



NORTH TEXAS MUNICIPAL WATER DISTRICT

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EXECUTIVE COMMITTEE MEETING MINUTES MARCH 10, 2021

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 of the meeting, the public may teleconference in to the 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.

I. CALL TO ORDER

President Larry Parks called the meeting to order at approximately 9:01 a.m. on Wednesday, March 10, 2021. The meeting was conducted by teleconference.

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

Executive Committee Members		
1	Parks, Larry (President)	Present
2	Grooms, Darrell (Vice President)	Present
3	Dyer, Phil (Secretary)	Present
4	Gordon, Don (Past President)	Present

Other Directors were in attendance along with Interim Executive Director Rodney Rhoades and other members of the NTMWD management team.

The following consultants participated by telephone:

- Lewis Isaacks, Mark Walsh and Katie Thiele – Saunders, Walsh & Beard
- Lauren Kalisek and Sara Thornton – Lloyd Gosselink Rochelle & Townsend

II. PUBLIC COMMENTS (FOR TELECONFERENCE COMMITTEE MEETINGS ONLY)

INSTRUCTIONS FOR PUBLIC COMMENT ON-LINE REGISTRATION: Prior to the start of the Board meeting, members of the public wishing to provide public comment must

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submit via email to 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 Board 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 requests for Public Comment.

III. OPENING REMARKS

- A. Chairman/Interim Executive Director's Status Report concerning legislation and regulatory matters, budgets, current projects and ongoing programs of the District including the Regional Water System, Regional Wastewater System, Regional Solid Waste System, Watershed Protection, and Water Conservation

President Parks reviewed the following:

- Reminder that members of the public will be hearing the audio only of this meeting.
- Presentations discussed during the meeting are available on the NTMWD website. Presenters please remember to refer to your presentation and page numbers during your discussion so that members of the public are able to follow along
- Directors remember to unmute when you acknowledge your presence, provide comments, make a motion/second, and vote. Please then return to mute to minimize any background noise.
- Directors please announce your name when speaking and when making motions/seconds.
- Please speak clearly and try to be in a quiet location with no background noise.
- Also, please enunciate and project when speaking to ensure all listening can understand.
- If for some reason you drop off the call, simply follow the instructions to redial into the teleconference.
- Audio for this meeting will be recorded and made available on our website in accordance with the current modified requirements.
- Secretary Phil Dyer will oversee the voting process and confirm the votes of each Director.
- The public line will be muted except during public comment to avoid noise disruptions so that we can do our best to make sure all participants can clearly hear the proceedings.

Interim Executive Director Rodney Rhoades advised that the Governor extended the Disaster Declaration on March 6th for an additional 30 days. He also advised that the Governor has lifted the mask mandate effective today; however, NTMWD will continue to require employees to wear masks in the facilities in public areas

and walkways. The current policies and procedures will remain in place to protect the staff, Directors, and others.

B. Review Webex video conferencing instructions

Assistant Deputy Jim Shirley provided general instructions to the Committee members on operation of the new video and audio equipment. He advised that the meeting audio only will be posted on the website following the meeting, and that the meetings will adhere to the Open Meetings Act requirements.

IV. ACTION ITEMS

A. Consider approval of minutes of Executive Committee meeting – February 10, 2021

On a motion by Director Phil Dyer and a second by Director Darrell Grooms, the Executive Committee approved the minutes of February 10, 2021, by unanimous vote.

B. Discussion and possible action on Board Members requested potential future agenda items

1. Request by Director John Carr regarding High Point Special Utility District's request to become a direct customer

Assistant Deputy R.J. Muraski provided background regarding the District's process for adding new customers. He reviewed that in 2016 the Board provided formal guidance that new membership would not be considered until Bois d'Arc Lake is complete. He also advised that every request for new customers requires procurement of new raw water, and water rights are provided to the District. The path for indirect customers to become direct customers includes the consent of its existing wholesale provider, a transfer of annual minimums, and the cost of adding a new delivery point.

Mr. Muraski advised that since 2004 three new customers have been added. Those include Terrell, GTUA, and Able Springs, and water rights for these were transferred to the District. Indirect customers that have been added as direct customers are Little Elm (2000) and BHP (2014).

Mr. Muraski provided an overview of the Formal Request Process, adding that staff plans to bring all customer requests to the Board in the summer of 2021 with the expectation that Bois d'Arc Lake will be completed in 2022. Those requests include indirect customers pending to become direct customers (Blackland WSC, RCH WSC, High Point SUD), and new customer requests from Celina and Weston. Discussions have been held with Blue Ridge and Trenton, but no formal requests have been received from them. Maps indicating the current and potential future service areas and customer requested areas were provided. The status of each request was provided. Mr. Muraski added that staff met with representatives of High Point SUD last week

and noted that the associated cost for them based on demand is approximately \$7.5 million, phased in over six years. Mr. Rhoades advised that staff is recommending the Water Committee discuss High Point's request at the April meeting.

Director John Carr, who requested this discussion, questioned why it has taken five months for the District to consider High Point's request, in particular since their capacity is already included in the future usage of Bois d'Arc Lake. Mr. Rhoades advised that the moratorium regarding new members established by the Board in 2016 was considered by the staff to include new customers. He advised that research has now indicated this applies to customers other than those bringing in raw water, and staff has been waiting on Bois d'Arc Lake to come online. Mr. Muraski added that five other customers will be discussed this summer as well as High Point. He added that High Point did need letters from current providers and a determination of costs involved. He noted that transfers of minimums from the providers will be required as well.

In response to Director Gordon's questions, Mr. Rhoades confirmed that the moratorium is in place until Bois d'Arc Lake is completed, and that staff is continuing to evaluate the impact of adding new customers as it relates to long-range planning beyond 2040.

Director Darrell Grooms made a motion to have the Water Committee consider High Point's request at their April meeting. Motion was seconded by Director Phil Dyer. Motion passed with a vote of 3-1 with Director Don Gordon voting against the motion.

2. Request by Director Don Gordon regarding the circumstances that could require entities to boil water

Director Don Gordon advised that there seems to be misunderstandings as to what circumstances require a boil water order to be issued.

President Parks asked for a motion to forward this to the Water Committee in April.

Director Don Gordon made a motion and Director Phil Dyer seconded the motion.

Director Phil Dyer questioned why this should go to a committee. Director Gordon advised that he would just like to have the information provided to the Board.

President Parks called for a vote on the motion. Motion passed unanimously.

Mr. Rhoades advised that the information will be distributed.

At 9:51 a.m. President Parks declared the need for an Executive Session of the Executive Committee to discuss Agenda Item Nos. IV. C. and V. A. (1-2) on the agenda pursuant to Texas Government Code, Section 551.071, Consultation with Attorney.

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- C. Discussion and possible action on Customer Potable Water Supply Contract annual minimum methodology and customer contract template

V. DISCUSSION ITEMS

- A. Update on litigation involving North Texas Municipal Water District/advice from legal counsel, including:
1. Provide update regarding possible easement encroachment by a contractor performing residuals removal, hauling, and disposal
 2. North Texas Municipal Water District v. S.J. Louis Construction of Texas, Ltd., ACT Pipe and Supply, Inc., North American Pipe Corporation, J-M Manufacturing, Inc., d/b/a JM Eagle, Inc., Cause No. 429-06607-2019, 429th Judicial District, Collin County, Texas (121 Force Main)

Open Session reconvened at 10:44 a.m. No action was taken in Executive Session.

- B. Agendas for March 2021 Board meeting and Committee meetings

1. Policy Committee meeting

President Parks reviewed the agenda items for today's 11:00 a.m. meeting as follows:

- Discussion about possible amendments to the Board Policy Manual (Sec. 7.1(A) regarding roles and responsibilities of the Executive Committee

2. Finance Committee meeting

President Parks reviewed the following agenda items for today's 1:00 p.m. meeting as follows:

- Review and possible action on Contract for Independent Review
- Review and possible action on 2020 Retirement Fund Investment Performance by Brown Ruth Advisors, Inc.
- Review and possible action on 2020 Retirement Fund Investment Performance by Westwood Holdings Group, Inc.
- Review and possible action on 2020 Retiree Health Insurance Fund Investment Performance by Westwood Holdings Group, Inc.
- Review and possible action on Commercial Paper and Extendable Commercial Paper, by Hilltop Securities
- Review and possible action on Appointment of Financial Auditors for 2020-2021
- Review and possible action on End of Year Actuals verses Fund Balance Policy

3. Real Estate Committee meeting

President Parks advised that the Real Estate Committee meeting is scheduled for Wednesday, March 24, at 10:00 a.m. and the agenda is being developed.

4. Wastewater Committee meeting

President Parks advised that the Wastewater Committee meeting is scheduled for Wednesday, March 24, at 1:00 p.m. and the agenda is being developed.

5. Water Committee meeting

President Parks advised that the Water Committee meeting is scheduled for Wednesday, March 24, at 2:45 p.m. and the agenda is being developed.

6. Regular Board meeting

President Parks advised that the Regular Board Meeting will be held Thursday, March 25, at 2:30 p.m. and the agenda is being developed. He added that plans are to recognize employees that are retiring March 31 at this meeting (and the April Board meeting.)

C. Operations and Maintenance update

1. Water System update

2. Wastewater System update

3. Solid Waste System update

4. Maintenance update

Deputy Director Mike Rickman stated there are a lot of maintenance items having to be repaired and maintained on the Water and Wastewater side after the winter storm. He said that fortunately the Solid Waste tonnage is back to normal this week.

D. Administrative Services update

1. Finance/Budget update

Mr. Rhoades advised that staff are waiting on utility bills to complete tallying the costs of the recent storm. He advised that at the April Board meeting there will be a panel discussion of the events of the storm and an analysis of possible improvements that could be made in the future.

2. Personnel update

No update provided.

3. Technology and support update

No update provided.

4. District Policy update

No update provided.

E. Engineering and Capital Improvement Plan (CIP) update

1. Engineering update

a. Update on Bois d'Arc Lake project

Deputy Director Cesar Baptista advised that Jeff McKito will provide an update on the Lake Operations Building at an upcoming Board meeting.

b. Rowlett Regional Wastewater Treatment Plant – Meeting with City of Plano Council Member and staff

Cesar Baptista advised that at the November Planning and Zoning Commission meeting some requests were made. Those have been addressed and will be discussed at the upcoming Planning and Zoning meeting on March 15th. He thanked everyone involved in this project.

2. CIP/Planning update

No update provided.

F. Legislative update

Government Relations Advisor David Kelly advised that meetings with legislative representatives and House Natural Resources Chair Tracy King have been completed. Representative King agreed to give the Red River Boundary Commission a hearing. Mr. Kelly also provided an update on Oklahoma's legislature saying that the District is in the same position as last year when COVID started. He advised that the House and Senate have approved the Bill and he reviewed the process going forward.

G. Opportunity for Committee members to provide feedback on Executive Committee meeting

There was no feedback provided.

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

There were no future potential future agenda items requested.

VI. ADJOURNMENT

There being no further business, the meeting was adjourned at approximately 10:56 a.m. The next meeting of the Executive Committee will be called by the Chairman with proper notification to all members.

APPROVED:



LARRY PARKS

