

**MINUTES OF THE BOARD OF DIRECTORS  
OF THE DALLAS COUNTY PARK CITIES  
MUNICIPAL UTILITY DISTRICT  
HELD 9:00 A.M., TUESDAY, AUGUST 13, 2024  
AT 1811 REGAL ROW, DALLAS,  
DALLAS COUNTY, TEXAS**

**ITEM I  
ADMINISTRATIVE PROVISION  
V.T.C.A §49.100**

**NOTICE OF MEETING. §49.063**

The notice of the meeting was posted, Tuesday, August 1, 2024, at 3:00 p.m. and remained posted until Tuesday, August 13, 2024 at 12:00 p.m.

**MEETING CALLED TO ORDER §49.064**

The meeting was called to order by Mr. James Cornelius, President of the Board of Directors.

**ROLL CALL**

**Directors Attending**

James Cornelius, President  
Mike McKenzie, Secretary  
Neil Harris, Director  
Jack Denman, Director  
Charles R. Biddle, Director

**Others Attending**

Hector Ortiz, General Manager  
Brent Jordan, Technical Services Manager  
Trey Wimpey, Technical Services Supervisor

**CONSIDER MINUTES OF PREVIOUS MEETING(S) §49.065**

A regular meeting of the Board was held on June 11, 2024 and a special meeting was held on June 27, 2024. Some mistakes were noted and corrected. A motion was made by Jack Denman to approve the minutes. This motion was seconded by Neil Harris. All directors voted aye.

**ITEM II  
POWERS AND DUTIES  
V.T.C.A. §49.200**

**1. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY COMPREHENSIVE COMPLIANCE INVESTIGATION**

Travis Kruger briefed the Board on the recent Compliance Investigation conducted by the TCEQ. He noted that the only item left to resolve is the clearwell leak. Staff briefed the Board on the status noting that Garver is working on a solution. Staff will need to notify TCEQ when repairs and modifications are made to address the issue. Hector Ortiz noted that this was the first inspection the District had since Rob McCormic's retirement and staff did a good job preparing for it.

**2. CONSIDER RESOLUTION IN APPRECIATION OF JOHN L. WAGNER'S SERVICE ON THE BOARD OF DIRECTORS**

Hector Ortiz presented a resolution to the Board of Directors in appreciation of John L. Wagner's service on the Board of Directors. Jack Denman made a motion to approve the resolution. James Cornelius seconded the motion. All directors voted aye.

**3. CONSIDER RESOLUTION IN APPRECIATION OF BRENT JORDAN'S 40 YEARS OF SERVICE**

Hector Ortiz presented a resolution to the Board of Directors in appreciation of Brent Jordan's 40 years of service. Jack Denman made a motion to approve the resolution. James Cornelius seconded the motion. All directors voted aye.

**4. CONSIDER RESOLUTION ADOPTING THE FY2025 INVESTMENT AND COLLATERAL POLICY**

Hector Ortiz presented a resolution adopting the FY25 Investment and Collateral Policy. He informed the Board that Hilltop Securities reviewed the policy and said it continues to be adequate and changes are not needed at this time. Jack Denman made a motion to approve the policy. James Cornelius seconded the motion. All directors voted aye.

**ITEM III  
FISCAL MATTERS  
V.T.C.A §49.300**

**1. CONSIDER CONTRACT FOR THE SALE OF EXCESS RAW WATER**

Hector Ortiz and Ed McCarthy (legal counsel) presented the latest revision of the contract. Two items were brought up that need revision. First, the Board would like to remove provision C in Section 2.2 of the Contract. If this is not acceptable to UTRWD, then the Board would like to add language that states that we will not decrease our price to match Dallas' price in the event of a price drop and that we maintain the CPI adjustment as provided by the contract, even if our price is higher than Dallas'.

Second, if the Park Cities MUD establishes that additional water is available as a firm water supply, this contract will not apply to that water and the Park Cities MUD can seek other buyers and/or negotiate a new contract or contract amendment with UTRWD for this water. Ed McCarthy will re-write these sections to reflect the Board's direction and send back the revisions to the General Manager for review and sharing with UTRWD. Hector Ortiz mentioned that we may want to have a quick Zoom meeting later this month to approve the contract, if we can agree on a reasonable compromise with UTRWD.

## 2. DISCUSSION ON THE FY2026 BUDGET

Hector Ortiz brought up the FY2026 for discussion. James Cornelius indicated that we want to simplify the process and the documentation to make it easier to develop the budget each year. Hector Ortiz noted that Tom Tvardzik said he only needed the 5-year sheet included in the packet and Steve Alexander sent an e-mail with the sections he did not need. Hector Ortiz said he needed to meet with Steve as the pages he referenced are different than what we have.

### ITEM IV MANAGEMENT REPORTS

1. A status report of projects underway or completed was included in the Board packet for review.
2. A list of major invoices paid last month was included in the Board packet for review.
3. Budget Summaries were included in the Board packet for review.

***Jack Denman discussed why power is low for the month and Brent Jordan explained it was due to a mistake in accounts payable that resulted in a credit for the month due to overpayment.***

***Jack Denman asked about the TexPool deposits and withdrawals noting that a deposit for \$400,000 and a withdrawal for \$150,000 was made. Hector Ortiz explained that the \$150,000 was money transferred back into the Frost account for bill payment. So, the \$400,000 transfer into TexPool should have been \$250,000. Jack Denman asked about \$225,000 transfer shown in the Balance Sheet. Hector Ortiz explained that this money was transferred from the Frost M&O account to the Frost Payroll account to cover payroll. Similar transfers are made on a monthly basis. Jack Denman asked if we can note that in the Balance Sheet and Hector Ortiz said he would check to see how we can do it.***

4. Cashflow Reconciliation Report was included for Board review.
5. Balance Sheet was included in the Board packet for review.

6. TexPool statements were included in the Board packet for review.

**ITEM V  
ADJOURNMENT**

A motion was made by Neil Harris to adjourn the meeting and seconded by Mike McKenzie. All directors voted aye.

PASSED AND APPROVED THIS THE 10th DAY OF September, 2024

DALLAS COUNTY PARK CITIES  
MUNICIPAL UTILITY DISTRICT



Michael D. McKenzie, Secretary



James S. Cornelius, President

