



NORTH TEXAS MUNICIPAL WATER DISTRICT

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MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS SEPTEMBER 22, 2022

The North Texas Municipal Water District (NTMWD) Board of Directors met in a regular meeting on Thursday, September 22, 2022, at 2:30 p.m. Notice of the meeting was legally posted in accordance with Government Code, Title 551, Open Meetings.

I. CALL TO ORDER

President Jack May called the meeting to order at approximately 2:30 p.m.

President May advised the following regarding the meeting:

The meeting today is being conducted in person with two-way video and audio communication between Board members participating by videoconference, establishing a quorum. The public may attend the meeting in person. Audio and video of Board members participating by videoconference will be visible. Members of the public wishing to listen to live audio from the meeting may do so by calling in.

II. INVOCATION

Director Randy Roland offered the invocation.

III. PLEDGE OF ALLEGIANCE

President May led the Pledge of Allegiance.

IV. PLEDGE OF ALLEGIANCE TO THE TEXAS FLAG

President May led the Pledge of Allegiance to the Texas Flag.

V. ROLL CALL/ANNOUNCEMENT OF QUORUM

The roll was called, and attendance was confirmed as follows:

	DIRECTORS	ABSENT	REMOTE
1	Anderson, Terry Sam		
2	Appolito, Robert	√	
3	Boren, Kalen	√	

4	Carr, John		
5	Crowley, Rick		
6	Crump, George		
7	Dyer, Phil		√
8	Farmer, Joe	√	
9	Fuller, Marvin		
10	Gordon, Don		
11	Hollifield, David		
12	Imrie, Chip		
13	Johnson, Blair		
14	Kelley, Ron		
15	Kerr, James (Jim)		
16	Kever, Geralyn		
17	May, Jack		
18	Patrick, Brenda Jean	√	
19	Peasley, Richard		
20	Roland, Randy		
21	Shuyler, Lynn	√	
22	Stephens, Keith	√	
23	Sutherland, Jody		
24	Sweeden, John		
25	Thompson, Larry		

The following NTMWD legal and professional consultants attended the meeting:

- Lauren Kalisek, Sheila Gladstone – Lloyd Gosselink Rochelle & Townsend
- Mark Walsh – Saunders Walsh & Beard
- Nick Bulaich – Hilltop Securities
- Molly Carson – McCall Parkhurst & Horton

VI. OPENING REMARKS

- A. President's Remarks concerning current events, conduct of meeting, posted agenda items, committee assignments, and related matters

President May reviewed the tentative list of meetings for October 2022 as follows:

- Wednesday, October 12th - Executive and Legislative Committees
- Wednesday, October 26th – Wastewater and Water Committees
- Thursday, October 27th – Board Meeting

He also reminded everyone that the Bois d'Arc Lake Dedication is on Friday, October 14th. He requested that Directors RSVP to staff.

President May advised that for Directors who did not attend the Executive Committee meeting on September 7th, the Committee reviewed and voted on the FY 22-23 Conference Schedule. Along with the customary selection of conferences, this year the Texas Water Development Board's Water for Texas Conference in January was added. The conference schedule was provided to Directors. Completed registration forms may be submitted to staff at a later date.

- B. 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

Executive Director Jenna Covington announced that the Procurement Department has received an award and Deputy Director Jeanne Chipperfield made the presentation. Ms. Chipperfield advised that the 2022 Achievement of Excellence in Procurement was received by the District's Procurement Department from the National Procurement Institute. She advised this is the first time that the District has applied for and received the award. Ms. Chipperfield explained that there were 171 successful applicants from across the nation and Canada, with the District being 1 of 15 Special District recipients. The Procurement Department staff were introduced. It was noted that the District's Procurement Department has been in existence for three years.

Executive Director Covington noted that new signage is displayed in the Board room that includes the Strategic Plan and CORE Values. She expressed appreciation to Director Brenda Jean Patrick for suggesting these items be displayed.

Executive Director Covington advised that the Directors' folders today include a summary of the budget and an update on Bois d'Arc Lake.

Executive Director Covington added that included on today's Consent Agenda is the Construction Report and noted that it includes two project completions at Wilson Creek. One is the aeration basin improvement project and the second is the operations building, storage and parking improvements.

VII. 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 Board may not discuss these items, but may respond with factual or policy information.

There were no requests for public comments.

VIII. DISCUSSION ITEMS

- A. Update on Bois d'Arc Lake

Deputy Director Cesar Baptista provided an update on Bois d'Arc Lake. He first offered congratulations to everyone involved in this project since it began in 2018. He advised that a Certificate of Substantial Completion was issued for the Dam on August 26, 2022. Final completion is contingent on vegetation growth at 80 percent. It was noted that the lake's elevation is at 516.4 feet, or 40 percent full. Mr. Baptista advised that staff are on-site to begin managing operations. Mr. Baptista provided aerial photos of the Dam and surrounding areas, including vegetation that suffered during this summer's drought.

Mr. Baptista provided an overview of the status and the schedule for the Stiff Creek Tunnel treated water pipeline. Photos of the Raw Water Pump Station and High Service Pump Station were provided.

Mr. Baptista advised that the Operations Administration Building is complete and the Operations Team has moved into the facility. Photos of the building and training room were provided. An overview of the testing process for the Leonard Water Treatment Plant was provided, and he added that the Texas Commission on Environmental Quality (TCEQ) must approve the treatment process. A report will be provided to them in November and they have 120 days to review the report. After approval, the NTMWD may send treated water into the transmission system.

In response to a Director's question, Deputy Director Billy George advised that for the past three years, the District has been adding and training staff to be able to run operations of the Lake and related facilities. He advised that all personnel are certified and trained.

IX. EXECUTIVE SESSION

At 3:03 p.m. President May announced the need for an Executive Session of the Board of Directors to discuss items IX. A. on the agenda pursuant to the Texas Government Code, Section 551.074, Personnel Matters.

- A. Discuss duties, performance and evaluation of FY 23 salaries and benefits of the Executive Director, Deputy Director – Administrative Services, Deputy Director – Engineering and Capital Improvement Program, Deputy Director – Solid Waste and Integrated Services and Deputy Director – Water and Wastewater (Tex. Gov't Code Section 551.074)

President May confirmed with staff that the public access line was disconnected and that the audio recording was disabled during the Executive Session discussion.

X. RECONVENE INTO REGULAR SESSION

In accordance with Texas Government Code, Chapter 551, the Board of Directors of NTMWD will reconvene into regular session to consider action, if any, on matters discussed in Executive Session.

Open Session reconvened at 4:54 p.m. The public teleconference line was reconnected.

No action was taken in Executive Session.

XI. CONSENT AGENDA ITEMS

President May inquired whether any Director would like to remove an item from the Consent Agenda for separate discussion. There were none.

Upon a motion by Director Don Gordon and a second by Director Chip Imrie, the Board of Directors voted unanimously to approve the Consent Agenda. Director David Hollifield was absent from the vote.

- A. **Approval of Regular Board Meeting Minutes - Consent Agenda Item No. 22-09-01**
 - Consider approval of August 25, 2022, Board of Directors Regular meeting minutes
- B. **Approval of Monthly Construction Report - Consent Agenda Item No. 22-09-02**
 - Consider approval of September 2022 Monthly Construction Report
- C. **Authorize funding extension agreement with the Sulphur River Basin Authority - Consent Agenda Item No. 22-09-03**
 - Consider authorizing the Executive Director to execute an extension to a funding agreement with the Sulphur River Basin Authority in the amount of \$67,000 for Water Resource Planning in the Sulphur River Basin
- D. **Adoption of Resolution No. 22-40 authorizing the execution of an Interlocal Cooperation Agreement (ILA) with the City of Plano - Consent Agenda Item No. 22-09-04**
 - Consider authorizing the Executive Director to execute an ILA with the City of Plano for improvements to its sewer system, upstream of North Texas Municipal Water District's Plano Spring Creek Lift Station for Project No. 501-0618-22 ILA between the City of Plano and the NTMWD Regarding City Improvements to its Sewer System Upstream of the Plano Spring Creek Lift Station No. 2

XII. AGENDA ITEMS FOR INDIVIDUAL CONSIDERATION

GENERAL / ADMINISTRATIVE AGENDA ITEMS

- A. **Adoption of Resolution No. 22-41 commending Director Brenda Jean Patrick**
 - Consider adoption of Resolution No. 22-41 commending Director Brenda Jean Patrick for her service as a member of the NTMWD Board of Directors

Upon a motion by Director Terry Sam Anderson and a second by Director Marvin Fuller, the Board of Directors voted unanimously to approve Resolution No. 22-41. Director David Hollifield was absent from the vote.

Executive Director Covington read Resolution No. 22-41 recognizing Director Brenda Jean Patrick for her service on the North Texas Municipal Water District Board of Directors since 2019.

Several directors spoke in appreciation and fondness for Director Patrick. Director Marvin Fuller read a prepared statement from former Executive Assistant Melisa Fuller.

- B. **Amendments to Board Policies Manual - Administrative Memorandum No. 5857**
 - Consider authorizing the amendments to NTMWD Board Policies Manual as follows: Section I., District Policy; Section II., Executive Director/General Manager; Section IV., Board of Directors Rules of Procedures; Section VI., Education and Development Expenses; Section VII., Board of Directors

Committee Policy; Section VIII., Standards of Conduct; Section IX., Board of Directors Meeting Agenda and Action Items; Section XI., Board Member Retirement Recognition Program and Section XII., Board/Staff Communication Policy

President May advised that the Policy Committee reviewed this item on August 10th and September 7th and voted unanimously to recommend the amendments to the Board Policies Manual per the proposed revisions.

Upon a motion by Director John Sweeden and a second by Director James Kerr, the Board of Directors voted unanimously to approve. Director David Hollifield was absent from the vote.

C. Amendments to Personnel Policies Manual - Administrative Memorandum No. 5858

- Consider authorizing the amendments to NTMWD Personnel Policies Manual as follows: Section I., Employment Practices; Section II., Employee Conduct and Safety; Section III., Complaint Resolution; Section IV., Compensation and Reimbursement; Section V., Time-Off Benefits; Section VI., Health and Related Benefits

President May requested Deputy Director Jeanne Chipperfield provide an overview of the compensation package recommendations included in this amendment. Ms. Chipperfield explained that approval of this item would increase employees' vacation time by five (5) days or 40 hours. She added that to accomplish this, two (2) personal days and three (3) sick days would be reallocated to vacation time. Ms. Chipperfield advised that increasing the number of vacation days provides more flexibility for existing employees and will help with recruitment of new employees. She noted that 15 days of vacation is becoming more common for employers. Vacation time is awarded new employees after one-year of service.

Director John Carr advised that the Personnel Committee reviewed recommended amendments at the May 11th meeting. At the August 10th meeting, the Personnel Committee reviewed additional recommendations regarding the time off policies for sick, vacation, and personal time; implementation of a Vacation Sell Back Program; and, changes to the how holidays are counted towards overtime premium pay eligibility to enhance our employees' total compensation package.

The Policy Committee reviewed the amendments on September 7th. The Personnel and Policy Committees voted unanimously for the Board of Directors to approve these amendments to the NTMWD Personnel Policies Manual.

After considering comments received from Board Members during the Policy Committee, staff has made a minor clarification to Section 2.5.3 to allow for the off-duty use of alcohol at the John Bunker Sands Wetlands Center in addition to Bois d'Arc Lake or while attending work-related functions such as a conference.

Upon a motion by Director John Carr and a second by Director Chip Imrie, the Board of Directors voted unanimously to approve. Director David Hollifield was absent from the vote.

D. Adoption of Resolution No. 22-42 approving appropriations for 2022-23 All Systems Annual Budget, amending the 2021-22 Annual Budget and providing rates and charges for system services - Administrative Memorandum No. 5859

- Consider adoption of Resolution No. 22-42 approving appropriations for the 2022-23 All Systems Budget in the amount of \$670,976,265; amending the 2021-22 Annual All Systems Budget in the amount of \$599,615,905 and providing rates and charges for the system services of the NTMWD

Director Chip Imrie advised that this item was reviewed by the Finance Committee on June 8, 2022, in the Budget Work Session on July 21, 2022, by the full Board on August 25, 2022, and by the Finance Committee again on September 8, 2022. The Finance Committee voted unanimously for the Board of Directors to adopt Resolution No. 22-42 approving appropriations for the 2022-23 All Systems Budget in the amount of \$670,976,265, amending the 2021-22 Annual All Systems Budget in the amount of \$599,615,905 and providing rates and charges for the system services of the NTMWD.

Upon a motion by Director Chip Imrie and a second by Director Blair Johnson, the Board of Directors voted unanimously to approve Resolution No. 22-42. Director David Hollifield was absent from the vote.

E. Adoption of Resolution No. 22-43 authorizing Restatement No. 1 to the Retiree Health Insurance Program - Administrative Memorandum No. 5860

- Consider adoption of Resolution No. 22-43 authorizing Restatement No. 1 of the Retiree Health Insurance Program for Employees of the NTMWD clarifying eligibility of prior service credits

Director John Carr advised that the Personnel Committee discussed this item on May 11th and the Policy Committee reviewed this item on September 7th and voted to recommend the restatement of the Retiree Health Insurance Program for Employees of NTMWD to clarify that only NTMWD service will count toward service credit requirement for Retiree Health Insurance Program for employees hired on or after October 1, 2022.

Upon a motion by Director John Carr and a second by Director Don Gordon, the Board of Directors voted to approve Resolution No. 22-43. Director Marvin Fuller abstained from voting on this item. Director David Hollifield was absent from the vote.

WATER AGENDA ITEMS

F. Authorize execution of an engineering services agreement (ESA) for the McKinney Delivery Point project - Administrative Memorandum No. 5861

- Consider authorizing an ESA for additional engineering services with HDR, Inc. in the amount of \$2,182,540 to advance the pipeline design from 60% to 100% level, including bid phase and construction phase services for Project No. 101-0505-18, McKinney Delivery Point No. 3 to McKinney Delivery Point No. 4 Pipeline

Director Terry Sam Anderson advised that the Water Committee reviewed this

item yesterday and voted to recommend the Board authorize additional engineering services for advancing the water pipeline improvements for this major project from 60% design level through construction.

Upon a motion by Director Terry Sam Anderson and a second by Director Chip Imrie, the Board of Directors voted unanimously to approve. Director David Hollifield was absent from the vote.

G. **Authorize Change Order No. 3 for the Wylie Water Treatment Plant (WTP) III Sludge Handling and Reclaimed Water Improvements project - Administrative Memorandum No. 5862**

- Consider authorizing Change Order No. 3 with Archer Western Construction, LLC reducing the scope for all basin work at the Wylie WTP III resulting in a construction credit in the amount of (\$2,677,075) for Project No. 101-0541-19, Wylie Water Treatment Plant III Sludge Handling and Reclaimed Water Improvements

Director Terry Sam Anderson advised that the Water Committee reviewed this item yesterday and voted to recommend the Board authorize a credit to the construction contract for reducing all basin work scope at Wylie Water Treatment Plant III. This reduction will remove certain contract components that will be accomplished at a later date.

Upon a motion by Director Terry Sam Anderson and a second by Director James Kerr, the Board of Directors voted unanimously to approve. Director David Hollifield was absent from the vote.

H. **Authorize the amended and restated wholesale water sales agreement between the City of Mesquite and Kaufman County Municipal Utility District (MUD) No. 12 - Administrative Memorandum No. 5863**

- Consider approving the amended and restated wholesale water sales agreement between the City of Mesquite and Kaufman County (MUD) No. 12 for a contract term of 30 years

Director Terry Sam Anderson advised that the Water Committee reviewed this item yesterday and voted to recommend the Board approve the amended and restated wholesale water sales contract between the City of Mesquite and the Kaufman County Municipal Utility District No. 12, which is located outside the city limits and the extraterritorial jurisdiction. This agreement amends and restates a wholesale water sales contract approved by the Board in 2006.

Upon a motion by Director Terry Sam Anderson and a second by Director GERALYN KEVER, the Board of Directors voted unanimously to approve. Director David Hollifield was absent from the vote.

WASTEWATER AGENDA ITEMS

I. **Authorize an engineering services agreement (ESA) for the Beck Branch, Prairie Creek, and Renner Road Lift Station (LS) Improvements project - Administrative Memorandum No. 5864**

- Consider authorizing the Executive Director to execute an ESA with Wade Trim, Inc. in the amount of \$435,163 for preliminary engineering design for Project No. 501-0616-22, Beck Branch, Prairie Creek, and Renner Road Lift Stations Improvements

Director Ron Kelley advised that the Wastewater Committee discussed this item at the August meeting. He stated that this item will authorize a preliminary design engineering services agreement for the Beck Branch Lift Station, Prairie Creek Lift Station and Renner Road Lift Station Improvements project. A condition assessment identified needed improvements to these lift stations that will be included in this project to improve their performance and extend their useful lives.

Upon a motion by Director Ron Kelley and a second by Director Rick Crowley, the Board of Directors voted unanimously to approve. Director David Hollifield was absent from the vote.

J. Authorize an engineering services agreement (ESA) for the Princeton Lift Station Expansion project - Administrative Memorandum No. 5865

- Consider authorizing the Executive Director to execute an ESA with AECOM Technical Services, Inc. in the amount of \$1,140,000 for preliminary engineering design for Project No. 501-0617-22, Princeton Lift Station Expansion

Director Ron Kelley advised that the Wastewater Committee discussed this item at the August meeting. He stated this item will authorize a preliminary engineering services agreement to prepare a conceptual design and capital improvement plan to serve the needs of the Princeton sub-basin. The City of Princeton is experiencing rapid growth and additional wastewater conveyance capacity is needed to meet expected flow projections.

Upon a motion by Director Ron Kelley and a second by Director Larry Thompson, the Board of Directors voted unanimously to approve. Director David Hollifield was absent from the vote.

K. Authorize award of construction contract and inspection services for the Sloan Creek Force Main project - Administrative Memorandum No. 5866

- Consider authorizing award of construction contract with Wilson Contractor Services, LLC in the amount of \$11,221,632.85, and authorizing an inspection services agreement with TEC Consulting, LLC in the amount of \$434,700 for Project No. 501-0523-18, Sloan Creek Force Main

Director Ron Kelley advised that the Wastewater Committee discussed this item at the August meeting. He stated this item will authorize award of a construction contract and inspection agreement for the Sloan Creek Force Main project. This is to construct a new force main and gravity sewer to serve the projected growth within the City of Allen and the Town of Fairview.

Upon a motion by Director Ron Kelley and a second by Director Blair Johnson, the Board of Directors voted unanimously to approve. Director David Hollifield was absent from the vote.

LAND ACQUISITION / RIGHT OF WAY AGENDA ITEMS

L. Adoption of Resolution No. 22-44 authorizing the execution of a Right-of-Way acquisition program for Waterline Relocations along State Highways in Dallas, Rockwall, and Kaufman counties - Administrative Memorandum No. 5867

- Consider adoption of Resolution No. 22-44 authorizing the Executive Director to execute a Right-of-Way acquisition program with a budget of \$200,000; and authorizing the use of eminent domain to acquire easements for Project No. 101-0607-22, Waterline Relocations along State Highways in Dallas, Rockwall, and Kaufman Counties

Director John Sweeden advised that the Real Estate Committee reviewed this item yesterday and voted to recommend the Board authorize the Executive Director to execute a right-of-way acquisition program for the Waterline Relocations along State Highways in Dallas, Rockwall and Kaufman counties in the amount of \$200,000.00. Approval of this item facilitates TxDOT's much needed roadway improvements.

In response to a Director's question regarding location of this project, Deputy Director Cesar Baptista reviewed the waterline relocations on the map and advised this project is to help facilitate TxDOT's roadway expansion.

Upon a motion by Director John Sweeden and a second by Director James Kerr, the Board of Directors voted unanimously to approve Resolution No. 22-44. Director David Hollifield was absent from the vote.

M. Adoption of Resolution No. 22-45 authorizing the amendment to a previously approved property acquisition program and authorizing the execution of a new property acquisition program for the Rowlett Creek Regional Wastewater Treatment Plant Improvements project - Administrative Memorandum No. 5868

- Consider adoption of Resolution No. 22-45 authorizing the Executive Director to amend a previously approved property acquisition program in the amount of \$1,200,000 of additional funding for Project No. 301-0524-19; and approving a new property acquisition program with a budget of \$50,000 for Project No. 301-0471-17

Director John Sweeden advised that the Real Estate Committee reviewed this item yesterday and voted to recommend the Board authorize the Executive Director to:

1.) Amend the property acquisition program for the Rowlett Creek Regional Wastewater Treatment Plant to add an adjacent property south of the plant and provide additional funding in the amount of \$1,200,000; and,

2.) Execute a property acquisition program for the Rowlett Creek Regional Wastewater Plant Peak Flow Management Improvements with a budget of \$50,000.

Upon a motion by Director John Sweeden and a second by Director Ron Kelley, the Board of Directors voted unanimously to approve Resolution No. 22-45. Director David Hollifield was absent from the vote.

XIII. CLOSING ITEMS

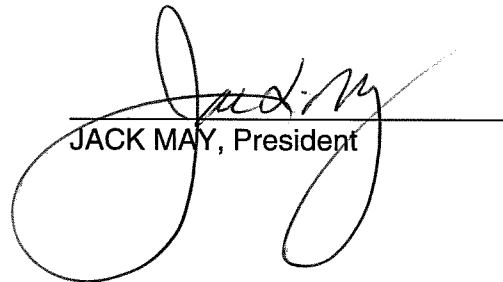
- A. Opportunity for Board members to provide feedback or request potential future agenda items.

Director Richard Peasley requested a future discussion item regarding water conservation efforts and how the cities and members are participating.


XIV. ADJOURNMENT

There being no further business, the meeting adjourned at approximately 5:33 p.m.

APPROVED:


JACK MAY, President

ATTEST:


GEORGE CRUMP, Secretary

