

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

**MONDAY, JUNE 20, 2011**

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

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

Members Absent: Don Skelton, Mark Kuneman, David Sprowl,

Staff: Jerry Chapman, Carmen Catterson, and Jennifer Atkins

Visitors: Mike Wynne, Nall, Pelley & Wynne  
Jonathan Cannon, Herald Democrat  
David Gattis, Freeman-Millican, Inc.  
Mark Gibson, City of Sherman  
Kevin Farley, City of Pottsboro

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I. Call to Order

Vice President Johnson called the meeting to order at 12:30 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. Vice President Johnson 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. Board Member Yeatts motioned to approve the consent agenda. The motion was seconded by Board Member Grantham and passed unanimously.

III. \* Consider and act upon approval of Minutes of May 23, 2011 Meeting

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

V. Citizens to be Heard

Mr. Chapman introduced the visitors.

VI. Wastewater Activities

Consider all matters incident and related to approving an authorizing the execution of a Water and Sewer Facilities Contract with the City of Krum, Texas, including the adoption of a resolution thereto.

A proposal was provided to the Board regarding the adoption of a Resolution to allow the Authority to enter into a Water and Sewer Facilities Contract with the City of Krum. This is very similar to the other Water and Sewer Facilities Contracts the Authority has with other cities and water providers. The only difference with this document is that the City of Krum is issuing a tax pledge. Mr. Chapman briefly explained the process of developing and issuing bond series and the role the contract plays in the bond issuance. The Krum project will utilize the Clean Water State Revolving Fund (CWSRF) below-market interest rate program through the Texas Water Development Board (TWDB).

Board Member Grantham motioned to approve a Resolution approving and authorizing the execution of a Water and Sewer Facilities Contract with the City of Krum, Texas. The motion was seconded by Board Member Kirley and passed unanimously.

Consider and act upon an amended Resolution authorizing the filing of an application for financial participation not to exceed \$4.4 million from the Texas Water Development Board for the City of Krum Wastewater Improvements Project

Mr. Chapman explained that this involves selecting a financial advisory for the Krum wastewater project. The CWSRF program requires that the Authority solicit bids for engineering, bond counsel and financial advisory services. Mr. Chapman recommended the Board award the contract with Specialized Public Finance, Inc. based on their previous experience with the Authority.

Board Member Kirley motioned to approve a contract with Specialized Public Finance, Inc. and to amend the Resolution authorizing the filing of an application for financial participation not to exceed \$4.4 million from the Texas Water Development Board for the City of Krum Wastewater Improvements Project. The motion was seconded by Board Member Yeatts and passed unanimously.

Consider and act upon a Resolution accepting the contract with Tri-Con Services, Inc. for the Sherman Hwy 75 North Sewer Contract "B" project as complete.

Mr. Gattis, the consulting engineer has recommended this project be closed out. The project is complete and all close out documents have been received. Two change orders have already been approved on this project.

Secretary/Treasurer Rowland motioned to approve a Resolution accepting the contract with Tri-Con Services, Inc. for the Sherman Hwy 75 North Sewer Contract "B" project as complete, contingent upon similar action being taken by the City of Sherman. The motion was seconded by Board Member Kirley and passed unanimously.

Consider and act upon a Resolution accepting the contract with Associated Construction Partners, Ltd. for the Sherman WWTP Digester Improvements project as complete

The Sherman wastewater treatment plant digester project is being recommended for close out by Mr. Gattis. All close out documents have been received. The City of Sherman has not had an opportunity to accept this project as complete, but the City staff is satisfied with the work.

Board Member Yeatts motioned to approve a Resolution accepting the contract with Associated Construction Partners, Ltd. for the Sherman Hwy 75 North Sewer Contract "B" project as complete, contingent upon similar action being taken by the City of Sherman. The motion was seconded by Board Member Grantham and passed unanimously.

## VII. Water Activities

Consider all matters incident and related to approving an authorizing the execution of a Water and Sewer Facilities Contract with the City of Krum, Texas, including the adoption of a resolution thereto.

This item was discussed and motion made under Wastewater Activities, Item VI-A.

Consider and act upon confirmation to release funds from the TWDB Rural Water Assistance Fund (Argyle WSC)

The Authority received a \$5 million commitment from the TWDB for Argyle WSC in Denton County. Several projects were undertaken and several are still underway. \$1 million was still remaining in the commitment at a taxable rate of 3.9%. The TWDB requested that if the Authority would not be utilizing the remaining \$1 million, to be released. Mr. Chapman requested that the Board concur actions taken to release the commitment.

Board Member Kirley motioned to approve and confirm the release of funds from the TWDB Rural Assistance Fund (Argyle WSC). The motion was seconded by Secretary/Treasurer Rowland and passed unanimously.

Consider and act upon an Agreement with the City of Pottsboro for Cardinal Lane Water Line Project.

This is for a project in Pottsboro. The Authority has recently completed several water projects that were undertaken for Pottsboro. Due to favorable bids received on previous projects, approximately \$120,000 was still available in the construction account. The City requested the Authority use the remaining funds in coordination from local funds to replace a line along Cardinal Lane from FM 120 to the elevated storage tank. No price is available since bids have not been received. Mr. Chapman requested the Board consider approving this agreement so the project can begin. Clearance from the TWDB for environmental will be necessary before construction can begin. This should not be a problem since the project will be constructed in existing easements that have been previously disturbed.

Board Member Grantham motioned to authorize the General Manager to execute an Agreement with the City of Pottsboro for the Cardinal Lane Water Line project. The motion was seconded by Board Member Kirley and passed unanimously.

At this time, Mr. Chapman updated the Board on the SCADA system project for the City of Anna. The system has been installed and is being tested currently. This is the last component of a system wide SCADA that was installed for Anna last year. The staff hopes to close out this project next month. The NTGCD offered to staff the GMA 8, so the Authority is taking on those activities. The NTGCD has also started registering wells in Cooke, Collin and Denton Counties. The registration

process can be undertaken by fax, mail, e-mail or the through the well registration website. Well registration is free through June 30, 2011. Due to technical difficulties, the free registration period will probably be extended another month. The NTGCD has currently received between 100-125 well registrations and should receive more than 1,000 registrations before the process is complete. The RRGCD is still in the process of developing rules.

Mr. Chapman and Mr. Gibson are currently working with the North Texas Municipal Water District (NTMWD) to develop a solution to the Zebra Mussel issue. The NTMWD hired Alan Plummer & Associates to develop a plan to disinfect the line. The line will have to be cleaned before it pumping out of the Red River Basin can resume. The line also needs approximately 34 joints replaced, which will most likely take place next winter in December or January. The line may be out of service for up to six-weeks.

The first portion of the bonds for the Gainesville water treatment plant is expected to close June 28<sup>th</sup>. The second portion will most likely close before October 31, 2011.

Vice President Johnson inquired of the status of the groundwater districts. Mr. Chapman responded that the staff is providing support for the North Texas Groundwater Conservation District (NTGCD) and the Red River Groundwater Conservation District (RRGCD). The staff has also recently begun providing support for the Groundwater Management Area (GMA) 8.

Mr. Chapman updated the Board on the status of the installation of the pumps at the Lake Texoma pump station. Vice President Johnson asked the status of the border between Texas and Oklahoma. In the 1990s, the boundary between the states was reevaluated and the line was moved. Unfortunately, the line passes through the pump station. The staff is still trying to determine a solution to the problem.

VIII. General Activities

Receive Monthly Financials

The Board received these under Item II, Consent Agenda.

Consider and act upon establishing a Budget and Finance Committee


Vice President Johnson appointed Board Members Rowland, Sprowl, and Kirley to the Budget and Finance Committee.

XI. Adjourn

Upon motion by Vice President Johnson, seconded by Vice President Johnson and passed unanimously, the Board adjourned at 1:08 PM.

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Recording Secretary

  
Secretary-Treasurer