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

The North Texas Municipal Water District Board of Directors met in Regular Session on Thursday, October 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 Darwin Whiteside called the meeting to order. President Darwin Whiteside advised that Director Don Gordon would be abstaining from voting on Agenda Item No. VI. M., and that Director Larry Parks would be abstaining from voting on Agenda Item Nos. VI. R. and VI. DD.

I. INVOCATION

Director Bill Lofland offered the invocation.

II. ROLL CALL

Secretary Terry Sam Anderson conducted a roll call. All Directors were present for the October 23, 2014, Board meeting:

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

The following NTMWD consultants attended the meeting:

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

A. Recognition of Yanbo Li and Brett Buff from the Engineering Department

Executive Director Tom Kula recognized Yanbo Li and Brett Buff for their contributions to the Planning Program that resulted in significant savings on the construction cost of the South Delivery System.

IV. PUBLIC COMMENTS

There were no public comments.

V. CONSENT AGENDA ITEMS

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

A. Consider Approval of Board of Directors Meeting Minutes – September 25, 2014
   (Please refer to Consent Agenda Item No. 14-10-01)

B. Consider Authorization to Make Final Payment on Project No. 314, Farmersville Pump Station Pump No. 2
   (Please refer to Consent Agenda Item No. 14-10-02)

C. ConsiderAuthorizing Change Order No. 1 and Authorization to Make Final Payment on Project No. 335, 121 Site Facility Water Transmission Pipeline Relocation at State Highway 121
   (Please refer to Consent Agenda Item No. 14-10-03)

D. Consider Authorizing Change Order No. 2 and Authorization to Make Final Payment on Project No. 288, South Mesquite Creek Regional Wastewater Treatment Plant, Solids Building Odor Control Improvements
   (Please refer to Consent Agenda Item No. 14-10-04)

E. Consider Authorizing Change Order No. 3 on Project No. 227 (Contract B), Upper White Rock Creek Lift Station Improvements
   (Please refer to Consent Agenda Item No. 14-10-05)

F. Consider Authorizing Change Order No. 2 and Authorization to Make Final Payment on Project No. 296, Wylie Water Treatment Plant Improvements for Lagoon Nos. 1, 2, and 3
   (Please refer to Consent Agenda Item No. 14-10-06)

G. Consider Authorizing Change Order No. 1 and Authorization to Make Final Payment on Project No. ENG 14-2, 121 Regional Disposal Facility, 2014 Phase 3 Landfill Gas System Expansion
   (Please refer to Consent Agenda Item No. 14-10-07)
H. Consider Authorizing Change Order No. 1 on Project No. 301, NTMWD Administration Building Renovations, and Building Additions, Task Nos. 2 and 3
(Please refer to Consent Agenda Item No. 14-10-08)

I. Consider Authorizing Additional Inspection Services for Project No. 202, Electrical Improvements at High Service Pump Station 1-1
(Please refer to Consent Agenda Item No. 14-10-09)

J. Consider Authorizing Additional Engineering Services on Project No. 332, 24-Inch Pipeline from Lavon No. 1 to Cash Special Utility District Delivery Point and Two Million Gallon Ground Storage Tank
(Please refer to Consent Agenda Item No. 14-10-10)

VI. AGENDA ITEMS FOR INDIVIDUAL CONSIDERATION

A. TABLED ITEM: Consider Amendment of District Policy No. 19, Water Rebate Procedure
(Please refer to Administrative Memorandum No. 4205-2)

1. Reconsideration of Previous Board Action Tabling Item

   Upon a motion by Director Shep Stahel and a second by Director Lynn Shuyler, the Board of Directors voted unanimously to remove this item from the table.

2. Take Action on Amendment of District Policy No. 19 – Water Rebate Procedure

   Upon the recommendation of the Finance/Audit Committee, a motion by Director John Sweeden and a second by Director Lynn Shuyler, the Board of Directors voted unanimously to take no action to amend District Policy No. 19, Water Rebate Procedure, at this time.

B. Consider Adoption of Resolution No. 14-20 Authorizing the Issuance of North Texas Municipal Water District Water Transmission Facilities Contract Revenue Refunding Bonds (City of Terrell Project), Series 2014, Providing for the Redemption Prior to Maturity of the Bonds Being Refunded, Authorizing an Escrow Agreement in Connection with the Bonds Being Refunded, and Approving and Authorizing Instruments and Procedures Relating Thereto
(Please refer to Administrative Memorandum No. 4272)

   Upon the recommendation of the Finance/Audit Committee, a motion by Director John Sweeden, and a second by Director John Murphy, the Board of Directors voted unanimously to adopt Resolution No. 14-20 authorizing issuance of North Texas Municipal Water District Water Transmission Facilities Contract Revenue Refunding Bonds (City of Terrell Project), Series 2014, providing for the redemption prior to maturity of the bonds being refunded, authorizing an Escrow Agreement in connection with the bonds being refunded, and approving and authorizing instruments and procedures relating thereto.
C. Consider Adoption of Resolution No. 14-21 Authorizing the Issuance, Sale, and Delivery of North Texas Municipal Water District Muddy Creek Wastewater Interceptor System Contract Revenue Refunding Bonds, Series 2014, Providing for the Redemption Prior to Maturity of the Bonds Being Refunded, Authorizing an Escrow Agreement in Connection with the Bonds Being Refunded, and Approving and Authorizing Instruments and Procedures Relating Thereto (Please refer to Administrative Memorandum No. 4273)

Upon the recommendation of the Finance/Audit Committee, a motion by Director John Sweeden and a second by Director Bill Lofland, the Board of Directors voted unanimously to adopt Resolution No. 14-21 authorizing the issuance, sale, and delivery of North Texas Municipal Water District Muddy Creek Wastewater Interceptor System Contract Revenue Refunding Bonds, Series 2014, providing for the redemption prior to maturity of the bonds being refunded, authorizing an Escrow Agreement in connection with the bonds being refunded, and approving and authorizing instruments and procedures relating thereto.

D. Consider Adoption of Resolution No. 14-22 Authorizing the Issuance, Sale, and Delivery of North Texas Municipal Water District Panther Creek Regional Wastewater System Contract Revenue Refunding Bonds, Series 2014, Providing for the Redemption Prior to Maturity of the Bonds Being Refunded, Authorizing an Escrow Agreement in Connection with the Bonds Being Refunded, and Approving and Authorizing Instruments and Procedures Relating Thereto (Please refer to Administrative Memorandum No. 4274)

Upon the recommendation of the Finance/Audit Committee, a motion by Director John Sweeden and a second by Director James Kerr, the Board of Directors voted unanimously to adopt Resolution No. 14-22 authorizing the issuance, sale, and delivery of North Texas Municipal Water District Panther Creek Regional Wastewater System Contract Revenue Refunding Bonds, Series 2014, providing for the redemption prior to maturity of the bonds being refunded, authorizing an Escrow Agreement in connection with the bonds being refunded, and approving and authorizing instruments and procedures relating thereto.

E. Consider Adoption of Resolution No. 14-18 Approving the NTMWD Identity Theft Prevention Program (Please refer to Administrative Memorandum No. 4275)

Upon a motion by Director Don Gordon and a second by Director James Kerr, the Board of Directors voted unanimously to adopt Resolution No. 14-18 approving the NTMWD Identity Theft Prevention Program.

F. Consider Adoption of Resolution No. 14-19 Approving the NTMWD Investment Policy and Investment Strategies (Please refer to Administrative Memorandum No. 4276)
Upon a motion by Director John Sweeden and a second by Director Jerry Yancey, the Board of Directors voted unanimously to adopt Resolution No. 14-19 approving the NTMWD Investment Policy and Investment Strategies.

G. Consider Authorizing Execution of Amended Potable Water Supply Contract with Ables Springs Water Supply Corporation (Please refer to Administrative Memorandum No. 4277)

Upon the recommendation of the Water Committee, a motion by Director Lynn Shuyler and a second by Director Charles McKissick, the Board of Directors voted unanimously to authorize the Executive Director to execute an amended Potable Water Supply contract with Ables Springs Water Supply Corporation.

H. Consider Authorizing Execution of Amended Potable Water Supply Contract with Forney Lake Water Supply Corporation (Please refer to Administrative Memorandum No. 4278)

Upon a motion by Director Don Gordon and a second by Director Shep Stahel, the Board of Directors voted unanimously to table this item until November 2014.

I. Consider Authorizing Execution of Amended Potable Water Supply Corporation with Mount Zion Water Supply Corporation (Please refer to Administrative Memorandum No. 4279)

Upon a motion by Director Don Gordon and a second by Director Shep Stahel, the Board of Directors voted unanimously to table this item until November 2014.

J. Consider Authorizing Implementation of Seasonal Watering as Written in Stage 3 of NTMWD’s Water Conservation and Drought Contingency/Water Emergency Response Plan, 2008 (Please refer to Administrative Memorandum No. 4280-A)

Upon the recommendation of the Water Committee, a motion by Director James Kerr and a second by Director Charles McKissick, the Board of Directors voted unanimously to authorize: 1) implementation of seasonal watering restrictions, which limits landscape watering with sprinkler or irrigation systems to once every two weeks and only if needed, as written in Stage 3 of NTMWD’s Water Conservation and Drought Contingency/Water Emergency Response Plan, 2008, with implementation by Member Cities and Customers no later than November 1, 2014, or as soon as possible thereafter; and, 2) continuing to raise awareness, educate, and communicate with Member Cities, Customers, and general public to “turn off irrigation systems and only operate in manual mode when needed”.

K. Consider Authorizing Execution of Engineering Services Agreement on Project No. 370, Water Treatment Plant Paint Shop Improvements and Warehouse Building Addition (Please refer to Administrative Memorandum No. 4281)
Upon a motion by Director Patrick Nicklen 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 Huitz-Zollars, Inc., for design and construction phase services associated with Project No. 370, Water Treatment Plant Paint Shop Improvements and Warehouse Building Addition, in the not-to-exceed amount of $196,009.

L. Consider Authorizing Execution of Engineering Services Agreement on Project No. 369, South Mesquite Creek Regional Wastewater Treatment Plant Filter and Ultraviolet Disinfection Improvements
   (Please refer to Administrative Memorandum No. 4282)

Upon a motion by Director Bobby Robinson and a second by Director Jerry Yancey, the Board of Directors voted unanimously to authorize the Executive Director to execute an engineering services agreement with Black & Veatch Corporation for design and construction phase services associated with Project No. 369, South Mesquite Creek Regional Wastewater Treatment Plant Filter and Ultraviolet Disinfection Improvements, in the not-to-exceed of $814,405.

M. Consider Adoption of Resolution No. 14-23 Authorizing Additional Funding for Project No. 342, Lower Bois d'Arc Creek Reservoir/North Water Treatment Plant Terminal Storage Property Acquisition
   (Please refer to Administrative Memorandum No. 4283)

Upon a motion by Director John Murphy and a second by Director Shep Stahel, the Board of Directors voted unanimously to adopt Resolution No. 14-23 authorizing additional funding for the land acquisition program for the Lower Bois d'Arc Creek Reservoir/North Water Treatment Plant Terminal Storage Property Acquisition, Project No. 342, with additional funding in the amount of $18,000, resulting in a total authorization of $1,718,000 for the right-of-way acquisition program.

N. Consider Authorizing Execution of Engineering Services Agreement on Project No. 371, Plano Spring Creek Lift Station No. 2, McKinney Lift Station and Wilson Creek Lift Station Emergency Generators
   (Please refer to Administrative Memorandum No. 4284)

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 Gupta and Associates, Inc., for design and construction phase services for Project No. 371, Plano Spring Creek Lift Station No. 2, McKinney Lift Station and Wilson Creek Lift Station Emergency Generators, in the not-to-exceed amount of $326,649.

O. Consider Authorizing Change Order No. 4 on Project No. 320, Wylie Water Treatment Plant II Improvements for Basin Nos. 3 and 4
   (Please refer to Administrative Memorandum No. 4285)
Upon a motion by Director Shep Stahel and a second by Director Lynn Shuyler, the Board of Directors voted unanimously to authorize: 1) Change Order No. 4 for an increase of $174,149.21, resulting in a revised contract amount with Bar Constructors of $5,651,072.19; and, 2) 30 additional calendar days of contract time, resulting in revised substantial and final completion dates of February 16, 2015, and March 9, 2015, respectively, for Project No. 320, Wylie Water Treatment Plant II Improvements for Basin Nos. 3 and 4.

P. Consider Authorizing Award of Construction Contract on Project No. 309, Wilson Creek Regional Wastewater Treatment Plant Filter Improvements
(Please refer to Administrative Memorandum No. 4286)

Upon a motion by Director Shep Stahel and a second by Director Robert Thurmond, the Board of Directors voted unanimously to award a construction contract in the amount of $2,728,000 to Crescent Constructors for Project No. 309, Wilson Creek Regional Wastewater Treatment Plant Filter Improvements.

Q. Consider Authorizing Award of Construction Contract on Project No. 355, FM 1378 and FM 2514 North Intersection Improvements, 20-Inch and 60-Inch Waterline Relocations
(Please refer to Administrative Memorandum No. 4287)

Upon a motion by Director Lynn Shuyler and a second by Director Patrick Nicklen, the Board of Directors voted unanimously to award a construction contract to John Burns Construction of Texas, Inc., for Project No. 355, FM 1378 and FM 2514 North Intersection Improvements 20-Inch and 60-Inch Waterline Relocations, in the amount of $1,187,561.

R. Consider Authorizing Execution of Engineering Services Agreement on Project No. 344, Lower Bois d'Arc Creek Reservoir Dam Final Engineering
(Please refer to Administrative Memorandum No. 4288)

Upon a motion by Director James Kerr and a second by Director Shep Stahel, the Board of Directors voted unanimously to authorize the Executive Director to execute an engineering services agreement with Freese and Nichols, Inc., for final design of Project No. 344, Lower Bois d'Arc Creek Reservoir Dam and Intake, in the not-to-exceed amount of $4,107,575.

S. Consider Authorizing Funding for Legal Services for Project No. 275, Chapman Lake Water Access, Task B (Dredging)
(Please refer to Administrative Memorandum No. 4289)

Upon a motion by Director Don Cates and a second by Director James Kerr, the Board of Directors voted unanimously to authorize funding in the not-to-exceed amount of $25,000 for legal services with Saunders, Walsh & Beard, Attorneys & Counselors, for review and evaluation of information pertaining to the re-bidding of Chapman Lake Water Access, Task B (Dredging), Project No. 275.
T. Consider Authorizing Additional Engineering Services on Project No. 352, Water Treatment Plant Water System Operations Center
(Please refer to Administrative Memorandum No. 4290)

Upon a motion by Director Lynn Shuyler and a second by Director Jerry Yancey, the Board of Directors voted unanimously to authorize an increase to the engineering services agreement with Huitz-Zollars, Inc., in the additional not-to-exceed amount of $62,291.90, resulting in a revised total not-to-exceed amount of $254,743.90 on Water Treatment Plant Water System Operations Center, Project No. 352.

U. Consider Authorizing Additional Engineering Services on Project No. 205, Supervisory Control and Data Acquisition Upgrades and Operations
(Please refer to Administrative Memorandum No. 4291)

Upon a motion by Director Bill Harrison and a second by Director Robert Thurmond, the Board of Directors voted unanimously to authorize additional engineering services with EMA Services, Inc., for Supervisory Control and Data Acquisition Upgrades and Operations, Project No. 205, in the not-to-exceed amount of $28,828.81, resulting in a revised total not-to-exceed amount of $1,081,440.57.

V. Consider Authorizing Change Order No. 3 on Project No. 205, Supervisory Control and Data Acquisition System Upgrades and Operations
(Please refer to Administrative Memorandum No. 4292)

Upon a motion by Director Don Gordon and a second by Director Darrell Grooms, the Board of Directors voted unanimously to authorize Change Order No. 3 for: 1) an increase of $54,389, resulting in a revised contract amount with Prime Controls, Inc., of $2,884,709.37; and, 2) 110 days of additional contract time resulting in a revised final completion date of December 15, 2014, for Project No. 205, Supervisory Control and Data Acquisition System Upgrades and Operations.

W. Consider Authorizing Execution of Engineering Services Agreement on Project No. 372, Lookout Drive Transfer Station Facility Expansion
(Please refer to Administrative Memorandum No. 4293)

Upon a motion by Director Shep Stahel and a second by Director Jim Mellody, the Board of Directors voted unanimously to authorize the Executive Director to execute an engineering services agreement with Chiang, Patel & Yerby, Inc., in the not-to-exceed amount of $938,600 for design and construction phase services associated with Lookout Drive Transfer Station Facility Expansion, Project No. 372.

X. Consider Authorizing Award of Construction Contract on Project No. 316, Plano No. 4 Delivery Point Metering Station Upgrade
(Please refer to Administrative Memorandum No. 4294)
Upon a motion by Director Shep Stahel and a second by Director James Kerr, the Board of Directors voted unanimously to award the construction contract to Red River Construction Company, for Plano No. 4 Delivery Point Metering Station Upgrade, Project No. 316, in the amount of $1,496,500.

Y. Consider Authorizing Execution of Engineering Services Agreement on Project No. 337, Wylie-Rockwall-Farmersville 36/48-Inch Pipeline Improvements, Phase I
(Please refer to Administrative Memorandum No. 4295)

Upon a motion by Director Marvin Fuller and a second by Director Darrell Grooms, the Board of Directors voted unanimously to authorize the Executive Director to execute an engineering services agreement with Kimley-Horn and Associates, Inc., in the not-to-exceed amount of $403,800 for design and construction services associated with the Wylie-Rockwall-Farmersville 36/48-Inch Pipeline Improvements, Phase I, Project No. 337.

Z. Consider Authorizing Additional Engineering Services on Project No. 153, Water Treatment Plants I, II, III, and IV Ozonation
(Please refer to Administrative Memorandum No. 4296)

Upon a motion by Director Don Gordon and a second by Director John Murphy, the Board of Directors voted unanimously to authorize additional engineering services with Black & Veatch Corporation in the amount of $33,900, resulting in a revised not-to-exceed amount of $11,037,319 for Water Treatment Plants I, II, III and IV Ozonation, Project No. 153.

AA. Consider Authorizing Award of Construction Contract on Project No. 308, Upper Rowlett and Cottonwood Creek Parallel Force Main
(Please refer to Administrative Memorandum No. 4297)

Upon a motion by Director Lynn Shuyler and a second by Director Shep Stahel, the Board of Directors voted unanimously to authorize: 1) award of construction contract to S.J. Louis Construction of Texas, Ltd., for Upper Rowlett and Cottonwood Creek Parallel Force Main, Project No. 308, in the amount of $5,206,821.07; and, 2) payment to Oncor in the amount of $94,328.

BB. Consider Authorizing Change Order No. 1 on Project No. 233, 121 Regional Disposal Facility Fleet Maintenance Weld Services Building
(Please refer to Administrative Memorandum No. 4298)

Upon a motion by Director Shep Stahel and a second by Director Lynn Shuyler, the Board of Directors voted unanimously to authorize Change Order No. 1 for: 1) an increase of $210,792 resulting in a revised contract amount of $1,041,006.81 with Tegrity Contractors; and, 2) 298 additional calendar days of contract time, resulting in a final completion date of March 19, 2015, for the 121 Regional Disposal Facility Fleet Maintenance Weld Services Building, Project No. 233.
CC. Consider Authorizing Execution of Consent Agreement with Comerica Bank Authorizing Collateral Assignment of Assets Owned by McKinney LFG, LLC, Associated with the Landfill Gas to Energy System at the McKinney Landfill
(Please refer to Administrative Memorandum No. 4299)

Upon a motion by Director Jerry Yancey and a second by Director Shep Stahel, the Board of Directors voted unanimously to authorize the Executive Director to execute the Consent Agreement with Comerica Bank for collateral assignment of assets owned by McKinney LFG, LLC, associated with the Landfill Gas to energy system at the McKinney Landfill.

DD. Consider Authorizing Execution of Engineering Services Agreement on Project No. 373, Lake Chapman Pump Station 2014 Electrical Improvements
(Please refer to Administrative Memorandum No. 4300)

Upon a motion by Director Don Gordon and a second by Director John Murphy, the Board of Directors voted unanimously to authorize the Executive Director to execute an engineering services agreement with Freese and Nichols, Inc., for design and construction management services associated with Lake Chapman Pump Station 2014 Electrical Improvements, Project No. 373, in the not-to-exceed amount of $299,470, contingent upon City of Irving's approval of the source of funding.

EE. Consider Authorizing Reimbursement to the City of Wylie on Project No. 184, Billing Meter Improvements at Wylie No. 1A Delivery Point
(Please refer to Administrative Memorandum No. 4301)

Upon a motion by Director Lynn Shuyler and a second by Director Robert Thurmond, the Board of Directors voted unanimously to authorize reimbursement to the City of Wylie in the amount of $310,373 for construction of the billing meter and associated equipment for Project No. 184, Billing Meter Improvements at Wylie No. 1A Delivery Point.

VII. DISCUSSION ITEMS

A. Water Supply Update

Mike Rickman presented a water supply update.
VIII. ADJOURNMENT

There being no further business, the meeting adjourned at approximately 5:53 p.m. The next regular meeting of the NTMWD Board of Directors will be held Thursday, November 20, 2014, at 4:00 p.m. in the NTMWD Administrative Offices, 505 E. Brown Street, Wylie, Texas.

APPROVED:

[Signature]
DARWIN WHITESIDE, President

ATTEST:

[Signature]
TERRY SAM ANDERSON, Secretary