

**Regular Called Meeting
Riverbend Water Resources District
Board Meeting Minutes**

August 17, 2016

228 Texas Avenue, Suite A, New Boston, Texas 75570

MINUTES

I. Call to Order, Roll Call, and Establishment of Quorum and Certification of Notice

Pursuant to a notice posted on the District website on August 8, 2016, the Chair, Sean Rommel, President of the Board, called the meeting to order at 12:12 p.m.

Directors Present:

Sean Rommel, President
Jim Green, Vice President
Fred Milton, Secretary
Marshall Wood, Treasurer
Kelly Mitchell, Director

Administration Present:

Elizabeth Fazio Hale, Executive Director/ CEO
David Glass, General Counsel
Eli Hunt, Plant Manager
Becky Melton, Financial Director/HR Manager

Public Present:

Bart Brock, Staff, Representative Gary Van Deaver
Lanny Buck, Engineer, KSA
Mike Burke, City Administrator, City of Wake Village
Mike Butram, Clean Rivers Program, Texarkana Community College
James Carlow, Judge, Bowie County
Matt Garcia, Director, AECOM
Scott Norton, Executive Director/CEO, TexAmericas Center
Mike Sandefur, President, Sulphur River Basin Authority
John Whitson, City Manager, City of Texarkana

II. Innovation

Fred Milton led the invocation.

III. Public Comments

Matt Garcia introduce himself as newly employed by AECOM and offered to be of help to the District in planning and engineering services.

IV. Agenda Items for Individual Consideration

A. Discussion and possible action regarding July 13, 2016 minutes and July 21, 2016 minutes.

A motion was made by **Fred Milton** and seconded by **Jim Green** to approve the minutes for the July 13, 2016 and July 21, 2016 meetings. The motion was approved unanimously.

B. Discussion and possible action regarding June and July monthly investment reports and financial statements on all accounts (General and Wet Utilities) current accounts and funds.

Becky Melton provided information on the state of the District’s accounts, investment report, and financial statements as they pertain only to the General and Wet Utilities Funds, including highlights of the balances at the beginning and end of June and July, a summary of June and July monthly expenses, a summary of start-up costs, a report on the receipt of army invoices/payments, a reminder on the long-term bond monthly obligations, and a report on other monetary obligations, and such as the TAC Franchise Fee of 3% of gross revenues due on the 10th of each month.

There was further discussion on the accounts within each of the funds, need to update the interest amounts on the Bank of Oklahoma, and location of Regional Water Master Planning Funds.

A motion was made by **Marshall Wood** and seconded by **Fred Milton** to approve the June and July investment report and financial statements for the General and Wet Utilities Funds with corrections. The motion was approved unanimously.

C. Discussion and possible action regarding approval of an amendment to Resolution No. 20160713-01 authorizing an irrevocable line of credit for up to \$20,000 to AEP/SWEPCO.

Liz Fazio Hale provided information on RESO 20160713-01 authorizing an Irrevocable Line of Credit for up to \$20,000 for no more than one year. After sending several emails of confirmation on the language and working with local representatives to provide this ILOC, AEP/SWEPCO in Virginia notified Riverbend that the ILOC was insufficient and that certain other language must be included that had never been disclosed before.

A motion was made by **Kelly Mitchell** and seconded by **Marshall Wood** to approve **RESO 20160817-01** authorizing an amendment to the Irrevocable Line of Credit for up to \$20,000 for at least 24 months of consecutive on-time payments with automatic renewal and 90-day cancellation from the State Bank of DeKalb to AEP/SWEPCO for the purpose of meeting required deposits on pump and lift stations requiring electricity.

D. Discussion and possible action regarding approval of a resolution authorizing Executive Director/CEO, Elizabeth Fazio Hale, to execute an agreement with Holliday, Lemmons and Cox to perform the district's year-end audit for FY 2015-2016, including a full-year audit for the General Funds at Texana and Wet Utilities' Funds at State Bank of DeKalb.

Liz Fazio Hale provided information that a proposal from Holliday, Lemons & Cox estimated fees for annual audit services for the General and Wet Funds at approximately \$14,950.00.

A motion was made by **Marshall Wood** and seconded by **Jim Green** to approve RESO 20160817-02 authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to execute an interlocal agreement/contract for services with Holliday, Lemons & Cox, PC for annual audit services. The motion was approved: 4 in favor, 0 against, and 1 abstention (Kelly Mitchell).

E. Discussion and possible action regarding approval of a resolution appointing Elizabeth Fazio of Riverbend and Steve Mayo of Texarkana as the official points of contact for the US Army Corps of Engineers with regards to all matters regarding Wright Patman Lake and all other matters regarding the Sulphur River Basin.

Liz Fazio Hale provided information that representatives of Riverbend and City of Texarkana met with the US Corps to discuss costs of implement the Ultimate Rule Curve. During this meeting, the US Corps asked for a point of contact to move forward on cultural studies which could total anywhere from \$10M-\$14M.

This Joint Resolution codifies the meetings with the US Corps over the past year and reaffirms the of previous City of Texarkana Resolutions 1) approving and Amended Schedule A and 2) appointment of Steve Mayo as Water Liaison to City of Texarkana, as well as Elizabeth Fazio Hale, as Executive Director/CEO of Riverbend Water Resources District.

A motion was made by **Marshall Wood** and **Fred Milton** to approve RESO 20160817-03 authorizing Sean Rommel, as President, and Liz Fazio Hale, as Executive Director/CEO, to approve the final language in a joint resolution generally reaffirming the appointment of Stephen Mayo as the City Liaison for Regional Water Issues and Elizabeth Fazio Hale, by and through Riverbend Water Resources District's Duties and Responsibilities outlined in the Interlocal Cooperation Agreement (Schedule A), as the official representative and points of contract to the United States Army Corps of

Engineers regarding local sponsorship for any and all existing or new water reallocated or developed out of Lake Wright Patman, including, but not limited to the 1968 and 1969 Contracts on implementing the Ultimate Rule Curve; and further reaffirming Stephen Mayo and Elizabeth Fazio Hale as official representatives and points of contact on all matters related to the Sulphur River Basin, including, but not limited to, water quality, water quantity and sedimentation issues; and establishing an effective date. The motion was approved unanimously.

F. Discussion and possible action regarding approval of a resolution adopting the 2016 Leak Detection Report conducted by Utility Services Associates on the wet utilities infrastructure located on the Red River Army Depot.

Eli Hunt provided information that after performing the leak detection report we learned a few different things about our water distribution system:

- 1) Although we had a leaks it was very few, 4 to be exact, and they were all small;
- 2) We learned that we are losing around 200,000 gallons of water a day to our current flushing rate within the water distribution system;
- 3) After an extensive discussion with the leak detector, we concluded that overall the water distribution system is in good shape for its age but a more efficient leak detection test could only be done with the addition of meters on buildings and any areas where water taps could be made at the water main. Due to the way a leak detection test is performed, it's easier to pin point a leak when you have multiple meters or valves to evaluate as the leak detection equipment can only accurately here up to a certain distance (1000-1500 ft). Our current water distribution system has points in it where there is a lengthy distance that is equal to or greater than the max distance of the leak detection equipment, therefore leading up the conclusion stated in our third point.

A motion was made by **Kelly Mitchell** and seconded by **Marshall Wood** approving **RESO 20170817-04** authorizing the approval of the Final Report on the Water Line Leak Detection Project at the Red River Army Depot dated June 1, 2016 through June 17, 2016 for full publication. The motion was approved unanimously.

G. Discussion and possible action regarding approval of a resolution authorizing Executive Director/CEO, Elizabeth Fazio Hale, to complete a grant application in cooperation/partnership with ATCOG and TexAmericas Center for Water Infrastructure Improvements on TexAmericas Center East Campus.

Liz Fazio Hale provided information that TexAmericas Center has asked Riverbend to partner with them on an ATCOG grant request for water/sewer pipeline infrastructure for a new customer on the TAC East Campus. Being that Riverbend is now the owner of the CCN on TAC East, once the infrastructure is complete, TAC will gift the pipeline and assign the upkeep/maintenance to Riverbend in its entirety.

A motion was made by **Fred Milton** and seconded by **Marshall Wood** approving **RESO 20170817-05** authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to complete a grant application for Federal Assistance on the expansion of water/sewer infrastructure as a co-applicant with TexAmericas Center for the economic development benefit of the TAC East footprint. The motion was approved unanimously.

H. Discussion and possible action regarding approval of a resolution on Sulphur River Basin Authority to address sedimentation, basin characterization and watershed protection plan, and other basin-wide issues.

Mike Sandefur provided an introduction of his new role at Sulphur River Basin Authority. He extended an offer to work on future projects with Riverbend. He asked for support from Riverbend for a grant application to Texas Water Resources Institute.

A motion was made by **Marshall Wood** and seconded by **Jim Green** approving **RESO 20170817-06** directing the Executive Director/CEO, Elizabeth Fazio Hale, to draft a letter of support for the support of a grant proposal for “basin characterization” to supplement the start of a basin-wide Watershed Protection Plan, requesting that Riverbend be an active participant in this study; and reaffirming former requests related to the local sponsorship of newly developed water out of Lake Wright Patman.

I. Discussion and possible action regarding approval of the FY 2016-2017 Member Entities’ True-Up Process on Tuesday, August 30, 2016 at 10:00 am.

Liz Fazio Hale provided information on this as the proposed date and time for the annual true-up process.

No action was taken.

J. Discussion regarding approval of the 2016-2017 Personnel Policy Manual of Riverbend Water Resources District.

Liz Fazio Hale provided information on the update of the Personnel Policy Manual, including updates to the following:

- Positions;
- Office hours;
- Termination and unpaid leave;
- Sick notice;
- Qualifications of medical benefits;
- Cash and check handling procedures; and
- Social media and internet usage at work.

No action was taken.

K. Discussion regarding approval of the 2016-2017 General Fund budget and 2016-2017 Wet Utilities budget of the Riverbend Water Resources District.

Liz Fazio Hale provided information on the proposed budgets. The General Fund Budget, includes another year of “voluntary supplement” from the member entities to cover services for consultant, Larry Meyers.

Riverbend works with local representatives on the Wet Utilities Budget. It has been in review by them since the end of June. The Labor Table includes a 2% cost-of-living-adjustment for all employee salaries, a 1% longevity for all employees, as well as a bump for the System Manager’s salary.

No action was taken.

L. Discussion and possible action regarding Strategic Planning Annual Update for FY 2016-2017.

Liz Fazio Hale provided information on a possible date for Strategic Planning Session. She suggested that the Board of Directors select a date in September for a half-day retreat to update the District’s Strategic Plan and set goals for the coming year. The Board agreed upon September 28, 2016 as that date for Regular Meeting and Strategic Planning Session following.

No action was taken.

M. Discussion and possible action regarding Board of Directors Officers’ Appointments for FY 2016-2017.

Liz Fazio Hale provided information on the upcoming election of Officers for the Board of Directors, if the Board chose to do so in the October timeframe. It was suggested that the timeframe for Officer Elections could also be moved to January/February timeframe, so as to coincide with Board appointments.

No action was taken.

N. Discussion and possible action regarding Board Schedule for FY 2016-2017.

Liz Fazio Hale provided information on a Board of Directors meeting schedule for the coming year. It was proposed that the Board stay with the second Wednesday of the month. Another possible date recommended was the last Wednesday of the month.

No action was taken.

O. Discussion and possible action regarding the purchase of TAC East Infrastructure.

Liz Fazio Hale provided an update on the TAC East negotiations with the City of Texarkana. The Executive Director/ CEO last met with John Whitson, City Manager, to go over 4 primary concerns:

- 1) No redo of any contract that involves Army;
- 2) Quantity of water;
- 3) Price of water (should Riverbend be included in true-up);
- 4) Meter ownership, whoever owns should be responsible for repairs; and
- 5) Resale of water - needs to allow Riverbend to be a wholesale water provider.

Negotiations are still in progress.

No action was taken.

P. Discussion and possible action regarding Lake Wright Patman and various regional water issues.

Riverbend and Texarkana officials last met with US Corps officials at the end of May. Elston Eckhardt with the US Corps had recently called Steve Mayo to state that the Cultural Impact studies were being further reviewed by the Dallas, Texas offices (the level directly above the Fort Worth Division and the level directly below the Washington DC HQs Division).

No action was taken.

V. Reports

A. Board of Directors

None.

B. Executive Director/ CEO

Liz Fazio Hale provided information on the following ongoing projects:

- i. Regional Water Master Plan with Susan Roth and Consulting - surveys are out to Member Entities and due back to Susan by August 31, 2016;
- ii. Million-gallon Water Storage Tanks Project - The final design specifications for this project are underway. Once completed, it will go to the Army for approval and then Riverbend will need to issue an RFQ/Bids for construction, anticipated in November; and

iii. Pipeline Replacement and Chlorification Project - Crews are on the ground (began around August 1) and the expected completion date is sometime in December 2016; and

iv. Other Maintenance and Services Projects, i.e. service to member entities, service to outside entities; water drainage projects, etc. - it is possible that as Riverbend grows/matures, other entities will look to Riverbend more and more for technical support and the Board should give some thought to what this looks like in the future.

VI. Next Regular Meeting


Wednesday, September 28, 2016 at 12:00 p.m.*

*Followed directly by a Strategic Planning Session at approximately 12:45 p.m.

VII. Adjournment

With no additional business to be discussed, a motion was made by **Marshall Wood** and seconded by **Fred Milton** to adjourn the meeting at 1:19 p.m. The motion was approved unanimously.

The previous corrected minutes of Riverbend Water Resources District Board of Directors meeting, August 17, 2016 were read and approved on the 28th day of September, 2016.



Sean Rommel, President

Attest:



Elizabeth Fazio Hale, Executive Director/ CEO