

**Regular Called Meeting
Riverbend Water Resources District
Board Meeting Minutes
January 22, 2020**
228 Texas Avenue, Suite A, New Boston, Texas 75570

M I N U T E S

I. Call to Order, Roll Call, and Establishment of Quorum and Certification of Notice

Pursuant to a notice posted on the District website, the Chair, Sonja Hubbard, President of the Board, called the meeting to order at 12:04 p.m.

Directors Present:

Sonja Hubbard, President
Tina Veal-Gooch, Vice President
Van Alexander, Treasurer
Marshall Wood, Secretary
Fred Milton, Past President

Directors Absent:

None

Administration Present:

Kyle Dooley, Executive Director/CEO
Eli Hunt, Operations Manager
Tara Houck, Chief Financial Officer
Becky Melton, Executive Assistant/HR Manager

Public Present:

Please see the attached list for additional guests.

II. Invocation & Pledge

Sonja Hubbard led the invocation and the pledge of allegiance.

III. Public Comments

None.

IV. Special Agenda Items for Individual Consideration

- A. Discussion and possible action regarding approval of a resolution accepting the recommendations of the City of New Boston and the City of Texarkana, Texas for Fred Milton and Marshall Wood, respectively, to serve an additional term as members of the Board of Directors of Riverbend Water Resources District.**

A motion was made by **Van Alexander** and seconded by **Tina Veal-Gooch** to approve **RESO 20200122-01** accepting the recommendations of the City of New Boston and the City of Texarkana, Texas to reappoint Fred Milton and Marshall Wood to the Board of Directors of Riverbend Water Resources District. The motion passed unanimously.

B. Oaths of office, administered by Judge Bobby Howell, for returning Directors Fred Milton and Marshall Wood.

Judge Bobby Howell performed the oaths of office for returning Directors Fred Milton and Marshall Wood.

V. Consent Agenda Items

Items IV.A. was considered under a Consent Agenda for one single motion of approval.

A. Discussion and possible action regarding November 20, 2019 Regular Called Meeting Minutes.

A single motion was made by **Fred Milton** and seconded by **Marshall Wood** to approve the Consent Agenda Item as listed above. The motion passed unanimously.

V. Regional Entity Reports

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

Kyle Dooley provided that a meeting was held on January 15th to pick the discussions back up regarding funding for SRBA. Mr. Dooley will be meeting with Meg Shelton, the Executive Director of SRBA on January 28th to discuss further plans for funding. The agreements for funding from the Funding Partners formerly know as the Joint Commission for Program Development (JCPD) have been signed.

No action taken.

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

Scott Norton provided that TAC is now officially an Enterprise Zone in the State of Texas. This provides them with additional incentives to offer companies to persuade them to build or move to the TAC footprint. They have reached the milestone of having over 1 million square feet of warehouse space, office space, and production space leased on their footprint. This year they will be building their first multi-tenant building on the TAC-East campus. There are two tenants lined up to move in. This building will be built larger than is required for these two tenants so as to prepare for additional tenants. One of the grants TAC has in partnership with Riverbend is to do a \$1 million sewer project in Area D buildings. Of the 12 buildings available in that area, 11 are now being utilized and interest in the last one has also been expressed. Prospect interest is still very good.

No action taken.

C. Discussion and possible action regarding activities with Ar-Tex REDI.

Sonja Hubbard provided that REDI is still moving forward with land acquisition. Discussions with both Texas and Arkansas are ongoing.

No action taken.

VI. Agenda Items for Individual Consideration

A. Discussion and possible action regarding approval of a resolution approving the Personnel Policy Manual.

Kyle Dooley provided that proposed changes to the Personnel Policy Manual were presented at the November board meeting. The only other recommended change is as follows:

*Removal of Columbus Day as a holiday and add one day during December to extend the Christmas Holiday. Explanation: *If Christmas Day falls on Sunday, Monday, Tuesday, or Wednesday the Christmas holidays would be observed on Monday, Tuesday, and Wednesday of that week. If Christmas Day falls on Thursday, Friday, or Saturday the Christmas holidays would be observed on Wednesday, Thursday, and Friday of that week.*

A motion was made by **Tina Veal-Gooch** and seconded by **Marshall Wood** to approve **RESO 20200122-02** approving the Personnel Policy Manual as presented. The motion passed unanimously.

B. Discussion and possible action regarding approval of a resolution approving the fourth quarter financials of FY 2018-2019 and any applicable quarterly investment reports.

Tara Houck provided information on the fourth quarter financials including updates to the preliminary financial statements presented at the November board meeting.

A motion was made by **Fred Milton** and seconded by **Van Alexander** to approve **RESO 20200122-03** approving the fourth quarter financials of FY 2018-2019 and any applicable quarterly investment reports. The motion passed unanimously.

C. Discussion and possible action regarding approval of a resolution approving the FY 2018-2019 Annual Audit performed by Wilf and Henderson, P.C.

Elizabeth Fawcett with Wilf & Henderson, P.C. presented the audit for FY 2018-2019. Ms. Fawcett stated that the District is financially strong and has appropriate controls in place. The audit is clean.

A motion was made by **Tina Veal-Gooch** and seconded by **Marshall Wood** to approve **RESO 20200122-04** approving the FY 2018-2019 Annual Audit as performed by Wilf & Henderson, P.C. The motion passed unanimously.

D. Discussion and possible action regarding approval of a resolution approving the first quarter financials of FY 2019-2020 and any applicable quarterly investment reports.

Tara Houk presented first quarter financials of FY 2018-2019

A motion was made by **Marshall Wood** and seconded by **Tina Veal-Gooch** to approve **RESO 20200122-05** approving the first quarter financials for FY 2019-2020 and any applicable quarterly investment reports. The motion passed unanimously.

E. Discussion and possible action regarding approval of a resolution updating the authorized signatories for the TexPool Participant Services Account.

Kyle Dooley provided information on the need to update signatures on the investment accounts at TexPool Participant Services. The fund requires that there are three individuals authorized to conduct business on the account. When conducting transactions, two signatures are required. Currently all three of the signatories are employees of the district. Management recommends that one of the authorized signatories be the President of the Board of Directors. This resolution will also allow for updates to the signatories annually as the Board President changes.

A motion was made by **Fred Milton** and seconded by **Tina Veal-Gooch** to approve **RESO 20200122-06** approving annual updates of authorized signatures to the TexPool Participant Services account. The motion passed unanimously.

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

No report at this time.

No action taken.

G. Discussion regarding a presentation by Kristina Fox from the Texas County and District Retirement System (TCDRS).

Kristina Fox provided information on the state retirement system available to employees of counties and districts in the state of Texas. The term “districts” includes water districts, hospital districts, appraisal districts, and emergency services districts. Ms. Fox also provided that TCERS is a savings-based benefit. This means members save for their own retirement over the course of their career and the benefit is based on their final account balance and employer matching at retirement. Employers are required to pay at least 100% of their required contributions each year. Over 1/3 of the employers choose to pay more as a buffer. Employers can adjust benefit levels annually (within plan parameters) to meet their workforce needs and budget. TCERS combines the best of a 401(k) and a defined benefit plan, like TRS or ERS. TCERS is similar in that employees save for their own retirement. However, TCERS takes it a step further because members don’t have to worry about the swings of the investment market or outliving their savings. TCERS is a lifetime benefit. With a traditional defined benefit plan, the employer bears the investment risk. With a 401(k), the employee bears the risk. With TCERS, risk is shared between the employer and employee because the employer can lower benefits if they experience

budget constraints. The overall TCDRS portfolio has an expected return of 8% with an annual risk of 12%. Today, TCDRS has more than \$30 billion in assets. The 30-year return is 8%. TCDRS has several checks and balances in place to ensure rates stays steady. They are as follows: Every 4 years they conduct an experience study to make sure the assumptions represent plan experience. Conservative funding method to smooth out actuarial gains and losses over 20 years and investment returns over a 5-year period. This gives markets time to recover and avoids single-year rate spikes. Diversified portfolio to manage risk while meeting long-term investment goals. Reserve fund to help buffer when investment performance is lower than expected. She also provided contribution specific returns based on an average of contributions made by members.

No action taken.

VII. Riverbend Reports

A. Board Members

Fred Milton provided an update on the Region C and D meetings that have been held in November, December and early last week. There were a significant number of participants spoke from the floor during the public comment period voicing their concerns about any new projects in the Sulphur River Basin. There is still a significant gap in what Region C desires to be in their plan and what Region D would prefer not be in Region C's plan. Region C desires to move up the permitting application for a project up to the near future as opposed to waiting until the year 2070. A Region D meeting is scheduled for January 23, 2020 at 1 p.m. at the Region 8 Education Center in Pittsburg, Texas. Mr. Milton expects there will be some significant discussions on where the regions go from here.

Mr. Milton thanked the staff for all their hard work over the past year during the transition and for their role in all the progress Riverbend has made in the last few years.

No action taken.

B. Executive Director/CEO

Kyle Dooley provided information on receiving a Funding Determination Letter from TWDB on January 9, 2020 that states that the water treatment facility project is "eligible to receive an equivalency loan for the amount requested in the application." This means Riverbend's application for funding is up for consideration and could be voted on in March.

Mr. Dooley also provided information on the water supply contract negotiations with the member entities. He met with all the lawyers that are representing the member entities on January 8, 2020. There are two items left to resolve and those should be handled quickly. After those two items are ironed out, another mayor's meeting will be scheduled to finalize the contracts so that the approval of the contracts can be put on the City Councils' agendas.

On December 17, 2019 Mr. Dooley received a letter from TCEQ requesting more information regarding the water rights application. The information they requested was returned to them on January 16, 2020. The goal is to get our application to what TCEQ calls Administratively Complete. The date we get that label is what sets the seniority for the water rights application. The next step is a technical review.

Fred Milton provided that a Region C representative commented that a previous mediation agreement that stated that Region C would not pursue water inside of Region D would no longer be an option if a resolution was not reached regarding their proposed project.

Typically this time of year we renew our employee health benefits. This year we are postponing that to ensure that our plan year will start on the same day as our fiscal year to keep annual costs more accurate.

No action taken.

VIII. Executive Session

The board stood at ease beginning at 1:28 p.m.

The board reconvened in Executive Session at 1:40 p.m with quorum pursuant to sections 551.071 and 551.074 of the Texas Open Meetings Act.

The board came out of Executive Session at 2:46 p.m.

IX. Next Riverbend Meetings

Riverbend Regular Meeting, Wednesday, February 26, 2020 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, Texas 75570.

XI. Adjournment

With no additional business to be discussed, a motion was made by **Van Alexander** and seconded by **Tina Veal-Gooch** to adjourn the meeting at 2:48 p.m. The motion passed unanimously.

The minutes of Riverbend Water Resources District Board of Directors meeting, January 22, 2020 were read and approved on the 19th day of FEBRUARY, 2020.



Sonja Hubbard, President

Attest:



Kyle Dooley, Executive Director/ CEO

Riverbend Water Resources District
 Board Meeting
 January 22, 2020
 12:00 p.m.

No.	Name	Organization	Title	Phone	Email
1	Janie Shipps	City of DK	City Secretary	903 293 4081	JShipps@dlkr.org
2	Mark Lorraine	Cobb County	Principle	(972) 679-3503	mlorraine@cobbscounty.com
3	Matt Garcia	Pape-Dawson Eng	V. Pres. Ident	214-773-2380	MattGarcia@pape-dawson.com
4	Suzanne Cary	City of Marietta	Mayor Pro Tem		
5	Hal Hennis	Spec Bus	GM	903 625 5601	
6	Raymond Gilkino	Rep. Dan Deane		903-628-0361	
7	Sherry Colburn	WV			
8	Scott Norton	TAC			
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