NTMWD BOARD MEETING

November 15, 2018
The Pledge of Allegiance to the Flag of the United States of America

"I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all."

The Pledge of Allegiance to the Texas State Flag

"Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."
UPDATE ON BOIS D’ARC LAKE

NTMWD Board Meeting

November 15, 2018

Cesar Baptista
BOIS D’ARC LAKE UPDATE

AGENDA

• CMAR and Full Service Provider Update
• Cost Update
  • November 15th Board items summary
  • Comparison of projected cost to base budget of $1.6B
• ROW Map GIS Demonstration
• Construction Pictures
**BOIS D’ARC LAKE UPDATE**

**CMAR 1 – Dam, Reservoir & TSR**
- Cleaning up flood damage in embankment area
- Continued mass excavation for spillway and tower
- Terminal Storage Reservoir under design

**CMAR 4 – FM897, County Roads, & Boat ramps**
- Clean up at bridge area continues
- ROW prep north and south of bridge
- County road and bridges ROW acquisition continues

**Mitigation Projects – Riverby & Upper**
- Construction in Section 4 underway.
- Upper mitigation property acquisition continues

**CMAR 5 – Raw Water & Treated Water PLs**
- Pipeline designs on-going
- RWPL pipe materials GMP on November agenda
- RWPL and TWPL design continues

**CMAR 3 – Leonard WTP, Raw Water PS & High Service PS**
- LWTP GMP approved in October
- RWPS GMP on November agenda
- HSPS design is on-going
BOIS D’ARC LAKE COST UPDATES

Reservoir Operations Facilities (CMAR 3&4), $7,250,000
Program Contingency, $60,000,000

Construction Quality Assurance, $39,040,000
Program Administration & Permitting, $49,031,474
Conflicts Around Reservoir, $54,647,489

WTP & Pump Stations (CMAR 3 - GC), $419,471,636
CMAR 5 - Garney - Pipelines (CMAR 5 - GC), $317,734,863
Mitigation (FSP - RES), $213,482,078

Property Acquisition, $136,435,263
Dam, Reservoir Clearing, & TSR (CMAR 1 - AW), $212,331,123
Roads (CMAR 4 - ABR), $79,199,962

NTML 2018 Baseline Estimate Distribution - Total Budget: $1,588,624,000
**BOIS D’ARC LAKE COST UPDATES — ITEMS ON NOVEMBER 15TH AGENDA**

<table>
<thead>
<tr>
<th>Item</th>
<th>Current Board Request</th>
<th>Impact to Base Estimate</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Property Acquisition for Leonard WTP</td>
<td>$120K</td>
<td>$120K</td>
<td>Additional parcels to complete area</td>
</tr>
<tr>
<td>Additional Legal Services with Lloyd Gosselink Rochelle &amp; Townsend</td>
<td>$50K</td>
<td>-</td>
<td>Power supply case</td>
</tr>
<tr>
<td>Additional Legal Services with Saunders, Walsh &amp; Beard</td>
<td>$50K</td>
<td>-</td>
<td>ROW legal services</td>
</tr>
<tr>
<td>Additional Property Acquisition for Reservoir Area</td>
<td>$12M</td>
<td>$420K</td>
<td>Increased property values</td>
</tr>
<tr>
<td>Mitigation Change Order No. 1</td>
<td>-$454K</td>
<td>($454K)</td>
<td>Accept RES property option</td>
</tr>
<tr>
<td>GMP for RWPL Materials</td>
<td>$88.2M</td>
<td>-</td>
<td>Partial GMP for pipeline materials</td>
</tr>
<tr>
<td>Raw Water Pump Station GMP</td>
<td>$86.1M</td>
<td>$16.8M</td>
<td>GMP for construction of the RWPS</td>
</tr>
<tr>
<td><strong>TOTAL(s)</strong></td>
<td><strong>$186.1</strong></td>
<td><strong>$16.9M</strong></td>
<td></td>
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</tbody>
</table>
Bois d'Arc Lake Program Financial Status

- Current Expenditures: $261,228,629
- Program Contingency: $81,335,000
- Current Board Authorized: $1,149,553,599
- Current Estimated Commitment: $1,507,289,000
- 2018 Baseline Estimate: $1,588,624,000

Bois d'Arc Lake Cost Updates
Live GIS Demonstration of BDL Properties
CMAR 1 – Archer Western

CMAR 1 – Archer Western – Cleaning up intake structure foundation excavation.

CMAR 1 – Archer Western – Preparing dam footprint for continued earthwork construction after rain days.
BOIS D’ARC LAKE CONSTRUCTION PHOTOS

CMAR 1 – Archer Western

CMAR 1 – Archer Western – Contractor dumping spoil materials upstream of dam.

CMAR 1 – Archer Western – TPWD, FNI and NTMWD coordinating to begin preparing fishery ponds in reservoir footprint.
Mitigation FSP - RES

Mitigation FSP – RES – Soil investigation in section 1.

Mitigation FSP – RES – Rye seed sowing in soil stabilization plant nursery.
Mitigation FSP - RES

Subsoiling in Section 4 prior to tree planting
CMAR 3 – Garney Construction

CMAR 3 – Garney – 10” waterline for West Leonard WSC continues along HWY 78.

CMAR 3 – Garney Construction

CMAR 3 – Garney - equipment mobilization after GMP 2 NTP.
CMAR 4 – Austin Bridge and Road

CMAR 4 – Austin Bridge and Road – Dirtwork and grading near south bridge abutment.

CMAR 4 – Austin Bridge and Road – Hodges and Sons crews working on site 27 structure abutment.
CMAR 4 – Austin Bridge and Road

CMAR 4 – Austin Bridge and Road – Grading and culvert work on pavement section south of bridge.
QUESTIONS?
BOIS D’ARC LAKE LOGO AND BRANDING EXAMPLES
Blue represents water – reason NTMWD was created – and first reservoir District will own and operate. Bois d'Arc tree represents history of region and creek which serves as source of new lake. Heron and boat are symbolic of the wildlife and recreation supported by the lake.

Water is essential for life. Logo anchored by blue water that gives life to plant symbolizing growth. The plant has 10 leaves representing 10 original Member Cities that formed the District.
OTHER CONCEPTS

BOIS D'ARC LAKE

BOIS D'ARC LAKE

BOIS D'ARC LAKE
RECOMMENDATION TO REJECT BIDS

PURPOSE OF THIS ACTION

Reject all bids received on November 2, 2018, and authorize rebid of the Muddy Creek Wastewater Treatment Plant Aeration Basin, Odor Control and Backup Power Improvements Project in accordance with all applicable requirements.

RECOMMENDATION

The Executive Director, NTMWD staff, Gupta & Associates, Inc. (GAI), and Saunders, Walsh and Beard recommend the Board of Directors adopt Resolution No. 18-57, "A Resolution of the Board of Directors of the North Texas Municipal Water District Rejecting All Bids and Authorizing Rebid of the Muddy Creek Regional Wastewater System Muddy Creek Wastewater Treatment Plant Aeration Basin, Odor Control and Backup Power Improvements, Project No. 310-0450-17".

Scope: Rejection of Bids and Re-Bidding of Project

Project: No. 310-0450-17, Muddy Creek Wastewater Treatment Plant Aeration Basin, Odor Control and Backup Power Improvements

This will be on the November 15, 2018, Wastewater Committee agenda.
NORTH TEXAS MUNICIPAL WATER DISTRICT

NOVEMBER 2018 ADMINISTRATIVE MEMORANDUM NO. 5284

AMENDMENT NO. 2 OF THE RETIREMENT PLAN
FOR EMPLOYEES OF NORTH TEXAS MUNICIPAL WATER DISTRICT
RESOLUTION NO. 18-50

PURPOSE OF THIS ACTION

Authorize Amendment No. 2 to the Retirement Plan for Employees of NTMWD to:
- Clarify the length of service with NTMWD before disability benefits apply; and,
- Clarify that employees who terminate prior to reaching the rule of 80 cannot qualify for full pension benefits until age 65.

RECOMMENDATION

The Executive Director and NTMWD staff recommend the Board of Directors adopt Resolution No. 18-50, A Resolution Authorizing Amendment No. 2 of the Retirement Plan for Employees of North Texas Municipal Water District.
 PurPOSE OF THIS ACTION

Authorize defeasance of Solid Waste System bonds in order to utilize restricted funds in a timely manner and save approximately $700,000 in interest expenses.

RECOMMENDATION

The Executive Director and NTMWD staff recommend the Board of Directors adopt Resolution No. 18-51, “Resolution Authorizing the Defeasance and Redemption of the Outstanding North Texas Municipal Water District Regional Solid Waste Disposal System Revenue Refunding Bonds, Series 2010, Authorizing the Expenditure of Available Funds to Accomplish such Defeasance and Redemption, and Approving the Form and Execution of an Escrow Agreement Related thereto.”
RECOMMENDATION TO REJECT BIDS

PURPOSE OF THIS ACTION

Reject all bids received due to disparity between engineer’s estimate and low bid received, and authorize rebid of project.

RECOMMENDATION

The Executive Director, NTMWD staff and Burgess & Niple, Inc. recommend the Board of Directors adopt Resolution No. 18-55, “A Resolution of the Board of Directors of the North Texas Municipal Water District Rejecting All Bids and Authorizing Rebid for Upper East Fork Interceptor System McKinney and Upper Cottonwood Creek Lift Stations Metering Improvements, Project No. 501-0478-17.”

Scope: Rejection of Bids and Re-Bidding of Project

Project: No. 501-0478-17, McKinney and Upper Cottonwood Creek Lift Stations Metering Improvements
NORTH TEXAS MUNICIPAL WATER DISTRICT

NOVEMBER 2018 ADMINISTRATIVE MEMORANDUM NO. 5287

REGIONAL WATER SYSTEM
WYLIE WATER TREATMENT PLANT III
PLANT WATER IMPROVEMENTS
PROJECT NO. 101-0520-18

ENGINEERING SERVICES AGREEMENT

PURPOSE OF THIS ACTION

Authorize an engineering services agreement for improvements to the plant water system at the Wylie Water Treatment Plant to:

- improve flow for fire protection;
- insure adequate pressures/flows are available for plant water needs at WTP III; and
- install dedicated chlorine injection pumps to assure continuous feed of chlorine at all times.

This item will be on the November 15, 2018 Water Committee meeting agenda.

RECOMMENDATION

The Executive Director and NTMWD staff recommend the Board of Directors authorize the Executive Director to execute an engineering services agreement (ESA) as follows:


Scope: Engineering design

Project: No. 101-0520-18 Wylie Water Treatment Plant (WTP) III Plant Water Improvements

Amount: $442,074
REGIONAL WATER SYSTEM
BOIS D'ARC LAKE
PROJECT NO. 101-0120-07
RESOLUTION NO. 18-56

LAND ACQUISITION PROGRAM

PURPOSE OF THIS ACTION

Authorize additional funding and the use of Eminent Domain to acquire all remaining property needed for the construction, operation and maintenance of Bois d'Arc Lake and associated facilities.

RECOMMENDATION

The Executive Director and NTMWD staff recommend the Board of Directors:

1) Authorize additional funding in the amount of $12,000,000 for a land acquisition program on Project No. 101-0120-07, Bois d'Arc Lake.

2) Adopt Resolution No. 18-56, "A Resolution Authorizing the Use of Eminent Domain to Acquire all Property Necessary for Bois d'Arc Lake, Project No. 101-0120-07; and Delegating Authority to Initiate Condemnation Proceedings to the NTMWD Executive Director."

Consultant: N/A

Scope: Land acquisition and support services necessary to facilitate the construction, operation and maintenance of the Bois d'Arc Lake Project

Amount: $12,000,000

This item will be on the November 15, 2018 Water Committee agenda.
NORTH TEXAS MUNICIPAL WATER DISTRICT

NOVEMBER 2018

ADMINISTRATIVE MEMORANDUM NO. 5289

AUTHORIZATION OF EXECUTION OF AMENDED AND RESTATED POTABLE WATER SUPPLY CONTRACT WITH THE TOWN OF PROSPER

PURPOSE OF THIS ACTION

Authorize execution of a water supply contract with the Town of Prosper, due to Prosper exceeding its Annual Maximum amount of potable water delivery during the recent Water Year.

RECOMMENDATION

The Executive Director, NTMWD staff and Lloyd Gosselink Rochelle & Townsend, P.C., recommend the Board of Directors authorize the Board President to execute an amended and restated contract as follows:

Contracting Party: Town of Prosper

Purpose: Amended and Restated Potable Water Supply Contract

Contract Term: 20 Years

This item will be on the November 15, 2018, Water Committee meeting agenda.
PURPOSE OF THIS ACTION

Authorize an amendment to the Construction Manager At-Risk Agreement with Garney Companies for purchase of the pipe material for the raw water pipeline from the Bois d'Arc Lake raw water pump station to the Leonard Water Treatment Plant. The pipe cost of $88,171,760 for +/- 36 miles of 90-inch pipe essentially matches the cost included in the $1.59 billion program estimate.

RECOMMENDATION

The Executive Director, NTMWD staff and Freese and Nichols (FNI), recommend the Board of Directors authorize the Executive Director to execute Amendment No. 4 to the Construction Manager At-Risk (CMAR) agreement for a Partial Guaranteed Maximum Price (GMP) as follows:

CMAR: Garney Companies, Inc. (Garney)
Scope: CMAR construction services for raw water pipe material purchase
Project: No. 101-0424-16, Bois d'Arc Lake Raw Water Pipeline
Amount: $88,171,760.50 (Partial Guaranteed Maximum Price for above Scope of Early Work Packages)

This item will be on the November 15, 2018 Water Committee agenda.
Bois d'Arc Lake Raw Water Pipeline
Project No. 101-0424-16
Administrative Memorandum No. 5290
PURPOSE OF THIS ACTION

Authorize the purchase of property from RES Texas Mitigation, LLC, adjacent to Riverby Ranch, to exercise the alternative land option provision in the executed agreement as approved by the Board of Directors at the July 2018 meeting.

RECOMMENDATION

The Executive Director, NTMWD staff, Freese and Nichols, Inc., (FNI) and Saunders, Walsh and Beard recommend the Board of Directors authorize the following actions on the Bois d'Arc Lake Mitigation Property Project:

1) Authorize Change Order No. 1 to the Agreement with RES Texas Mitigation, LLC, for a decrease in the contract price of $454,003;

2) Adopt Resolution No. 18-54 “A Resolution Authorizing the Acquisition of Approximately 388.9 Acres of Property for Purposes of Required Mitigation Related to Construction of NTMWD Project No. 101-0366-14, Bois d'Arc Lake Mitigation Property.”

Contractor: RES Texas Mitigation, LLC (RES)
Scope: Mitigation Construction
Project: No. 101-0366-14, Bois d'Arc Lake Mitigation Property
Amount: ($454,003)

This item will be on the November 15, 2018 Water Committee agenda.
Purpose of this action

Authorize execution of an engineering services agreement with Pure Technologies for a condition assessment of the 60” and 72” North Garland Pipelines. This process will use highly specialized tools that can identify both active leaks and potential break points in the spiral-wound steel reinforcing wires. A report will be developed for each pipeline inspection.

Recommendation

The Executive Director and NTMWD staff recommend the Board of Directors authorize the Executive Director to execute an engineering services agreement (ESA) as follows:

- Consultant: Pure Technologies US, Inc.
- Scope: Condition Assessment Services
- Project: No. 101-0519-18, North Garland Pipelines Condition Assessment
- Amount: $2,698,642

This item will be on the November 15, 2018 Water Committee agenda.
PURPOSE OF THIS ACTION

Authorize funding for the construction of the Raw Water Pump Station to facilitate conveyance of water from Bois d'Arc Lake to the Leonard Water Treatment Plant.

RECOMMENDATION

The Executive Director, NTWMD staff and Freese and Nichols, Inc., (FNI), recommend the Board of Directors authorize the Executive Director to execute Amendment No. 7 to the Construction Manager At-Risk (CMAR) agreement for a Partial Guaranteed Maximum Price (GMP) as follows:

1) Additional funding of $86,114,284.92;

2) Establish substantial completion date of February 28, 2021, and final completion date of May 29, 2021; and,

3) Set liquidated damages to $2,500 per day from substantial completion date and $4,000 per day from final completion date.

Contractor: Garney Companies, Inc. (Garney)

Scope: Construction Services and Construction Funding

Project: No. 101-0358-14 Bois d'Arc Lake (BDL) Raw Water Pump Station (RWPS)

This item is on the November 15, 2018 Water Committee agenda.
Raw Water Pump Station
Administrative Memorandum No. 5293

Lake Oxygenation System (LOX)
Section 551.071, Consultation with Attorney

- Authorizes a government body to consult with its attorney in an Executive Session to seek advice on legal matters regarding pending or contemplated litigation or a settlement offer.

- A government body may not invoke this Section to convene a closed session and then discuss matters outside of that provision.

- General discussion of policy, unrelated to legal matters, is not permitted under the language merely because an attorney is present.

- Items discussed during consultation with the District’s attorney are privileged and should remain confidential.
XI. DISCUSSION ITEMS

A. Discuss Status of Member City Contract Matters including:

1. Petition of the Cities of Garland, Mesquite, Plano and Richardson Appealing Wholesale Water Rates Implemented by North Texas Municipal Water District, Docket No. 46662 before the Public Utility Commission of Texas
2. Petition of the Cities of Garland, Mesquite, Plano and Richardson Appealing Wholesale Water Rates Implemented by North Texas Municipal Water District, Docket No. 47863 before the Public Utility Commission of Texas
3. Ex Parte, North Texas Municipal Water District, Cause No. 429-01462-2018 in the 429th Judicial District, District Court of Collin County, Texas
4. Facilitation with Member Cities Regarding Alternate Cost Methodologies to the Amendatory Water Supply Contract
XI. DISCUSSION ITEMS

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

1. Knight et al. vs. U.S. Army Corps of Engineers, Case No. 18-352-ALM in the U.S. District Court for the Eastern District of Texas, Sherman Division
2. NTMWD v. Sloan Creek, Cause No. 001-01737-2017, pending in Collin County, Texas
3. NTMWD v. BAR Constructors, Black & Veatch, et al., Cause No. 366-02550-2017, pending in Collin County, Texas
XI. DISCUSSION ITEMS

C. Review of Items for Follow Up Raised During Meeting

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