NORTH TEXAS MUNICIPAL WATER DISTRICT
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MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
HELD ON THURSDAY, JANUARY 23, 2014
IN THE NTMWD ADMINISTRATIVE OFFICES, WYLIE, TEXAS

The North Texas Municipal Water District Board of Directors met in Regular Session on Thursday, January 23, 2014, at 4:00 p.m. in the Administrative Offices, 505 East Brown Street, Wylie, Texas. Notice of the meeting was legally posted in accordance with Government Code, Title 551, Open Meetings.

President Bill Lofland called the meeting to order. President Lofland advised that Director Don Gordon would be abstaining from Agenda Item Nos. VI. G., H., and R.; Director Joe Joplin would be abstaining from Agenda Item Nos. VI. G. and S.; Director Charles McKissick would be abstaining from Agenda Item Nos. VI. H.; and Director Director Larry Parks would be abstaining from Agenda Item Nos. VI. P., and Q.

I. INVOCATION

Director Patrick Nicklen offered the invocation.

II. ROLL CALL

Secretary Joe Joplin conducted a roll call. Director Darrell Grooms and Bob Thurmond were absent from the meeting. The following Directors were present for the January 23, 2014, Board meeting:

Terry Anderson       Jim Mellody
Don Cates            John Murphy
Gary Downey          Patrick Nicklen
Joe Farmer           Larry Parks
Marvin Fuller        Bobby Robinson
Don Gordon           Richard Sheehan
Bill Harrison        Lynn Shuyler
Joe Joplin           Shep Stahel
James Kerr           John Sweeden
Bill Lofland         Darwin Whiteside
Jack May             Jerry Yancey
Charles McKissick

The following NTMWD consultants attended the meeting:

John Gay – Gay McCall Isaacks Gordon & Roberts
David Medanich – First Southwest Company
Mark Walsh – Saunders, Walsh & Beard
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III. RECOGNITION OF GUESTS

A. Registered Guests

Jim Parks introduced the 2013 Employee of the Year, Jerry Rice of the Solid Waste System; and the 2013 Employee of the Year Finalists, Cynthia Ruder, Support Services; Raymond Sirmans, Wastewater System; and Roy Cooke, Water System.

IV. PUBLIC COMMENTS

There were no public comments.

V. CONSENT AGENDA ITEMS

Upon a motion by Director Larry Parks and a second by Director Joe Farmer, the Board of Directors voted unanimously to approve the consent agenda items as follows:

A. Consider Approval of Board of Directors Meeting Minutes – December 19, 2013
(Please refer to Consent Agenda Item No. 14-01-01)

B. Consider Authorizing Ratification of Execution of Instrument of Assignment on Project No. 275, Chapman Lake Water Access, Task B (Dredging)
(Please refer to Consent Agenda Item No. 14-01-02)

C. Consider Authorization to Make Final Payment on Project No. 222, Rowlett Creek Regional Wastewater Treatment Plant 2011 Improvements
(Please refer to Consent Agenda Item No. 14-01-03)

D. Consider Authorizing Change Order No. 2 on Project No. 284, Water Treatment Plants I and II Sludge Line Improvements
(Please refer to Consent Agenda Item No. 14-01-04)

E. Consider Authorizing Additional Engineering Services on Project No. 279, Fugitive Emissions Control Improvements
(Please refer to Consent Agenda Item No. 14-01-05)

VI. AGENDA ITEMS FOR INDIVIDUAL CONSIDERATION

A. Consider Acceptance of 2012-2013 Annual Audit
(Please refer to Board Memorandum)

Upon the recommendation of the Finance/Audit Committee, a motion by Director John Sweeden, and a second by Director Shep Stahel, the Board of Directors voted unanimously to table this item until February 1, 2014. The Finance/Audit Committee reviewed the 2012-2013 Annual Audit and recommended tabling this item to allow time to add a disclosure regarding a wastewater matter.

B. Consider Appointment of Auditors for Fiscal Year 2013-2014
(Please refer to Board Memorandum)
Upon the recommendation of the Finance/Audit Committee, a motion by Director John Sweeden, and a second by Director Don Gordon, the Board of Directors voted unanimously to appointment Weaver and Tidwell, L.L.P., as auditors for fiscal year 2013-2014 at a cost of $113,000. The Finance/Audit Committee recommended the NTMWD staff consider changing auditing firms after this fiscal year.

C. Consider Authorizing Execution of Engineering Services Agreement on Project No. 348, Supervisory Control and Data Acquisition Improvements Preliminary Engineering (Please refer to Administrative Memorandum No. 4107)

Upon a motion by Director Patrick Nicklen and a second by Director Lynn Shuyler, the Board of Directors voted unanimously to authorize the Executive Director to execute an engineering services agreement with Gupta and Associates, Inc., to provide professional services associated with the preliminary engineering for the Upper East Fork Interceptor System Supervisory Control and Data Acquisition System Improvements, Project No. 348, in the not-to-exceed amount of $61,081.

D. Consider Authorizing Additional Engineering Services on Project No. ENG 12-7, Beck Branch Gravity Sewer, Rowlett Creek Crossing Improvements, Condition Assessment and Preliminary Design (Please refer to Administrative Memorandum No. 4108)

Upon a motion by Director Jerry Yancey and a second by Director James Kerr, the Board of Directors voted unanimously to authorize an increase in the engineering services fee with Michael Baker, Jr., Inc. for the Beck Branch Gravity Sewer Rowlett Creek Crossing Improvements Condition Assessment and Preliminary Design, Project No. ENG 12-7, in the amount of $32,848.77, resulting in a revised total not-to-exceed amount of $223,692.27.

E. Consider Authorizing Additional Engineering Services on Project No. 295, Upper Rowlett Creek and Upper Cottonwood Creek Lift Stations Improvements Design (Please refer to Administrative Memorandum No. 4109)

Upon a motion by Director Terry Anderson and a second by Director Jim Mellody, the Board of Directors voted unanimously to authorize additional engineering services for CH2M HILL Engineers, Inc., in the not-to-exceed amount of $62,783, resulting in a revised engineering services fee amount of $880,593, for Project No. 295, Upper Rowlett Creek and Upper Cottonwood Creek Lift Stations Improvements.

F. Consider Authorizing Execution of Engineering Services Agreement on Project No. 349, Wilson Creek Regional Wastewater Treatment Plant, Plant II Odor Control Improvements Final Design (Please refer to Administrative Memorandum No. 4110)

Upon a motion by Director Marvin Fuller and a second by Director Bobby Robinson, the Board of Directors voted unanimously to authorize the Executive
Director to execute an engineering services agreement with Perkins Engineering Consultants, Inc., for professional services associated with engineering and construction phase services for the Wilson Creek Regional Wastewater Treatment Plant, Plant II Odor Control Improvements Final Design, Project No. 349, in the not-to-exceed amount of $88,500.

G. Consider Authorizing Adoption of Resolution No. 14-1 Authorizing the Use of Eminent Domain to Acquire Right-of-Way for the 121 Site Facility Water Transmission Pipeline Relocation at State Highway 121, Project No. 335 (Please refer to Administrative Memorandum No. 4111)

Upon a motion by Director Lynn Shuyler and a second by Director John Murphy, the Board of Directors voted unanimously to authorize a right-of-way acquisition program for the 121 Site Facility Water Transmission Pipeline Relocation of State Highway 121, Project No. 335, with a budget of $75,000 and adopt Resolution No. 14-1 authorizing the use of eminent domain to acquire property described in Exhibit A and shown in Exhibit B (attached to Resolution No. 14-1) for the construction, maintenance, and operation of the 121 Site Facility Water Transmission Pipeline Relocation at State Highway 121.

H. Consider Authorizing Adoption of Resolution No. 14-2 Authorizing Additional Funding for Right-of-Way Acquisition Program on North McKinney Pipeline, Phase I and II, Project No. 210 (Please refer to Administrative Memorandum No. 4112)

Upon a motion by Director Lynn Shuyler and a second by Director Jerry Yancey, the Board of Directors voted unanimously to adopt Resolution No. 14-2 authorizing additional funding for right-of-way for the North McKinney Pipeline, Phase I and II, Project No. 210, Right-of-Way Acquisition Program with additional funding of $800,000 resulting in a total authorization of $4,285,000, and reduce the currently authorized funding for right-of-way for Project No. 266, 42-Inch and 24-Inch Waterline Relocation along Stacy Road from $2,290,000 to $1,170,000.

I. Consider Authorizing Award of Construction Contract on Project No. 331, Custer Road Transfer Station Tipping Floor Improvements (Please refer to Administrative Memorandum No. 4113)

Upon a motion by Director James Kerr and a second by Director Joe Farmer, the Board of Directors voted unanimously to authorize award of a construction contract to North Texas Contracting, Inc., for the Custer Road Transfer Station Tipping Floor Improvements, Project No. 331, in the amount of $526,390.

J. Consider Authorizing Change Order No. 23 on Project No. 153, Water Treatment Plants I, II, III, and IV Ozonation (Please refer to Administrative Memorandum No. 4114)

Upon a motion by Director Jerry Yancey and a second by Director Jim Mellody, the Board of Directors voted unanimously to approve Change Order No. 23 for Project No. 153, Water Treatment Plants I, II, III, and IV Ozonation, an increase
in the amount of $35,120.49 resulting in a revised contract amount of $110,907,592.55.

K. Consider Authorizing Change Order No. 4 on Project No. 259, Water Treatment Plant I Conversion to Biologically Active Filtration and Improvement of Existing Underdrains
(Please refer to Administrative Memorandum No. 4115)

Upon a motion by Director Lynn Shuyler and a second by Director Jerry Yancey, the Board of Directors voted unanimously to authorize Change Order No. 4 for the Water Treatment Plant I Conversion to Biologically Active Filtration and Improvement of Existing Underdrains, Project No. 259, for an increase in the amount of $68,145, resulting in a revised contract amount of $8,040,169.75.

L. Consider Authorizing Change Order No. 5 on Project No. 251, Water Treatment Plant IV Conversion to Biologically Active Filtration
(Please refer to Administrative Memorandum No. 4116)

Upon a motion by Director John Murphy and a second by Director Lynn Shuyler, the Board of Directors voted unanimously to authorize Change Order No. 5 for an increase of $27,317, resulting in a revised contract amount of $5,721,703 for Project No. 251, Water Treatment Plant IV Conversion to Biologically Active Filtration.

M. Consider Authorizing Change Order No. 3 on Project No. 277, Water Treatment Plant III, Filter Underdrain Improvements and Conversion to Biologically Active Filters
(Please refer to Administrative Memorandum No. 4117)

Upon a motion by Director Patrick Nicklen and a second by Director Jerry Yancey, the Board of Directors voted unanimously to authorize Change Order No. 3 for Water Treatment Plant III Filter Underdrain Improvements and Conversion to Biologically Active Filters, Project No. 277, for an increase in the amount of $69,072.15, resulting in a revised contract amount of $6,679,193.71.

N. Consider Authorizing Change Order No. 1 on Project No. 293, Bonham Water Treatment Plant Sludge Lagoon Improvements
(Please refer to Administrative Memorandum No. 4118)

Upon a motion by Director Jerry Yancey and a second by Director Patrick Nicklen, the Board of Directors voted unanimously to authorize Change Order No. 1 for a net increase in the amount of $171,098, resulting in a revised contract amount of $2,970,778 for the Bonham Water Treatment Plant Sludge Lagoon Improvements, Project No. 293.

O. Consider Authorizing Award of Construction Contract and Execution of Construction Agreement for Project No. ENG 13-3B, 121 Regional Disposal Facility, Sector 4A Liner Material Purchase/Install
(Please refer to Administrative Memorandum No. 4119)
Upon a motion by Director Lynn Shuyler and a second by Director James Kerr, the Board of Directors voted unanimously to authorize award of a construction contract to Great Basin Environmental, Inc., in the amount of $298,907.78 for the 121 Regional Disposal Facility Sector 4A Liner Material Purchase/Install, Project No. ENG 13-3B, and authorize the Executive Director to execute the construction agreement with Great Basin Environmental, Inc., once the contractor provides all necessary documents to facilitate the execution of the agreement.

P. Consider Authorizing Execution of Engineering Services Agreement on Project No. 350, Lavon Lake Raw Water Pump Stations Intake Channel Improvements Final Engineering
   (Please refer to Administrative Memorandum No. 4120)

Upon a motion by Director Joe Farmer and a second by Director Marvin Fuller, the Board of Directors voted unanimously to authorize the Executive Director to execute an engineering services agreement with Freese and Nichols, Inc., for professional services associated with the design and construction management for the Lavon Lake Raw Water Pump Stations Intake Channel Improvements Final Engineering, Project No. 350, in the not-to-exceed amount of $388,000.

   (Please refer to Administrative Memorandum No. 4121)

Upon a motion by Director Jerry Yancey and a second by Director John Murphy, the Board of Directors voted unanimously to authorize the Executive Director to execute the Compromise, Settlement Agreement and Release between the North Texas Municipal Water District, Freese and Nichols, Inc., Eagle Contracting, L.P., and Smith Pump Company for repair of the four vertical turbine pumps at the East Fork Raw Water Supply Project Diversion Pump Station. The agreement provides funding from Smith Pump Company and Freese and Nichols, Inc., in the amount of $522,075 for repairs to the four vertical turbine pumps at the Diversion Pump Station.

R. Consider Authorizing Execution of Interlocal Cooperation Agreement between the City of Allen and North Texas Municipal Water District Concerning Reimbursement for Incremental Cost of Upgraded Screening Walls for the Upper East Fork Interceptor System Fugitive Emissions Control Improvements, Project No. 279
   (Please refer to Administrative Memorandum No. 4122)

Upon a motion by Director Lynn Shuyler and a second by Director Bobby Robinson, the Board of Directors voted unanimously to authorize the Executive Director to execute an Interlocal Cooperation Agreement between the City of Allen and North Texas Municipal Water District Concerning Reimbursement for Incremental Cost of Upgraded Screening Walls for the UEFIS Fugitive Emissions Control Improvements, Project No. 279, contingent upon approval by the Allen City Council.
S. Consider Authorizing Execution of Cooperative Service Agreement between the City of McKinney, North Collin Water Supply Corporation, and North Texas Municipal Water District for Interim Water Service to the Trinity Falls Development
(Please refer to Administrative Memorandum No. 4123)

Upon a motion by Director Jerry Yancey and a second by Director John Murphy, the Board of Directors voted unanimously to authorize the execution of a Cooperative Service Agreement between the City of McKinney, North Collin Water Supply Corporation, and North Texas Municipal Water District for interim water services to the Trinity Falls Development.

T. Consider Authorizing Award of Construction Contract and Execution of Construction Agreement on Project No. ENG 13-3A, 121 Regional Disposal Facility Sector 4A Liner and Leachate Collection System Construction
(Please refer to Administrative Memorandum No. 4124)

Upon a motion by Director Lynn Shuyler and a second by Director Jerry Yancey, the Board of Directors voted unanimously to authorize award of a construction contract to Hammett Excavation, Inc., in the amount of $349,981.15 for the 121 Regional Disposal Facility Sector 4A Liner and Leachate Collection System Construction, Project No. ENG 13-3A, and authorize the Executive Director to execute the construction agreement with Hammett Excavation, Inc., once the contractor provides all necessary documents to facilitate the execution of the agreement.

VII. DISCUSSION ITEMS

A. Receive Legal Advice from the District’s Attorney Regarding Environmental Compliance Issues Related to the Wastewater System

The regular session recessed at 4:39 p.m.

President Bill Lofland declared a need for an Executive Session of the Board of Directors to consult with attorney pursuant to Section 551.071 of the Texas Government Code. The Executive Session was called to order by President Bill Lofland at 4:40 p.m.

The Executive Session adjourned at 5:20 p.m.

The Board of Directors reconvened into regular session at 5:21 p.m.

VIII. ADJOURNMENT

There being no further business, the meeting adjourned at approximately 5:22 p.m. The next regular meeting of the NTMWD Board of Directors will be held Thursday, February 27, 2014, at 4:00 p.m. in the NTMWD Administrative Offices, 505 E. Brown Street, Wylie, Texas.