

NORTH TEXAS MUNICIPAL WATER DISTRICT

EXECUTIVE COMMITTEE MEETING MINUTES JULY 13, 2017

I. CALL TO ORDER

President Robert Thurmond called the Executive Committee to order at approximately 11:39 a.m. on Thursday, July 13, 2017, in the NTMWD Administrative offices in Wylie, Texas.

Executive Committee members present included President Robert Thurmond, Vice President John Sweeden, Secretary Don Gordon, and Past President Terry Sam Anderson. Directors Joe Farmer, Bill Lofland, John Murphy, David Paschall, Richard Peasley, and Lynn Shuyler also attended. Director Marvin Fuller attended a portion of the meeting.

Staff present included Tom Kula, Joe Stankiewicz, Judd Sanderson, Billy George, Brian Brooks, Janet Rummel, Shawna Helmsberger, and Melisa Fuller. Leann Bumpus attended a portion of the meeting. Lauren Kalisek participated via conference call during the Executive Session.

II. ACTION ITEMS

A. Consider Approval of Minutes of Executive Committee Meeting – May 11, 2017

Upon a motion by Director John Sweeden and a second by Director Don Gordon, the Executive Committee unanimously approved the minutes of the Executive Committee meeting held on May 11, 2017.

B. Consider Approval of Minutes of Executive Committee Meeting – June 7, 2017

Upon a motion by Director Don Gordon and a second by Director John Sweeden, the Executive Committee unanimously approved the minutes of the Executive Committee meeting held on June 7, 2017.

III. DISCUSSION ITEMS

A. Discuss Board and Committee Meeting Schedule

Executive Director Tom Kula reviewed the draft survey regarding the Board and Committee meeting schedule and indicated the survey would be conducted live at the July Board meeting. He discussed the drivers for the need for additional Committee meetings over the past few years.

Mr. Kula indicated the goal is to limit Board/Committee meetings to two one-half day sessions per month to provide more predictability to the Board members regarding the schedule. Committee members agreed more predictability would be beneficial; however, they also indicated they were willing to meet more often as needed.

The Committee also discussed the date/location of the Fall Planning Workshop. President Bob Thurmond indicated he preferred to meet on a Saturday at the NTMWD office.

B. Review Agendas for July 2017 Board of Directors Committee Meetings

1. Water Committee Meeting(s)

Executive Director Tom Kula advised that a Water Committee meeting is scheduled on this date at 1:00 p.m. to discuss alternate rate methodologies to the Regional Water System Facilities Amendatory Contract. NTMWD's consultants from NewGen Strategies & Solutions will be present to review alternatives.

Mr. Kula advised that a second Water Committee meeting was planned for July 27, 2017. After reviewing the agenda, it was agreed this meeting could be postponed until August 2017.

2. Policy Committee Meeting

Deputy Director Judd Sanderson advised that a Policy Committee meeting is scheduled on July 19, 2017, at 1:30 p.m. to review and finalize recommendations on the Board Policies Manual.

3. Finance/Audit Committee Meeting

Mr. Sanderson advised that the Finance/Audit Committee would also meet on July 19, 2017, at 2:30 p.m. and the agenda would include the following items:

- Proposed Budget
- Amendment to Retirement Plan
- Discuss Impacts of Member City Contract Litigation Costs on District Budget and Rates (Executive Session)
- Discuss Possible Fund Balance Policy and Survey Results

4. Solid Waste Committee Meeting

Mr. Kula advised that the Solid Waste Committee would also meet on July 19, 2017, at 4:00 p.m. and the agenda would include the following items:

- Consider Recommendation on Authorizing Execution of Engineering Services Agreement for Data Collection to Support Future Design of Environmental Controls at Maxwell Creek Landfill
- Discuss Potential Sale of Bureson Property Near McKinney Landfill
- Discuss Future Committee and Board Actions For Regional Solid Waste System
- Overview of Amended and Restated Regional Solid Waste System Contract

C. Review July 2017 Board of Directors Regular Meeting Agenda

Mr. Kula reviewed the schedule for the Board meeting on July 27, 2017, as follows:

- Open Government Training Review – 2:30 p.m.
- Executive Session – 3:00 p.m.
- Regular Board Meeting – 4:00 p.m.

He advised that a discussion topic would be included on the agenda to provide an update on the update on Texas/Oklahoma Boundary issue as requested by a Board member.

D. Water System Update

Assistant Deputy Director Billy George provided an update on the Wylie Water Treatment Plant Risk Management Plan inspection and the status of the settlement agreement.

E. Wastewater System Update

Mr. Kula advised that an update on the land acquisition program for the proposed new Wastewater Treatment Plant will be provided at the next Wastewater Committee meeting.

F. Solid Waste System Update

Staff did not provide a Solid Waste System update.

G. Personnel Update

Staff did not provide a Personnel update.

H. Finance/Budget Update

Staff did not provide a Finance/Budget update.

I. Engineering Update

Staff did not provide an Engineering update.

J. District Policy Update

Staff did not provide a District Policy update.

K. Legislative Update

Mr. Kula advised that the 85th Legislative Special Session begins on July 18, 2017, and at this time the agenda contains 19 items.

L. Discuss Status of Member City Contract Matters including:

The regular session recessed at 12:32 p.m.

President Robert Thurmond declared a need for an Executive Session of the Executive Committee to consult with attorneys pursuant to Section 551.071 on Agenda Item Nos. L. (1-6) and M (1-2). The Executive Session was called to order by President Robert Thurmond at 12:32 p.m.

An update on the following litigation was provided in the Executive Session as noted above:

1. *Petition of the Cities of Garland, Mesquite, Plano and Richardson Appealing the Decision by North Texas Municipal Water District Affecting Wholesale Water Rates*, Public Utility Commission of Texas, Docket No. 46662
2. *North Texas Municipal Water District v. Public Utility Commission of Texas*, 419th Judicial District Travis County District Court, Cause No. D-1-GN-17-000877
3. *Ex Parte, North Texas Municipal Water District*, 98th Judicial District Travis County District Court, Cause No. D-1-GN-17-000861
4. *Ex Parte, North Texas Municipal Water District*, 429th Judicial District Collin County District Court, Cause No. 429-02972-2017
5. Impacts of Member City Contract Matters to NTMWD Funding Capabilities
6. Confidentiality Agreement and Framework for Continued Member Cities Discussions Related to Possible Amendment to Water Supply Contract

- M. Update on Litigation Involving North Texas Municipal Water District/Advice from Legal Counsel, including:

An update on the following litigation was provided in the Executive Session as noted above:

1. Claims against SKW Holdings, Inc., and other responsible parties, Project No. 101-0297-12, Water System Maintenance Facilities, South Region, Phase 1
2. Potential Lawsuit with Hooshang Kordy, et al. v. North Texas Municipal Water District, et al.

The Executive Session adjourned at 1:51 p.m.

The Board of Directors reconvened into regular session at 1:52 p.m. No action was taken during Executive Session.

- N. Opportunity for Committee Members to Provide Feedback on Executive Committee Meeting

There was no feedback provided on the Executive Committee meeting.

- O. Opportunity for Committee Members to Request Potential Future Agenda Items
(No substantive discussion of items will take place at this time)

There were no requested potential future agenda items.

IV. ADJOURNMENT

There being no further business, the meeting was adjourned at approximately 1:05 p.m. The next meeting of the Executive Committee will be called by the Chairman with proper notification to all members.



ROBERT THURMOND
Chairman