



NORTH TEXAS MUNICIPAL WATER DISTRICT
501 E. Brown Street • Wylie, Texas 75098
(972) 442-5405

WASTEWATER COMMITTEE MEETING MINUTES
APRIL 23, 2025

The Presiding Officer was present at the meeting location, the NTMWD Administrative Offices, 501 E. Brown Street, Wylie, Texas 75098, with two-way video and audio communication between Board members participating by videoconference, establishing a quorum. The public was invited to attend the meeting in person at the meeting location and offer Public Comments. Board Members participating by videoconference were visible to members of the public in attendance at the meeting location. Members of the public who wished to listen to live audio from the meeting were able to do so by calling (469) 210-7159 or toll free (844) 621-3956 and entering the following access code: 928 587 040. This line did not provide two-way communication. The audio recording of the meeting is available on the NTMWD website.

I. CALL TO ORDER

Director Keith Stephens served as the Presiding Officer and called the meeting of the North Texas Municipal Water District (NTMWD) Wastewater Committee to order at 3:00 p.m. on Wednesday, April 23, 2025. General instructions were provided to attendees. Any reference to unanimous votes refers to a unanimous vote of the Committee members present.

The following Wastewater Committee members were present; therefore, a quorum was present.

	Wastewater Committee Members	Attendance
1	Keith Stephens, Chair	Present
2	Phil Dyer	Remote
3	James Kerr	Remote
4	Rick Mann	Remote
5	Don Paschal	Remote
6	George Purefoy	Remote
7	Ray Stephens	Remote

Members of the Executive Committee were present as well as other Board members. Executive Director Jenna Covington (remote) and other members of the NTMWD management team were in attendance.

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The following consultants participated by videoconference:

- Lauren Kalisek and Sara Thornton – Lloyd, Gosselink, Rochelle & Townsend, P. C.
- Mark Walsh – Saunders, Walsh & Beard, P.C.
- Richard Davis – Beveridge & Diamond, P.C.

II. PUBLIC COMMENTS

Members, customers, and the public were invited to participate during the public comment period of the meeting. Before the start of the meeting, speakers were to submit a “Public Comment Registration Form.” During this portion of the meeting, speakers were recognized by name and asked to provide their comments. The time limit was three (3) minutes per speaker, not to exceed a total of thirty (30) minutes for all speakers. Texas Open Meetings Act prohibited the Committee from discussing items not listed in the agenda. However, Committee members could respond with factual or policy information.

There were no requests for public comments.

III. OPENING REMARKS

- A. Chair/Executive Director/Committee Champion Status Report concerning legislation and regulatory matters, budgets, current projects and ongoing Wastewater System programs of the District

Assistant General Manager Billy George reported the following:

- Zach Jackson, Operations Training and Development Manager, was recognized at the Texas Water Conference recently. Zach was awarded the Riley Crocker Dedicated Volunteer Award for Operations Challenge. Zach is doing great work with the competencies programs and the District is proud of his professional achievements.
- A Wastewater Committee meeting is not planned for May at this time. There are several items scheduled for consideration at May’s Board meeting and are included on today’s agenda as discussion items.
- In addition to today’s discussion items, plans are to bring an item next month requesting a construction contract for adding a roadway turn lane on FM 2933 at the Sister Grove Water Resource Recovery Facility.
- There is an action item today for considering an industrial wastewater agreement with Texas Instruments and the City of Richardson. There will be another executive session on the contract at tomorrow’s Board meeting.
- There will be an action item at next month’s Real Estate Committee meeting related to the proposed Lower East Fork Water Resource Recovery Facility. Wastewater Committee members who are interested in the item are encouraged to attend the meeting.

IV. ACTION ITEMS

- A. Consider approval of Wastewater Committee meeting minutes – March 26, 2025

Upon a motion by Director Phil Dyer and a second by Director James Kerr, the Wastewater Committee voted unanimously to approve the meeting minutes for March 26, 2025.

- B. Agreement on Industrial Wastewater Discharges by Texas Instruments to the City of Richardson Wastewater Collection System; Resolution No. 25-20

Mr. George advised this item is to consider recommending to the Board a discretionary agreement with Texas Instruments and the City of Richardson to treat wastewater effluent on a temporary basis while a permanent solution can be installed.

Mr. George reviewed the purpose and goals for considering a temporary industrial wastewater services agreement with Texas Instruments (TI) and the City of Richardson as follows:

- Ensure the Rowlett Creek Regional Wastewater Treatment Plant complies with its Texas Pollutant Discharge Elimination System (TPDES) permit and does not experience pass through resulting from high-strength industrial wastewater.
- Be responsive to TI's and Richardson's request to minimize disruptions to TI's manufacturing processes in a unique collaboration involving NTMWD.
- Provide time for TI and/or Richardson to identify and implement a solution or solutions to meet pretreatment program requirements while avoiding major disruptions to TI's manufacturing processes.
- Recognize TI's role as a locally, regionally, and nationally important industry and economic engine.
- Protect the interests of NTMWD's Regional Wastewater System municipal participants by ensuring they are not inappropriately subsidizing TI's industrial wastewater treatment costs.

Mr. George reviewed that the NTMWD is required by the Clean Water Act, EPA, TCEQ, and its TPDES permit to manage non-residential discharges through a pretreatment program and serve as regulators when non-residential discharges could cause compliance issues with TPDES permits. He said that NTMWD performs daily tasks (sampling, inspections, permitting, tracking compliance, interface with TCEQ, etc.) NTMWD drafts and recommends to the City appropriate enforcement for violations. The City signs enforcement notices and permits, and provides essential data for identifying industrial users (e.g., information regarding new industries, commercial water billing records, certificates of occupancy.) The NTMWD regulates approximately 70 Industrial User Permits with ~70% of them providing some form of onsite pretreatment.

Mr. George advised that there is an agreement between the City of Richardson and NTMWD that outlines roles and responsibilities. In July 2022, NTMWD took

over the administrative duties of Richardson's pretreatment program at their request. The City of Richardson adopted an ordinance outlining the Industrial Pretreatment Program and other industrial wastes. The NTMWD drafts and recommends appropriate enforcement responses for program violations. The City of Richardson does have the obligation to enforce the City's pretreatment ordinance.

Mr. George provided an overview of the industry's responsibilities regarding pretreatment programs. He said that permitted industrial users are responsible for complying with the industrial user permit as it relates to a contract with a laboratory, adherence to permit limits, reporting requirements to the NTMWD, including reporting violations or spills. Industrial users provide, fund, and maintain treatments to comply with permit categorical and local limits.

Mr. George reviewed a timeline of events that began in 2019 when the City of Richardson approached the NTMWD with TI's proposed expansion. After that time, a number of meetings and negotiations have occurred. He elaborated on the following events:

- 2021: Rowlett Creek RWWTP (RCRWWTP) began seeing an increase in ammonia monthly loading
- August 2021: TI submitted Industrial User Permit (Permit) application for RFAB2
- October 2021: NTMWD Pretreatment began investigating high ammonia load at RCRWWTP
- February 2022: TI Permit issued with requirement to report monthly ammonia discharge
- July 2022: NTMWD executes agreement with Richardson to assume pretreatment program administration
- Early 2023: NTMWD presented high ammonia concerns to TI
- November 2023: NTMWD provided draft permit with schedule to begin reducing ammonia discharge
- December 2023: TI responded to draft permit

In April, 2024, TI notified the NTMWD that its equipment testing would discharge high amounts of ammonia. The NTMWD informed TI that the discharge could exceed the plant's capability to treat its wastewater. In May 2024, TI, Richardson, and NTMWD began routine executive and technical engagement to address the high ammonia issue. Since May 2024, TI, Richardson, and NTMWD have held numerous executive, technical, and legal meetings to collaborate on identifying a path forward that addresses key interests for all parties.

In January 2025, TI committed to implementing a long-term treatment solution. NTMWD notified Richardson and TI of a willingness to assist them by providing interim treatment of TI's industrial ammonia discharges while a long-term treatment solution was developed. In February 2025, TI expressed interest in developing an agreement to implement interim treatment.

Currently, an agreement between the parties has not been reached in relation to critical terms for an interim agreement that would span approximately five years.

NTMWD proposed a shorter term agreement to reach a reasonable resolution. Time is of the essence to procure and install additional interim treatment equipment needed at the Rowlett Creek WWTP to treat TI's industrial wastewater. The equipment is reserved until May 16th.

Director Randy Roland, who attended the meeting, asked if the equipment reservation could be extended. Mr. George responded that an extension may be possible, however, TI needs the equipment in place and operational to meet their own timelines.

At 3:33 p.m. Chair Stephens announced the need for an Executive Session of the Committee to discuss Item IV.B. on the agenda pursuant to Texas Government Code, Section 551.071, Consultation with Attorney.

Chair Stephens confirmed with staff that the public access line was disconnected and that the audio recording was disabled during the Executive Session discussion.

Open Session reconvened at 4:50 p.m. The public teleconference line was reconnected. No action was taken in Executive Session.

Upon a motion by Director James Kerr and a second by Director Don Paschal, the Wastewater Committee voted unanimously to recommend approval to the Board of Directors.

V. DISCUSSION ITEMS

A. Panther Creek Wastewater Treatment Plant Expansion

Mark Simon, Director of Engineering, presented this item. He advised the purpose of this project is to expand the treatment capacity of existing Panther Creek facilities from the current 10 MGD average daily flow to 15 MGD, with a peak two-hour flow of 45 MGD. Included in the project are primary clarification, secondary treatment, tertiary filtration, and an ultraviolet light disinfection system. A 60-inch diameter treated plant effluent outfall pipeline as well as a maintenance building and an annex to the existing Administration Building are also included.

Mr. Simon advised that three bids were received with Crossland Heavy Contractors, Inc. submitting the lowest responsible bid in the amount of \$170,618,000. The engineer's opinion of probable construction cost was \$140,950,000. He noted that this project serves and is fully funded by the City of Frisco.

Mr. Simon added that some contractors have expressed concerns about the potential of tariffs, resulting in unknown costs for the materials. Mr. Simon stated that the District has advised the contractors not to factor in potential tariffs and if that issue presents itself, it will be dealt with. He also said that some contractors have rushed their ordering in an effort to avoid tariffs so there have been some supply chain challenges. He noted that the sitework appears to be the largest cost difference due to challenging soil conditions and hauling costs. Mr. Simon

provided a chart of wastewater projects and costs that reflects an overall increase in costs over the last several years.

In addition to construction costs, this agenda item will include engineering services budgeted in the amount of \$4.4 million (under negotiation) and construction management inspection services budgeted at \$7.5 million (under negotiation). Plans are to present this item to the Board in May 2025.

Discussion followed as to what the engineering services fee covers and more detail was provided as to the sitework expense.

B. Stover Creek Lift Station Final Engineering Services

Mark Simon advised that the UEFIS Regional Capacity Assessment and Assurance Study identified the need for a new lift station and force main to serve projected growth in McKinney and Prosper north of US 380. This will reduce the risk of surcharge and sanitary sewer overflows in the Upper East Fork Interceptor System (UEFIS). It will provide return capacity to McKinney-owned sewers south of US 380. All flows entering the Stover Creek Lift Station and Force Main are to be conveyed and treated at the Sister Grove Regional Water Resource Recovery Facility (SGRWRRF.) The Preliminary Design Estimated Construction Cost is \$62,650,000.

The proposed lift station will have a capacity of 42 MGD with odor control. The project includes 1,700 linear feet of influent pipe, a flow diversion structure and discharge meter vault. Floodplain mitigation is also required at the site.

This final engineering design agreement with Plummer Associates includes final design, early procurement services for long lead equipment, and bid phase services. Special services include:

- Geotechnical engineering
- Subsurface utility engineering
- Environmental services and tree survey
- Topographic survey and easement documents
- Radio path study
- Annexation and zoning assistance

The final engineering agreement fee budget is \$4.4 million, however, is currently under negotiation. This item will be presented to the Board for consideration in May.

C. Lavon Wastewater Contract

Hunter Stephens, Director of Wastewater, presented this item. He advised that the District currently operates Lavon's Bear Creek 0.5 million gallon per day (MGD) WWTP. Lavon is constructing two new WWTPs to serve planned developments. One is Lavon North WWTP (0.25 MGD) and the other is Lavon East WWTP (0.10 MGD.) Lavon has included the District in the planning and design process, and desires to contract with the District to operate these wastewater treatment facilities.

Mr. Stephens reviewed the five small plants currently operated by the District. Those include Sabine, Bear, Buffalo, Squabble, and Seis Lagos. Treatment capacities range from 0.25 MGD to 7.0 MGD. A total of 11 staff members operate these plants with a total budget of \$8.1 million. The addition of Lavon North and East creates requirements for additional personnel with corresponding budget expenditures. The proposed budgets have been discussed with Lavon along with the contract.

Mr. Stephens advised that Lavon and the District are finalizing contract terms for the District to operate all three plants under one contract. The District will furnish all labor, materials, vehicles, equipment, and consumables required for proper operation and maintenance of the WWTPs. He added that Lavon North construction is scheduled for completion in July or August, 2025. It will require a FY25 budget amendment. Lavon East construction completion is expected mid-2026. The FY26 budget will include an operation budget for all three facilities. There are plans to expand Lavon Bear Creek from 0.50 GD to 0.75 MGD.

Mr. Stephens said that contract discussions with Lavon should be completed over the next month. Consideration of this contract and a budget amendment is planned for the May Board meeting.

Director Phil Dyer asked whether these three small plants are the long-term solution for Lavon. Mr. Stephens responded yes, for the next five to ten years. R.J. Muraski, Director of Planning, added that several studies have been conducted. The last two recommendations are not economically feasible for Lavon. He added that in the future, should Lavon wish to expand, the District will help evaluate whether there is a regional solution rather than expanding. Right now, there is no clear plan for a larger facility in this area.

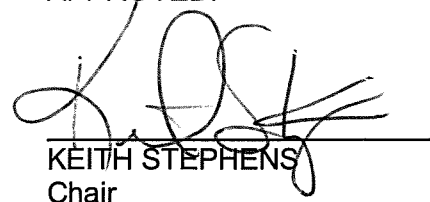
- D. Opportunity for Committee members to provide feedback on Wastewater Committee meeting or request potential future agenda items

There were no comments and no requests for potential future agenda items.

VI. ADJOURNMENT

There being no further business, the Wastewater Committee meeting was adjourned at 5:16 p.m.

APPROVED:



KEITH STEPHENS
Chair