

**Regular Called Meeting
Riverbend Water Resources District
Board Meeting Minutes
February 28, 2018**

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 21, 2018, and Amended on February 23, 2018, the Chair, Marshall Wood, President of the Board, called the meeting to order at 12:05 p.m.

Directors Present:

Marshall Wood, President
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

Public Present:

Please see attached sign in sheet.

II. Invocation

Jim Green led the invocation.

III. Public Comments

Marshall Wood publicly recognized guests.

IV. Agenda Items for Individual Consideration

A. Oath of Office for Any New Director

No action taken.

B. Discussion and possible action regarding January 29, 2018 Special called Meeting minutes.

A motion was made by **Jim Green** and seconded by **Sean Rommel** to approve the minutes for the January 29, 2018 Special Called meeting. The motion was approved unanimously.

C. Discussion and possible action regarding January 24, 2018 Regular Meeting minutes.

A motion was made by **Sean Rommel** and seconded by **Jim Green** to approve the minutes for the January 24, 2018 Regular Board meeting. The motion was approved unanimously.

D. Discussion and possible action regarding an update on 2017-2018 financial statements and any applicable investment reports.

Liz Fazio Hale provided information that we are on track regarding our budget spending. At five and a half months into the year, all items on the Budget vs. Actual reports should be at 41% or less.

No action taken.

E. Discussion and possible action regarding proposed changes to the Riverbend commercial water rates, deposits, retail agreements, minimum charges, etc. on the newly acquired TAC East footprint.

Liz Fazio Hale provided information on the recent purchase of TAC East infrastructure. The current TAC East water customers are being charged the same rate they were charged with TWU. Effective May 1, 2018, the water rates effective last year will also be implemented for the TAC East water customers. There will be two other opportunities for those water customers to comment and voice concerns on the rate change. Those dates are March 28th and April 25th at Regular Riverbend Board Meetings. Mrs. Fazio Hale also stated that a reexamination of Riverbend overall rates will be needed in the future to ensure that rates are competitive statewide.

No action taken.

F. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to execute renewal agreements for the purpose of providing risk management insurance with TWCA Risk Management Fund.

Liz Fazio Hale provided information on the annual renewal of required liability and worker's compensation insurance. Rates for this year will not be available until the board of TWCA RMF meets in April. Renewal documents are due in March with the option to terminate with 30 days' notice. Mrs. Fazio Hale expects there to be a slight increase due to Hurricane Harvey and other similar situations; however, the increase should be minimal compared to the cost of becoming insured under another provider.

A motion was made by **Sean Rommel** and seconded by **Jim Green** to approve **RESO 20180228-01** authorizing the Executive Director/CEO, Elizabeth Fazio Hale, the ability to execute a renewal agreement for risk management services with TWCA RMF. The motion was approved unanimously.

G. 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 an Update of the Water Availability Model in the Sulphur River Basin.

Liz Fazio Hale provided information on the need for an update to the Water Availability Model on the Sulphur River Basin. She stated that the two proposals received were both competitive. The Selection Committee was comprised of the ED/CEO, Systems Manager, Fred Milton-Board Member, and two contracted consultants. The highest score was Robert J Brandes Consulting with a closely second ranking by Aqua Strategies. Brandes Consulting has extensive background and knowledge in the Sulphur River Basin' having performed the original State Water Availability Model in the 1990s.

A motion was made by **Sean Rommel** and seconded by **Jim Green** to approve **RESO 20180228-02** authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to enter into negotiations and execute an interlocal agreement/contract for an Update of the Water Availability Model in the Sulphur River Basin with Bob Brandes; and if an agreement cannot be reached with the first, then with Aqua Strategies/Carollo. The motion was approved unanimously.

H. Discussion and possible action regarding approval of the RFQ for engineering services for a feasibility study on the Industrial Wastewater Treatment Facility.

Liz Fazio Hale provided information on the worsening condition of the Industrial Wastewater Facility. As the District grows and gains more employees, employee safety stays at the top of the priority list. A situation at the Industrial Plant demanded immediate attention. I-beams in the plant had become very weak. Deterioration of these support beams is attributed to a previous process involving lime to treat the metals and oils in the water. That process has since been replaced but the traces of lime remain and are eating away at the seams of the old buildings. The most major deterioration has been addressed and corrected thanks to the Systems Manager and his team.

Also, with the proposed list of Capital Improvement Projects for the RRAD over the next 5 to 7 years totaling approximately \$6.5 million, a feasibility study will help to determine whether to upgrade existing structures or rebuild and replace in-whole or in-part the current buildings and processes.

A motion was made by **Sean Rommel** and seconded by **Jim Green** to approve the publishing of an RFQ for engineering services for a feasibility study on the Industrial Wastewater Treatment Facility.

I. Discussion and possible action regarding approval of a resolution authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to formally request and enter into negotiations for the acquisition of land on the TAC East location near the Ron Collins Waste Treatment Facility for the purpose of locating a water treatment facility, as well as Riverbend offices, workshops, and other water and wastewater treatment operations in connection with the development of a raw water line to the TAC East footprint.

Agenda Item IV.J was also laid out for consideration at the same time as Agenda Item IV.I.

Liz Fazio Hale provided information on Agenda Items IV.I and IV.J concurrently. She stated that it is time to begin the task of purchasing, at no cost or very little cost, land to develop a new water treatment facility on TAC East near the Ron Collins Wastewater Treatment Facility. Riverbend is prepared to pursue preliminary studies but a transmission route for delivery of the raw water must be chosen first. Before Riverbend will commit to spending money on a study, Riverbend must first work with TAC on the commitment of lands. In addition, Riverbend will need to be able to assure Member Entities that the raw water line will not only be used for industrial needs but also to meet current and future municipal demands.

Riverbend has identified 2021 as a target year to have the raw water line done with contractual obligations to TAC stating 2026. In addition, Riverbend wishes to pursue the start of a new water treatment facility by 2023. Riverbend is on a tight schedule and securing the lands is an important first step in moving forward.

A motion was made by **Sean Rommel** and seconded by **Jim Green** to approve **RESO 20180228-03** authorizing the Executive Director/CEO, Elizabeth Fazio Hale, to formally request and enter into negotiations for the acquisition of land on the TAC East location near the Ron Collins Waste Treatment Facility for the purpose of locating a water treatment facility, as well as Riverbend offices, workshops, and other water and wastewater treatment operations. The motion was approved unanimously.

J. Discussion and possible action regarding approval of a resolution selecting the final destination site of the proposed raw water line to the TAC East footprint, pending final purchase/sale contract and deed on additional land being acquired on the TAC East location near the Ron Collins Wastewater Treatment Facility for the purpose of locating a water treatment facility, as well as Riverbend offices, workshops, and other water and wastewater treatment operations.

Agenda Item IV.J was also laid out for consideration at the same time as Agenda Item IV.I.

Please see discussion points under Agenda Item IV.I, above.

A motion was made by **Sean Rommel** and seconded by **Jim Green** to approve **RESO 20180228-04** for approving the final destination site of the proposed raw water line to the TAC East footprint, pending final purchase/sale contract and deed on additional land being acquired on the TAC East location near the Ron Collins Wastewater Treatment Facility for the purpose of locating a water treatment facility, as well as Riverbend offices, workshops, and other water and wastewater treatment operations. The motion was approved unanimously.

K. 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 Joint Resolution with the City of Texarkana, Texas for Signature Authority on applications to state and federal entities regarding an additional intake at Wright Patman Lake.

A motion was made by **Sean Rommel** and seconded by **Jim Green** to approve **RESO 20180228-05** of the City of Texarkana, Texas and the Board of Directors of Riverbend Water Resources District delegating authority to Riverbend's Executive Director/CEO, Elizabeth Fazio Hale, to sign and submit federal and state permit applications, permit amendments, and amendments to Texarkana's Certificate of Adjudication No. 03-4836 for the limited purpose of developing and locating additional, new diversion locations and intake structures at Lake Wright Patman; providing for severability clause and establishing an effective date. The motion was approved unanimously.

Regarding the Sulphur River Basin Authority, Liz Fazio Hale provided information that appointments to the board of the Sulphur River Basin Authority have been released and are as follows:

Kelly Mitchell (previously on the board for Riverbend of Texarkana) – 6-year term
Chris Spencer of Linden – 6-year term
Gary Cheatwood of Bogota – 6-year term
Brett McCoy of Daingerfield – 4-year term
Katie Stedman of Mt. Pleasant – 4-year term
Wally Kraft of Paris – 2-year term
Brad Drake of Paris – 2-year term

Regarding the Ultimate Rule Curve Implementation, the Executive Director/CEO provided information that Congressman Ratcliffe's office sent an inquiry to the Corps concerning a funding agreement so that the cultural and environmental studies could begin. Senator Cornyn's office is also assisting with the funding agreement as well as pushing towards funds allocated to be prioritized to Lake Wright Patman.

The next step will be setting up a 404 permit with the Ft. Worth Regulatory Division of the Corps of Engineers.

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

Liz Fazio Hale provided information that the purchase of TAC East is complete. New water rates will go into effect May 1, 2018.

No action taken.

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

Scott Norton, Executive Director of TexAmericas Center provided information on ongoing projects at TAC. Two letters of intent were signed. One is a solar panel project that will spark interest by green companies to move to the area. Construction on a 200,000 square foot warehouse is set to begin in December 2019. Because of this warehouse letter of intent, a food processing company is already showing interest in moving to the area.

No action taken.

V. Reports

A. Board Members

B. Executive Director/CEO

Ongoing Projects:

- i. STAR (“Stakeholder Technical Analysis Review Committee”)
- ii. Regional Water Master Plan Project with Susan Roth and Consulting
- iii. Regional Water Rates Study
- iv. Pump Station and Ground Storage Tanks Project
 - a. Well underway. Should be complete by end of May 2018.
- v. Pipeline Replacement was complete in March 2017. The Chlorification project is in its final stages.
- vi. Future CIP Projects for a Facility Charge #3
- vii. Member Entity Services to Hooks and Maud are going well.
- viii. Other Maintenance and Services Projects
- ix. Future Riverbend Studies - Raw Water Line, Sedimentation, WAMs, etc.

VI. Executive Session

The Board did not move into Executive Session.

VII. Next Regular Meeting:

Wednesday, March 28, 2018 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 **Sean Rommel** and seconded by **Jim Green** to adjourn the meeting at 1:10pm. The motion was approved unanimously.

The minutes of Riverbend Water Resources District Board of Directors meeting, February 28, 2018 were read and approved on the 4th day of April, 2018.

Marshall Wood, President

Attest:

Elizabeth Fazio Hale, Executive Director/ CEO