



MINUTES

UPPER TRINITY REGIONAL WATER DISTRICT BOARD OF DIRECTORS MEETING OCTOBER 4, 2018

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 1:05 P.M. on Thursday, October 4, 2018, 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
Kristina Clark, DCFWSD #1A
Clay Riggs, Flower Mound
Gary Calmes, Krum
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
Johnny Harris, Denton County
Dick Cook, Double Oak
Virginia Blevins, Justin
Eric Ferris, Lewisville
Lyle Drescher, Northlake
Michael Anderson, Ponder
Alina Ciocan, Sanger

Absent:

Jean Campbell, Denton County At-Large *

* 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 Srvs
Elizabeth Boddicker, Graduate Engineer

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

- 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

President Mercer entertained a motion to approve Items 6-9. Alan Guard requested Item No. 8 be pulled for individual consideration. President Mercer called for a motion to approve Items 6, 7 and 9. **Bob Hart made a motion to approve Items 6, 7 and 9. Seconded by Kristina Clark.** The vote was all Yes. Motion carried.

- 6. Adopt minutes of September 6, 2018 Board Meeting.
- 7. Accept Monthly Management Report for the period ended August 31, 2018.
- 9. Authorize bid advertisement for Regional Treated Water System improvements consisting of Stone Hill Pump Station tank cleaning, valve and meter replacement and certain pipeline improvements at Teasley Lane.

ITEMS FOR INDIVIDUAL CONSIDERATION

- 8. Consider approval of, and authorize the Executive Director to sign an engagement letter with Deloitte & Touche LLP, external auditor, to conduct the District's FY 2018 annual financial audit.

Alan Guard stated that he understands this is the 4th year of a 5-year contract with Deloitte. However, he suggested the Board to consider a policy that every 5-6 years we look at getting a different auditor. They could come back into the rotation after the next contract. **Alan Guard made a motion to approve Item No. 8. Seconded by Virginia Blevins.** The vote was all Yes. Motion carried.

- 10. Consider Bond Resolution authorizing the issuance and sale of Upper Trinity Regional Water District Regional Water System Revenue Bonds, Series 2018 in an Aggregate Principal Amount of \$7,590,000 related to financial assistance from the Texas Water Development Board (for Water System Parallel Pipeline Project). **(Weighted Capital Vote)**

Nick Bulaich, Hilltop Securities provided the briefing to the Board. At the September Meeting, the Board approved a financing agreement with the TWDB providing a \$7,590,000 low interest loan from the Texas Water Infrastructure Fund for Texas (SWIFT) Program. TWDB will issue their own bonds to enable the purchase of District bonds. Under the SWIFT Program, the District receives an additional 25% interest rate subsidy from the TWDB. The true interest cost of the funding is expected to be 2.71%. The term of the bonds will be 25 years. The estimated interest savings is approximately \$1.5 million, over the life of the 25 year debt.

Del Knowler made a motion to approve Item No. 10 as recommended by staff. Seconded by Bob Hart. The vote was 41 Yes, 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follow:

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	2	2	
NORTHLAKE - Dresher	1	1	
PILOT POINT - Guard	1	1	
PONDER - Anderson	1	1	
PROSPER - Jaromin	1	1	
SANGER - Ciocan	1	1	
TOTAL	42	41	1

11. Consider award of contract to Texas Standard Construction, Ltd. for construction of Phase 2 of pipeline modifications and relocations as a result of TxDOT roadway improvements along FM 720. **(Weighted Capital Vote)**

This item is the relocation of two 36-inch District pipelines along FM 720 from Martop Rd. to US 380 in two phases. Bids were opened on September 11th, with three contractors bidding. Joe Funk Construction, Inc. was the apparent low bidder. However, after Huitt-Zollars, Inc. and staff reviewed the bids and references, and they determined that this bid was not fully responsive and not in the best interest of the District.

Texas Standard Construction Ltd. was the apparent second low bidder. Staff recommends awarding construction contract for Phase 2 of modifications and relocations of treated water transmission pipelines along FM 720 to Texas Standard Construction, Ltd. in the amount of \$2,800,663.00.

General Counsel and staff confirmed that the apparent low bidder (Joe Funk Construction, Inc.) was notified of the non-responsive determination. They were also notified in writing of this Board meeting for an opportunity to address the Board concerning their bid. However, the contractor after signing up to

speaking and being here for the early part of the meeting, left the meeting and was not present to speak when called upon.

Tim Fisher made a motion to approve Item No. 11. Seconded by Bob Hart. The *Weighted Capital Vote* proceeded as follows. The vote was 41 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	2	2		
NORTHLAKE - Drescher	1	1		
PILOT POINT - Guard	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1	1		
SANGER – Ciocan	1	1		
TOTAL	42	41		1

12. Consider award of contract to RKM General Contractors, LLC for construction of the Equipment/Vehicle Storage Building and associated improvements. **(Weighted Capital Vote)**

William Peck & Associates, Inc. was hired by the District to provide professional services related to the design and construction of an Equipment / Vehicle Storage Building to be built on District property at 900 N. Kealy, Lewisville, TX. Upon the city's approval of the plans, the District advertised for bids.



Bids were opened on September 11th, with two contractors submitting bids. RKM General Contractors, LLC was the apparent low bidder. Staff and architect (William Peck & Associates, Inc.) evaluated bids and recommend awarding a construction contract to RKM General Contractors, LLC in the amount of \$956,000.00.

Troy Norton made a motion to approve Item No. 12 as recommended by staff. Seconded by Dick Cook. The vote was 41 Yes, 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follow:

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	2	2		
NORTHLAKE - Drescher	1	1		
PILOT POINT - Guard	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1	1		
SANGER – Ciocan	1	1		
TOTAL	42	41		1

- Consider approval of Task Order No. 4 to existing contract with Carollo Engineers, Inc. for services related to expanding the Regional Treated Water System hydraulic model and performing additional analyses. (Weighted Capital Vote)



The Regional Treated Water System (RTWS) utilizes treated water from two treatment plants, the Tom Taylor RWTP and the Tom Harpool RWTP. The RTWS has expanded and customer demands have increased to a point where the full system needs to be hydraulically modeled to determine areas that can be improved for operational efficiency.

The proposed Task Order No. 4 with Carollo Engineers, Inc. is for engineering services needed to update and calibrate the hydraulic model, develop future demand scenarios and run hydraulic model scenarios.

Alan Guard made a motion to approve Task Order No. 4 in the amount of \$200,700 with Carollo Engineers, Inc. as recommended by staff. Seconded by Kristina Clark. The vote was 41 Yes, 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follow:

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	2	2		
NORTHLAKE - Dresher	1	1		
PILOT POINT - Guard	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1	1		
SANGER – Ciocan	1	1		
TOTAL	42	41		1



14. Consider approval of Task Order No. 3 to existing contract with Alan Plummer Associates, Inc. for professional services related to amending the Texas Pollutant Discharge Elimination System (TPDES) permits at the Riverbend and Doe Branch Water Reclamation Plants to address continued growth in the area. **(Weighted Capital Vote)**

Due to anticipated continuing rapid growth in both these service areas, there is a need to amend the TPDES permits beyond the initially permitted discharge limits.

Proposed Task Order No. 3 with Alan Plummer Associates, Inc. (APAI) will provide professional services to conduct modeling and evaluate options from the initial TPDES permits at these wastewater treatment facilities. APAI will assist staff in preparation of the permit applications and any additional analyses required to support the applications -- and to assist the District throughout the TCEQ technical review process to ensure that the permit renewals are timely and on favorable terms. The goal is to identify the maximum limit for each site and to identify if another site may be needed for future plant capacity.

Tim Fisher made a motion to approve Task Order No. 3 in the amount of \$109,400 to Alan Plummer Associates, Inc. Seconded by Kristina Clark. The vote was 41 Yes, 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follow:

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	2	2		
NORTHLAKE - Dresher	1	1		
PILOT POINT - Guard	1	1		
PONDER - Anderson	1	1		



PROSPER - Jaromin	1	1	
SANGER - Ciocan	1	1	
TOTAL	42	41	1

15. Authorize the Executive Director to enter into the following purchasing agreements: **(Weighted Capital Vote)**

- A. with RDO Equipment Co. for the purchase of a John Deere 244L Frontloader for the Lakeview Water Reclamation Plant.
- B. with the Vermeer Corporation for the purchase of a Vac-Tron Vacuum Excavation System for Maintenance.

The funds for both purchases are available in the FY 2019 Operating Budget. The Frontloader is for the Lakeview Plant and Vac-Tron Vacuum Excavation System is for the northeast system.

Staff recommends authorizing the Executive Director to enter into purchasing agreements with RDO Equipment Co. for the purchase of a John Deere 244L Frontloader in the amount of \$67,247.14 (after trade-in allowance of \$15,000) and with the Vermeer Corporation for the purchase of a Vac-Tron Vacuum Excavation System in the amount of \$56,881.00.

Frank Jaromin made a motion to approve Item No. 15.A & B. Seconded by Bob Hart. The vote was 41 Yes, 0 No. Motion carried. The *Weighted Capital Vote* proceeded as follow:

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	2	2		
NORTHLAKE - Dresher	1	1		
PILOT POINT - Guard	1	1		
PONDER - Anderson	1	1		
PROSPER - Jaromin	1	1		
SANGER - Ciocan	1	1		
TOTAL	42	41		1

A 10-minute break was called. During the break and prior to Executive Session, Board Members completed a form related to Public Officials Bond.

- 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 2:00 PM.
 The Board returned to open meeting at 2:20 PM.

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

The Board discussed this property item in Executive Session related to the Lake Ralph Hall Project. **Frank Jaromin made a motion to purchase the Campbell Property (CR 3444). Seconded by Gary Calmes, to include a provision for the owner to vacate his rented resident property in 30 days.** Frank Jaromin then withdrew his motion.

Gary Calmes made a motion to purchase the Campbell Property (CR 3444), and that the owner will be given 45 days to vacate his rented resident property. Seconded by Dick Cook. The vote was 8 Yes, 33 No. Motion failed. The *Weighted Capital Vote* proceeded as follow:

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	



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	2		2	
NORTHLAKE - Dresher	1		1	
PILOT POINT - Guard	1	1		
PONDER - Anderson	1		1	
PROSPER - Jaromin	1		1	
SANGER – Ciocan	1	1		
TOTAL	42	8	33	1

Frank Jaromin made a motion to approve the purchase of the Campbell Property (CR 3444). Seconded by Alina Ciocan. The vote was 41 Yes, 0 No. Motion passed. The *Weighted Capital Vote* proceeded as follow:

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	2	2	
NORTHLAKE - Dresher	1	1	
PILOT POINT - Guard	1	1	
PONDER - Anderson	1	1	
PROSPER - Jaromin	1	1	
SANGER – Ciocan	1	1	
TOTAL	42	41	1

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

- Johnny Harris reminded all that early voting starts on October 22.
- November Board Meeting will be a regular meeting here – no retreat.
- President Mercer thanked Eric Ferris and Clay Riggs for attending last month’s Officers Meeting. An open invitation extended to any Board Member that would like to attend an Officer’s Meeting, contact Nancy Tam and schedule a date.

19. Visitor Comments Concerning Non-Agenda Topics.

None.

20. Adjournment.

There being no further business, President Mercer adjourned the meeting at 2:29 P.M.

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

Certified By: 
 Mike Fairfield, Secretary, Board of Directors

