

**Regular Called Meeting
Riverbend Water Resources District
Board Meeting Minutes
August 9, 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 August 2, 2017, the Chair, Jim Green, President of the Board, called the meeting to order at 12:00 p.m.

Directors Present:

Fred Milton, Treasurer
Kelly Mitchell, Secretary

Directors Absent:

Marshall Wood, Vice President
Sean Rommel, Past President

Administration Present:

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

Public Present:

Bart Brock, Legislative Staff, Representative Van Deaver
Mike Burke, City Manager, City of Wake Village
Mike Butram, Consultant, SRBA
Ken Crae, CRP
Kyle Dooley, Deputy City Manager, City of Texarkana
Shirley Jaster, Interim city Manager, City of Texarkana
Rhonda Jones, CPA, Holliday Lemmons & Cox

II. Invocation

Jim Green led the invocation.

III. Public Comments

Jim Green publicly recognized guests.

No other public comments.

IV. Agenda Items for Individual Consideration

A. Discussion and possible action regarding July 12, 2017 Regular Meeting minutes.

A motion was made by **Kelly Mitchell** and seconded by **Fred Milton** to approve the minutes for the July 12, 2017 Regular Called meeting. The motion was approved unanimously.

B. Discussion and possible action regarding approval of a resolution approving the third quarter financials of the FY 2016-2017 (April, May, June) and any applicable quarterly investment reports.

Rhonda Jones presented the 3rd Quarter financials.

A motion was made by **Fred Milton** and seconded by **Kelly Mitchell** to approve **RESO 20170809-01** approving the 3rd quarter financials. The motion was approved unanimously.

C. Discussion and possible action regarding approval of a resolution authorizing Executive Director/CEO, Elizabeth Fazio Hale, to execute an agreement with an accounting firm or individual to perform the district's year-end audit for FY 2016-2017.

Liz Fazio Hale provided information on the issuance of an RFQ for audit services in June 2017. The district received one proposal from Wilf & Henderson. A committee of the Executive Director/CEO, Financial Director, and Board Member Fred Milton reviewed the proposal. Based on the quality of the response, team organization, capability, and experience, the committee gave a score of 92/100 to Wilf & Henderson.

The original proposal from WH was for \$25,000 in audit services. The Executive Director/CEO and Financial Director worked with WH to get this number to under \$19,000.

A motion was made by **Fred Milton** and seconded by **Kelly Mitchell** to approve **RESO 20170809-02** approving the Executive Director/CEO Elizabeth Fazio Hale to execute an interlocal agreement/contract for services with Wilf & Henderson, PC for annual audit services. The motion was approved unanimously.

D. Discussion and possible action regarding FY 2017-2018 Member Entities' True-Up Process on Wednesday, August 16, 2017 at 10:00 am.

Liz Fazio Hale provided information regarding the Member Entity True-Up meeting to be held August 16, 2017 at 10:00 a.m.

No action taken.

E. Discussion regarding approval of a resolution approving the 2017-2018 Administrative Member Fund and 2017-2018 Wet Utilities Fund budgets of the Riverbend Water Resources District (WORKSHOP - No anticipated action).

Liz Fazio Hale provided information on the Wet Utilities Budget. She stated there was an overall increase of 10-12% with the labor cost increase accounting for 2-3% of that increase. She explained that, with the exception of the increase in labor costs, an increase in water purchase cost as well as a request by the Army to include management of Building 362, any changes in other line items were revenue neutral.

Liz Fazio Hale also provided information on the Administrative Member budget. She stated that Riverbend would not ask for a Supplemental Contribution Fiscal Year 2017-18, recognizing the need to likely use prior year equity to for next year's operations.

No action taken.

F. Discussion and possible action regarding approval of FY 2017-2018 TAC East Water Fund budget of the Riverbend Water Resources District.

Liz Fazio Hale provided information on the proposed budget for managing the TAC East infrastructure. Kelly Mitchell commented that this should include the cost for acquisition of the system.

No action taken.

G. Discussion and possible action on a resolution approving a Restricted Funds Policy for the management and use of certain funds with regards to internally restricting such funds for use in future bond payments.

Liz Fazio Hale presented a draft of the Restricted Funds Policy as well as information on current operations regarding restricting certain funds i.e. interest earnings, commercial and residential facility charge payments, and other facility charge payments above the required restricted amounts. They are not required by law or contract to be restricted however, these funds are absolutely necessary for future bond payments or the creation/rollover of bond reserves.

No action taken.

H. Discussion regarding election of the Board of Directors Officers' Appointments for FY 2017-2018.

Liz Fazio Hale recommended the following appointments to be considered at the next Regular Called meeting:

Marshall Wood, President
Fred Milton, Vice President
Kelly Mitchell, Treasurer
Sean Rommel, Secretary
James Green, Past President

No action taken.

I. Discussion regarding Board Schedule for FY 2017-2018

Liz Fazio Hale presented 2 board schedules for consideration. One that keeps the current meeting date on the 2nd Wednesday of each month. The other suggests the 4th Wednesday of every month. The 2nd Wednesday of the month is not prohibitive, but the first two weeks of the month are very busy operationally and administratively. If there is no preference, then the 4th might work a bit better.

No action taken.

J. Discussion and possible action regarding approval of a resolution approving an update to the Riverbend Drought Contingency Plan.

Liz Fazio Hale presented the Drought Contingency Plan for review. Eli Hunt assisted in informing the Board of the details of the Plan that is statutorily guided by TCEQ regulations.

A motion was made by **Kelly Mitchell** and seconded by **Fred Milton** to approve **RESO 20170809-03** Authorizing the approval of a Drought Contingency Plan of the Riverbend Water Resources District.

K. Discussion and possible action regarding approval of a joint resolution supporting the role of Riverbend Water Resource District in implementation of the Ultimate Rule Curve and as the entity to seek future water rights in Lake Wright Patman Reservoir on behalf of all Member Entities.

Liz Fazio Hale provided information that the City of Annona approved a resolution supporting the District in the implementation of the Ultimate Rule Curve. The City of Hooks, as well as Bowie County, will have meetings to discuss this resolution in the near future.

No action taken.

L. Discussion and possible action regarding Lake Wright Patman and various regional water issues, including activities in the Arkansas and Texas Legislatures.

Liz Fazio Hale provided information on a Texas Tribune event coming up on August 30, 2017.

No action taken.

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

Liz Fazio Hale provided information that a contract will be drawn up for the purchase. The goal is to have a transfer date of October 1, 2017 that will tie with the start of our fiscal year.

No action taken.

N. Discussion and possible action regarding activities with TexAmericas Center.

No information at time of board meeting.

No action taken.

V. Reports

A. Board Members

B. Executive Director/CEO

Ongoing Projects:

- i. STAR (“Stakeholder Technical Analysis Review Committee”) Extension - Ready to appoint this Committee with those who have showed interest.
- ii. Regional Water Master Plan Project with Susan Roth and Consulting is progressing nicely.
- iii. Water Rates Study – NewGen has received information from most entities.
- iv. Feasibility Study Review - On hold pending further funding at the Corps level and exemption being obtained. TSP now to be completed by December 2017, possibly even May 2018.
- v. Million-gallon Water Ground Storage Tanks Project - Hopeful to begin project August 1, 2017.
- vi. Pipeline Replacement and Chlorification Project - Last billing should be received for services ending June 2017.
- vii. Future CIP Projects for a Facility Charge #3 - on hold pending further instruction from the RRAD officials, due to some concerns with timing and potential BRAC.
- viii. Other Maintenance and Services Projects - looking at collaborative projects with Member Entities.
- ix. Future Riverbend Studies - Sedimentation, WAMs, etc.

VI. Executive Session

The Board did not move into Executive (Closed) Session

No further action was taken.

VII. Next Regular Meeting

Wednesday, September 13, 2017 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, TX 75570

VIII. 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 1:25pm The motion was approved unanimously.

The previous corrected minutes of Riverbend Water Resources District Board of Directors meeting, August 9, 2017 were read and approved on the 13th day of September, 2017.



Jim Green, President

Attest:



Elizabeth Fazio Hale, Executive Director/ CEO

Riverbend Water Resources District

Board Meeting

August 9 2017

12:00 p.m.

No.	Name	Organization	Title	Phone	Email
1	Wanda Jones	Holiday Lemonade	CPA		
2	Mike Rothman	SRAA			
3	Mike Burke	Wake Village	City Admin.		
4	Eli Hunt	RWRD	Water/Wastewater Sys. Man.		
5	Shirley Jaster	City of Tex. TX	Interim CM		
6	Kyle Dooney	CITY OF TEX, TX	DEPUTY CM		
7	BART BROCK	PER. VANDEAVER	leg staff		
8	Ken Gray	CRP			
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