



# MINUTES

## UPPER TRINITY REGIONAL WATER DISTRICT BOARD OF DIRECTORS MEETING February 1, 2018

### REGULAR SESSION BOARD MEETING

#### 1. Call to Order

The Board of Directors of the Upper Trinity Regional Water District convened, with President Mercer presiding, at 1:58 P.M. on Thursday, February 1, 2018, at the UTRWD Board Meeting Room, 900 N. Kealy, Lewisville, TX 75057.

#### 2. Roll Call and confirm Quorum

The attendance of the Board of Directors was taken. A quorum was present for the meeting.

#### Board Members in Attendance:

Kevin Mercer, President, DCFWSD #7  
Ramiro Lopez, Treasurer, Irving  
Troy Norton, Argyle  
Del Knowler, Bartonville  
Timothy Fisher, Denton  
Kristina Clark, DCFWSD #1A  
Kenneth Parr, Flower Mound  
Virginia Blevins, Justin  
Chris Boyd, Mustang SUD  
Michael Anderson, Ponder  
Alina Ciocan, Sanger

Richard Lubke, Vice President, Highland Village  
Mike Fairfield, Secretary, Lake Cities MUA  
Brian Roberson, Aubrey  
James Burnham, Celina  
Johnny Harris, Denton County  
Dick Cook, Double Oak  
Gary Calmes, Krum  
Eric Ferris, Lewisville  
Alan Guard, Pilot Point  
Frank Jaromin, Prosper

#### Absent:

Janet Aune, Copper Canyon \*  
Jean Campbell, Denton County At-Large \*

Cody Collier, Corinth \*

\* Excused Absence

#### Staff & Advisors in Attendance:

Thomas E. Taylor, Executive Director  
Larry Patterson, Deputy Executive Director  
Nancy Tam, Assistant to Executive Director  
Jason Pierce, Mgr. / Cust Cont & Support Svcs  
Lester Harris, Accounting Manager  
Kim Probasco, Budget Manager  
Kurt Staller, Acting Director of Engineering

John F. Boyle, Jr., General Counsel  
Bill Greenleaf, Director / Business Services  
Jody Zabolio, Director/Operations  
Don Hill, Manager / Property Services  
Jan Morris, Mgr. HR & Purchasing  
Mark Skaggs, Manager / IT Svcs  
Jeremy Sanders, Procurement Supervisor

#### Others in Attendance:

Pete Dewing, Town of Northlake  
Drew Corn, Town of Northlake  
Ben Stoole, Boyle & Lowry, LLP

Alan Tucker, Alan Plummer and Assoc.  
Steve Taylor, Citizen

3. Pledge of Allegiance and Invocation:

Pledge of Allegiance: Tim Fisher

Invocation: Johnny Harris

4. Oath of Office

President Mercer administered the Oath of Office for Alina Ciocan, newly appointed Board Member for the City of Sanger. Alina is the Interim City Manager for the City of Sanger. She is also the Director of the Economic & Community Development. Alina will be completing the remainder of Mike Brice's term of office.

5. Opening Remarks:

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

- President Mercer recognized Mayor Pete Dewing, Town of Northlake. Dewing thanked the Board and the members of the Policy Review Committee for their consideration of the Town's reinstatement of membership to the Board.
- Mercer recognized Steve Taylor, son of Mr. Tom Taylor.
- He reminded the Board regarding the upcoming Employee Appreciation event; it is scheduled for March 4, 11:00 A.M. to 3:00 P.M. at The Star in Frisco.

B. Executive Director's Status Report about legislation and regulatory matters, about budgets, current projects and on-going programs of the District, including: the Regional Water System, Water Resource Development, Regional Water Reclamation Systems, Watershed Protection and Water Conservation.

None.

C. Presentations about awards, recognitions, achievements, etc. of the District, Board Members, Member Entities and Staff.


None.

6. Visitor Comments Concerning Agenda Topics.

None.

### CONSENT AGENDA

President Mercer moved to the Consent Agenda items. He requested Item No. 12 be pulled for individual consideration. **Kristina Clark made a motion to approve the Consent Agenda Item Nos. 7-11 and 13. Seconded by Johnny Harris.** The votes were all Yes, 0 No. Motion passed. The approved items were:

7. Adopt minutes of December 7, 2017 Board Meeting.
  8. Accept Monthly Management Report for the period ended December 31, 2017.
  9. Accept Quarterly Investment Report for the period ended December 31, 2017.
- 

10. Consider renewal of agreement with First Southwest Company for Arbitrage Rebate Services related to District bond issues and commercial paper program.
11. Authorize the Executive Director to enter into a pricing agreement with Hach Company for the purchase of laboratory equipment and supplies, and for related service agreements.
13. Authorize the Executive Director to enter into purchase agreements with SEL Engineering Services, Inc. under a previously authorized price agreement to provide replacement of Electrical Protection Relays:
  - A. At the Taylor Water Treatment Plant for a total cost of \$67,578.00.
  - B. At the Lakeview Water Reclamation Plant for a total cost of \$60,782.00, and approve a budget amendment.

#### ITEMS FOR INDIVIDUAL CONSIDERATION

12. Authorize the Executive Director to enter into pricing agreements with AALC, Inc. as the primary vendor and Denton Lawn Sprinkler, Inc. as the secondary or back-up vendor to provide mowing and other grounds keeping services at District Facilities.

Staff asked for this item be pulled for individual consideration. Staff is not recommending the low bidder, but approval of the lowest, best bidder. Notice was given to the low bidder if they desired to enter a protest.

Jan Morris, Manager of HR and Purchasing, commented that the current contract is held by the low bidder, however, there have been issues with performance and responsiveness. Staff's recommendation was not based just on price, but also the ability to provide services as specified in the bid, including previous experience with the vendor. Staff interviewed with the top three vendors, and recommends AALC, Inc. (\$117,060.00) as the primary vendor, and Denton Lawn Sprinkler, Inc. (\$134,655.87) as the secondary or back-up vendor. **Kristina Clark made a motion to approve Item No. 12 as recommended by staff. Seconded by Rich Lubke.** The votes were all Yes, 0 No. Motion carried.

14. Receive report from Policy Review Committee and consider request of the Town of Northlake to reinstate the Town's membership in the District.

Virginia Blevins, Chair of Policy Review Committee, reported that the Committee and Board Officers are convinced that Northlake's membership will be beneficial for Upper Trinity and its regional programs. Therefore, they recommend approving the enclosed resolution related to the reinstatement of Northlake's membership in the District, and authorizing District staff to prepare a mutually agreed membership contract for Northlake's participation in the Regional Treated Water System, according to the terms and conditions set forth in the Resolution. That recommendation is subject to certain stipulations, including a requirement that Northlake commit to use of Upper Trinity water for at least two thirds of the Town's future water supply needs. Also, the Town would owe approximately \$13,992 in back dues and fees to catch up to date for the period since 1993.

According to District's Policy for consideration of New Members, it shall require approval by at least two thirds of Board Members present. **Frank Jaromin made a motion to approve Northlake's reinstatement for membership in the District. Seconded by Dick Cook.** With 21 present, the vote was taken with 15 Yes (including 1 Abstained vote from Justin), 6 No (Celina, Denton, Flower Mound, Krum, Mustang SUD, Pilot Point). Motion carried.



15. Consider actions related to District giving consent for requested assignment to Mustang Special Utility District of Participating Customer Systems and contracts with Denton County Fresh Water Supply District No. 10 (FWSD).

A. Amendments to existing regional water and wastewater contracts with FWSD to continue providing water and wastewater services on a wholesale basis to FWSD for service to the Artesia community.

FWSD’s Board of Directors approved the proposed contract amendments at its Board meeting on January 18, 2018. Staff recommends approval of the proposed contract amendments with Denton County Fresh Water Supply District No. 10 to continue providing water and wastewater services on a wholesale basis to FWSD for service to the Artesia community.

There is no significant cost impact for the District; and the District will be kept whole. Mustang will assume the specified water and wastewater subscriptions and will make the applicable payments directly to the District. **Chris Boyd made a motion to approve Item No 15.A as recommended by staff. Seconded by James Burnham.** The votes were all Yes, 0 No. Motion carried.

16. Consider approval of proposed Work Program Guidelines for the calendar year 2018 as recommended by Officers and Staff.

Each year the Officers and Staff recommend, and the Board adopts, a set of Work Program Guidelines to focus the District’s efforts for the coming year. The Officers have reviewed a draft copy of the proposed Guidelines and commend them to the Board for consideration. The Officers requested that staff and the Board have a thorough review of progress about midway through the year. **Kristina Clark made a motion to approve the proposed Work Program Guidelines for 2018. Seconded by Johnny Harris.** The votes were all Yes, 0 No. Motion carried.

A 5-minute break was called.

17. Executive Session concerning granting or acquisition of easements, rights-of-way and other property for Water Resource Development or for Regional Treated Water System, pursuant to Texas Government Code, Section 551.072, according to location maps of the projects available in the District Office; and regarding water rights and related permits; for discussion of security matters pursuant to Texas Government Code, Section 551.076; and, concerning personnel matters related to employment contract, and compensation for executive director pursuant to Texas Government Code, Section 551.074; and, meeting with legal counsel pursuant to Texas Government Code, Section 551.071, relative to a matter in which the attorney is required under the Texas Disciplinary Rules of Professional Conduct to convey advice in Executive Session.

The Board of Directors went into Executive Session at 1:45 PM.

The Board returned to open meeting at 3:30 PM.

18. Consider action on property matters, some of which may have been discussed in Executive Session. **(Weighted Capital Vote)**

The following property was discussed in Executive Session. **Mike Fairfield made a motion to approve the purchase of the Milton Property (P-095-LRH) for the Lake Ralph Hall project. Seconded by Tim Fisher.** The *Weighted Capital Vote* proceeded as follow. The vote was 36 Yes, 0 No. Motion passed.

ENTITY	ELIGIBLE WEIGHTED VOTE	YES	NO	ABSENT
ARGYLE – Norton	1	1		





AUBREY - Roberson	1	1	
BARTONVILLE -- Knowler	1	1	
CELINA – Burnham	1	1	
CORINTH – Collier	3		3
DENTON (CITY) – Fisher	2	2	
DC AT-LARGE - Campbell	1		1
DCFWSD #1A – Clark	2	2	
DCFWSD #7 – Mercer	2	2	
DOUBLE OAK – Cook	1	1	
FLOWER MOUND – Parr	9	9	
HIGHLAND VILLAGE – Lubke	2	2	
IRVING – Lopez	2	2	
JUSTIN – Blevins	1	1	
KRUM - Calmes	1	1	
LAKE CITIES MUA – Fairfield	2	2	
LEWISVILLE – Ferris	2	2	
MUSTANG SUD - Boyd	2	2	
PILOT POINT - Guard	1	1	
PONDER - Anderson	1	1	
PROSPER - Jaromin	1	1	
SANGER – Ciocan	1	1	
TOTAL	40	36	4

19. Regarding succession planning, consider action on personnel matters to authorize employment contract for new Executive Director as may be discussed in Executive Session.

This item was discussed in Executive Session. **Frank Jaromin made a motion to approve the proposed employment contract for new Executive Director, Larry Patterson with annual salary of \$230,000.00. Seconded by Chris Boyd.** The votes were all yes. Motion carried.

20. Review potential agenda items, activities and announcements for future Board meetings.

Ken Parr requested a future agenda item to discuss the matters of abstained votes.

21. Visitor Comments Concerning Non-Agenda Topics.


- There were no visitor's comments.
- President Mercer took a moment to thank Mr. Taylor for the stellar service he has given since the inception of the District and before. He indicated that none of our communities in Denton County



would be where we are today without Mr. Taylor's pioneering efforts for water in Denton County, and we truly appreciate that and can't thank him enough. The Board Directors stood up and applauded with appreciation.

There being no further business, President Mercer adjourned the meeting at 3:34 P.M.

Recorded By:   
Nancy T. Tam, Assistant Secretary, Board of Directors

Certified By:   
Mike Fairfield, Secretary, Board of Directors

