

**Regular Called Meeting
Riverbend Water Resources District
Board Meeting Minutes
October 28, 2020**

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, the Chair, Sonja Hubbard, President of the Board, called the meeting to order at 12:05 p.m.

Directors Present:

Sonja Hubbard, President; via video conference
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, CFO
Becky Melton, Executive Assistant/HR Manager

Public Present:

Please see the attached list for additional guests.

II. Invocation & Pledge

Fred Milton led the invocation
Tina Veal Gooch led the pledge of allegiance.

III. Public Comments

None.

IV. Consent Agenda Items

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

A. Discussion and possible action regarding September 23, 2020 Regular Called Meeting Minutes and RESO 20201028-01 Wilf Henderson Contract.

A single motion was made by **Marshall Wood** and seconded by **Van Alexander** 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 reported that Chris Hartung has been approved to be the interim Executive Director for SRBA. The board is still finalizing a contract for Mr.Hartung.

No action taken.

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

Scott Norton, Executive Director, provided that on October 27, 2020 the TAC board approved the construction of a 150,000 square foot spec building. It should be completed by July of 2021.

No action taken.

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

Sonja Hubbard provided that the City of Texarkana, Arkansas signed a commitment letter for the purchase of the land for factory development. That should close by the end of the year.

No action taken.

VI. Agenda Items for Individual Consideration

A. Discussion and possible action regarding approval of a resolution authorizing the creation of new Texana Bank Accounts.

Kyle Dooley provided that this resolution, if approved, would allow staff to open any additional accounts at Texana Bank. The accounts would be open in connection with the next two agenda items; the Regional Water System Bonds. Signature authority would remain as they are on all of our accounts; one signature required for amounts less than \$25,000 and two will be required for amounts \$25,000 or greater.

A motion was made by **Fred Milton** and seconded by **Marshall Wood** to approve **RESO 20201028-02** authorizing the creation of new accounts at Texana Bank. The motion passed unanimously.

B. Discussion and possible action regarding approval of a resolution authorizing the issuance, sale, and delivery of Riverbend Water Resources District contract revenue bonds (Regional Water System Project), Taxable Series 2020A, and approving and authorizing instruments and procedures relating thereto.

Kyle Dooley provided that this is our first bond resolution for our Regional Water System project. This item and Item C. go together. The total between the two bonds is \$18 Million in funding. This is the first of four bond closings related to this project. This is the taxable portion and it totals \$10.8 Million. This will be used for design, acquisition and construction of the system. Rudy Segura from McCall, Parkhurst & Horton provided that in the history of their firm, they have not ever seen a project of this magnitude. The creation of a district with this kind of scope is historic. This taxable bond covers 60% of the 60 million gallons per day (mgd) that will be pulled from Wright Patman Lake for raw water use on the TexAmericas footprint. The remaining amount will go to the new water plant for treatment. Marti Shew from Hilltop Securities provided that Riverbend is in the final steps of this long process with the TWDB. The rate has been set on the taxable portion at 1.91%. Mr. Dooley reminded the Board that by being approved for State Revolving Funds, it helps the District save over \$3 Million in interest.

A motion was made by **Van Alexander** and seconded by **Fred Milton** to approve **RESO 20201028-03** authorizing the issuance, sale, and delivery of Riverbend Water Resources District contract revenue bonds (Regional Water System Project), Taxable Series 2020A, and approving and authorizing instruments and procedures relating thereto. The motion passed unanimously.

C. Discussion and possible action regarding approval of a resolution authorizing the issuance, sale, and delivery of Riverbend Water Resources District contract revenue bonds (Regional Water System Project), Tax-Exempt Series 2020B, and approving and authorizing instruments and procedures relating thereto.

Kyle Dooley provided that all of the information given on the taxable portion of the bonds applies to this tax-exempt portion however, the rate is slightly lower and is set at 1.29%.

Marshall Wood asked for clarification on why both bonds are not tax-exempt since Riverbend is a political subdivision. Mr. Segura from McCall Parkhurst & Horton, provided that tax-exempt debt is a subsidy granted by the federal government to state and local governments. This means that the funds awarded by the tax-exempt bonds can not benefit for-profit corporations, non-profit corporations more than 10%, or the federal government. So since Riverbend will be treating the remaining 40% of the water pulled from Wright Patman Lake for retail sale, the bond can be a tax-exempt bond.

A motion was made by **Van Alexander** and seconded by **Marshall Wood** to approve **RESO 202010128-04** authorizing the issuance, sale, and delivery of Riverbend Water Resources District contract revenue bonds (Regional Water System Project), Tax-Exempt Series 2020B, and approving and authorizing instruments and procedures relating thereto. The motion passed unanimously.

D. Discussion and possible action regarding approval of a resolution authorizing the filing of an application requesting financial assistance for Clean Water State Revolving Funds from the Texas Water Development Board (TWDB).

Kyle Dooley reminded the Board of previous discussion with Red River Army Depot (RRAD) regarding constructing a new Industrial Wastewater Plant. The first step is securing funding from the TWDB. This project qualifies for funds from the Clean Water State Revolving Fund. This fund and its application process, is identical to the Drinking Water State Revolving Fund program Riverbend is using except this program is for wastewater. This resolution, if approved will allow Riverbend to apply for \$13 Million in funding on behalf of RRAD in order to design and construct a new industrial wastewater facility.

A motion was made by **Fred Milton** and seconded by **Marshall Wood** to approve **RESO 20201028-05** authorizing the filing of an application requesting financial assistance for Clean Water State Revolving Funds from the Texas Water Development Board. The motion passed unanimously.

E. Discussion and possible action regarding approval of a resolution adopting a Records Retention Policy.

Kyle Dooley provided that further research on the need for retention policy for Riverbend yielded that, as a special purpose district/local government, statute dictated the District to use the retention policy and schedule as outlined for local governments by the Texas State Library and Archives Commission. The policy adopted by the Texas Commission on Environmental Quality proved to be insufficient for District needs. In addition, a Records Management Officer must also be appointed to a specific staff position with the District. This appointment has been assigned to the Executive Assistant's role.

A motion was made by **Marshall Wood** and seconded by **Fred Milton** to approve **RESO 20201028-06** adopting the Records Retention Policy as presented. The motion passed unanimously.

F. Discussion and possible action regarding approval of a resolution authorizing staff to dispose of assets relinquished by Red River Army Depot (RRAD) and absorbed by Riverbend Water Resources District.

Kyle Dooley provided that in February 2018 Riverbend took ownership of a skid-mounted wastewater pretreatment unit from RRAD. The Army was utilizing this unit in some of their processes and those processes were stopped. Because they had no future use for the unit and offered the unit to Riverbend. Going forward the District does not have further use for this unit. Unipure is the manufacturer of this unit and stated that a fair value for this unit is \$15,000. There is also a fiberglass tank that could go with it and its value is estimated to be about \$10,000. The District is only looking to sell the pretreatment unit, not the tank.

A motion was made by **Van Alexander** and seconded by **Fred Milton** to approve **RESO 20201028-07** authorizing staff to dispose of assets relinquished by Red River Army Depot and absorbed by Riverbend Water Resources District. The motion passed unanimously.

G. Discussion and possible action regarding approval of a resolution approving an update to the Water Conservation Plan of the Riverbend Water Resources District.

Kyle Dooley provided that during TCEQ's review of our water rights application, they issued a list of items that need responses. One of them is that the District include language in the Water Conservation Plan that ensures that every wholesale water supply contract entered into or renewed or extended should be required to have the wholesale customer develop and implement a water conservation plan that meets the State requirements. The recently signed water supply contracts do include that language. The update to Riverbend's Water Conservation Plan adds section 5.6 to include the specific language: "Wholesale water users are required to develop and implement a water conservation plan or water conservation measure using the applicable elements of Title 30 Texas Administrative Code (TAC) Chapter 288."

A motion was made by **Marshall Wood** and seconded by **Van Alexander** to approve **RESO 20201028-08** approving an update to the Water Conservation Plan of the Riverbend Water Resources District. The motion passed unanimously.

VII. Riverbend Reports

A. Board Members

Fred Milton provided that Region D will have another open comment period with the Texas Water Development Board (TWDB) on restructuring the lines of the various regions in the State Water Plan. The Board took action to officially make comments during the open comment period of the previous planning cycle. Marshall Wood asked if Region D is requesting that the Board comment again during this open comment period and Mr. Milton confirmed that they are making that request. During the last planning cycle, each board member issued separate comment. Mr. Milton posed the question as to which would be more appropriate; individual comments or a single statement from the collective Board. The issue is that there is some geographical areas between regions that are co-shared. For example, there are areas in Region I that overlap with Region D as well as areas in Region C that overlap with Region D. In the past, there was a consensus with TWDB that there should be no change in the boundaries of the regions. Mr. Wood asked what, if anything, has changed since the last planning cycle that would cause stakeholders to deviate from the previous statement to leave the regional boundaries as they are. Mr. Milton stated that, to his knowledge, with regard to planning and projects as guided by current boundaries, nothing has changed. Mr. Wood also asked what "test" or "benchmark" that TWDB is looking for that would justify a change. Mr. Wood stated that it is a consistent attempt to dilute Region D and he would think that if the request to reconsider regional boundaries on a subjective level is problematic. Mr. Dooley thinks it may be statutory given the timeline of where the region is with regard to the State Water Plan. Tina Veal Gooch asked Kyle Dooley to find out when the open comment period ends and give guidance to the Board on whether or not a statement or letter should be made and what it should include.

Mr. Milton also provided information about the rescheduling of a recognition ceremony for former Mayor Johnny Branson. It has been rescheduled for Saturday, November 14, 2020 at First Baptist Church in New Boston from 4 to 6 p.m.

Sonja Hubbard proposed that the Board hold a workshop to discuss restructuring the Board of Directors for Riverbend. If any decision is made to change the make-up of the board, it will have to be proposed in the Texas Legislature. Because the legislature is in session in 2021, the time to make a decision is now. Proposed dates for this workshop are November 12th or 18th. Because of the Thanksgiving holiday during the week of our regular board meeting, it was decided to have the workshop at the New Boston Community Center on November 12, 2020 at 12:00 p.m. and our regular Board meeting would be moved to November 19, 2020 at the Riverbend Offices at 12:00 p.m.

B. Executive Director/CEO

Kyle Dooley provided the following updates:

Regarding the water treatment plant project and SRF application: the Requests for Qualifications (RFQ) for Bond Counsel, Financial Advisor and Legal Representation all closed on October 6, 2020. Staff made the decision to go with Hilltop Securities for Financial Advisor, McCall, Parkhurst, & Horton for Bond Counsel and Fancher Legal for Legal Representation. The District is set to close on the first set of bonds on November 23, 2020. As soon as possible after that closing, another RFQ will be issued for Program Manager.

At the last mayors' meeting they discussed the creation of an advisory committee to the board that will be made up of one representative from each member entity. This advisory committee will keep the Board aware of any concerns the members have during the Regional Water System Project. The next mayors' meeting should be held right after the first of the year near the time Riverbend brings a program manager on board.

Regarding the US Army Corps of Engineers (USACE)-Cultural Resources Study and Ultimate Rule Curve: We have had some positive movement towards beginning the Cultural Resources Study. The Contributed Funds Agreement has been executed. There will be a team meeting today and those meetings will be held weekly. The USACE states that there is an 18-24 month timeline for the study to be complete. Then mitigation will follow. The entire process to have the Ultimate Rule Curve implemented will be about 5 years. That timeline lines up with the completion of the Regional Water System Project. We hope it is an accurate timeline.

Regarding the new Industrial Wastewater Plant: Now that the Board has approved the submission of a funding application to the Texas Water Development Board, staff will get it turned in as soon as possible to allow TWDB to begin the application review process. Staff is working with the RRAD to get our contract with them updated to accommodate these changes, more specifically adding a third facility charge to pay for the new debt service that would come with this project. Staff is also working with TexAmericas Center (TAC) to find grant opportunities that could help pay back a large portion of the debt. The plan is to place this new industrial wastewater plant in a more central location so that any new tenants TAC brings in may also utilize the plant if they need it. There is discussion to consider having the new Regional Water Facility and the new Industrial Wastewater Facility on one campus.

Regarding the Water Rights Application: It is still in the technical review process. Last week, Mr. Dooley & Dawn Pilcher from LJA had a discussion with the Hydraulic Review Team with the Texas Commission for Environmental Quality (TCEQ). They were reviewing the accounting plan regarding the old rights, the new rights and how they fall in priority. The items

they are discussing are not substantial at this point. We are still on schedule to have a draft permit published for public comment right after the first of the year.

Regarding TexAmericas Center's new spec building: Mr. Dooley, Eli Hunt, Operations Manager, and Jeff Witten from TAC discussed the specific water needs for buildings similar to this. Because of the size of the building, there are flow rates needed for fire suppression in a building this size. For this building, they will build ground storage tanks to ensure those flow rates are met. This discussion led to another discussion on how to increase flow rates to prevent the need for ground tanks on other buildings. TAC has several prospects interested in building on this site so increasing the flow rate is imperative. Mr. Dooley suggested completing a feasibility study on how to address this issue for future buildings. This study would give us the cost of solutions. For example, building tanks on each building compared to building one elevated tower to be used by multiple tenants.

No action taken.

VIII. Executive Session

The board did not move in to Executive Session.

IX. Next Riverbend Meetings

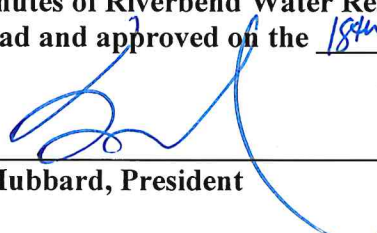
Riverbend Special Called Meeting & Workshop, Thursday, November 12, 2020 at 12:00 p.m. at the New Boston Community Center located at 301 NE Front St, New Boston, Texas 75570.

Riverbend Regular Meeting, Wednesday, November 18, 2020 at 12:00 p.m. at Riverbend Offices, 228 A Texas Avenue, New Boston, Texas 75570.

X. Adjournment

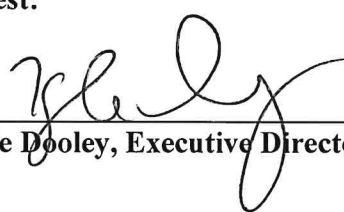
With no additional business to be discussed, a motion was made by **Marshall Wood** and seconded by **Van Alexander** to adjourn the meeting at 1:00 p.m. The motion passed unanimously.

The minutes of Riverbend Water Resources District Board of Directors meeting, October 28, 2020 were read and approved on the 18th day of NOVEMBER, 2020.



Sonja Hubbard, President

Attest:



Kyle Dooley, Executive Director/ CEO

Riverbend Water Resources District

Board Meeting

September 23, 2020

12:00 p.m.

No.	Name	Organization	Title	Phone	Email
1	Randy Votter	North Texas Industrial	Area Manager	(903) 826-0578	randyrvotter@gmail.com
2	Scott Barnett	" "	Field Sup	(903) 948-1919	scotthvotter@gmail.com
3	Lancy Klemm	Carver	NX Water	214 250 3497	LPKEMM@carver.com
4	Walt Gurn	Pope-Dura	N.P.	214 773 2380	WaltGurn@pope-dura.com
5	Sherry Bellum	WVU	Manager	903-276-5837	
6	Talondell Davis	Red River CoUSE	General Manager	903-249-030	talondell@redriver.com
7	J. Cleary	Mered	Mayor		
8	Hal Harris	CBRUSE			
9	Lanmy Brock	KSA			
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