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**NORTH TEXAS MUNICIPAL WATER DISTRICT  
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**WASTEWATER COMMITTEE MEETING  
JANUARY 27, 2021**

**I. CALL TO ORDER**

Chairman Richard Peasley called the meeting to order at 1:00 p.m. on Wednesday, January 27, 2021. The meeting was conducted by teleconference. Chairman Peasley provided general instructions to the attendees.

In accordance with the COVID-19 public health threat and the related March 16, 2020, action by the Office of the Governor, temporarily suspending certain provisions of the Texas Open Meetings Act, NTMWD will hold its meeting by telephonic conference call.

In lieu of physical attendance, the public may teleconference in to meeting by calling toll free (1) (844)-621-3956 and entering the following access code: 928 587 040. Members of the public wishing to make public comment during the meeting should follow the instructions for on-line registration listed under Item II. below no later than the start time of the meeting. The meeting will be recorded, and the audio recording will be available on the NTMWD website after the meeting.

Assistant Deputy Jenna Covington called the roll and confirmed teleconference attendance of the Wastewater Committee members including Chairman Richard Peasley, Directors George Crump, David Hollifield, James Kerr, John Murphy, and Marlo Obera. Director John Carr was absent. Any reference to a unanimous vote refers to a unanimous vote of the Committee members present.

Members of the Executive Committee were present as well as other Board members and members of the NTMWD management team. Lauren Kalisek with Lloyd Gosselink Rochelle & Townsend, and Lewis Isaacks with Saunders Walsh & Beard was present via teleconference.

**II. PUBLIC COMMENTS (FOR TELECONFERENCE COMMITTEE MEETINGS ONLY)**

**INSTRUCTIONS FOR PUBLIC COMMENT ON-LINE REGISTRATION:** Prior to the start of the Wastewater Committee meeting, members of the public wishing to provide public comment must submit via email to [PublicRelations.Info@ntmwd.com](mailto:PublicRelations.Info@ntmwd.com) their first and last name, organization, comment topic, mailing address and email address. During the public comment portion of the meeting, speakers will be recognized by name and asked to provide their comments. The time limit is five (5) minutes per speaker, not to exceed a

total of thirty (30) minutes for all speakers. The Committee may not discuss these items, but may respond with factual or policy information. Public comment is provided for committee meetings held by teleconference during the COVID-19 health threat to confirm the opportunity for two-way communication with the public during the meeting.

There were no public comment requests.

III. OPENING REMARKS

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

Assistant Deputy Jenna Covington advised that the Environmental Protection Agency (EPA) issued a Compliance Advisory for Significant Non-Compliance dischargers. Similarly, EPA headquarters previously had an enforcement initiative regarding Sanitary Sewer Overflows (SSO) that resulted in large dollar enforcement actions for many utilities around the country. She advised the District was able to work with the EPA and the member cities to avoid federal enforcement in 2014-2016 timeframe.

Ms. Covington advised that the EPA has since transitioned from focusing on SSO to compliance with discharge permits for water quality parameters. Their goal is to reduce number of discharge permits in significant non-compliance by 50%, and this applies to about 20% of the permits across the U.S. She advised that in review of all the District's discharge permits for each wastewater treatment facility, the District is not categorized as being in Significant Non-Compliance for any of them. Therefore, this enforcement initiative by EPA is not of concern for the District.

IV. ACTION ITEMS

- A. Consider Approval of Wastewater Committee meeting minutes – December 16, 2020

Upon a motion by Director James Kerr and a second by Director George Crump, the Wastewater Committee voted unanimously to approve the December 16, 2020 Wastewater Committee meeting minutes.

- B. **Authorize award of construction contract and inspection services agreement on Wilson Creek Regional Wastewater Treatment Plant Drain Improvements project – Administrative Memorandum No. 5681**

- Consider recommendation on authorizing award of construction contract with Belt Construction of Texas, LLC, in the amount of \$3,549,546 and award of inspection services agreement with Dietz Engineering in the amount of \$188,025 on Project No. 301-0508-18, Wilson Creek Regional Wastewater Treatment Plant Drain Improvements

Engineering Manager Bret Ellis presented this item. He advised that this project will reduce operation and maintenance costs by replacing four plant drainage pump stations with a gravity drain system that will discharge into the new McKinney lift station.

Mr. Ellis reviewed that the Wilson Creek Regional Wastewater Treatment Plant was initially placed into service in 1987 and has been expanded to an ultimate capacity of 64 MGD annual average flow. The process drains, basin dewatering drains, and building drainage currently flow to one of five different pump stations that lift flows to return to various treatment processes. The multiple small lift stations have reached the end of their useful life and require significant and continual maintenance. This project will capture the plant drainage from four of the five plant drain lift stations and convey it by gravity to the new McKinney Lift Station, located on the north edge of the plant. Approximately 3,200 feet of 6-inch to 36-inch pipe and 24 corrosion resistant manholes are included in the project.

A map of the McKinney Lift Station including the route for the proposed gravity drain was provided. Mr. Ellis advised that the lowest responsible bid was received from Belt Construction of Texas, LLC in the amount of \$3,549,546 and was less than the Engineer's Opinion of Probable Construction Cost. This item includes authorizing an Inspection Services Agreement with Dietz Engineering in the amount of \$188,025.

Upon a motion by Director George Crump and a second by Director Marlo Obera, the Wastewater Committee voted unanimously to recommend approval to the Board of Directors.

**C. Authorize Amendment No. 6 to Construction Manager At-Risk Agreement on Sister Grove Regional Water Resource Recovery Facility – Administrative Memorandum No. 5682**

- Consider recommendation on authorizing the Interim Executive Director to execute Amendment No. 6 for partial Guaranteed Maximum Price No. 5 to the Construction Manager At-Risk Agreement with Garney Companies, Inc., in the amount of \$88,924,031.41, on Project No. 301-0426-16, Sister Grove Regional Water Resource Recovery Facility

Bret Ellis presented this item. He advised that item is to authorize funding for Amendment No. 6 to the Construction Manager At-Risk (CMAR) Agreement for Sister Grove Regional Water Resource Recovery Facility project. The CMAR has submitted a partial Guaranteed Maximum Price No. 5 for construction of work packages including solids handling support facilities, plant drain pump station, tertiary filter facility, electrical construction, sidewalks and paving. He provided a site map of the Sister Grove facility.

Mr. Ellis reviewed a map of the Main Power Yard at Sister Grove. He provided details of the main electrical building and the backup power generators. The Scope of Work and associated costs for Partial GMP No. 5 were reviewed. Mr. Ellis noted that the estimate for this work was \$93.5 million. He advised that this work completes the facilities for the plant.

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

D. **Authorize execution of inspection services agreement on Sister Grove Regional Water Resource Recovery Facility project – Administrative Memorandum No. 5683**

- Consider recommendation on authorizing the Interim Executive Director to execute an inspection services agreement with Gresham Smith in the amount of \$1,837,650 on Sister Grove Regional Water Resource Recovery Facility, Phase I

Bret Ellis presented this item. He reviewed that previously the Board authorized third party construction testing. This item authorizes inspection services that include two full-time in-house civil inspectors, two full-time outsourced civil inspectors, and one part-time specialized tunnel inspector. Mr. Ellis advised that in the future there will be a request for in-house and outsourced electrical and SCADA inspectors.

Gresham Smith inspection services were procured through a qualifications-based selection process in accordance with the Texas Water Development Board requirements.

Upon a motion by Director George Crump and a second by Director John Murphy, the Wastewater Committee voted unanimously to recommend approval to the Board of Directors.

V. DISCUSSION ITEMS

A. Sister Grove Regional Water Resource Recovery Facility update

Bret Ellis presented this item. He provided a location map for the Facility and provided an update on the Bid Sets for Plants 1-4 and the Pipelines. The Plant Packages 1-4 were reviewed. Mr. Ellis advised that due to the efforts of everyone involved in this project, the costs have been reduced from the 90 percent cost model estimates by \$103 million.

Mr. Ellis provided a schedule update. He said that the Notice to Proceed for GMP No. 1 was given on January 11, 2021. He advised that the substantial completion date has been revised. Delays due to the bond sale, environmental reviews, and contract document review by the Texas Water Development Board have caused the date to be changed from April 2023 to December 2023.

Mr. Ellis provided a financial update for the project. He advised the current baseline estimate is \$546,709,432, and the cost breakdown for each segment of the project was provided.

Mr. Ellis provided an update on lift stations that will deliver flow to Sister Grove as follows:

1. Wilson Creek Lift Station (LS) Improvements
  - Pump additions and discharge header connections to the new transfer force mains
  - As-bid construction cost: \$4,747,000

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- Construction start: July 27, 2020 and Estimated completion: March 2022
- 2. Wilson Creek Transfer Force Mains
  - 16,000 feet of dual force mains from Wilson Creek LS to N. McKinney Transfer LS
  - Estimated construction cost: \$23.4 million\*
  - Construction start: June 2021 and Estimated completion: January 2023
- 3. North McKinney Transfer Lift Station
  - New 128 MGD capacity lift station and pumps to the new transfer force mains
  - Estimated construction cost: \$49.2 million\*
  - Construction start: May 2021 and Estimated completion: 64MGD - January 2023
  - Competitive Sealed Proposal method of procurement
- 4. North McKinney Transfer Force Mains
  - 24,000 feet of dual force mains from N. McKinney Transfer LS to Sister Grove RWRRF
  - Estimated construction cost: \$41.0 million\*
  - Construction combined with lift station project above

\*Updated construction costs with recent engineer's estimate

Mr. Ellis noted that there have been some construction changes to lift stations, and some construction volatility. He noted the cost estimates are conservative. Projects are planned to be presented to the Board this spring or early summer.

- B. Review financial assistance from the Texas Water Development Board for the Regional Wastewater System, Rowlett Creek Regional Wastewater Treatment Plant Peak Flow Management Phase II Improvements

Assistant Deputy Erik Felthous presented this item. He advised that NTMWD worked with the Texas Water Development Board (TWDB) for financial assistance utilizing the TWDB's Clean Water State Revolving Fund (CWSRF) to fund \$75.47 million in costs for the Rowlett Creek Regional Wastewater Treatment Plant. Financial assistance under the CWSRF Program provides 130 basis points interest rate subsidies for 30-year bonds.

In July the TWDB authorized a multi-year commitment for financial assistance of:

- \$37.615 M to expire on July 31, 2021
- \$37.855 M to expire on July 31, 2024

Mr. Felthous advised that the Board's current action is to approve the first half of the multi-year commitment. He pointed out that should NTMWD fail to issue its bonds and close the finance transaction with the TWDB by the expiration dates, NTMWD will lose the TWDB commitment for financial assistance.

Mr. Felthous advised that construction completion for Part 1 of the project is in the summer or fall of 2024, and the construction completion for Part 2 is in late 2025. He advised the depreciable life of the asset is 40 years. The current phase of the project is at 90% engineering. The term of the loan is 30 years and after the first year, the annual payment will be approximately \$1.3 million. Funds are expected

to be received on February 25<sup>th</sup>. He noted that the true interest rate is 0.18 percent, resulting in an estimated savings of \$5.27 million over open market rates.

C. Wastewater System CMOM (Capacity, Management, Operations and Maintenance) update

Scott Hoelzle, Wastewater Conveyance System Manager, presented this item. He provided a detailed update on the District's Capacity, Management, Operations, and Maintenance (CMOM) Program and Sanitary Sewer Overflow Initiative (SSOI). He explained how the goals and requirements of these programs are identified in the District's Strategic Plan.

Mr. Hoelzle provided information on inspections and cleanings as they relate to wet wells, pipelines, creek crossings, manholes, and gravity pipelines. The technology used to perform inspections as well as example photos were provided. The quantities of manholes and locations and amount of linear feet inspected were presented as well as point repairs and associated costs. In addition, GIS mapping improvements and an overview of force main inspections were provided.

Mr. Hoelzle advised that in 2021 five gravity main inspections are planned and three force main inspections are planned, as well as additional manhole inspections. In response to Chairman Peasley's question, Mr. Hoelzle advised that the data collected during these inspections is maintained on the District's servers in a software program called ITPipes. He noted that considerable coordination with cities occurs as these inspections are planned and executed.

Ms. Covington advised this has been a large project and voiced appreciation to the Board, Management, IT, Finance, Engineering, and Maintenance departments for their support of these programs.

D. Rowlett Creek Regional Wastewater Treatment Plant Operations Building update

Assistant Deputy Mark Simon presented this item. Mr. Simon reviewed that the District acquired the facility at this site in 1975 but not the property it sits on. In 2019 an Interlocal Agreement was entered into with the City of Plano for the District to acquire the property as well the adjacent property. Mr. Simon advised that the original plant is located on 10.75 acres and Lot 2 to the west/south of Lot 1 is approximately 16.5 acres. The District would like to consolidate these two parcels at the site into one, and the application has been made to the Plano Planning and Zoning (P&Z) Commission.

Mr. Simon provided a map identifying both lots (27 acres) that the District now owns and explained that the new Operations Building will be constructed on Lot 1 and improvements to the Contractor Staging Area (Service Yard) will be made. He added there is no intent to increase the area where the wastewater treatment processes are located. Mr. Simon advised that a Specific Use Permit (SUP) exists for sewage treatment operations on Lot 1 and the zoning request includes expanding the boundary of the SUP for the purpose of building the new operations building. A map of the area was provided.

Mr. Simon advised that at the P&Z meeting one Commissioner inquired if the building could be shifted east, further away from Los Rios. Mr. Simon advised that the item was tabled, and a new layout prepared. He advised the building is now 200 feet from Los Rios and the entrance locations were changed. He advised that the new building location is beneficial because an existing berm will provide additional screening. Additional landscaping will be included as well as more appealing fencing. Driveway access will be more controlled. A conceptual rendering of the area facing Los Rios was provided.

Mr. Simon advised that this will go back to the P&Z on February 15<sup>th</sup> and if approved, the Plano City Council will consider it on March 16<sup>th</sup>. Construction should take approximately one year beginning in late spring or early summer 2021.

Chairman Peasley inquired about signage at the facility. Jenna Covington responded that at all District facilities there is signage as required by TCEQ and at larger facilities there is commonly a monument sign.

- E. Opportunity for Committee members to provide feedback on Wastewater Committee meeting

There were no comments provided by Committee Members.

- F. Opportunity for Committee members to request potential future agenda items  
**(No substantive discussion of items will take place at this time)**

There were no potential future agenda items requested.

VI. ADJOURNMENT

There being no further business, the meeting of the Wastewater Committee was adjourned at 2:24 p.m.

APPROVED:



RICHARD PEASLEY  
Chairman