



NTMWD.COM

## NORTH TEXAS MUNICIPAL WATER DISTRICT

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### REAL ESTATE COMMITTEE MEETING MINUTES SEPTEMBER 22, 2021

The Presiding Officer will be present at the meeting location, the NTMWD Administrative Offices, 501 E. Brown Street, Wylie, Texas 75098, with two-way video and audio communication between Board members participating by videoconference, establishing a quorum. The public may attend the meeting in person at the meeting location. Audio and video of Board members participating by videoconference will be visible to members of the public in attendance at the meeting location. The meeting will be recorded, and the audio recording will be available on the NTMWD website after the meeting.

Members of the public wishing to listen to live audio from the meeting may do so by calling in at (469) 210-7159 or toll free (844) 621-3956 and entering the following access code: 928 587 040. Please note this line will not provide for two-way communication and public comment at the meeting must be made in person at the meeting location.

#### I. CALL TO ORDER

Chairman David Hollifield served as Presiding Officer and called the meeting of the North Texas Municipal Water District (NTMWD) Real Estate Committee to order at approximately 2:31 p.m. on Wednesday, September 22, 2021. The meeting was held with two-way video and audio communication between Board members participating by videoconference, establishing a quorum. General instructions were provided to attendees. Any reference to unanimous votes refers to a unanimous vote of the Committee members present.

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

	<b>Real Estate Committee Members</b>	<b>Attendance</b>
1	Robert Appolito	Remote
2	John Carr	Remote
3	Marvin Fuller	Remote
4	Geralyn Kever	Remote
5	Keith Stephens	Absent
6	David Hollifield	Present

Members of the Executive Committee were present as well as other Board members. Lauren Kalisek and Sara Thornton with Lloyd Gosselink Rochelle & Townsend, and Lewis Isaacks with Saunders, Walsh and Beard were present. Executive Director Jenna Covington along with other members of the NTMWD management team were also in attendance.

## II. PUBLIC COMMENTS

Prior to the start of the meeting, speakers must complete and submit a "Public Comment Registration Form." During the public comment portion of the meeting, speakers will be recognized by name and asked to provide their comments. The time limit is three (3) 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.

There were no requests for public comment.

## III. OPENING REMARKS

- A. Chairman/Executive Director/Committee Champion Report concerning legislation and regulatory matters, budgets, current projects and ongoing programs of the District related to real estate

Deputy Director Cesar Baptista provided the Committee with an updated Property Lease Table. It was noted that additional corrections should be made to the content.

Mr. Baptista advised that there is an item on the September Board of Directors consent agenda that is not being reviewed by the Real Estate Committee. It is to authorize the execution of a development agreement with Murphy Oil USA, Inc. for internal inspection services, and legal services with Saunders, Walsh and Beard Attorneys and Counselors, for Project No. 101-0597-21, Dallas-to-Mesquite 14-inch Waterline Improvements.

## IV. ACTION ITEMS

- A. Consider approval of Real Estate Committee meeting minutes – July 21, 2021

Upon a motion by Director Geralyn Kever and a second by Director John Carr, the Real Estate Committee voted unanimously to approve the minutes for July 21, 2021.

- B. **Authorize adoption of Resolution No. 21-46 authorizing conveyance of property to RES Texas Mitigation, LLC – Consent Agenda Item No. 21-09-07**
- Consider recommendation of adoption of Resolution 21-46 authorizing conveyance of property in the form of 4.012-acre permanent easement to RES Texas Mitigation, LLC at the Bois d'Arc Lake Mitigation Property, Project No. 101-0366-14, Bois d'Arc Lake Mitigation Property

Garrett Murphree, Real Estate Manager, presented this item. He advised this item is to recommend the Board authorize execution of a permanent access easement with RES Texas Mitigation, LLC. He advised that during the Bois d'Arc Lake project the District closed two public roadways that served as points of access to a RES owned mitigation property.

Mr. Murphree reviewed that the District acquired approximately 16,900 acres in support of the mitigation requirements for the Bois d'Arc Lake project. RES owns parcels of land abutting some of the District's mitigation property. The District closed portions of County Roads 2170 and 2175 to prevent access to the mitigation property, resulting in a land-locked condition for the RES property. The District must convey an approximate 4.012-acre permanent access easement to RES to provide ingress and egress from public right-of-way. A location map was provided.

Several questions were raised regarding the location of the road closure and if the District would have access to the remainder of the properties owned by the District and if the District needed any easements from RES in return for the easement to be granted to RES.

Upon a motion by Director John Carr and a second by Director Marvin Fuller, the Real Estate Committee voted unanimously to recommend approval to the Board of Directors.

**C. Authorize execution of right-of-way acquisition program and adoption of Resolution No. 21-49 authorizing the use of eminent domain to acquire right-of-way for the Forney Mustang Creek Lift Station Phase II and Forney Force Main Improvements – Administrative Memorandum No. 5763**

- Consider recommendation on authorizing the Executive Director to execute a right-of-way acquisition program with a budget of \$1,648,000 and adoption of Resolution No. 21-49 authorizing the use of eminent domain to acquire right-of-way for Project No. 509-0561-20, Forney Mustang Creek Lift Station Phase II and Forney Force Main Improvements

Garrett Murphree presented this item. He advised this item is to authorize funding to acquire permanent and temporary easements for the Forney Mustang Creek Lift Station Phase II and Forney Force Main Improvements project, and authorize the use of eminent domain if necessary, and delegating authority to initiate condemnation proceedings to the NTMWD Executive Director.

Mr. Murphree reviewed that capacity at the Forney Mustang Creek Lift Station (FMCLS) is limited to 12 million gallons per day due to the size of the existing discharge force main. The City of Forney requested NTMWD increase FMCLS capacity to 30 MGD to meet projected flows beyond 2030 due to service area growth demands. A 36-inch force main from FMCLS to Buffalo Creek Lift Station will be installed to increase discharge capacity. Portions of this easement will overlap portions of both the existing 20-foot Forney to Mesquite Interceptor Pipeline easements and the 30-foot Forney Mustang Creek Interceptor System Improvements easements. Mr. Murphree noted that this project requires approximately 11.126 acres of permanent and 16.736 acres of temporary easements. A location map was provided.

In response to a Director's question, Mr. Murphree advised the dollar amount was calculated based on other appraisals in the area, as well as consideration of the fact that some of the property overlaps District property.

Upon a motion by Director Marvin Fuller and a second by Director Geralyn Keever, the Real Estate Committee voted unanimously to recommend approval to the Board of Directors.

**D. Authorize execution of right-of-way acquisition program and adoption of Resolution No. 21-50 to acquire permanent and temporary easements for the relocation of the Wylie to Plano 14-inch and the Wylie to McKinney 20-inch pipelines – Administrative Memorandum No. 5764**

- Consider recommendation on authorizing the Executive Director to execute a right-of-way acquisition program with a budget of \$120,000 and adoption of Resolution No. 21-50 authorizing the acquisition of right-of-way for Project No. 301-0585-21, F.M. 2514 Pipeline Relocations

Garrett Murphree presented this item. He advised this item is to recommend authorizing funding to acquire an easement for the relocation of the Wylie to Plano 14-inch and the Wylie to McKinney 20-inch pipelines for the widening of Farm-to-Market (F.M.) 2514 (Ballard St.) in Wylie. He explained that the Texas Department of Transportation (TxDOT) announced plans to widen F.M. 2514 in the City of Wylie from east of Lavon Parkway to Brown Street, a distance of approximately 3.4 miles. Portions of the 14-inch and 20-inch pipelines will be in conflict with the new roadway and will need to be relocated, resulting in the need for additional easements.

Mr. Murphree advised that this project includes approximately 0.486 acres of permanent and 1.007 acres of temporary easement and is subject to TxDOT reimbursement. A location map was provided.

Deputy Director Baptista informed the Committee that the City of Wylie recently requested some additional properties from the District for the widening of Eubanks Lane. He advised that a possible land swap is being discussed and an interlocal agreement would be required. Attorney Lewis Isaacks advised that TxDOT has some time constraints to obtain the easements and recommended the Committee proceed with approval of this item. He added that if the land swap agreement is executed then the funds could be returned to the budget.

Upon a motion by Director Geralyn Keever to recommend approval provided that the District does not move forward with an interlocal agreement with the City of Wylie for a land swap as discussed and a second by Director Marvin Fuller, the Real Estate Committee voted unanimously to recommend approval to the Board of Directors.

**V. DISCUSSION ITEMS**

- A. Discuss North System Exchange Parkway Ground Storage Tank Site – Initiating Sale of Surplus Property**

Attorney Lewis Isaacks presented this item. He advised that this item was discussed at the last meeting and is in reference to property that was declared surplus property in July 2019. He provided an aerial map reflecting 2.017-acre surplus property and its location along W. Exchange Parkway.

Mr. Isaacks reviewed that NTMWD platted the entire site in 2019, creating Lot 2 in preparation for the tract to be sold as surplus property. The City of Allen is seeking to acquire approximately one acre of the 2.017-acre tract. An appraisal of the property has been obtained. The traditional Surplus Property Sale process would be followed for the remainder, or for the full tract if there is no transaction with the City of Allen. He advised staff is recommending accommodating the City of Allen's request.

Mr. Isaacks reviewed that the original 7.5-acre site was purchased by the District for \$11.86 square foot. The two acres appraised value is \$14.45 per square foot. The east one acre is valued at \$14.11 per square foot totaling \$620,000 and the west one acre is valued at \$16.39 per square foot totaling \$720,000.

Mr. Isaacks advised that initially the City of Allen was interested in the western one acre of the site, which would leave the eastern hard corner of the site for the District. He advised that there are significant amounts of easements on the east side and advised that the District would prefer for Allen to buy both acres. The City of Allen advised that is cost prohibitive and elected to purchase the eastern portion, with the District retaining the western portion.

In response to a Director's question, Mr. Isaacks responded that the City of Allen is intending to use the land for a land swap for some property located in downtown Allen. The District's property in question is currently zoned Commercial.

**B. Property Catalogue Update – Review Example Map and Fact Sheet**

Garrett Murphree presented this item. He provided an example of content intended for inclusion in the Property Catalogue that staff is working on. He advised that staff plans to begin with larger properties, such as the water treatment plants and wastewater treatment plants. The information assembled will include an aerial map, location map, capacities, potential expansion plans, and property specifics. Mr. Murphree advised that maps and exhibits will be available in an electronic format.

Discussion followed with several Directors expressing they would like to see a listing of properties including those that might be disposed of and returned to tax rolls. It was expressed that such a catalogue will be needed for reference in the future. Executive Director Covington responded that providing details on every property will take considerable effort and time from staff, and that providing the information on the larger properties first was staff's intent. She advised that she will meet with staff to discuss how to proceed with assembling all the information desired by the Committee. It was suggested that utilizing the GIS information would be helpful.

In response to a Director's comments regarding the District's property around Bois d'Arc Lake, Deputy Director Baptista advised that at the next Real Estate Committee meeting in November, there will be a discussion item on this matter.

A suggestion was made by a Director that a standing agenda item be included on the Real Estate Committee agendas going forward so that staff can provide updates on this project. It was noted that outside consultants may be engaged to assist in the property catalogue project. Executive Director Covington added that interns were used previously to prepare such information on the wastewater pipelines and that project is completed.

C. Bois d'Arc Lake Shoreline Development Interests and Marina Solicitation Update

Galen Roberts, Assistant Deputy of Water Resources, presented this item. He reviewed that the Bois d'Arc Lake Shoreline Management Plan (SMP) provides for individual private lots as well as residential and commercial developments. Development agreements are required for activities around the lake. Mr. Roberts advised staff is seeking input from the Committee regarding development agreements and the process for soliciting proposals for marinas. He reviewed that while the SMP provides guidance for shoreline development, Board approval is required for staff to begin processing any permits or agreements. He noted that coordination with Fannin County is ongoing throughout this process and further guidance from the Corps of Engineers is required.

Mr. Roberts provided maps depicting the different shoreline classifications and proposed boat ramp sites, and included zoning as established by Fannin County. He advised staff is proposing a solicitation process to engage consultant support for marina development.

In response to a Director's questions, Deputy Director Billy George advised that the District would coordinate with the County's Comprehensive Plan, noting that District approval is required for any activities below elevation 541. He added that the District has control over any access to the water. Mr. George advised that if there are no objections from the Committee, staff will move forward with the next steps. Those are to establish systems and processes for accepting and managing shoreline agreements utilizing a purchased permitting software program. Coordination with Fannin County and the Corps of Engineers will continue. The Board will consider when to grant authority to accept development applications. Staff will continue to engage with developers. A solicitation process for consultant support will be developed.

Several Directors spoke in favor of moving forward with the plans as staff proposed. Discussion regarding potential conflicts of interest followed as it relates to Board members owning property adjacent to the District lake property. Attorney Lewis Isaacks responded that this matter was previously reviewed and noted that no conflicts of interest existed for the employees, consultants, or Board members. Attorney Sara Thornton advised that information on what constitutes a conflict of interest will be provided to the Board.

Executive Director Covington expressed that this process would take time to develop, and it was noted by Mr. Roberts that the Corp of Engineers will need to approve as well.

- D. Opportunity for Committee members to provide feedback on Real Estate Committee meeting

Director Marvin Fuller requested additional information regarding the road closures and associated easements for Item IV. B.

- E. Opportunity for Committee members to request potential future agenda items

Director John Carr requested the Attorney's office update the Committee at the next meeting regarding the Buffalo Creek Interceptor.

VI. ADJOURNMENT

There being no further business, the Real Estate Committee meeting adjourned at 4:31 p.m.

APPROVED:



DAVID HOLLIFIELD  
Chairman