

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

August 29, 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 August 23, 2018, the Chair, Marshall Wood, President of the Board, called the meeting to order at 12:06 p.m.

Directors Present:

Marshall Wood, President
Fred Milton, Vice President
Sonja Hubbard, Treasurer
Jim Green, Past President

Directors Absent:

Sean Rommel, Secretary

Administration Present:

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

Public Present:

See attached list.

II. Invocation & Pledge

Fred Milton led the invocation.

Jim Green led the pledge.

III. Public Comments

No public comments.

IV. Agenda Items for Individual Consideration

A. Discussion and possible action regarding July 24, 2018 Special Called Work Session minutes; July 25, 2018 Regular Meeting minutes; August 13, 2018 Special Called Meeting minutes; and August 22, 2018 Special Called Work Session minutes.

A motion was made by **Sonja Hubbard** and seconded by **Jim Green** to approve the minutes for the July 24, 2018 Special Called Work Session; minutes for the July 25, 2018 Regular Meeting; minutes for the August 13, 2018 Special Called Meeting; and minutes for the August 22, 2018 Special Called Work Session. The motion passed unanimously.

B. Discussion and possible action regarding approval of a resolution approving the third quarter financials of the FY 2017-2018 (April, May, June) and any applicable quarterly investment reports.

Rhonda Jones presented the third quarter financials.

A motion was made by **Fred Milton** and seconded by **Jim Green** to approve **RESO 20180829-01** approving the Third Quarter Financials. The motion passed unanimously.

C. Discussion and possible action regarding approval of a resolution approving the Riverbend Construction Specifications for Water and Wastewater Infrastructure within the CCNs (Certificate of Convenience and Necessity) of the Riverbend Water Resources District.

Eli Hunt, Systems Manager, provided information on the need for these Construction Provisions and Specifications for future projects. The provisions provide requirements for the addition of new water and wastewater infrastructure. They include standards such as pipeline size and connection requirements, along with meter requirements.

A motion was made by **Fred Milton** and seconded by **Jim Green** to approve **RESO 20180829-02** approving the Riverbend Construction Specifications for Water and Wastewater Infrastructure within the CCNs of the Riverbend Water Resources District. The motion passed unanimously.

D. Discussion and possible action regarding approval of a Riverbend Stormwater Permit Renewal Application to the Texas Commission on Environmental Quality.

Eli Hunt, Systems Manager, provided information on the creation of a Stormwater Plan and the renewal of this permit every five (5) years. Liz Fazio Hale, Executive Director/CEO recommended that Eli Hunt be granted signature authorization to complete this process, as necessary.

A motion was made by **Fred Milton** and seconded by **Sonja Hubbard** to approve **RESO 20180829-03** approving the Riverbend Stormwater Pollution Prevention Plan and Permit Renewal Application to the Texas Commission on Environmental Quality. The motion passed unanimously.

E. Discussion and possible action regarding amendments to the Riverbend Personnel Manual.

Liz Fazio Hale provided information on updates to the Riverbend Personnel Policy Manual. The recommended changes included the following:

4-5 Personnel Files

Proposed – Opt-Out form-protecting personal information of employees in the event a public records request is made.

6-6 Check Writing Policy

Current – All checks over \$5,000.00 require two (2) signatures, one of which must be a member of the Board of Directors.

Change approved March 28, 2018 – All checks over \$25,000.00 require two (2) signatures, one of which must be a member of the Board of Directors.

7-4 Leave Without Pay (new)

The Executive Director/CEO may grant leaves of absence without pay requested by regular, full time employees that have successfully completed a 90-day probationary period. If the request of a Leave Without Pay is approved, it will be granted in increments of four (4) week periods, not to exceed twelve (12) weeks within any calendar year. Leave Without Pay may only be requested in the event the employee exhausts all of his/her accrued sick leave and annual leave. The initial request for such leave shall be in writing and submitted in advance of the date the employee will commence such leave. Each request to extend leave for additional four (4) week periods shall be submitted in writing no less than five (5) business days prior to the expiration of the existing leave. In granting such leave, the Executive Director/CEO shall give primary consideration to the District's need for the employee's services. Leave Without Pay may be granted for any legitimate purpose; however, employees will be obligated to show that granting such leave is in the interest of the District. An example of a legitimate purpose is medical with documentation from the prescribing doctor.

While utilizing Leave Without Pay, the employee will not accrue additional sick or annual leave. The employee will also be responsible for the cost of any insurance premiums; the District will not pay any insurance premiums on behalf of the employee. In addition, the District will not make any employer matched contributions to any retirement plan during the leave period.

While utilizing Leave Without Pay, the employee will not perform work for any other employer.

Marshall Wood commented that he believed that the language is in compliance with State and Federal Labor Laws.

No action taken. Action is expected at the September 26, 2018 regular meeting.

F. Discussion and possible action regarding approval of legal services specifically for water law at the Texas and Federal levels.

This item was postponed until next regular meeting.

G. Discussion and possible action regarding approval of an RFQ for the selection of up to seven (7) engineer(s)/firm(s) to be placed on a Riverbend Master Rotation List that will provide engineering services for the following areas: 1) civil, structural, and environmental engineering and 2) local, state, and federal water planning/contract execution.

Liz Fazio Hale provided information on the need to keep a list of preapproved engineering firms to provide guidance on the following:

- civil, structural, and environmental engineering for water and wastewater projects; and
- engineering consulting related to local, regional, and state water planning.

A motion was made by **Sonja Hubbard** and seconded by **Jim Green** to approve the publication of the RFQ for a Master List to provide Engineering Services. The motion passed unanimously.

H. Discussion and possible action regarding FY 2017-2018 Member Entities' True-Up for use in FY 2018-2019.

Liz Fazio Hale provided information on the True-Up with Texarkana Water Utilities (TWU) held on August 22, 2018.

- The Overhead rate changed from 6.04% to 6.26% for FY 19. The method for calculating this percentage was approved last year.
- FY 17 True-Up resulted in monthly credits on FY 19 billings for 6 out of 8 member entities.
- FY 19 proposed water production rate changes from .8914 to .9006. an increase of 1.04%.
- FY 19 monthly billing after applying the FY 17 True-Up is a reduction from FY 18 for 3 out of 8 member entities.

No action taken. Action is expected at the September 26, 2018 regular meeting.

I. Discussion and possible action regarding approval of the Riverbend Budgets for 2018-2019 (WORKSHOP - No anticipated action):

1. Second Amended 2017-2018 Budgets for Admin Member and Wet Utilities;
2. DRAFT 2018-2019 Budgets for Admin Member, Labor Table, and Wet Utilities; and
3. DRAFT 2018-2019 Budgets for TAC East.

Liz Fazio Hale, Becky Melton, Finance Director/HR Manager, and Eli Hunt, Systems Manger provided information on the following amendments to the current FY budgets as well as projections for fiscal year 2018-2019:

Amendments to Budget for FY 17-18

Wet Utility Budget

In the Water budget, an adjustment was made in line item 53020-Lines. An amount of \$30,000 was deducted and moved to same line item in the Wastewater budget for an unexpected repair.

In the Industrial Wastewater budget, an adjustment was needed in line item 55110-Chemicals. The company that we purchase chemicals from increased the prices of their products. This caused us to increase that line item by \$64,400. These funds were moved from 53010-Plant Repair (\$30,000); 52000-Analyticals (\$15,000); 56000-Utilities (\$11,400); and 53020-Line Repair (\$3,000). In addition, the line item for the Industrial Feasibility Study was created under 53000-Plant Repair. The budget needed for this project is around \$82,000. The funds assigned to building 362 were not utilized and therefore moved to the project line item. This project will be complete by the end of FY 18.

In addition, there were minor adjustments in the labor table related to allocations across the 4 classes. Those adjustments did not change the overall labor table. They only changed the allocation between the classes.

Admin Member Budget

In the Administrative budget, a line item was created for the Volumetric and Sedimentation Study. SRBA provided \$50,000 for the completion of this study and Riverbend provided a matching \$50,000 from a transfer of unrestricted funds from the Wet Utility Budget.

Due to the signing of the funding agreement with SRBA for the Volumetric and Sedimentation study, a transfer of \$50,000 is needed from current equity in the Wet Utility Budget to complete the project funding of \$100,000.

Proposed Budgets for FY 18-19

Total increase of expenses is just over 5%. Labor table, water purchase cost, chemicals were the major contributions in the expense increase. Labor Table increase is the majority of the above-mentioned increase due to health insurance increasing at a rate of 25% for FY 2017-18 and a possible similar increase for FY 2018-19 as well as the addition of an in-house Accountant. The breakdown per class is below.

Water Budget:

Line item 53020-Lines was increased to \$50,000 by a transfer a funds from the same line item in Wastewater.

The water purchase cost is an increase of 5% from last fiscal year. This is an estimation and will be finalized after the True-Up meeting with TWU on August 22, 2018.

Wastewater Budget:

Line item 53020-Lines was decreased to \$35,000 by transferring the funds to the same line item in Water.

Line item 55110-Chemicals was increased to \$65,000 by a transfer of \$10,000 from 57000-Utilities. This is due to the increased cost of chemicals. This results in the line item 57000-Utilities being reduced to \$90,000.

Industrial Wastewater Budget:

Line item 55110-Chemicals was increased by \$80,000 to \$160,000 due to the increase in cost of chemicals. The funds were transferred from the budget allotted to treatment of Building 362.

Line item 55240-Safety was increased to \$4,500 from the remaining balance in allotted funds to treatment of water in Building 362.

Overhead Budget:

The Overhead budget increased due to the labor table increase for health insurance as well as the addition of a new position for an in-house Accountant.

TAC-East Budget

The only changes allow for an increase in the water purchase cost.

No action taken. Action is expected at the September 26, 2018 regular meeting.

J. Discussion and possible action regarding the ongoing Regional Water Master Plan process, including:

1. Regional Water Master Plan by Susan Roth Consulting;
2. Second Cost Estimates at Level III by AECOM; and
3. Riverbend RWMP Compilation; and
4. Water and Wastewater Rates Study by NewGen.

Liz Fazio Hale provided information on recent changes to the Riverbend Regional Water Master Plan by Susan Roth Consulting. One change was to ensure the any mention of International Paper (IP) is changed to Graphic Packaging International (GPI). In addition, the inclusion of information about the new water treatment for Cass County (the 2.5 MGD facility), only producing water for municipal needs, and not for GPI.

No action taken. Action is expected at the September 26, 2018 regular meeting.

K. Discussion and possible action regarding a Recommended Regional Water Rate for the purpose of implementing certain projects within the Riverbend Regional Water Master Plan.

A presentation of the NEW Recommended Regional Water Rate was repeated.

Discussion continued from Agenda Item IV.J.

L. Discussion and possible action regarding election of the Board of Directors Officers' Appointments for FY 2018-2019.

In keeping with the tradition since the 2012 timeframe, Liz Fazio Hale provided that the following board officers' appointments will be recommended:

Fred Milton, President
Sonja Hubbard, Vice President
Sean Rommel, Treasurer
James Green, Secretary
Marshall Wood, Past President

No action taken. Action is expected at the September 26, 2018 regular meeting.

M. Discussion and possible action regarding Board Schedule for FY 2018-2019.

Liz Fazio Hale provided a proposed Board Meeting Schedule. The proposed schedule continues with meetings scheduled on the fourth (4th) Wednesday of each month unless otherwise noted on the calendar to be approved at September's meeting.

No action taken. Action is expected at the September 26, 2018 regular meeting.

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

Liz Fazio Hale provided an update on the ongoing studies for Wright Patman Lake including the Volumetric and Sedimentation Study and the Water Availability Model.

No action taken.

O. Discussion and possible action regarding activities with Sulphur River Basin Authority (SRBA).

Liz Fazio Hale reported that the City of Texarkana, TX passed a resolution expressing concerns about the transparency of SRBA and meaningful inclusion of the local stakeholders in the basin. As requested, SRBA postponed several items on their August agenda, including an extension of the funding agreement with the JCPD.

No action taken.

P. Discussion and possible action regarding activities with TexAmericas Center (TAC).

Liz Fazio Hale provided information on continued work with TAC and future prospects.

Q. Discussion and possible action regarding activities with REDI.

Sonja Hubbard provided information on the REDI launch with Texas and Arkansas Governors on September 4, 2018.

No action taken.

V. Reports

A. Board Members

No reports from 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 and Waste Water Rates Study
- iv. Water Availability Modeling Update to Sulphur Basin
- v. Pump Station and Ground Storage Tanks Project
- vi. GIS Mapping
- vii. Industrial Pre-Treatment Feasibility Study
- viii. Hooks Waste Treatment Feasibility Study
- ix. Volumetric and Sedimentation Study on Wright Patman Lake
- x. Waste Water Drying Beds
- xi. Army Invoicing and Payments
- xii. Future CIP Projects for a Facility Charge #3
- xiii. Member Entity Services
- xiv. Other Maintenance and Services Projects - Hooks, Maud, Etc.
- xv. Future Riverbend Studies - Preliminary Design on Intake and Raw Water Line, etc.

VI. Executive Session

The board did not move into executive session.

VII. Next Riverbend Meetings

Regular Meeting Wednesday, September 26, 2018 at 12:00pm at Riverbend Offices, 228A Texas Avenue, New Boston, Texas.

VIII. Adjournment

With no additional business to be discussed, a motion was made by **Fred Milton** and seconded by **Jim Green** to adjourn the meeting at 2:07 p.m. The motion was approved unanimously.

The minutes of Riverbend Water Resources District Board of Directors meeting, August 29, 2018 were read and approved on the 20th day of September, 2018.



Marshall Wood, President

Attest:



Elizabeth Fazio Hale, Executive Director/ CEO

Riverbend Water Resources District
 Board Meeting
 August 29, 2018
 12:00 p.m.

No.	Name	Organization	Title	Phone	Email
1	Heel Harris	CBCWSC	GM	903 628 5601	cbcwsc@windstream.net
2	Lance Kleyment	Garver	Project Manager	214 619 9047	LNKLEMENT@GARVERUSA.COM
3	Mike Buxtram				
4	Rhonda Jones	HLC			
5	Sharon Elkins	Rep VanHaver			
6	Dennis Wandy	City of DeKalb	Mayor		
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