

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

February 22, 2017

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 February 15, 2017, the Chair, Sean Rommel, Past President of the Board, called the meeting to order at 12:07 p.m.

Directors Present:

Fred Milton, Treasurer
Kelly Mitchell, Secretary
Sean Rommel, Past President

Directors Absent:

Jim Green, President
Marshall Wood, Vice President

Administration Present:

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

Public Present:

Doug Bowers, City Manager, City of Nash
Bart Brock, Staff, Representative Gary Van Deaver
Mike Burke, City Administrator, City of Wake Village
Mike Buttram, SRBA, Contract Staff and Self, Retired
Hal Harris, General Manager, Central Bowie County Water Supply Corporation
Steve Mayo, Regional Water Liaison, City of Texarkana
Jennifer Middleton, Reporter, Texarkana Gazette
John Plant, Plant Manager, REG
Jeff Prieskorn, Principal, Oak Grove Land
Marti Shew, Financial Advisor, Hilltop Securities
John Whitson, City Manager, City of Texarkana

II. Innovation

Fred Milton led the invocation.

III. Public Comments

Jeff Prieskorn commented on the proposed rate change to residential and commercial rates on the TexAmericas Center footprint. Mr. Prieskorn asked the board to explain the increase in rates, as these rates would more than double this year.

IV. Agenda Items for Individual Consideration

A. Discussion and possible action regarding January 10, 2017 Special Called Meeting, January 11, 2017 Regular Called Meeting, and January 31, 2017 Special Called Meeting minutes.

A motion was made by **Fred Milton** and seconded by **Kelly Mitchell** to approve the minutes for the January 10, 2017 Special Called meeting, January 11, 2017 Regular Called meeting, and January 31, 2017 Special Called meeting. The motion was approved unanimously.

B. Discussion and possible action regarding October, November, and December monthly investment reports and financial statements (including overall annual financial report) on all (General and Wet Utilities) current accounts and funds.

Becky Melton provided an update on the October, November, and December financials for the General Fund and Wet Utilities Funds.

The funds are currently being audited by Holliday Lemons & Cox, P.C., and an auditors copy of the funds is still out. Changes to the funds going forward are prohibited until the auditor's copy is returned. A few small changes are still need to be made to the funds; therefore, no action is recommended on these financials at this time.

No action taken.

C. Discussion and possible action regarding changes to the Riverbend commercial and residential water and wastewater rates, deposits, retail agreements, minimum charges, etc.

Liz Fazio Hale provided an overview of the proposed water and wastewater changes, stating that change in water and wastewater rates on the TexAmericas Center footprint had not been made in several years, at least since the naming of the Red River

Redevelopment authority. Mrs. Fazio Hale explained that the increases will be used to support the facility charges for the bonds issued on regional planning and other capitol improvement projects.

Jeff Prieskorn asked for consideration that his apartment units be treated as residential versus commercial.

John Plant, REG Plant Manager, asked for some sort of incremental increases to the current rate.

No action taken.

D. Discussion and possible action regarding approval of a resolution approving the FY 2015-2016 Audit performed by Holliday Lemons & Cox, PC.

Liz Fazio Hale provided information that the audit is still ongoing.

No action taken.

E. Discussion and possible action regarding approval of a resolution adopting a travel policy for Riverbend Water Resources District.

Liz Fazio Hale provided information on the need for an updated travel policy. The proposed travel policy updated Riverbend's current practices related to board of directors and employee travel.

Kelly Mitchell asked other member entities if Riverbend's travel policy was consistent with theirs? **Mike Burke** explained that as long as it is in the budget, a manager has discretion to use it.

A motion was made by **Fred Milton** and seconded by **Kelly Mitchell** to approve **RESO 20170222-02** adopting an employee and board member travel policy. The motion was approved unanimously.

F. Discussion and possible action regarding approval of certain interlocal agreements with potential new member entities.

Liz Fazio Hale provided information on changes to a template interlocal agreement/memorandum of understanding. The Board asked for more time to review recent changes made by Counsel.

No action taken.

G. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to issue a written response to

the United States Army Corps of Engineers (USACE) on providing the initial funding for the drafting of a Scope of Work from the USACE concerning implementation of the Ultimate Rule Curve at Lake Wright Patman Reservoir and to issue the funding in an amount of \$50,000 necessary to begin the Scope of Work.

Liz Fazio Hale provided information on recent work with the US Corps. A visit in January that was requested by Liz Fazio Hale and Steve Mayo led to the development of a letter and invoice to Riverbend from the US Corps requesting \$50,000 for the development of a Scope of Work related to the Cultural Studies. Riverbend has already collected these funds and is ready to pay the invoice. The funds are unrestricted reserves from last year's General Budget where the member cities made supplemental contributions.

Steve Mayo commented that the City of Texarkana, TX has a rate model for billing all users of the system, including Texarkana, AR and he suggested that Riverbend bill-back the City of Texarkana, TX, so that every user is paying the appropriate share under the model.

Sean Rommel commented that it is important for Riverbend to pay this invoice for two reasons: 1) it is consistent with previous resolutions that Riverbend be the agent for the City of Texarkana, TX on these matters, 2) it is consistent for Riverbend to remain the lead contact in these matters, and 3) it allows Riverbend the opportunity to apply for water rights in Lake Wright Patman once Ultimate Rule Curve is implemented.

Fred Milton concurred with Sean Rommel's statements and commented that New Boston, TX was also most comfortable with Riverbend making the initial payment to the US Corps.

A motion was made by **Fred Milton** and seconded by **Kelly Mitchell** to approve **RESO 20170222-03** authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to issue a written response to the US Army Corps of Engineers concerning initial funding for the draft Scope of Work related to implementing the Cultural Studies for the Ultimate Rule Curve and to issue the funding of \$50,000.00. The motion was approved unanimously.

H. Discussion and possible action regarding approval of a resolution supporting the role of Riverbend Water Resource District in implementation of the Ultimate Rule Curve on behalf of all Member Entities.

Item H was laid out at the same time as Item G for discussion purposes.

No action was taken on Item H.

I. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to executive renewal agreements for the purpose of providing employee health and life insurance benefits and risk management insurance benefits under the TWCA Risk Management Fund.

Liz Fazio Hale provided information on the renewal timeframe for TWCA Risk Management Fund. Although Riverbend desires to support local business in employee and property insurance, there are not any institutions that currently come close to what the TWCA Risk Management Fund can offer to the District. The TWCA RMF was designed exclusively for water and waste water systems in Texas and that gives it an advantage, especially since it operates as “cost-recovery” administrative fee. The renewal period begins June 1. The policy can be cancelled at a 30 days notice.

A motion was made by **Kelly Mitchell** and seconded by **Fred Milton** to approve **RESO 20170222-04** authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to execute interlocal agreement(s) for risk management insurance services with the Texas Water Conservation Association Risk Management Fund. The motion was approved unanimously.

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

No action taken.

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

No action taken.

V. Reports

A. Board of Directors

Texas Water Days - Kelly Mitchell provided information on a recent trip to Washington DC for Texas Water Days. Mr. Mitchell stated that this was again an excellent opportunity to interact with the US Corps at the DC level, our Congressmen, and other Texas water leaders. He commented that the government often runs for the people who show-up. It is an important event for Riverbend to participate at in order to keep up with contacts and interact with the decision makers.

Region D Planning Group - Fred Milton provided information that he was recently appointed to the Region D Planning Group, a formal group created under the Texas Water Development Board and State Water Plan for water planning purposes.

B. Executive Director/ CEO

Liz Fazio Hale provided information on the following ongoing Riverbend projects:

- i. New Riverbend Website - *We are looking to unload resolutions next.*
- ii. STAR (“Stakeholder Technical Analysis Review Committee”) Extension - *We are in need of more candidates for the STAR Committee. The Executive Director/ CEO will be sending an additional email to stakeholders requesting more participants.*
- iii. Regional Water Master Plan Project with Susan Roth and Consulting - *Ongoing.*
- iv. Million-gallon Water Storage Tanks Project - *Approved by the RRAD personnel, sent to TCEQ and awaiting TCEQ approval.*
- v. Pipeline Replacement and Chlorification Project - *Almost finished. The pipeline has been completed but we are looking at completing the chlorification station now.*
- vi. Future CIP Projects for a Facility Charge #3 - *Continuing to work with RRAD personnel to develop a working CIP list and determine options for financing. This could be delayed with recent announcement of likely 2019 BRAC process.*
- vii. Other Maintenance and Services Projects

VI. NEXT RIVERBEND MEETINGS

Wednesday, March 29, 2017 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, TX 75570.

VII. Adjournment

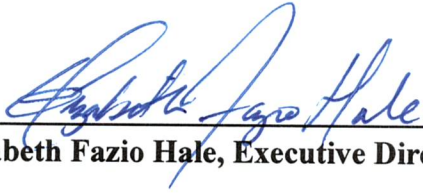
With no additional business to be discussed, a motion was made by **Fred Milton** and seconded by **Kelly Mitchell** to adjourn the meeting at 1:28 p.m. The motion was approved unanimously.

The previous corrected minutes of Riverbend Water Resources District Board of Directors meeting, February 22, 2017 were read and approved on the 29 day of March, 2017.



Marshall Wood, Vice President

Attest:



Elizabeth Fazio Hale, Executive Director/ CEO

Riverbend Watersources District
 Board Meeting
 February 22, 2017
 12:00 p.m.

No.	Name	Organization	Title	Phone	Email
1	Marti Snow	Hilltop Security	Director	214-953-8853	marti.snow@hilltopsecurity.com
2	Wilke Burke	Wake Village	City Admin	903-838-0515	
3	Mike Bateman	Wake Village	City Admin	919-275-4069	
4	Hal Harris	Central Board City WSC	General Manager	903-628-5601	cbwsc@ccol.com
5	Jeff Preston	Oak Grove Land		903-271-3572	jeffpreston@gmail.com
6	Doug Bowers	City of NCSA	Gen Admin	903-838-0751	dobowers@ncsawater.com
7	Schulz Plant	REG NB LLC	Plant Manager	903-280-7585	Sshulz.Plant@regnb.com
8	Jennifer Middleton-Garrett				
9	Bart Beck	Rob. Van Dusen		903-276-4195	Bart.Beck@house.txs.gov
10	Steve Mann	City of Texarkana	Regional Liaison		
11	John Whitson	City of Manager	City of Texarkana		
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Riverbend Water Resources District
February 22, 2017

PUBLIC COMMENT SHEET

Name: John Plant

Representing:

Self
 Entity/Organization REG New Boston

Address: 280 Texas Ave

Phone: 903-280-7585

Email: John.Plant@REGI.com

Agenda Item or Topic to be Discussed:

Rate increase on H₂O +
sewage



Riverbend Water Resources District
February 22, 2017

PUBLIC COMMENT SHEET

Name: Jeff Prieskorn

Representing:

Self
 Entity/Organization Oak Grove Land Co

Address: 4094 Summerhill Sq
TXK TX 75503

Phone: 903 277 3512

Email: jeffprie@gmail.com

Agenda Item or Topic to be Discussed:

Propose New Water Rates

