



**NORTH TEXAS MUNICIPAL WATER DISTRICT  
501 E. Brown Street • Wylie, Texas 75098  
(972) 442-5405 – Phone  
(972) 295-6440 – Fax**

**MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
AUGUST 22, 2024**

The North Texas Municipal Water District (NTMWD) Board of Directors met in a regular meeting on Thursday, August 22, 2024, at 2:30 p.m. Notice of the meeting was legally posted in accordance with Government Code, Title 551, Open Meetings.

**I. CALL TO ORDER**

President George Crump called the meeting to order at approximately 2:30 p.m.

President Crump advised the following regarding the meeting:

The meeting today is being conducted in person with two-way video and audio communication between Board members participating by videoconference, establishing a quorum. The public may attend the meeting in person. Audio and video of Board members participating by videoconference will be visible. Members of the public wishing to listen to live audio from the meeting may do so by calling in.

**II. INVOCATION**

Director Lori Barnett Dodson offered the invocation.

**III. PLEDGE OF ALLEGIANCE**

President Crump led the Pledge of Allegiance.

**IV. PLEDGE OF ALLEGIANCE TO THE TEXAS FLAG**

President Crump led the Pledge of Allegiance to the Texas Flag.

**V. ROLL CALL/ANNOUNCEMENT OF QUORUM**

The roll was called, and attendance was confirmed as follows:

<b>DIRECTOR</b>	<b>IN PERSON</b>	<b>REMOTE</b>
Terry Sam <b>ANDERSON</b>		√
Rick <b>CROWLEY</b>	√	
George <b>CRUMP</b>	√	
Lori Barnett <b>DODSON</b>	√	
Phil <b>DYER</b>	√	
Joe <b>FARMER</b>	√	
Marvin <b>FULLER</b>		√
David <b>HOLLIFIELD</b>	√	
Chip <b>IMRIE</b>	√	
Blair <b>JOHNSON</b>		√
Ronald <b>KELLEY</b>	Absent	
James <b>KERR</b>		√
Geralyn <b>KEVER</b>	√	
Alan <b>McCUISTION</b>	√	
Rick <b>MANN</b>	√	
Jack <b>MAY</b>	√	
Don <b>PASCHAL</b>	√	
Richard <b>PEASLEY</b>	√	
George <b>PUREFOY</b>	√	
Randy <b>ROLAND</b>	√	
Keith <b>STEPHENS</b>	√	
Jody <b>SUTHERLAND</b>	√	
John <b>SWEEDEN</b>	√	

Larry THOMPSON	√	

The following NTMWD legal and professional consultants attended the meeting:

- Lauren Kalisek – Lloyd Gosselink Rochelle & Townsend

**VI. OPENING REMARKS**

- A. President’s Remarks concerning current events, recognitions, conduct of meeting, posted agenda items, committee assignments, and related matters

President Crump informed the Board Members of the passing of former Frisco Director Lynn Shuyler. Mr. Shuyler passed away on August 14<sup>th</sup>. The staff and Directors are collecting donations for a memorial gift to the Westwood School in his memory.

He reviewed the tentative meeting schedule for September 2024 as follows:

- Wednesday, September 11: Policy and Finance Committees
- Wednesday, September 12: Board Work Session
- Wednesday, September 25: Solid Waste, Wastewater and Real Estate Committees
- Thursday, September 26: Board Meeting

- B. Executive Director’s Status Report concerning legislation and regulatory matters, budgets, current projects and ongoing programs of the District including the Regional Water System, Regional Wastewater System, Regional Solid Waste System, Watershed Protection, and Water Conservation

Executive Director Jenna Covington announced that the District’s new website was launched today.

Executive Director Covington advised that an Executive Director for the John Bunker Sands Wetlands Center has been hired. After serving as Interim Director, Catriona Glazebrook has been appointed to fill the position.

Executive Director Covington stated that efforts continue toward returning the Lake Texoma Pump Station back to Texas. Staff is in contact with Oklahoma State University as they continue to negotiate the matter with the State of Oklahoma.

Executive Director Covington stated that regarding the Customer Premium, the Member and Customer Working Groups met with City Managers who are in general agreement with the proposals. They have requested that the start date for the new premium be in 2028. Executive Director Covington said that the city of Rowlett has adopted a resolution stating they do not support any Customer Premium. A meeting with Mayors is scheduled for next Wednesday to update them on the details. The NTMWD Board of Directors has a tentatively scheduled work session meeting on this matter on September 12<sup>th</sup>.

**VII. PUBLIC COMMENTS**

Prior to the start of the meeting, speakers must complete and submit a “Public Comment Registration Form.” During the public comment portion of the meeting, speakers will be recognized by name and asked to provide their comments. The time limit is three (3) minutes per speaker, not to exceed a total of thirty (30) minutes for all speakers. The Board may not discuss these items but may respond with factual or policy information.

Patrick Stallings, City Manager of the City of Seagoville, addressed concerns he and other city officials and Council members have regarding the potential of having the District’s wastewater sent to the City of Seagoville. He cited concerns with the potential location being prime commercial property and near a major residential development. He requested the Board discuss the matter with the City of Seagoville to select an alternate site for a sewer plant.

Justin Jinright spoke regarding recent communications he has had with District officials.

**VIII. DISCUSSION ITEMS**

1. Update on Capital Improvement Program for FY25

Assistant Deputy R.J. Muraski provided an overview of several projects planned for FY25, three of those being over \$100 million, and the remainder are smaller projects. Major construction related expenses for the Water, Wastewater and Solid Waste systems were reviewed.

Mr. Muraski explained that population growth in the north Texas area is what drives the needed improvements to the District’s infrastructure, as well as maintaining aging infrastructure and regulatory requirements. He noted that a regulatory requirement for the Wylie Water Treatment Plant to add backup power generation improvements comes at an estimated cost of \$40 million. Mr. Muraski advised that information on each project is included in the Directors’ Budget Book, and monthly updates will be provided.

Mr. Muraski summarized that growth in the service area is driving capital spending. Of the proposed budget increases, 90 percent is due to capital investment to ensure continued reliable service. The District is devoting \$390 million to ensuring a safe, reliable water supply for the growing region, including launching multi-year projects to expand water treatment capacity at the Wylie and Leonard Water Treatment Plants. The District is spending \$447 million on both regional wastewater infrastructure and smaller sewer systems, including \$100 million dedicated to protecting the public health by increasing peak wastewater flow capacity. Nearly 20 percent of the capital budget (almost \$200 million) is dedicated to maintaining critical infrastructure in the District’s service area.

Discussion followed regarding the population estimates and some questions regarding specific projects were raised.

2. Update on Regional Water Demands and End of Water Year

Deputy Director Billy George presented his annual update on water demands. He reviewed that the water year for the District is from August 1<sup>st</sup> until the end of the following July. He added that this year has not been a dry year with an average rainfall amount. Demands have increased over the past month or so due to warm temperatures and less precipitation.

It was noted that consumption over the last five years has been the highest on record, even though total precipitation was normal to wet, and demand was the lowest average gallons per capita. Conservation measures have helped to reduce the per capita usage. Graphs and charts were reviewed reflecting usage by month over that past five years.

Member City and Customer consumption totals were reviewed. Mr. George advised that nine Member Cities exceeded their annual minimums, and of the 34 Customer Cities, 19 exceeded their annual minimums.

3. Update on Amended FY2023-24 and Proposed FY2024-25 Annual All Systems Budgets

Deputy Director Jeanne Chipperfield reviewed that the original FY24 budget was \$743.4 million and the amended FY24 budget is \$746.7. The Preliminary FY25 budget is \$821.1 million. She stated that the significant drivers for the budget increase are personnel costs, supplies and services, capital outlay and debt service/capital improvements. A budget comparison chart for the Systems for both years was reviewed. She noted that there are six bond issuances planned for FY25.

Ms. Chipperfield advised that in September the Finance Committee will receive a review of the amended FY24 and FY25 proposed budgets. The Board of Directors will consider both at the September Board meeting. The new fiscal year begins October 1<sup>st</sup>.

Communication Director Alex Johnson reviewed the goals and strategies of how the District plans to communicate to its Members and Customers regarding the budget. He recapped Mr. Muraski's summary of proposed capital improvement total expenditures.

Discussion followed as to how the District pushes information out to the cities to pass along to their residents. Social media will be used to communicate programs of the District as well.

**IX. EXECUTIVE SESSION**

There were no scheduled Executive Session items.

**X. RECONVENE INTO REGULAR SESSION**

In accordance with Texas Government Code, Chapter 551, the Board of Directors of NTMWD will reconvene into regular session to consider action, if any, on matters discussed in Executive Session.

There were no scheduled Executive Session items.

**XI. CONSENT AGENDA ITEMS**

President Crump inquired whether any Director would like to remove an item from the Consent Agenda for separate discussion. There were no requests for separate discussion.

Upon a motion by Director Randy Roland to approve the Consent Agenda items and a second by Director Joe Farmer, the Board of Directors voted unanimously to approve the Consent Agenda items. Director James Kerr was absent from the vote.

- A. July 2024 Regular Board Meeting Minutes**  
The Executive Director and NTMWD staff recommend the Board of Directors approve the minutes of the regular Board meeting held on Thursday, July 25, 2024, as presented.
- B. July 2024 Board Work Session Meeting Minutes**  
The Executive Director and NTMWD staff recommend the Board of Directors approve the minutes of the Board Work Session meeting held on Thursday, July 18, 2024, as presented.
- C. Modification of the Capital Projects Request**  
Recommend the Board of Directors approve the August 2024, Modification of Capital Projects Request as presented.
- D. Funding Extension Agreement for Sulphur River Basin Authority**  
Extend funding agreement with the Sulphur River Basin Authority in the amount of \$67,000.
- E. Joint Funding Agreement Between North Texas Municipal Water District and United States Geological Survey for Continuation of Zebra Mussel Monitoring Program, Surface Water Data Collection and Water Quality Monitoring**  
Authorize execution of a Joint Funding Agreement with the United States Geological Survey (USGS) in the amount of \$314,680 for continuation of zebra mussel monitoring, surface water data collection and for water quality monitoring.
- F. Rowlett Creek Regional Wastewater Treatment Plant Administration Building, Project No. 301-0524-19, Resolution No. 24-27; Authorization To Use Competitive Sealed Proposal Procurement Method**  
Authorize the use of Competitive Sealed Proposal (CSP) procurement method for construction of the Rowlett Creek Regional Wastewater Treatment Plant (RWWTP) Administration Building project to provide the best value to the District.

**XII. AGENDA ITEMS FOR INDIVIDUAL CONSIDERATION**

**GENERAL / ADMINISTRATIVE AGENDA ITEMS**

**A. Amendments to District Policy No. 24 – Water Conservation and Water Resource and Emergency Management Plans**

Authorize amendments to District Policy No. 24 – Water Conservation and Water Resource and Emergency Management Plans

Director John Sweeden stated that the Water Committee reviewed this item at our January 24th meeting and voted to recommend the Board authorize amendments to District Policy No. 24 - Water Conservation and Water Resource and Emergency Management Plans. The Policy Committee considered the changes to District Policy No. 24 earlier this month.

In January 2024, the Board adopted changes to the NTMWD Water Conservation Plan and the NTMWD Resource and Emergency Management Plan. In order to align the adopted plans with District Policies, amendments must be made to District Policy No. 24.

Upon a motion by Director John Sweeden and a second by Director Larry Thompson, the Board of Directors voted unanimously to approve amendments to District Policy No. 24 as presented. Director James Kerr was absent from the vote.

**B. Upper East Fork Interceptor System Contract Revenue Refunding and Improvements Bonds, Series 2024**

Request Authorization to issue Revenue Bonds for the Upper East Fork Interceptor System in the amount of approximately \$153,700,000.

Director Geralyn Keever stated that the Finance Committee reviewed this item at the June 12th Finance Committee meeting. The Finance Committee voted to recommend the Board adopt Resolution No. 24-29, authorizing the issuance, sale, and delivery of NTMWD Upper East Fork Interceptor System Contract Revenue Refunding and Improvement Bonds, Series 2024.

This morning 9 bids were received. Morgan Stanley won the bid with an interest rate of 4.05%. \$150,745,000 of 2024 revenue bonds will be issued.

Upon a motion by Director Geralyn Keever and a second by Director John Sweeden, the Board of Directors voted unanimously to approve Resolution No. 24-29. Director James Kerr was absent from the vote.

**WATER AGENDA ITEMS****C. Leonard Water Treatment Plant Phase III; Project No. 101-0653-24; Engineering Services Agreement; Preliminary Engineering**

Authorize funding in the amount of \$3,859,100 for an engineering services agreement with Carollo Engineers, Inc. for preliminary design criteria and conceptual design services associated with the proposed Phase III expansion of the Leonard Water Treatment Plant (WTP).

Director John Sweeden said that the Water Committee reviewed this item yesterday and voted to recommend the Board authorize funding in the amount of \$3,859,100 for an engineering services agreement with Carollo Engineers, Inc. for preliminary design criteria and conceptual design services associated with the proposed Phase 3 expansion of the Leonard Water Treatment Plant.

The purpose of conceptual design services will be verification of project/facility planning, refinement of a conceptual plant layout, and the selection of the project delivery method for the Leonard Water Treatment Plant Phase 3 expansion project.

Upon a motion by Director John Sweeden and a second by Director Rick Crowley, the Board of Directors voted unanimously to approve. Director James Kerr was absent from the vote.

**D. Wylie Water Treatment Plant II East System Interconnection; Project No. 101-0652-24; Engineering Services Agreement**

Authorize funding in the amount of \$554,400 to Kennedy Jenks for an engineering services agreement for design of the Wylie Water Treatment Plant (WTP) interconnection to the East Transmission System.

Director John Sweeden stated that the Water Committee reviewed this item yesterday and voted to recommend the Board authorize funding in the amount of \$554,400 to Kennedy Jenks for an engineering services agreement for design of the Wylie Water Treatment Plant II interconnection to the East Transmission System.

This project will provide additional pumping capacity from Wylie Plant II to the NTMWD East Transmission service area by June 2026 in order to supply significant population growth in the East Conveyance System.

Upon a motion by Director John Sweeden and a second by Director Alan McCuiston, the Board of Directors voted unanimously to approve. Director James Kerr was absent from the vote.

**WASTEWATER AGENDA ITEMS**

**E. South Mesquite Creek Regional Wastewater Treatment Plant Peak Flow Management and Expansion; Amendment No. 5; Change Order No. 2; Project No. 301-0525-18**

Authorize Amendment No. 5 for Change Order No. 2 to the Construction Manager At Risk (CMAR) Agreement with Archer Western Construction, LLC resulting in a credit in the amount of (\$1,553,954.45) to close three work packages, reduce the Guaranteed Maximum Price (GMP), and release of retainage for select bid packages on the South Mesquite Creek Regional Wastewater Treatment Plant (RWWTP) Peak Flow Management and Expansion project.

Director Keith Stephens advised that the Wastewater Committee reviewed this item yesterday and voted to recommend the Board authorize Amendment No. 5 for Change Order No. 2 to the Construction Manager At-Risk Agreement with Archer Western Construction, LLC resulting in a credit in the amount of (\$1,553,954.45) to close three work packages, reduce the Guaranteed Maximum Price, and release of retainage for select bid packages on the South Mesquite Creek Regional Wastewater Treatment Plant Peak Flow Management and Expansion project.

Upon a motion by Director Keith Stephens and a second by Director Don Paschal, the Board of Directors voted unanimously to approve. Director James Kerr was absent from the vote.

**F. Interlocal Cooperation Agreement between the North Texas Municipal Water District and City of McKinney for the Wilson Creek Sewer System, Wilson Creek Relief Interceptor, and Rowlett Creek Trunk Sewer Extension; Resolution No. 24-28**

Authorize the execution of an Interlocal Cooperation Agreement between the North Texas Municipal Water District and the City of McKinney for the Wilson Creek Sewer System, Wilson Creek Relief Interceptor, and Rowlett Creek Trunk Sewer Extension.

Director Keith Stephens advised that the Wastewater Committee reviewed this item yesterday and voted to recommend the Board authorize the execution of an Interlocal Cooperation Agreement between the North Texas Municipal Water District and the City of McKinney for the Wilson Creek Sewer System, Wilson Creek Relief Interceptor, and Rowlett Creek Trunk Sewer Extension.

This agreement supports NTMWD’s development of the Stover Creek Lift Station system by transferring certain wastewater assets to NTMWD and expanding the District’s Upper East Fork Interceptor System for the purpose of conveying wastewater flows.

Upon a motion by Director Keith Stephens and a second by Director Don Paschal, the Board of Directors voted unanimously to approve Resolution No. 24-28. Director James Kerr was absent from the vote.

**XIII. CLOSING ITEMS**

- A. Opportunity for Board members to provide feedback or request potential future agenda items.

Director Joe Farmer requested a review of Agenda Item XII.A. A. Amendments to District Policy No. 24 – Water Conservation and Water Resource and Emergency Management Plans. Executive Director Covington explained that a five year plan update is required by TCEQ, including model plans. Those plans are also submitted to the State. She reviewed that the District approved an updated plan in January, and more recently the Water and Policy committees reviewed the subsequent Policy changes. The major changes in the plan was to add Bois d’Arc Lake to the Drought Contingency section, and to add voluntary call for demand reduction. Mr. George added that the Goals and Objectives were also updated. Executive Director Covington stated that copies of the cities’ plans have been requested and the District will collaborate with them over the next five years in order to enhance the next five year plan.

Director David Hollifield requested follow-up communications with Member and Customers Working Group meetings.

Director Rick Crowley suggested that staff consider adding an analysis regarding engineering costs on project summaries.

**XIV. ADJOURNMENT**

There being no further business, the meeting adjourned at approximately 4:00 p.m.

APPROVED:

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 GEORGE CRUMP, President

ATTEST:

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 DONALD IMRIE, Secretary