



MINUTES

UPPER TRINITY REGIONAL WATER DISTRICT BOARD OF DIRECTORS MEETING

March 3, 2016

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 1:03 P.M. on Thursday March 3, 2016, 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
Janet Aune, Copper Canyon
Timothy Fisher, Denton
Kevin Mercer, DCFWSD #7
Kenneth Parr, Flower Mound
Virginia Blevins, Justin
Scott Ingalls, Pilot Point
Frank Jaromin, Prosper

Chris Boyd, Vice President, Mustang SUD
Ramiro Lopez, Secretary, Irving
Del Knowler, Bartonville
Cody Collier, Corinth
Johnny Harris, Denton County
Dick Cook, Double Oak
Richard Lubke, Highland Village
Lathan Watts, Lewisville
Richard Huckaby, Ponder
Mike Brice, Sanger

Absent:

Jean Campbell, Denton County At-Large *

Mike Fairfield, Lake Cities MUA *

* Excused Absence

Vacant:

Aubrey

DCFWS #1A

Staff & Advisors in Attendance:

Thomas E. Taylor, Executive Director
Larry Patterson, Deputy Executive Director
Tom Snyder, Ass't Director / Eng & Const
Jody Zabolio, Ass't Director / Operations
Lester Harris, Accounting Manager
Olu Ososanya, Staff Accountant
Dustin Wright, IT Specialist

John F. Boyle, Jr., General Counsel
Bill Greenleaf, Director / Business Services
Nancy Tam, Assistant to Executive Director
Jason Pierce, Mgr/Watershed & Contract Srvcs
Jan Morris, Budget Manager
Mark Skaggs, IT Administrator

Others in Attendance:

Brian Roberson, Providence Village
Terry Kile, Deloitte & Touche

Clete Martin, Alan Plummer

3. Pledge of Allegiance and Invocation

Pledge of Allegiance: Kenneth Parr 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.

At the last Board meeting, there were inquiries regarding succession planning. The Officers had reviewed the information earlier and it is on today's agenda for discussion.

- 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.

- Taylor reported that on a national basis, the EPA is sponsoring a "**Fix-a-Leak Week**" on March 14 – 20. Residents are encouraged to check for and fix water leaks both inside and outside their home. Home Depot stores will provide free demonstrations on fixing leaking toilets, faucets and sprinkler heads. The District is participating in this program, and encouraging Members and Customers to participate also.
- The District received an Award for Communication Excellence from Texas AWWA. It is a statewide award for developing techniques for getting the message across. Texas Water Conference plans to present the Award in Fort Worth in April.

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

Jason Pierce added that the award that the District received is for the Infographic regarding Cycle and Soak; it was part of the regional water conservation programs. The infographic may be used on a website, as bill stuffers, newsletters - - or any way information is disseminated. Rollup display banners also developed with information on maintaining landscapes, cycle and soak and watering foundations.

5. Visitor Comments Concerning Agenda Topics.

None.

CONSENT AGENDA

President Vanzant asked for a motion to approve the items in the Consent Agenda. **Kevin Mercer made a motion to approve the Consent Agenda Items. Seconded by Dick Cook.** The votes were all Yes. Corinth Abstained. Motion carried. The approved items were:



6. Adopt minutes of February 4, 2016 Board Meeting.
7. Accept Monthly Management Report for the period ended January 31, 2016.
8. Accept Comprehensive Annual Financial Report (CAFR) and related documents for Fiscal Year Ended September 30, 2015, including:
 - A. Audit Report prepared by Deloitte & Touche, Independent Auditors.
 - B. Governance Letter to Management.
9. Authorize advertising for bids for recommended repairs related to known leaks and settlement of certain structural components at Taylor Water Treatment Plant.
10. Authorize the Executive Director to enter into the following agreements:
 - A. With Premier Magnesia, LLC and Garrison Minerals, LLC to purchase Magnesium Hydroxide Solution, a chemical used in the wastewater treatment process at the Riverbend Plant.
 - B. With Zenon Environmental for technical support needed to implement process control improvements for the membrane system at the Harpool Plant.

ITEMS FOR INDIVIDUAL CONSIDERATION

11. Receive staff briefing about succession planning for key personnel.

Taylor provided a briefing regarding the Succession Planning Report previously submitted to the Officers of the Board. The report was included in Board Packet for the Board's review.


According to staff, succession planning is an integral part of how we function, plan and manage for our organization. The goal is to have backup for every key position, to the extent practical in our relatively small and diverse enterprise.

An independent firm, HDI Consultants, evaluated the adequacy of the District's succession planning and confirmed that the District's succession planning activities were adequate.

Tim Fisher and Rich Lubke both expressed interest to view the HDI's report/presentation. President Vanzant asked staff to forward the report to all Board Members for review.

12. Consider resolution authorizing acceptance of completed work, final payment and release of retainage for construction contract awarded to S.J. Louis Construction of Texas LTD. for construction of Southwest Pipeline from vicinity of FM 2499 to existing 54-inch pipeline in Highland Village. **(Weighted Capital Vote)**

S.J. Louis Construction of Texas LTD. has completed all work in accordance with the plans, specifications and change orders except for minor punch list items. District's consultant, CH2M Hill, Inc. and staff recommend approval of resolution authorizing acceptance of completed work, final payment and release of retainage, pending the completion of minor punch list items. **Troy Norton made a motion to approve Item No. 12 as recommended**



by staff. Seconded by Rich Lubke. The weighted vote proceeded as follows, with 33 yes. Motion carried.

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - vacant - 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 – vacant - 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 – Watts	2	2		
MUSTANG SUD - Boyd	2	2		
PILOT POINT - Ingalls	1	1		
PONDER - Huckaby	1			1
PROSPER - Jaromin	1	1		
SANGER – Brice	1	1		
TOTAL	37	33		4

- Consider resolution authorizing acceptance of completed work, final payment and release of retainage for construction contract awarded to Wilson Contractor Services, LLC for adjustments to District's treated water and non-potable water pipelines crossing FM 544 in advance of improvements by TxDOT. **(Weighted Capital Vote)**

All work completed in accordance with the plans, specifications and change orders except for minor punch list items. District's consultant, Half Associates, Inc. and staff recommend that the Board accept the project as complete and authorize final payment, including release of retainage, pending the completion of minor punch list items. **Rich Lubke made a motion to**



approve Item No. 13 as recommended by staff. Seconded by Lathan Watts. The weighted vote proceeded as follows, with 33 yes. Motion carried.

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - vacant - 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 -- vacant - 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 – Watts	2	2		
MUSTANG SUD - Boyd	2	2		
PILOT POINT - Ingalls	1	1		
PONDER - Huckaby	1			1
PROSPER - Jaromin	1	1		
SANGER – Brice	1	1		
TOTAL	37	33		4

14. Consider approval of agreement with Town of Northlake to oversize a planned Northlake water pipeline along Florence Road for temporary capacity to enable District to provide interim service if needed to Town of Ponder and others in the future, and authorize cost participation. **(Weighted Capital Vote)**

Town of Northlake has offered the District an opportunity to partner with the Town to oversize the water pipeline, sharing the capacity thereof on a temporary basis. The partnership could enable the District to provide interim water service to the Town of Ponder or others - - pending the District constructing its own transmission facilities.



Ponder is a growth Member of the District since 1999. Mr. Taylor indicated this would be a mutually beneficial transaction for Northlake and Upper Trinity. Some Board Members are concerned that we may not be able to recover the investment through rates. However, Taylor indicated that it has been the District's practice and policy to oversize pipelines to serve its Members. Staff recommends Board approval of the Agreement with the Town of Northlake subject to any non-substantive changes as may be mutually agreed.

President Vanzant asked for a motion to approve the agreement with Northlake. However, there were no motion on the floor. No action taken.

15. Consider approval of contract and first task order with Garver, LLC for condition assessment of certain water and wastewater facilities.

Tom Snyder provided the briefing on the contract and task order with Garver for engineering services to develop an inventory and a condition assessment protocol, and to conduct field condition assessments for one water and one wastewater facility.

Following completion of the project, staff would use the templates and protocols developed by Garver to expand the assessment to other facilities, with staff performing the majority of the work, supplemented by outside professional assistance as needed. Staff recommends approval of Contract and Task Order No. 1 for \$68,943. **Virginia Blevins made a motion to approve Item No. 15 as recommended by staff. Seconded by Tim Fisher.** The votes were all Yes. Motion carried.

Richard Lubke left meeting.


16. 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; regarding General Counsel and Executive Director's review of legal implications of proposed settlement with Lewis Contractors Inc. relative to construction of Southwest Pipeline in vicinity of US 377 to FM 407 and take any and all necessary action in public session; 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 1:55 PM.
The Board returned to open meeting at 2:30 PM.

Richard Huckaby arrived meeting.

17. Receive update and discuss potential settlement for completion of project awarded to Lewis Contractors, Inc. for construction of Southwest Pipeline from vicinity of US 377 to FM 407 and In-Line Booster Pump Station, including increasing fee to District's engineering consultant, and take appropriate action. **(Weighted Capital Vote)**

The Board discussed this item in Executive Session. Staff recommends the Board to authorize the Executive Director, with direction of General Counsel to take necessary steps to execute an agreement with Lewis Contractors, Inc. generally along the lines discussed.



Tim Fisher made a motion to approve Item No. 17 as recommended by staff. Seconded by Ramiro Lopez. The *Weighted Capital Vote* proceeded as follows: the votes were 32 Yes, 0 No. Motion carried.

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		
AUBREY - vacant - 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 – vacant - 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 – Watts	2	2		
MUSTANG SUD - Boyd	2	2		
PILOT POINT - Ingalls	1	1		
PONDER - Huckaby	1	1		
PROSPER - Jaromin	1	1		
SANGER – Brice	1	1		
TOTAL	37	32		5

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

None.



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

April is the customary month for the Spring Retreat and kick-off of the budget season. At this time there may be the possibility of an extended meeting.

20. Visitor Comments Concerning Non-Agenda Topics.

None.

21. Adjournment.

President Vanzant adjourned the meeting at 2:33 P.M.

Recorded By:



Nancy T. Tam, Assistant Secretary, Board of Directors

Certified By:



Ramiro Lopez, Secretary, Board of Directors

