

MINUTES



UPPER TRINITY REGIONAL WATER DISTRICT BOARD OF DIRECTORS MEETING FEBRUARY 7, 2019

REGULAR SESSION BOARD MEETING

1. Call to Order

The Board of Directors of the Upper Trinity Regional Water District convened, with President Mercer presiding, at 1:10 P.M. on Thursday, February 7, 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:

Kevin Mercer, President, DCFWSD #7
Ramiro Lopez, Treasurer, Irving
Troy Norton, Argyle
Del Knowler, Bartonville
Mark Pape, Copper Canyon
Timothy Fisher, Denton
Johnny Harris, Denton County
Dick Cook, Double Oak
Virginia Blevins, Justin
Chris Boyd, Mustang SUD
Alan Guard, Pilot Point
Frank Jaromin, Prosper

Richard Lubke, Vice President, Highland Village
Mike Fairfield, Secretary, Lake Cities MUA
Brian Roberson, Aubrey
James Burnham, Celina
Bob Hart, Corinth
Jean Campbell, Denton County At-Large
Kristina Clark, DCFWSD #1A
Clay Riggs, Flower Mound
Eric Ferris, Lewisville
Lyle Drescher, Northlake
Michael Anderson, Ponder
Alina Ciocan, Sanger

Absent:

Gary Calmes, Krum
* Excused Absence

Staff & Advisors in Attendance:

Larry N. Patterson, Executive Director
Bill Greenleaf, Director / Business Services
Thomas E. Taylor, Former Exec Director
Jody Zabolio, Director/Operations
Lester Harris, Accounting Manager
Kim Probasco, Budget Manager
Mark Skaggs, Manager / IT Svcs.
Ronna Hartt, Manager, Water Resources
Mark Stelzel, GIS

John F. Boyle, Jr., General Counsel
Nancy Tam, Assistant to Executive Director
Tom Snyder, Director Const. & Eng.
Jason Pierce, Mgr. / Cust Cont & Support Svcs
Jan Morris, Mgr, Personnel / Purchasing
Kurt Staller, Asst. Dir, Const. & Eng.
Adam McKnight, Project Eng.
Ed Motley, LRH Program Manager

Others in Attendance:

Alan Tucker, APAI
Nick Bulaich, FSW

Terrace Stewart, LAN

3. Pledge of Allegiance and Invocation

Pledge: Bob Hart


Invocation: Johnny Harris

4. Opening Remarks:

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

- 2019 is going to be a busy year for Upper Trinity; there are numerous LRH projects, pipeline projects and further expansion of various plants.
- Congratulation to the Town of Northlake on their new Town Hall.
- Mercer reminded that the Drought Contingency Plans are to be updated by May 1st for submission to TCEQ. Staff is currently working on updating the District's Plan prior to submitting to TCEQ.
- Regarding the Green Pros Program, the District is partnering with the Denton County AgriLife office to host a 5-part series of classes for landscape and irrigation professionals working in Denton County. This program provides information on the importance of water conservation in our area, green stormwater practices, water efficient landscaping, turfgrass management and the latest irrigation technology, giving participants a well-rounded perspective to assist homeowners.
- Mercer announced that there is an Urban Riparian Symposium on February 28th and March 1st at the Grapevine Convention Center. Anyone that would like to attend is welcome.
- Currently, there are two Trustee vacancies on the Conservation Trust Board. If anyone is interested in serving on this Board, or knows someone that would like to be involved, please contact staff.

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.

- Patterson reported that on January 15, there was a trespass in the District's Lake Ralph Hall area -- a helicopter hunting expedition. The District has a survey team in the area on a continuing basis surveying property that is being purchased for the LRH Project. The unauthorized hunting expedition killed hogs on the property and jeopardized the survey team. All landowners were notified and agreed to rescind permission for hunting. The company was contacted by Staff and informed that they cannot hunt on District property without authorization. The incident was reported to the Game Warden, who is now in the process of taking action against this company.
- 

- Recently, Stone Hill Pump Station developed a leak in the main line. The month before, the District awarded a contract to investigate leaks and other improvements at this site. This company was on-site when the incident occurred, and steps were taken to make the repair.
- Patterson introduced Ed Motley, District's new Lake Ralph Hall Program Manager. Ed has served Upper Trinity for the last 20-years in long-range water supply planning including overseeing the Lake Ralph Hall Project. This week Mr. Motley joined Upper Trinity as a part-time employee, serving as the Program Manager for the Lake Ralph Hall Project. He will be responsible for implementing the design and operation, and assisting with getting the Permit approved.
- Bill Greenleaf, Director of Business Services, provided status regarding I.T. security issues.

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

None.

5. Visitor Comments Concerning Agenda Topics.

None.

CONSENT AGENDA


Tim Fisher requested Item No 7 be pulled for individual consideration. **Dick Cook made a motion to approve the remaining Consent Agenda. Seconded by Alina Ciocan.** The vote was all Yes. Motion carried. The approved items were:

6. Adopt minutes of December 6, 2018 Board Meeting.
8. Accept Quarterly Investment Report for the period ended December 31, 2018.
9. Receive report of construction change orders approved by staff.
10. Authorize advertising for bids to construct a Side-Stream Ozone System at the Taylor Water Treatment Plant.

ITEMS FOR INDIVIDUAL CONSIDERATION

7. Accept Monthly Management Report for the period ended December 31, 2018.

Regarding the Lake Ralph Hall Project Summary, Tim Fisher suggested using a different tracking tool to clarify and simplify the report for easy understanding as this project moves forward. Bill Greenleaf noted the suggestion and agreed that the suggestion is feasible. **Tim Fisher made a motion to approve Item No. 7. Seconded by Alan Guard.** The vote was all Yes. Motion carried.



11. Consider approval of Contract and Task Order No. 1 with Halff Associates, Inc. related to conflict analysis of District’s water and wastewater facilities as a result of TxDOT’s US 380 roadway improvement project. **(Weighted Capital Vote)**

The proposed Contract and Task Order No. 1 with Halff Associates, Inc. is for engineering services to analyze the proposed roadway improvements and District facilities to determine where conflicts exist and develop recommendations to resolve any conflicts. Further, Halff Associates will determine if District easements are impacted.

Staff recommends the Board approve proposed Contract and Task Order No. 1 with Halff Associates, Inc. for professional services related to roadway conflict analysis in the not-to-exceed amount of \$118,000. **Rich Lubke made a motion to approve Item No. 11 as recommended by staff. Seconded by Kristina Clark.** The *Weighted Capital Vote* proceeded as follows. The vote was 42 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 – Burnham	2	2		
CORINTH – Hart	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 – Riggs	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	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - Guard	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1	1		
SANGER – Clocan	1	1		
TOTAL	43	42		1



12. Consider modifications to certain District Policies:

- A. Consider modifications to the District's purchasing policy updating procurement authority levels.

District Staff periodically reviews purchasing policies and procedures to insure that they adhere to State purchasing requirements. These recommended policy changes were presented to the Audit Committee, which concurred with Staff's recommendations. The Committee approves the recommended authority levels as presented.

- B. Consider approval of Policy for Disbursement of District Funds.

Following formal training, research and examination of the District's current Funds Disbursement Policy, Staff recommends a new policy be instituted to address the primary cause of entities being defrauded – changes in vendor information. The new Policy incorporates a comprehensive approach to address "non-routine" disbursement of funds with an existing vendor or a new vendor.

The Committee concurred with the recommended Policy and the immediate implementation of best practices. Therefore, if approved, this Policy will be effective retroactively for all transactions beginning FY 2018.

Tim Fisher made a motion to approve both Item Nos. 12 A & B as recommended by staff. Seconded by Lyle Dresher. The Non-Weighted vote was 22 Yes, 1 No (Denton County At-Large). Motion carried.

13. Authorize amendments to treated water contracts with Denton County Fresh Water Supply District No. 8-A and 11-A, reallocating existing subscribed capacities between the parties, with no net change.

Fresh Water Supply Districts numbers 8A and 11A entered into customer contracts with the District in August 2001 to participate in the Regional Treated Water System. Regarding reallocating existing subscribed capacities, FWSD #8A's subscription will be reduced from 2.17 MGD to **1.87 MGD**; and, for FWSD#11A, the subscription will be increased from 3.00 MGD to **3.30 MGD**. There will be no financial impact to the District.

Staff recommends approval of the two contract amendments - - one with FWSD #8A and the other with FWSD #11A. **Dick Cook made a motion to approve both contract amendments as presented by staff. Seconded by Kristina Clark.** The Non-Weighted vote was 23 Yes, 0 No. Motion carried.

14. Consider agreement with Mustang Special Utility District providing for an emergency interconnect between the District's water system and Mustang's retail distribution system at Mustang's elevated storage tower on Byron Road, and authorizing the District's limit participation therein. **(Weighted Capital Vote)**

Mustang SUD entered into a member contract in 2003 to participate in the District's Regional Treated Water System. Mustang has requested an emergency interconnection between its system and the District's system at the elevated water storage tank site, which would provide a temporary source of water for Mustang's system. Under an emergency situation, it will allow Mustang to continue to provide some water to District Customers. Staff recommends approval of the agreement for emergency treated water supply with Mustang SUD and authorizing the District's limited participation therein, subject to any minor, non-substantive changes that may be mutually agreed when Mustang SUD's Board of Directors considers the agreement.

Kristina Clark made a motion to approve Item No. 14. Seconded by Lyle Dresher. The *Weighted Capital Vote* proceeded as follows. The vote was 42 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 – Burnham	2	2	
CORINTH – Hart	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 – Riggs	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	3	3	
NORTHLAKE - Dresher	1	1	
PILOT POINT - Guard	1	1	
PONDER - Anderson	1	1	
PROSPER - Jaromin	1	1	
SANGER – Ciocan	1	1	
TOTAL	43	42	1

15. Consider acceptance of completed work performed by Mustang SUD and associated budget amendment:
 (Weighted Capital Vote)

A. Wastewater Point of Entry No. 3 at Brewer and Fishtrap Rd.

At the May 2017 meeting, the Board approved an Amendment to the Northeast Regional Water Reclamation Contract with Mustang SUD providing for Point of Entry #3 and related trunk main extension. All work has been completed in accordance with plans and specifications except minor punch list items. Staff recommends the Board accept the project as complete pending the completion of minor punch list items and filing of related easements and approval of associated budget amendment.

B. Treated Water Point of Delivery No. 2 pipeline and meter vault on FM 428.

At the November 2016 meeting, the Board approved the Memorandum of Agreement (MOA) with Mustang SUD relating to the Point of Delivery No. 2 and related pipeline extension. The MOA

provides for Mustang to design, construct and act as project manager for the project. All work has been completed in accordance with the plans and specifications except for minor punch list items which are expected to be completed soon. The point of delivery has been certified as substantially complete. Staff recommends that the Board accept the project as complete and authorize final payment, including release of retainage, pending the completion of minor punch list items and approval of the associated budget amendment.

Jean Campbell made a motion to approve Item No. 15. A&B. Seconded by Bob Hart. The *Weighted Capital Vote* proceeded as follows. The vote was 42 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 – Burnham	2	2		
CORINTH – Hart	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 – Riggs	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	3	3		
NORTHLAKE - Drescher	1	1		
PILOT POINT - Guard	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1	1		
SANGER – Ciocan	1	1		
TOTAL	43	42		1



16. Authorize Executive Director to enter into a Purchase Agreement with Pure Technologies U.S., Inc., to use inline leak detection technology for inspection of the Harpool 48-inch raw water supply line. The District's Harpool Plant is supplied raw water from Chapman Lake through the Irving pipeline. The raw water supply line is approximately 4.7 miles of 48-inch pipe that was constructed in 2005. Recently, there have been a few suspected leaks located near FM 1385 and Fishtrap Road. The District has investigated, but has been unable to pin point the exact location.

Because of the importance of this water line, staff suggested engaging Pure Technology U.S. Inc. in-line inspection services to evaluate the condition of the pipeline, locate the leaks and provide data that could be used to determine the best method of repair. Staff recommends the Board authorizes the Executive Director to execute a purchase order with Pure Technologies U.S., Inc. to inspect the Harpool 48-inch raw water supply line for \$59,145.00.

Virginia Blevins made a motion to approve Item No. 16 as recommended by staff. Seconded by Tim Fisher. The Non-Weighted Vote was all Yes, 0 No. Motion carried.

17. Consider approval of proposed Work Program Guidelines for the calendar year 2019 as recommended by Officers and Staff.

For the 2019 Work Program Guidelines, the Officers have reviewed a draft copy of the proposed Guidelines and present them to the Board for consideration. There have been a few changes or items added:

- **Leadership Item No. 1-C:** A new bullet was added that staff will work to finalize the Vision Statement for the Lake Ralph Hall Project and develop Conceptual Plan for the overall Lake site, including both water resource features and public amenities.
- **Functional Item No. 4-C:** US 377 was added to identify all the highways TxDOT is working on.
- **Financial Item:** Clay Riggs requested to add back the following: Continue implementation of strategies to minimize the impact of the Lake Ralph Hall Project on future rates for the regional treated water system.

Kristina Clark made a motion to approve Item No. 17 as amended on the floor. Seconded by Clay Riggs. The vote was all yes. Motion carried.

A ten-minute break was called.

18. Executive Session concerning granting or acquisition (or exchange) 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, concerning personnel matters related to compensation for executive director pursuant to Texas Government Code, Section 551.074; 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 2:33 PM.
The Board returned to open meeting at 3:43 PM.

Bob Hart left meeting at 3:45 P.M.



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

The following property items were discussed in Executive Session:

- A. Regarding parallel pipeline from Taylor Water Treatment Plant to Stone Hill Pump Station Project, staff recommends the Board to approve Resolution 2019-01 deeming necessity and authorizing acquisition of property, including exercising the power of eminent domain, for construction of the Parallel Pipeline from Taylor Water Treatment Plant to Stone Hill Pump Station Project, which pipeline is part of the Regional Treated Water System. Lyle Dresher made a motion to approve proposed Resolution as recommended by staff. Seconded by Frank Jaromin. 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 – Burnham	2	2		
CORINTH – Hart	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 – Riggs	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	3	3		
NORTHLAKE - Dresher	1	1		
PILOT POINT - Guard	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1	1		
SANGER – Ciocan	1	1		
TOTAL	43	39		4

- B. Resolution 2019 – 02, regarding Harpool North Raw Water Storage Pipeline Project, the Board directs the Executive Director and legal counsel to take necessary steps to execute and close the transaction for easements and fee title property including disbursement of funds, recording of said conveyance documents and acquisition of Title insurance as appropriate. **Kristina Clark made a motion to approve proposed Resolution as recommended by staff. Seconded by Alan Guard.** The Weighted Capital Vote (WCV) was 39 Yes, 0 No. Motion carried. *Please see WCV chart same as Item 19A.*
- C. Regarding the exchange of surplus property for property necessary for Lake Ralph Hall, there were two Resolutions discussed for the Board's consideration:
- a. Resolution 2019-03, that the Board to approve the exchange of the UTRWD SURPLUS tract for the Parcel P118-LRH (Walker) tract based on the agreed terms as stated pursuant to and in accordance with Chapter 49 Texas Water Code.
 - b. Resolution 2019-04, that the Board to approve the exchange of the UTRWD SURPLUS Tracts 1 and 2 for the Parcel P119-LRH (Raiden) tract based on the agreed terms as stated pursuant to and in accordance with Chapter 49 Texas Water Code.
- D. **Mike Fairfield made a motion to approve the exchange of surplus property as indicated. Seconded by Virginia Blevins.** The Weighted Capital Vote was 39 Yes, 0 No. Motion carried. *Please see WCV chart same as Item 19A.*

20. Consider action on personnel and compensation matters for the Executive Director as discussed in Executive Session.

The Board had discussed this item in Executive Session. **Frank Jaromin made a motion to approve a 9% salary increase for the Executive Director for this year. Seconded by Alina Ciocan.** The vote was all Yes, 0 No. Motion carried.

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 Mercer adjourned the meeting at 3:47 P.M.

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

Certified By: 
Mike Fairfield, Secretary, Board of Directors

