

**MINUTES OF THE BOARD OF DIRECTORS' MEETING
GREATER TEXOMA UTILITY AUTHORITY**

MONDAY, FEBRUARY 21, 2011

**AT THE ADMINISTRATIVE OFFICES
5100 AIRPORT DRIVE
DENISON TX 75020**

Members Present: Don Skelton, Bill Johnson, George Rowland, Everett Grantham, Duane Hayes, Paul Kirley, David Sprowl, Clyde Yeatts

Members Absent: Mark Kuneman

Staff: Jerry Chapman, Debi Atkins, Carolyn Bennett, and Carmen Catterson

Visitors: Mike Wynne, Nall, Pelley & Wynne
Kevin Farley, City of Pottsboro

I. Call to Order

President Skelton called the meeting to order at 12:33 p.m.

II. Consent Agenda

The items marked with an asterisk (*) are considered routine by the Board of Directors and will be enacted in one motion with the consent agenda. President Skelton asked the Board if there were any items they wished to have removed from the consent agenda for discussion. There were no items requested by the Board of Directors to be removed from the consent agenda for discussion. Secretary/Treasurer Rowland motioned to approve the consent agenda. The motion was seconded by Board Member Kirley and passed unanimously.

III. * Consider and act upon approval of Minutes of January 17, 2011 Meeting

IV. * Consider and act upon approval of accrued liabilities for January 2011

V. Citizens to be Heard

Mr. Chapman briefly discussed the current situation with the US Army Corps of Engineers (USACE) and Lake Texoma regarding Zebra Mussels. The USACE has placed restrictions on pumping for the North Texas Municipal Water District (NTMWD). This does not impact the Authority at this time, but may in the future. Mr. Chapman then discussed several proposed legislation regarding water, including a bill filed by Senator Fraser that would provide vested water rights to property owners. This would have a direct impact on municipal and public water suppliers. Several cities, including Anna and Sherman have already developed resolutions opposing this legislation. Groundwater is becoming a very critical issue in Texas.

VI. Wastewater Activities

Consider and Act upon Contract with the City of Gainesville for Project Representative Services – I-35 Water and Sewer Relocation Project

Ron Sellman, the Director of Utilities for the City of Gainesville requested the Authority provide inspection services for the I-35 water and sewer project. This is the same service the Authority is providing for the Gainesville Pecan Creek sewer project. The City Manager agrees with the request.

Board Member Yeatts motioned to approve a Contract with the City of Gainesville for Project Representative Services – I-35 Water and Sewer Project. The motion was seconded by Board Member Grantham and passed unanimously.

Receive update on Melissa Fitzhugh Branch Capital Improvements Plans project

This is only an update being provided for information purposes with no action being requested. The Fitzhugh Branch Capital Improvement Plans project is a fairly substantial sewer project being constructed for the City of Melissa. It involves the relocation of both water and sewer lines. The project is approximately 90% complete at this time and should be complete by next month.

VII. Water Activities

Consider and Act upon Contract with the City of Gainesville for Project Representative Services – I-35 Water and Sewer Relocation Project

Discussion and action on this was completed under Wastewater Activities, VI-A.

Consider and act upon Change Order No. 2A to the contract with Sperling Construction for the Pottsboro Miscellaneous Water Improvements Project

This is a waterline project being constructed for the City of Pottsboro. The change order includes a change in both quantities and time. Funds are available to pay for this change order. The time extension was discussed with the City of Pottsboro and no objections have been identified. The change order is on the City's agenda for March 1.

Vice President Johnson motioned to authorize Change Order No. 2A to the contract with Sperling Construction for the Pottsboro Miscellaneous Water Improvements Project, contingent upon similar action being taken by the City of Pottsboro. The motion was seconded by Secretary/Treasurer Rowland and passed unanimously.

Consider and act upon Administrative Services Agreement with the Red River Groundwater Conservation District

Groundwater is becoming an important topic locally, as well as statewide. The Board authorized a contract with the Red River Groundwater Conservation District (RRGCD) in December. The contract submitted is similar to the contract the Authority approved with the North Texas Groundwater Conservation District. This is the same contract, but has been modified to include past due amounts owed to the Authority by the RRGCD. The Authority has been providing administrative services for the District for the past year, but has not received any funds. The RRGCD was not provided loans from the counties like the North Texas Groundwater Conservation District. The RRGCD plans to provide a statement to each groundwater provider with a proportionate amount due. The percentages are based on the 2006 groundwater

pumped, which was the last year the Texas Water Development Board compiled the information. The RRGCD Board is proposing a \$150,000 budget for 2011, which will include the funds to reimburse the Authority for costs incurred.

Board Member Sprowl motioned to authorize the amended Administrative Services Contract with the Red River Groundwater Conservation District. The motion was seconded by Board Member Kirley and passed unanimously.

VIII. General Activities

* Receive Monthly Financials

Consider and act upon recommendations to Texas Legislature on pending bills relating to water and eminent domain

Discussion on this item was held during Citizen Comments. No action is needed at this time. Mr. Chapman reported that City Manager Philip Sanders of the City of Anna submitted an adopted resolution to Senator Estes. Senator Estes' office contacted Mr. Sanders and stated that they were sympathetic to the City's concerns and would take them into consideration.

Consider and discuss accounting software update

Debi Atkins, the Authority's Finance Officer reported that the QuickBooks software needs to be updated every three years at a cost of approximately \$1,000. President Skelton agreed with the purchase because the system needs to be updated to stay up to date with current regulations.

Consider and act upon readopting the Board Policy Manual

The Authority Board of Directors is required to review the policy manual annually, but has not accomplished this task since 2008. As part of the review conducted by the Government Finance Officer's Association, they request the date of the last policy review. Mr. Chapman requested the Board provide direction as to whether they would like to review the Policy Manual or just state that no changes are recommended. President Skelton supported forming a Committee to review the manual and provide recommendations at the next meeting. President Skelton appointed a committee of himself, and Board Members Hayes and Kirley and requested that Mr. Wynne and Mr. Chapman attend the meetings to discuss possible changes.

IX. Executive Session

Pursuant to Government Code Sections 551.074, the Board of Directors adjourned into closed Executive Session at 1:00 p.m. to discuss the following:

Personnel Matters:

X. Regular Session

Consider and act upon items listed in Executive Session.


The Board reconvened into Regular session at 1:20 p.m. President Skelton stated no action was taken on items discussed during the Executive Session.

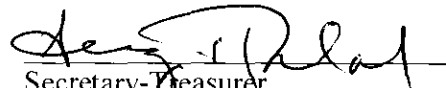
Vice President Johnson motioned to authorize General Manager Chapman to hire temporary staff for office assistance if needed. The motion was seconded by Secretary/Treasurer Rowland and passed unanimously.

XI. Adjourn

Upon motion by President Skelton, seconded by Vice President Johnson and passed unanimously, the Board adjourned at 1:21 p.m.

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Recording Secretary


Secretary-Treasurer