapman is in its own ecosystem. Two years ago, Chapman set a new record for drought. Their rainfall for this year is behind - - so our supply in Chapman is approximately 70%, but overall the District is in good shape and ready for the summer.

- 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**

President Vanzant asked for a motion to approve items in the Consent Agenda. **Frank Jaromin made a motion to approve the Consent Agenda items. Seconded by Rich Lubke.** The votes were all yes. Motion carried.

7. Adopt minutes of February 2, 2017 Board Meeting.
8. Accept Monthly Management Report for the period ended February 28, 2017.
9. Consider Adoption of Resolution to approve Mid-Year Budget Amendments.
10. Accept Comprehensive Annual Financial Report (CAFR) and related documents for Fiscal Year End:
  - A. Audit Report prepared by Deloitte & Touche, Independent Auditors.
  - B. Governance Letter to Management.
11. Authorize the Executive Director to enter into a one-year agreement with L J Power, Inc. for annual preventative maintenance and related testing and repair services for emergency generators at District facilities.
12. Authorize the Executive Director to enter into two-year agreements with Xylem Water Solutions USA and UV Doctor Lamps, LLC for necessary parts and supplies to maintain ultraviolet disinfection systems at water reclamation plants.
13. Authorize the Executive Director to enter into price agreements for purchase of bulk chemicals for the Regional Treated Water System.



14. Authorize advertising for bids for construction of Equipment/Vehicle Storage Building.
15. Receive report of construction change orders approved by Staff.
16. Ratify Emergency Change Order No. 2 in contract with Felix Construction Company in the amount of \$28,922.56 for added repairs found to be necessary in sedimentation basins at the Taylor Water Treatment Plant.

**ITEMS FOR INDIVIDUAL CONSIDERATION**

17. Consider authorizing CMAR to award Bid Package No. 2 for Riverbend Water Reclamation Plant Expansion project.

Jody Zabolio provided the briefing to the Board. CMAR has advertised and received bids for various bid packets. Archer Western submitted the sole bid for Packet No. 2. CMAR estimate for Bid Package No. 2 was \$12,882,334. The Bid amount was \$12,990,200, within 1% of estimate. Rebid of this package is not recommended in these market conditions. Staff recommended to authorize CMAR to award Bid Package No. 2 to Archer Western Construction, LLC in the amount of \$12,990,200.00.

**Kevin Mercer made a motion to approve Item No. 17 as recommended by Staff. Seconded by Del Knowler.** The votes were all Yes, 1 No (Prosper). Motion carried.

18. Consider approval of the Financing Agreement with the Texas Water Development Board (TWDB) to provide for planned expansion and improvements to the Riverbend Water Reclamation Plant (Northeast Regional Water Reclamation System). (Weighted Capital Vote)

Bill Greenleaf provided the briefing to the Board. The first installment of \$11.56 million in “D-Fund” Financing was approved in the June 2016 Board Meeting. It is now time to receive the remaining installment of \$23.99 million. The Financing Agreement is the initial commitment of the District to borrow the funds. A bond resolution will be brought to the Board to complete the transaction at the June Board Meeting.

**Virginia Blevins made a motion to approve Item No. 18 as recommended by Staff. Seconded by Scott Ingalls.** The *Weighted Capital Vote* proceeded as follows. The vote was 39 Yes, 0 No. Motion carried.

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Vanzant	1	1		
CORINTH – Collier	3	3		
DENTON (CITY) – Fisher	2	2		
DC AT-LARGE - Campbell	1	1		
DCFWS #1A – Clark	2	2		



DCFWSO #7 – Mercer	2	2	
DOUBLE OAK – Cook	1	1	
FLOWER MOUND – Parr	9	9	
HIGHLAND VILLAGE – Lubke	2	2	
IRVING – Lopez	2	2	
JUSTIN – Blevins	1	1	
KRUM - Calmes	1	1	
LAKE CITIES MUA – Fairfield	2	2	
LEWISVILLE – Ferris	2	2	
MUSTANG SUD - Boyd	2	2	
PILOT POINT - Ingalls	1	1	
PONDER - Anderson	1	1	
PROSPER - Jaromin	1	1	
SANGER – Brice	1		1
TOTAL	40	39	1

19. Consider Resolution concerning the appointment of a Financing Team to prepare for the proposed issuance of Upper Trinity Regional Treated Water System Revenue Refunding Bonds; to refund a portion of the Commercial Paper debt for the Regional Treated Water System; authorize presentations to credit rating agencies, preparation of bond documents and a preliminary official statement.

Ramiro Lopez stepped out of the meeting.

Staff recommended approval of the Resolution to appoint the Financing Team to prepare for the issuance of revenue bonds to convert a portion of the Regional Treated Water System Commercial Paper Notes to fixed-rate bonds. **Johnny Harris made a motion to approve Item No. 19 as recommended by staff. Seconded by Troy Norton.** The votes were all Yes. Motion carried.

20. Consider approval of Task Orders for existing contracts with Alan Plummer Associates, Inc.:  
 (Weighted Capital Vote)

- A. Lakeview Plant - - Task Order No. 2 - - to provide water quality modeling and support for permitting activities for the Lakeview Plant TPDES Discharge Permit.

According to Jody Zabolio, recently, the TCEQ water quality model was upgraded. To protect the water quality and avoid excess cost to the rate payers, APAI and staff recommended a site-specific model to demonstrate the lake's ability to assimilate effluent. TCEQ has agreed to this approach.

Under Task Order No. 2, APAI will create a TCEQ-approved site-specific model that has the ability to demonstrate reasonable effluent limits; and will prepare a report with findings and



recommendations to submit to TCEQ. Staff will be monitoring the process. The total for the proposed Task Order is \$294,000. Funding for the project is included in the Capital Budget.

Ramiro Lopez returned to meeting at 2:05 PM

**Rich Lubke made a motion to approve Item No. 20.A. Seconded by Kevin Mercer. The Weighted Capital Vote proceeded as follows. The vote was 39 Yes, 0 No. Motion carried.**

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Vanzant	1	1		
CORINTH – Collier	3	3		
DENTON (CITY) – Fisher	2	2		
DC AT-LARGE - Campbell	1	1		
DCFWS #1A – Clark	2	2		
DCFWS #7 – Mercer	2	2		
DOUBLE OAK – Cook	1	1		
FLOWER MOUND – Parr	9	9		
HIGHLAND VILLAGE – Lubke	2	2		
IRVING – Lopez	2	2		
JUSTIN – Blevins	1	1		
KRUM - Calmes	1	1		
LAKE CITIES MUA – Fairfield	2	2		
LEWISVILLE – Ferris	2	2		
MUSTANG SUD - Boyd	2	2		
PILOT POINT - Ingalls	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromln	1	1		
SANGER – Brice	1			1
TOTAL	40	39		1

Ramiro Lopez – stepped out at 2:10 PM



- B. Taylor Plant - -Task Order No. 2 - - to evaluate and recommend options for sludge removal and disposal from the solids recycle pond at the Taylor WTP.

As part of the water treatment process, solids are removed from the water and discharged into a recycle pond. This 7.5 acre pond has been in service since 1997 when the plant was first commissioned; it is now at capacity. The volume of solids in the lagoon has reached the level which requires their removal and disposal.

Under Task Order No. 2, Alan Plummer Associates, Inc. (APAI) will perform a survey to determine the estimated volume and characteristics of accumulated solids in the pond. Based upon the survey results, APAI will evaluate various options for removal and disposal, including dredging, and possibly to construct a planned future lagoon ahead of schedule. APAI will look into alternative methods, and recommend the most cost effective solution.

**Dick Cook made a motion to approve proposed Task Order No. 2 with APAI in the amount of \$71,020 as recommended by staff. Seconded by Virginia Blevins. The Weighted Capital Vote proceeded as follows. The vote was 37 Yes, 0 No. Motion carried.**

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Vanzant	1	1		
CORINTH – Collier	3	3		
DENTON (CITY) – Fisher	2	2		
DC AT-LARGE - Campbell	1	1		
DCFWSO #1A – Clark	2	2		
DCFWSO #7 – Mercer	2	2		
DOUBLE OAK – Cook	1	1		
FLOWER MOUND – Parr	9	9		
HIGHLAND VILLAGE – Lubke	2	2		
IRVING – Lopez	2			2
JUSTIN – Blevins	1	1		
KRUM - Calmes	1	1		
LAKE CITIES MUA – Fairfield	2	2		
LEWISVILLE – Ferris	2	2		
MUSTANG SUD - Boyd	2	2		
PILOT POINT - Ingalls	1	1		
PONDER - Anderson	1	1		



PROSPER - Jaromin	1	1	
SANGER – Brice	1		1
TOTAL	40	37	3

Ramiro Lopez returned to meeting at 2:15 PM.

21. Authorize the purchase of Computerized Maintenance Management Software (CMMS), including the necessary services to merge existing data. (Weighted Capital Vote)

As District’s facilities continue to increase, it is important to maintain accurate record keeping and timely communication in order for staff to make informed decisions that increase operational and maintenance efficiency. With the assistance of consultants, staff has made great strides in bringing our data management and GIS capabilities up-to-date. Upgrading the obsolete Computerized Maintenance Management Software (CMMS) is the next critical step in this ongoing process.

After reviewing available options, staff recommends purchasing the (CMMS) Cartegraph package which includes the services to merge the existing data into the new system. The proposed package has an annual maintenance fee of \$48,850 (which will be recurring) and integration service of \$116,278.00; for an initial project cost of \$165,128. Funds are available in the FY 2017 Capital Budget.

**Tim Fisher made a motion to approve Item No. 21 as recommended by staff. Seconded by Rich Lubke.** The *Weighted Capital Vote* proceeded as follows. The votes were 39 Yes, 0 No. Motion carried.

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Vanzant	1	1		
CORINTH – Collier	3	3		
DENTON (CITY) – Fisher	2	2		
DC AT-LARGE - Campbell	1	1		
DCFWSO #1A – Clark	2	2		
DCFWSO #7 – Mercer	2	2		
DOUBLE OAK – Cook	1	1		
FLOWER MOUND – Parr	9	9		
HIGHLAND VILLAGE – Lubke	2	2		
IRVING – Lopez	2	2		
JUSTIN – Blevins	1	1		





KRUM - Calmes	1	1	
LAKE CITIES MUA – Fairfield	2	2	
LEWISVILLE – Ferris	2	2	
MUSTANG SUD - Boyd	2	2	
PILOT POINT - Ingalls	1	1	
PONDER - Anderson	1	1	
PROSPER - Jaromin	1	1	
SANGER – Brice	1		1
TOTAL	40	39	1

22. Consider Task Order No. 2 to existing contract with Black and Veatch Corporation to locate and add fiber optic lines and yard piping at treatment plant sites to the Geographic Information System (GIS) database; and, to assist the vendor for the new Computerized Maintenance Management System to integrate CMMS into GIS. (Weighted Capital Vote)

The Proposed Task Order No. 2 with Black and Veatch provides professional services that will continue to build on the GIS system by locating and digitizing fiber optic lines, treatment plant yard piping and chemical feed lines into the GIS database. This information can also be utilized by the new CMMS system to provide maps and additional tools and functionality. B&V will assist in coordinating and troubleshooting any issues that may arise during the CMMS and GIS system integration process. The total amount of the Proposed Task Order is \$84,982, which is included in the approved FY2017 Capital Budget.

**Rich Lubke made a motion to approve Item No. 22 as recommended by Staff. Seconded by Kristina Clark.** The *Weighted Capital Vote* proceeded as follows. The votes were 39 Yes, 0 No. Motion carried.

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Vanzant	1	1		
CORINTH – Collier	3	3		
DENTON (CITY) – Fisher	2	2		
DC AT-LARGE - Campbell	1	1		
DCFWSO #1A – Clark	2	2		
DCFWSO #7 – Mercer	2	2		
DOUBLE OAK – Cook	1	1		
FLOWER MOUND – Parr	9	9		



HIGHLAND VILLAGE – Lubke	2	2	
IRVING – Lopez	2	2	
JUSTIN – Blevins	1	1	
KRUM - Calmes	1	1	
LAKE CITIES MUA – Fairfield	2	2	
LEWISVILLE – Ferris	2	2	
MUSTANG SUD - Boyd	2	2	
PILOT POINT - Ingalls	1	1	
PONDER - Anderson	1	1	
PROSPER - Jaromin	1	1	
SANGER – Brice	1		1
TOTAL	40	39	1

President Vanzant called a 7-minute break – 2:35 PM

23. Executive Session concerning granting or acquisition of easements, rights-of-way and other property for Water Resource Development, for Regional Treated Water System or for Regional Water Reclamation Systems according to location maps of the projects available in the District Office, and regarding water rights and related permits pursuant to Texas Government Code, Section 551.072; 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 2:47 PM.  
 The Board returned to open meeting at 3:10 PM.

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

None.

25. Approve Resolution(s) deeming necessity and authorizing acquisition of property including exercising the Power of Eminent Domain: (Weighted Capital Vote)

- A. For construction of water and wastewater pipelines, including the Harpool North Raw Water Storage Pipeline.

This item was discussed in Executive Session. **Frank Jaromin made a motion to approve proposed resolution deeming necessity and authorizing acquisition of property including exercising the Power of Eminent Domain for construction of water and wastewater pipelines, including the Harpool North Raw Water Storage Pipeline. Seconded by Eric Ferris.** The *Weighted Capital Vote* proceeded as follows. The votes were 39 Yes, 0 No. Motion carried.



ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		
BARTONVILLE – Knowler	1	1		
CELINA – Vanzant	1	1		
CORINTH – Collier	3	3		
DENTON (CITY) – Fisher	2	2		
DC AT-LARGE - Campbell	1	1		
DCFWSO #1A – Clark	2	2		
DCFWSO #7 – Mercer	2	2		
DOUBLE OAK – Cook	1	1		
FLOWER MOUND – Parr	9	9		
HIGHLAND VILLAGE – Lubke	2	2		
IRVING – Lopez	2	2		
JUSTIN – Blevins	1	1		
KRUM - Calmes	1	1		
LAKE CITIES MUA – Fairfield	2	2		
LEWISVILLE – Ferris	2	2		
MUSTANG SUD - Boyd	2	2		
PILOT POINT - Ingalls	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1	1		
SANGER – Brice	1			1
TOTAL	40	39		1

B. For construction of water pipeline relocation for TxDOT FM 2181 widening project.

This item was discussed in Executive Session. Rich Lubke made a motion to approve the proposed resolution deeming necessity and authorizing acquisition of property including exercising the Power of Eminent Domain for construction of water pipeline relocation for TxDOT FM 2181 widening project. Seconded by Tim Fisher. The votes were 39 Yes, 0 No. Motion carried.

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - Roberson	1	1		



BARTONVILLE – Knowler	1	1	
CELINA – Vanzant	1	1	
CORINTH – Collier	3	3	
DENTON (CITY) – Fisher	2	2	
DC AT-LARGE - Campbell	1	1	
DCFWSD #1A – Clark	2	2	
DCFWSD #7 – Mercer	2	2	
DOUBLE OAK – Cook	1	1	
FLOWER MOUND – Parr	9	9	
HIGHLAND VILLAGE – Lubke	2	2	
IRVING – Lopez	2	2	
JUSTIN – Blevins	1	1	
KRUM - Calmes	1	1	
LAKE CITIES MUA – Fairfield	2	2	
LEWISVILLE – Ferris	2	2	
MUSTANG SUD - Boyd	2	2	
PILOT POINT - Ingalls	1	1	
PONDER - Anderson	1	1	
PROSPER - Jaromin	1	1	
SANGER – Brice	1		1
TOTAL	40	39	1

26. Authorize Staff, in coordination with the Finance Committee, to issue Requests for Proposals (RFPs) for Bank Depository Services.

Lester Harris provided a briefing to the Board. Due to certain negative practices with District's current banking institution, he recommended the Board to authorize staff to issue Request for Proposals (RFPs) for Banking and Depository Services.

Staff will be working closely with the Finance and Investment Committee to assist in the RFP process. Dick Cook made a motion to approve Item No. 26 as recommended by Staff. Seconded by Gary Calmes. The votes were all Yes, 0 No. Motion carried.

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

There were two suggestions for future agenda items:

- Briefing on Bond Coverage for District Systems.
- Update on Lakeview Plant – Permit Review.



28. Visitor Comments Concerning Non-Agenda Topics.

None.

29. Adjournment.

There being no further business, President Vanzant adjourned the meeting at 3:30 P.M.

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

Certified By:   
Ramiro Lopez, Secretary, Board of Directors

