

**Regular Called Meeting
Riverbend Water Resources District
Board Meeting Minutes
December 13, 2017**

Hooks City Hall, 603 East Avenue A, Hooks, Texas 75561

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 December 11, 2017, the Chair, Marshall Wood, President of the Board, called the meeting to order at 12:05 p.m.

Directors Present:

Marshall Wood, President
Kelly Mitchell, Treasurer
Sean Rommel, Secretary
Jim Green, Past President

Directors Absent:

Fred Milton, Vice President

Administration Present:

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

Public Present:

Please see attached sign in sheet.

II. Invocation

Jim Green led the invocation.

III. Public Comments

Marshall Wood publicly recognized guests.

No other public comments.

IV. Agenda Items for Individual Consideration

A. Discussion and possible action regarding October 24, 2017 Regular Meeting minutes.

A motion was made by **Kelly Mitchell** and seconded by **Jim Green** to approve the minutes for the October 24, 2017 Regular Called meeting. The motion was approved unanimously.

B. Discussion and possible action regarding approval of a revision to the approved board schedule for FY 2017-2018

The March meeting was inadvertently scheduled for March 25, 2017. The correct date is Wednesday, March 28, 2017.

A motion was made by **Sean Rommel** and seconded by **Kelly Mitchell** to approve the amended version of the board schedule.

C. Discussion and possible action regarding a resolution approving the 4th Quarter/Year End FY 2016-2017 financial statements and any applicable investment reports.

Rhonda Jones of Holiday Lemmons and Cox provided information on the 4th quarter and year-end financials of both the Wet Utility and Admin Member funds.

A motion was made by **Sean Rommel** and seconded by **Jim Green** to approve **RESO 20171213-01** approving the 4th Quarter, Year End FY 2016-2017 financial statements. The motion was approved unanimously.

D. Discussion and possible action regarding acceptance of the Supplemental Fee from Wake Village, Texas for FY 2016-2017.

Liz Fazio Hale provided the details surrounding the acceptance of a payment of \$4,755.96 for the Supplemental Fee for FY 2016-2017 from Wake Village, Texas.

A motion was made by **Jim Green** and seconded by **Sean Rommel** to accept the Supplemental Fee for FY 2016-2017 from Wake Village, TX. The motion was approved unanimously.

E. Discussion and possible action regarding a resolution authorizing a requirement of one (1) signature for any amounts under \$25,000.00 and a requirement of two (2) signatures for any amounts equal to or over \$25,000.00.

Liz Fazio Hale provided information on the number of checks that are equal to or over the current \$5,000 threshold for two signatures. The majority of these checks are normal operating expenses such as payroll, TWCA Risk Management, TML Health Insurance, Consultant fees, Credit Cards for Operations, SWEPCO for electricity, and TWU for water. Checks for construction that are paid to contractors are anywhere from \$25,000-50,000 which, in addition to a board member signature and budgeted as an ongoing

project, also require an approval by the military.

A motion was made by **Sean Rommel** and seconded by **Jim Green** to approve **RESO 20171213-02** authorizing a requirement of one signature for any amounts under \$25,000.00 and a requirement of two signatures for any amounts equal to or over \$25,000.00. The motion was approved unanimously.

F. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to enter into negotiations and execute an interlocal agreement/contract for the performance of engineering services on GIS and System Mapping.

Liz Fazio Hale provided information regarding proposals received in response to a Request for Qualifications for Engineering Services GIS and System Mapping. Riverbend received seven bids and each one was evaluated by a committee comprised of the Executive Director (Liz Fazio Hale), Systems Manager (Eli Hunt), Wastewater Manager (Austin Robnett), and Board Member (Fred Milton). The evaluations, as well as in-person interviews, resulted in the selection of the top three proposals as follows:

- (1) Hayter Engineering
- (2) AECOM
- (3) MTG Engineers and Surveyors

A motion was made by **Kelly Mitchell** and seconded by **Jim Green** to approve **RESO 20171213-03** authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to enter into negotiations and execute an interlocal agreement/contract for the performance of engineering services on GIS and System Mapping first with Hayter Engineering; and then if no agreement can be made with the first, with AECOM; and then if no agreement can be made with either the first or second, MTG Engineers and Surveyors. The motion was approved unanimously.

G. Discussion and possible action regarding approval of the RFQ for engineering services for an Update of the Water Availability Model in the Sulphur River Basin.

Liz Fazio Hale provided information regarding the need to continue to move forward on obtaining future water rights in the Sulphur River Basin on behalf of Riverbend and its member entities. Items that will be requested and will provide support for an application to the Texas Commission on Environmental Quality include: Making sure that population projections, water demands, and industrial planning numbers are in the SWP or are at the very least not inconsistent with the SWP (this is in keeping with the current Regional Water Master Planning that Riverbend is doing now); gathering support from local entities to hold the water right; showing a contractual relationship for the water storage availability with the US Corps and City of Texarkana; and proving availability of water supply within the basin.

*There will be other requirements and those will be covered as we move through the process.

To prove availability of water supply in the Sulphur River Basin, an updated water availability model needs to be done. The last WAM done in the Sulphur River Basin was in the 1990's. There have been efforts at the Legislature the last couple of sessions to update some of the older WAMs but to no avail. There have also been availability models

done by the US Corps, but these use a program called Riverware that is different than what the state uses for permitting. This update would be in accordance with all TCEQ standards and hopefully something that will be helpful to the agency. Specifically, this will involve updating Run 3 and Run 8 modeling and would cost approximately \$250,000. Executive Director recommends paying for this project from any remaining planning funds, as well as any needed excess nonoperating revenues (such as our CIP 8% Admin).

A motion was made by **Sean Rommel** and seconded by **Kelly Mitchell** to approve a Request for Proposals for engineering services updating the Water Availability Model in the Sulphur River Basin. The motion was approved unanimously.

H. Discussion and possible action regarding the ongoing Riverbend Regional Water Master Planning, Region D Planning and State Water Planning.

Liz Fazio Hale provided information on the progress of the Regional Water Master Plan. Riverbend has successfully been conducting a regional water planning effort on behalf of the region. This will be coming to a close very soon and a final report will be presented in the February/March timeframe. We had some extra effort and time that needed to be spent on the population projections and water demand numbers being reviewed by the TWDB. We have now met 3 or 4 times with the TWDB. The last meeting was held the last week of November and all information and questions were appropriately answered. Our consultant, Susan Roth, is working on finalizing the last documents requested by TWDB. We expect Riverbend's municipal numbers to be recommended and accepted by the TWDB. An official TWDB board meeting will be held on this in the March timeframe. Our industrial numbers were recommended to be included not in the official "demand" numbers, but instead were recommended for "planning" numbers which are also included in the SWP. This allows us to plan for use of the water and give us time to make that come to fruition.

No action taken.

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

Although it was reported at the last SRBA meeting that the TSP has been put on hold "indefinitely," in our communications with others speaking to the Corps, we have recently been informed that the TSP should still come out in the February timeframe and that a TSP meeting has been scheduled at the Corps level to discuss those results. This has not been confirmed but we just want to make everyone aware of conflicting information and the possibility that the TSP may be produced in early 2018.

No action taken.

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

Discussions have continued with Texarkana Administration. Through thoughtful discourse we have been able to have some very good dialogue about future fees and water availability. When Riverbend was formed, it was intended that the “TAC footprint” only pay the true-up rate and legislation reflected that TAC be a part of the true-up process. This will be the first time that an operator for a portion of the TAC footprint will pay a commercial rate, instead of the true-up rate. For the sake of moving forward at this time, we are going to stay with \$1.48/1,000 gallons but after one year of operations, we may come back to the Council and ask for a reduction in the cost, keeping in mind that Riverbend is planning to operate TAC East for the future economic development of the region, just like it runs water operations for the Army.

The contractual documents have been prepared and signed by Riverbend and are awaiting signature by City Manager, Shirley Jaster, with an effective date of January 1, 2018.

No action taken.

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

As part of the continued work on Regional planning, Riverbend is working with TAC on an amendment to the Sale and Purchase Agreement for raw water. The Amendment emphasizes the need for additional water, up to 90 mgd within the next 50 years, consistent with prospects’ needs and future planning similar to other industrial-like footprints.

Riverbend has completed a first draft that has been sent to TAC for review. It is anticipated that something will be provided to the TAC Board at their next Regular meeting at the end of January.

No action taken.

V. Reports

A. Board Members

B. Executive Director/CEO

Ongoing Projects:

- i. STAR (“Stakeholder Technical Analysis Review Committee”) – currently reviewing SRBA studies.
- ii. Regional Water Master Plan Project with Susan Roth and Consulting – waiting on valuation and costs of projects.
- iii. Regional Water Rates Study – looking to do a workshop on financing and rates.
- iv. Pump Station and Ground Storage Tanks Project – storage tanks are going up.
- v. Pipeline Replacement and Chlorification Project – completed in March ’17. Boil water notice removed. Did not have to duplicate efforts on

chlorification, so chlorine portion can wait until ground water storage tanks are complete.

- vi. Future CIP Projects for a Facility Charge #3
 - a. Drying Beds
 - b. Demolition
 - c. Inspections
 - d. Other
- vii. Other Maintenance and Services Projects
 - a. Excavator has been purchased, along with new truck.
 - b. In need of another vehicle for the domestic plant, electronic gate, tractor. Forklift, backhoe, etc.
- viii. Future Riverbend Studies - Raw Water Line, Sedimentation, WAMs, etc.

VI. Executive Session

The Board did not move into Executive (Closed) Session

No further action was taken.

VII. Next Regular Meeting:

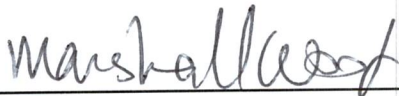
HOLIDAY GATHERING: Friday, December 15, 2017 at 6:30pm at Zapata's Grill, 217 Walnut Street, Texarkana, AR 71854 Please RSVP to bmelton@rwr.org.

REGULAR MEETING: Wednesday, January 24, 2018 at 12:00p.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 **Sean Rommel** and seconded by **Jim Green** to adjourn the meeting at 12:55pm. The motion was approved unanimously.

The minutes of Riverbend Water Resources District Board of Directors meeting, December 13, 2018 were read and approved on the 27 day of January, 2018.



Marshall Wood, President

Attest:



Elizabeth Fazio Hale, Executive Director/ CEO