NORTH TEXAS MUNICIPAL WATER DISTRICT
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MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
HELD ON THURSDAY, APRIL 24, 2014
IN THE NTMWD ADMINISTRATIVE OFFICES, WYLIE, TEXAS

The North Texas Municipal Water District Board of Directors met in Regular Session on Thursday, April 24, 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 Bill Lofland advised that Director Larry Parks will be abstaining from voting on Agenda Item Nos. VI. L., M., Q., R.

I. INVOCATION

Director Don Cates offered the invocation.

II. ROLL CALL

Secretary Joe Joplin conducted a roll call. Directors Darrell Grooms and Shep Stahel were absent. The following Directors were present for the April 24, 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      John Sweeden
James Kerr      Bob Thurmond
Bill Lofland    Darwin Whiteside
Jack May        Jerry Yancey
Charles McKissick

The following NTMWD consultants attended the meeting:

Shannon Kackley – Gay McCall Isaacks Gordon & Roberts
David Medanich – First Southwest Company
Alan Raynor – McCall Parkhurst & Horton
Brad Castleberry – Lloyd Gosselink Rochelle & Townsend
III. RECOGNITION OF GUESTS

A. Registered Guests

There were no registered guests recognized.

IV. PUBLIC COMMENTS

There were no public comments.

V. CONSENT AGENDA ITEMS

Upon a motion by Director Marvin Fuller and a second by Director Bob Thurmond, the Board of Directors voted unanimously to approve the consent agenda items as follows:

A. Consider Approval of Board of Directors Meeting Minutes – March 27, 2014
   (Please refer to Consent Agenda Item No. 14-04-01)

B. Consider Authorizing Change Order No. 2 on Project No. 238, Plano No. 3
   Delivery Point Metering Station Upgrade
   (Please refer to Consent Agenda Item No. 14-04-02)

C. Consider Authorizing Change Order No. 1 and Authorization to Make Final
   Payment on Project No. 255, Forney Parallel Interceptor (Line A)
   (Please refer to Consent Agenda Item No. 14-04-03)

D. Consider Authorization to Make Final Payment on Project No. 301, NTMWD
   Administration Building Structural Improvements, Task No. 1
   (Please refer to Consent Agenda Item No. 14-04-04)

E. Consider Authorizing Additional Engineering Services on Project No. 331, Custer
   Road Transfer Station Tipping Floor Improvements
   (Please refer to Consent Agenda Item No. 14-04-05)

F. Consider Authorizing Inspection Services Agreement on Project No. 202,
   Electrical Improvements at High Service Pump Station 1-1
   (Please refer to Consent Agenda Item No. 14-04-06)

G. Consider Authorizing Adjustment to Engineering Services Fee on Project
   No. 217, Electrical Improvements at Water Treatment Plant II Chemical Building
   (Please refer to Consent Agenda Item No. 14-04-07)

H. Consider Authorization to Make Final Payment on Project No. 251, Water
   Treatment Plant IV Conversion to Biologically Active Filtration
   (Please refer to Consent Agenda Item No. 14-04-08)

I. Consider Authorizing Inspection Services Agreement on Project No. 298, High
   Service Pump Station 2-2 and 2-3 Electrical Improvements
   (Please refer to Consent Agenda Item No. 14-04-09)
VI. AGENDA ITEMS FOR INDIVIDUAL CONSIDERATION

A. Presentation by Congressman Ralph Hall to Retiring Executive Director Jim Parks  
(Please refer to Board Memorandum)

Congressman Ralph Hall presented a United States flag to retiring Executive Director Jim Parks.

B. Consider Adoption of Resolution No. 14-3 Commending Retiring Executive Director Jim Parks  
(Please refer to Board Memorandum)

Upon a motion by Director John Murphy and a second by Director Lynn Shuyler, the Board of Directors voted unanimously to adopt Resolution No. 14-3 commending retiring Executive Director Jim Parks. President Bill Lofland presented the framed resolution, an engraved watch, and a plaque to Jim Parks.

C. Consider Authorizing Part-Time Executive Assistant Position  
(Please refer to Administrative Memorandum No. 4169)

Upon a motion by Director Larry Parks and a second by Director Bobby Robinson, the Board of Directors voted unanimously to authorize the position of Executive Assistant – Part Time as outlined in Administrative Memorandum No. 4169.

D. Consider Adoption of Resolution No. 14-6 Calling the Remaining Maturities of the North Texas Municipal Water District Water Storage Facilities Revenue Bonds (City of Royse City Project), Series 2001 for Redemption Prior to Maturity; and Enacting Other Provisions Relating to the Subject  
(Please refer to Board Memorandum)

Upon a motion by Director Jim Mellody and a second by Director Darwin Whiteside, the Board of Directors voted unanimously to adopt Resolution No. 14-6 calling the remaining maturities of the North Texas Municipal Water District Water Storage Facilities Revenue Bonds (City of Royse City Project), Series 2001 for redemption prior to maturity; and enacting other provisions relating to the subject.

E. Consider Authorizing Lower Bois d'Arc Creek Reservoir Mitigation Property Archaeological Survey, Phase I, Project No. 359  
(Please refer to Administrative Memorandum No. 4170)

Upon a motion by Director Patrick Nicklen and a second by Director John Murphy, the Board of Directors voted unanimously to authorize funding in the not-to-exceed total amount of $118,500 for AR Consultants, Inc., to perform archaeological services for Lower Bois d'Arc Creek Reservoir Mitigation Property Archaeological Survey, Phase I, Project No. 359.
F. Consider Authorizing Execution of Engineering Services Agreement on Project No. 303, Richardson Spring Creek Lift Station Improvements Final Design (Please refer to Administrative Memorandum No. 4171)

Upon a motion by Director Lynn Shuyler and a second by Director John Sweeden, the Board of Directors voted unanimously to authorize the Executive Director to execute an engineering services agreement with Carollo Engineers, Inc., for professional services associated with Project No. 303, Richardson Spring Creek Lift Station Improvements, in the not-to-exceed amount of $351,900.

G. Consider Authorizing Execution of Engineering Services Agreement on Project No. 356, Wilson Creek Interceptor Improvements, Phase 2 (Please refer to Administrative Memorandum No. 4172)

Upon a motion by Director Joe Farmer and a second by Director Don Gordon, the Board of Directors voted unanimously to authorize the Executive Director to execute an engineering services agreement with Kimley-Horn and Associates, Inc., for professional services associated with design and construction for the Wilson Creek Interceptor Improvements, Phase 2, Project No. 356, in the not-to-exceed amount of $294,735.

H. Consider Authorizing Award of Construction Contract on Project No. 291, Wylie Water Treatment Plant East Access Gate and Road Improvements (Please refer to Administrative Memorandum No. 4173)

Upon a motion by Director Lynn Shuyler and a second by Director Bill Harrison, the Board of Directors voted unanimously to authorize a construction contract to North Texas Contracting, Inc., for the Wylie Water Treatment Plant East Access Gate and Road Improvements, Project No. 291, in the amount of $1,329,563.

I. Consider Authorizing Additional Engineering Services on Project No. 261, High Service Pump Station 2-2 and 2-3 Mechanical Improvements (Please refer to Administrative Memorandum No. 4174)

Upon a motion by Director John Sweeden and a second by Director Jerry Yancey, the Board of Directors voted unanimously to authorize an increase to the engineering services agreement with MWH Americas, Inc., for High Service Pump Station 2-2 and 2-3 Mechanical Improvements, Project No. 261, in the not-to-exceed amount of $64,377, for a revised total engineering services fee of $624,514.

J. Consider Authorizing Execution of Engineering Services Agreement on Sabine Creek Wastewater Treatment Plant Evaluation (Please refer to Administrative Memorandum No. 4175)

Upon a motion by Director Jerry Yancey and a second by Director Larry Parks, the Board of Directors voted unanimously to authorize the Executive Director to execute the engineering services agreement with Perkins Engineering
Consultants, Inc., for professional services associated with the Sabine Creek Wastewater Treatment Plant Evaluation in the not-to-exceed amount of $115,122.

K. Consider Adoption of Resolution No. 14-5 Authorizing Land Acquisition Program for the McCree Road 6 MG Ground Storage Tank Site in the City of Garland, Project No. 357
(Please refer to Administrative Memorandum No. 4176)

Upon a motion by Director Lynn Shuyler and a second by Director John Murphy, the Board of Directors voted unanimously to adopt Resolution No. 14-5 authorizing the NTMWD Executive Director to implement a land acquisition program for the McCree Road 6 MG Ground Storage Tank Site in the City of Garland, Project No. 357, which includes authorizing NTMWD's real estate manager to sign closing documents and/or execute escrow agreements for such parcel, with the total funding not to exceed $1,100,000 including property purchase, easement, legal counsel assistance, and title work.

L. Consider Authorizing Additional Engineering Services for Project No. 128, Lake Texoma Pump Station Modifications
(Please refer to Administrative Memorandum No. 4177)

Upon a motion by Director Lynn Shuyler and a second by Director Joe Farmer, the Board of Directors voted unanimously to authorize an increase to the engineering services agreement with Freese and Nichols, Inc., for additional professional services associated with the Lake Texoma Pump Station Modifications, Project No. 128, in the lump sum amount of $54,000 for a revised total not-to-exceed engineering services fee of $1,028,200.

M. Consider Authorizing Award of Construction Contract on Project No. 260, Water Treatment Plant I, 2.5 and 3.0 MG Reservoir Roof Improvements
(Please refer to Administrative Memorandum No. 4178)

Upon a motion by Director Lynn Shuyler and a second by Director Patrick Nicklen, the Board of Directors voted unanimously to authorize a construction contract to Nations Roof Central, LLC, for the Water Treatment Plant I, 2.5 and 3.0 MG Reservoir Roof Improvements, Project No. 260, in the amount of $564,200.

N. Consider Authorizing Ratification of Execution of Agreement for Professional Services of Claims Specialist for Project No. 153, Water Treatment Plants I, II, III, and IV Ozonation
(Please refer to Administrative Memorandum No. 4179)

Upon a motion by Director Lynn Shuyler and a second by Director Jerry Yancey, the Board of Directors voted unanimously to take the following action on Project No. 153, Water Treatment Plants I, II, III, and IV Ozonation: (1) ratify the action of the Executive Director to authorize Saunders, Walsh & Beard, Attorneys & Counselors, to contract with a claims specialist to provide professional
assistance in the not-to-exceed amount of $25,000 for review and evaluation of information submitted by McCarthy Building Companies, Inc., in support of its claim for adjustment of the contract amount; (2) authorize the Executive Director to increase the not-to-exceed amount as appropriate, with approval of the Executive Committee of the Board of Directors; and, (3) require the Executive Director to seek ratification of any increases to the not-to-exceed amount of $25,000, by the Board of Directors.

O. Consider Authorizing Change Order No. 26 on Project No. 153, Water Treatment Plants I, II, III, and IV Ozoneation
(Please refer to Administrative Memorandum No. 4180)

Upon a motion by Director Jerry Yancey and a second by Director Don Gordon, the Board of Directors voted unanimously to authorize Change Order No. 26 for Project No. 153, Water Treatment Plants I, II, III, and IV Ozoneation, a decrease in the amount of $24,697.35, resulting in a revised contract amount of $111,024,823.63.

P. Consider Adoption of Resolution No. 14-4 Authorizing Additional Funding for Right-of-Way Acquisition Program on Project No. 268, Lake Texoma Outfall to Wylie Water Treatment Plant Raw Water Pipeline
(Please refer to Administrative Memorandum No. 4181)

Upon a motion by Director Bob Thurmond and a second by Director Patrick Nicklen, the Board of Directors voted unanimously to adopt Resolution No. 14-4 authorizing additional funding for the right-of-way acquisition program for the Lake Texoma Outfall to Wylie Water Treatment Plant Raw Water Pipeline, Project No. 268, with an additional funding request of $400,000, resulting in a total authorization of $8,946,500 for the right-of-way program.

Q. Consider Authorizing Change Order No. 2 on Project No. 210, North McKinney Pipeline System, Phases I and II
(Please refer to Administrative Memorandum No. 4182)

Upon a motion by Director Terry Anderson and a second by Director Jerry Yancey, the Board of Directors voted unanimously to authorize Change Order No. 2 for an increase of $225,788, resulting in a revised contract amount of $14,996,414.22 and a 30-day contract time extension resulting in a revised final completion date of February 21, 2015, for Project No. 210, North McKinney Pipeline System, Phases I and II.

R. Consider Authorizing Execution of Engineering Services Agreement on Project No. 358, Lower Bois d'Arc Creek Reservoir Intake and Pump Station Configuration and Siting Engineering
(Please refer to Administrative Memorandum No. 4183)

Upon a motion by Director Joe Farmer and a second by Director Don Gordon, 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 Lower Bois d'Arc Creek Reservoir Intake and Pump Station, Configuration and Siting Engineering, Project No. 358, in the not-to-exceed amount of $200,000.

S. Consider Authorizing Reimbursement to the City of Wylie for Road Repairs on Project No. 268, Lake Texoma Outfall to Wylie Water Treatment Plant Raw Water Pipeline
(Please refer to Administrative Memorandum No. 4184)

Upon a motion by Director Marvin Fuller and a second by Director Lynn Shuyler, the Board of Directors voted unanimously to authorize reimbursement to the City of Wylie in the amount of $80,000 for road repairs as a result of construction material delivery for the Lake Texoma Outfall to Wylie Water Treatment Plant Raw Water Pipeline, Project No. 268.

T. Consider Authorizing Additional Engineering Services on Project No. 354, Wylie Water Treatment Plants Chemical Systems Evaluation, Preliminary Engineering
(Please refer to Administrative Memorandum No. 4185)

Upon the recommendation of the Water Committee, a motion by Director Terry Anderson and a second by Director Bob Thurmond, the Board of Directors voted unanimously to authorize Water Treatment Plants I, II, and IV to be added to the Wylie Water Treatment Plant III Chemical Systems Evaluation, Preliminary Engineering, Project No. 354, and authorize additional engineering services with Carollo Engineers in the not-to-exceed amount of $842,700, resulting in a revised not-to-exceed amount of $1,435,300.

U. Consider Authorizing Change Order No. 6 on Water Treatment Plant I Conversion to Biologically Active Filtration and Improvement of Existing Underdrains
(Please refer to Administrative Memorandum No. 4186)

Upon a motion by Director Joe Farmer and a second by Director Jerry Yancey, the Board of Directors voted unanimously to authorize Change Order No. 6 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 $66,374, resulting in a revised contract amount of $8,211,170.75.

V. Consider Authorizing Extension of Seasonal Watering as Written in Stage 3 of the NTMWD's Water Conservation and Drought Contingency/Water Emergency Response Plan
(Please refer to Administrative Memorandum No. 4187)

Upon a motion by Director Marvin Fuller and a second by Director John Murphy, the Board of Directors voted unanimously to authorize extension of seasonal watering through May 31, 2014, as written in Stage 3 of the NTMWD's Water Conservation and Drought Contingency/Water Emergency Response Plan with continuation of the extension by the Member Cities and Customers no later than
May 1, 2014, or as soon as possible thereafter, with subsequent monthly extensions considered by the Board.

VII. DISCUSSION ITEM

A. Water Supply Update

Mike Rickman provided a water supply update.

B. Water Rate Projection Review

Judd Sanderson reviewed the Member City Water Rate Projections. The current water rate for FY14 is $1.87, and the preliminary water rate projections are as follows: $2.06 for FY15, $2.29 for FY16, $2.52 for FY17, and $2.76 for FY18.

C. Appointment of Nominating Committee for 2014-2015 Board of Directors Officers

President Bill Lofland appointed the following Directors to serve as the Nominating Committee to recommend the slate of officers for 2014-2015:

- Charles McKissick, Chairman
- Lynn Shuyler
- Don Cates

President Lofland requested the Nominating Committee provide a recommendation at the May 2014 Board meeting.

VIII. ADJOURNMENT

There being no further business, the meeting adjourned at approximately 5:32 p.m. The next regular meeting of the NTMWD Board of Directors will be held Thursday, May 22, 2014, at 4:00 p.m. in the NTMWD Administrative Offices, 505 E. Brown Street, Wylie, Texas.

APPROVED:

BILL LOFLAND, President

ATTEST:

BILL LOFLAND, Secretary