

NORTH TEXAS MUNICIPAL WATER DISTRICT

WATER COMMITTEE MEETING MINUTES SEPTEMBER 27, 2018

I. CALL TO ORDER

Chairman Jack May called the meeting of the North Texas Municipal Water District (NTMWD) Water Committee to order at approximately 2:00 p.m. on Thursday, September 27, 2018, at the NTMWD Administrative Offices, Wylie, Texas.

Members present included Chairman Jack May, Directors Phil Dyer, Darrell Grooms, Joe Joplin, and Lynn Shuyler. Director David Island and David Paschall were absent. A quorum of the Water Committee was present. Any reference to unanimous votes refers to a unanimous vote of the Committee members present.

President John Sweeden, Vice President Don Gordon, Secretary Larry Parks, Directors Terry Sam Anderson, John Carr, Joe Farmer, Rod Hogan, David Hollifield, Blair Johnson, James Kerr, John Murphy, and Richard Peasley were also present.

NTMWD staff present included Tom Kula, Rodney Rhoades, Mike Rickman, Joe Stankiewicz, Cesar Baptista, Brian Brooks, Zeke Campbell, Melisa Fuller, Billy George, Steve Long, R.J. Muraski, Jeff Ray, Galen Roberts, Janet Rummel, Jennifer Stanley, and Leann Bumpus.

Lauren Kalisek and Sara Thornton with Lloyd Gosselink Rochelle & Townsend, Lewis Isaacks and Mark Walsh with Saunders, Walsh & Beard, and Tom Gooch with Freese and Nichols, Inc. were also present.

II. OPENING REMARKS

- A. Executive Director/Committee Champion Status Report concerning legislation and regulatory matters, budgets, current projects and ongoing programs of the District including the Regional Water System, Watershed Protection, and Water Conservation

Assistant Deputy Director Billy George stated that NTMWD has been informed that the Texas Commission on Environmental Quality will issue no enforcement action against NTMWD as a result of environmental impacts stemming from a potable water release at the Rowlett No. 1 water delivery point in July.

Mr. George informed the Committee NTMWD's consultant for the education campaigns, EnviroMedia, closed their office unexpectedly and is not available to work with NTMWD in 2019. As a result, Public Education staff is currently planning a new path forward for FY19. He stated that meetings have also been scheduled with some other regional water providers to discuss a possible partnership on conservation programs in the future. He said future updates will be provided on the path forward.

Assistant Deputy Director R.J. Muraski provided an overview of current and planned Wylie Water Treatment Plants I, II, III & IV projects. He highlighted some of the ongoing projects and showed an aerial map depicting major project locations

in 2019. Director Joe Joplin requested that principal project drivers be included in the future when projects are presented to the Board for action.

In response to a question from a Committee member asking if the new Operations building is a critical project, Executive Director Tom Kula responded that it is a critical project. He said he had worked with Director Marvin Fuller and the City of Wylie to keep the project progressing in light of recent City Council action. He said the path forward includes meeting with City Council members in the current Operations building and letting them see first-hand the criticality of the project. He indicated the NTMWD's goal is to get this item back for consideration on the City Council's agenda in November.

Mr. George also provide a brief update on the Richardson 72-inch pipeline failure, which included the repair status, public interest responses and ongoing work.

III. ACTION ITEMS

A. Approval of Water Committee Meeting Minutes – August 23, 2018

Upon a motion by Director Phil Dyer and a second by Director Lynn Shuyler, the Water Committee voted unanimously to approve the minutes of the Water Committee meeting held on August 23, 2018.

B. Consider Recommendation on Authorizing Execution of Raw Water Supply Contract with Trinity River Authority of Texas for Purchase of Raw Water for Diversion from Main Stem Pump Station (Please refer to Administrative Memorandum No. 5250)

Billy George stated this contract is a water purchase contract for the water to be pumped by the Main Stem Pump Station. He said testing of the new pumps will begin around the end of 2018 or in early 2019 and water made available through an agreement with the Trinity River Authority of Texas (TRA) is needed to test the new pumps. He indicated the Board authorized an option contract in 2015, which granted the District the right to enter into a water purchase agreement with TRA and that the contract presented to the Committee exercises that option. He provided a contract overview. He highlighted that the contract includes an emergency provision under which NTMWD can purchase water without financial penalty over and above the contractual take or pay amount under certain conditions prior to NTMWD having Bois d'Arc Lake water available.

Upon a motion by Director Joe Joplin and a second by Director Lynn Shuyler, the Water Committee voted unanimously to recommend to the Board of Directors authorizing the Executive Director to execute a raw water supply contract with Trinity River Authority of Texas in the amount of \$2,528,425 (anticipated per contract for fiscal year 2018 – 2019) for purchase of raw water for diversion from the Main Stem Pump Station.

C. Consider Recommendation on Authorizing Execution of Water Transport Contract with City of Dallas for Transport of NTMWD Raw Water from Lake Fork to Lake Tawakoni (Please refer to Administrative Memorandum No. 5251)

Mr. George indicated the District was prepared to consider executing this contract in 2015. However, the City of Dallas was in a lawsuit with the Sabine River Authority (SRA) and the City would not consider moving District water from Lake Fork to Lake Tawakoni at that time. He presented an exhibit showing the location of the pipeline and provided an overview of the contract. He said the contract terminates the same time as the District's upper Sabine River basin SRA contract in 2025.

Upon a motion by Director Joe Joplin and a second by Director Lynn Shuyler, the Water Committee voted unanimously to recommend to the Board of Directors authorizing the Executive Director to execute a water transport contract with the City of Dallas in the amount of \$2,228,169.14 (for full 20,000 acre-feet per year).

- D. Consider Recommendation on Authorizing Execution of Engineering Services Agreement on Project No. 101-0517-18, Wylie Water Treatment Plant II Structural and Mechanical Improvements
(Please refer to Administrative Memorandum No. 5249)

Engineering Manager Jeff Ray explained the Water Treatment Plant II operates well, but requires work in order to ensure it will continue to be reliable due to its age. He described the major work items planned for the engineering contract and explained how some of the work items are required for making Plant II biologically active filtration capable.

Upon a motion by Director John Murphy and a second by Director Lynn Shuyler, the Water Committee voted unanimously to recommend to the Board of Directors authorizing the Executive Director to execute an engineering services agreement with CH2M Hill Engineers, Inc., in the amount of \$417,650 on Project No. 101-0517-18, Wylie Water Treatment Plant II Structural and Mechanical Improvements.

- E. Consider Recommendation on Authorizing Award of Construction Contract on Project No. 101-0481-17, Wylie Water Treatment Plant III Supervisory Control and Data Acquisition Improvements
(Please refer to Administrative Memorandum No. 5246)

Jeff Ray described previous actions related to the project including how competitive bids were received in June 2018, but rejected by the Board upon staff's recommendation. He explained that bids significantly exceeded the engineers estimate for the work, so staff recommended the bids be rejected. He said staff now understands that the design engineer originally underestimated the level of programming and integration effort required for the project. He stated the rebid amount was higher than expected due to change of materials and construction method along with enhancement of the programmable logic controller configuration.

Upon a motion by Director Darrell Grooms and a second by Director Phil Dyer, the Water Committee voted unanimously to recommend to the Board of Directors authorizing award of a contract to Prime Controls, L.P. in the amount of \$1,791,315 on Project No. 101-0481-17, Wylie Water Treatment Plant III Supervisory Control and Data Acquisition Improvements.

- F. Consider Recommendation on Authorizing Execution of Engineering Services Agreement on Project No. 101-0344-13, Bois d'Arc Lake Dam and Intake Structure for Development of a Bois d'Arc Lake Operations Plan
(Please refer to Administrative Memorandum No. 5257)

Billy George indicated that two key guidance documents are needed to effectively manage the lake, which include a Lake Operations Plan and Shoreline Management Plan. He reviewed the major sections of each plan and said they are slated for completion in early 2020.

Upon a motion by Director Darrell Grooms and a second by Director Phil Dyer, the Water Committee voted unanimously to recommend to the Board of Directors authorizing the Executive Director to execute an engineering services agreement with Freese and Nichols, Inc. in the amount of \$455,846 on Project No. 101-0344-13, Bois d'Arc Lake Dam and Intake Structure, Bois d'Arc Lake Operations Plan.

- G. Consider Recommendation on Authorizing Execution of Replacement Discretionary Service Agreements on Project No. 101-0344-13, Bois d'Arc Lake Dam and Intake Structure
(Please refer to Administrative Memorandum No. 5258)

Reservoir Project Manager Steve Long stated that the purpose of this item is to rescind a high voltage electric transmission line action approved by the Board in May 2018 and approve a new related action. He described the need to raise two high voltage Oncor electric transmission lines above the Bois d'Arc Lake water surface to meet National Electric Code clearance requirements. He also explained that Oncor also requires that the District to fund 90% of the cost up front. He presented a map and stated that the overall project schedule remains the same with impoundment expected to begin in November 2020.

Upon a motion by Director Darrell Grooms and a second by Director Phil Dyer, the Water Committee voted unanimously to recommend to the Board of Directors authorizing the Executive Director to: 1.) rescind the action taken in Administrative Memorandum No. 5170 authorizing execution of a discretionary services agreement with Oncor Electric Delivery Company, LLC, in the amount of \$23,850,000; and, 2.) execute two replacement discretionary service agreements with Oncor Electric Delivery Company, LLC in the amount of \$23,570,000 on Project No. 101-0344-13, Bois d'Arc Lake Dam and Intake Structure.

- H. Consider Recommendation on Authorizing Execution of Interim Extension to Advanced Funding Agreement with Sulphur River Basin Authority for Water Resource Planning in Sulphur River Basin
(Please refer to Consent Agenda Item No.18-09-07)

R.J. Muraski provided background on funding agreements between the Sulphur River Basin Authority, NTMWD and other water supply agencies who have future planned water supplies located within the Sulphur River Basin as listed in the Texas Water Development Board State Water Plan. He described how NTMWD's participation through fiscal year 2019 will advance NTMWD's future water source interests.

Upon a motion by Director Joe Joplin and a second by Director Darrell Grooms, the Water Committee voted unanimously to recommend to the Board of Directors authorizing the Executive Director to execute an interim extension to the advanced funding agreement with the Sulphur River Basin Authority in the amount of \$95,360 for Water Resource Planning in Sulphur River Basin.

- I. Consider Recommendation on Authorizing Execution of Engineering Services Agreement on Project No. ENG 18-9, United States Geological Survey Texas Water Science Center Water Resource Investigations Joint-Funding Contracts (Please refer to Administrative Memorandum No. 5252)

Billy George informed the Committee that Watershed Manager Galen Roberts had been heavily involved in the development of the current-year agreements with the United States Geological Survey (USGS) and that he was present to answer detailed questions. Mr. George indicated NTMWD has partnered with USGS since 2009 in funding efforts related to flow gauges, water quality, and zebra mussels. He provided background on the agreements as well as the project purpose.

Upon a motion by Director Darrell Grooms and a second by Director Phil Dyer, the Water Committee voted unanimously to recommend to the Board of Directors authorizing the Executive Director to execute an engineering services agreement with United States Geological Survey in the amount of \$353,910 on Project No. ENG 18-9, USGS Texas Water Science Center water resource investigations joint-funding contracts.

- J. Consider Recommendation on Adoption of Resolution No. 18-36-A Declaring Property Surplus to the Needs of NTMWD and Authorizing the Executive Director to Exchange Surplus Property for Site 12 Parcel, Bois d'Arc Lake, Fannin County Road and Bridge Improvements, Project No. 101-0435-16, and Authorize the Executive Director to Execute Documents Necessary for Acquisition and Exchange of Parcels (Please refer to Administrative Memorandum No. 5203-3)

The regular session recessed at 3:15 p.m.

Chairman Jack May declared the need for an Executive Session of the Water Committee to consult with attorneys on agenda items "III. J and IV. A." pursuant to Section 551.071 of the Texas Government Code. The Executive Session was called to order by Chairman Jack May at 3:15 p.m.

The Executive Session adjourned at 3:40 p.m.

The Water Committee reconvened into regular session at 3:40 p.m. No action was taken in the Executive Session.

Upon a motion by Director Joe Joplin and a second by Director Darrell Grooms, the Water Committee voted unanimously to recommend to the Board of Directors to: 1) adopt Resolution No. 18-36-A, "A Resolution Declaring Property Surplus to the Needs of the District and Authorizing the NTMWD Executive Director to Exchange Surplus Property for Site 12 Parcel, Fannin County Road and Bridge Improvements, Project No. 101-0435-16;"

2) authorize the Executive Director to execute all documents necessary for the acquisition and exchange of such parcels; and, 3) authorize the Executive Director to employ support services required for the preparation of such contracts and closings related to the parties.

IV. DISCUSSION ITEMS

A. Bois d'Arc Lake Update

This item was discussed during Executive Session as noted above.

B. 72-inch Water Transmission Main Repair Update

Billy George provided an update on repairs and stated that both forensic consultants will be onsite this week and work quickly to find the cause of the pipe failure. Mr. George showed a map of the North Garland pipeline system and the pipeline route through the subdivision where the break occurred.

C. Limitations on Conveyance and Use of Lake Texoma Water

Chairman Jack May stated that due to time constraints this item will be discussed at a future meeting.

D. Opportunity for Committee Members to Provide Feedback on Water Committee Meeting

Due to time constraints, this item was not discussed.

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

Due to time constraints, this item was not discussed.

V. ADJOURNMENT

There being no further business, the meeting of the Water Committee adjourned at approximately 3:42 p.m. The Chairman will call the next meeting of the Water Committee with proper notification to all members.


JACK MAY
Chairman