

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

MONDAY, JULY 18, 2011

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

Members Present: Don Skelton, Bill Johnson, Everett Grantham, Paul Kirley, Mark Kuneman, David Sprowl

Members Absent: George Rowland, Duane Hayes, Clyde Yeatts

Staff: Jerry Chapman, Carmen Catterson, and Jennifer Atkins

Visitors: Burt Garcia, Nall, Pelley & Wynne
Jonathan Cannon, Herald Democrat
David Gattis, Freeman-Millican, Inc.
Mark Gibson, City of Sherman

I. Call to Order

President Skelton called the meeting to order at 12:32 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. Board Member Sprowl motioned to approve the consent agenda. The motion was seconded by Board Member Kuneman and passed unanimously.

III. * Consider and act upon approval of Minutes of June 20, 2011 Meeting

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

V. Citizens to be Heard

Mr. Chapman introduced the visitors.

VI. Wastewater Activities

Consider and act upon Change Order No. 4 and a Resolution accepting the contract with Lewis Contractors, Inc. for the Melissa Fitzhugh Branch Capital Improvement Plans project as complete.

Mr. Chapman explained this is a \$1.7 million project that was constructed for the City of Melissa to move the water and sewer lines out of the right of way along Hwy 5. The project is complete and ready to close out. The engineer's certificate of completion has been received. However, the contractor has not submitted all close out documents. The staff would like to request the Board to approve the project as complete, contingent upon receipt of all close out documents.

Vice President Johnson motioned to approve Change Order No. 4 and a Resolution accepting the contract with Lewis Contractors, Inc. for the Melissa Fitzhugh Branch Capital Improvement Plans project as complete, contingent upon receipt of close out documents. The motion was seconded by Board Member Grantham and passed unanimously.

Consider and act upon a Resolution accepting the contract with JR Sheldon & Co., Inc. for the Sherman WWTP Primary Clarifier No. 2 Equipment Replacement project as complete.

This is one of a series of wastewater projects being constructed for the City of Sherman. The first is an equipment replacement for primary clarifier no. 2 at the Sherman WWTP.

Board Member Sprowl motioned to approve a Resolution accepting the contract with JR Sheldon & Co., Inc. for the Sherman WWTP Primary Clarifier No. 2 Equipment Replacement project as complete, contingent upon similar action being taken by the City of Sherman. The motion was seconded by Vice President Johnson and passed unanimously.

Consider and act upon Change Order No. 1 and a Resolution accepting the contract with JR Sheldon & Co., Inc. for the Sherman 2009 WWTP Fine Screen Improvements project as complete.

Mr. Gattis explained that this project does have a change order. The Fine Screen Improvements project included a bid for the screen equipment. However, the equipment turned out to be a little bit larger than anticipated. This added \$6,915.05 to the original project cost. All close out documents have been received.

Vice President Johnson motioned to approve Change Order No. 1 and a Resolution accepting the contract with JR Sheldon & Co., Inc. for the Sherman 2009 WWTP Fine Screen Improvements 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.

Consider and act upon Change Order No. 1 and a Resolution accepting the contract with Lynn Vessels Construction, LLC for the Sherman Hwy 75 North Sewer Contract "A" project as complete.

This project was completed by Lynn Vessels Construction, LLC. The change order reconciles for final quantities, which resulted in a decrease in cost.

Board Member Sprowl motioned to approve Change Order No. 1 and a Resolution accepting the contract with Lynn Vessels Construction, LLC for the Sherman Hwy 75 North Sewer

Contract "A" 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.

Consider and act upon a Resolution accepting the contract with TraC~n~trol for the Anna SCADA system project as complete.

Mr. Chapman explained that this is a project that was substantially complete last year. The City of Anna built a new public works building and requested the SCADA controls be moved to the new building. The contractor completed moving the controls and has submitted all close out documents. The City is satisfied with the work.

Vice President Johnson motioned to approve a Resolution accepting the contract with TraC~n~trol for the Anna SCADA system project as complete. The motion was seconded by Board Member Grantham and passed unanimously.

VII. Water Activities

Consider and act upon Change Order No. 4 and a Resolution accepting the contract with Lewis Contractors, Inc. for the Melissa Fitzhugh Branch Capital Improvement Plans project as complete.

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

Consider and act upon awarding the contract for the Argyle WSC 8" Water Line Relocation Along FM 407 Phase One project.

This is a project in Denton County being constructed for the Argyle WSC. This is a relocation of a water line that falls in a TxDOT right of way. The project was estimated to be less than \$50,000, which does not require advertising. Kerry Maroney, Jr. of Biggs & Mathews is the consulting engineer. Mr. Maroney tabulated bids and is recommending the project be awarded to Prose Backhoe & Utilities, LLC.

Vice President Johnson motioned to award the contract for the Argyle WSC 8" Water Line Relocation Along FM 407 Phase One project to Prose Backhoe & Utilities, LLC in the amount of \$47,290.00. The motion was seconded by Board Member Kirley and passed unanimously.

Consider and act upon Change Order No. 2 to the contract with Wilson Contractor Services, LLC for the Argyle WSC 12" Water Line Extension from Stonecrest Rd to Harpole Rd.

This is another contract for Argyle WSC. When Argyle WSC acquired the right of way, they entered into an agreement with the property owner that they would clear the brush from the area near Cook Street. This will cause an increase of \$6,600.

Board Member Kuneman motioned to approve Change Order No.2 to the contract with Wilson Contractor Services, LLC for the Argyle WSC 12" Water Line Extension from Stonecrest Rd to Harpole Rd. The motion was seconded by Vice President Johnson and passed unanimously.

VIII. General Activities

*Receive Monthly Financials

Receive Quarterly Financials

Mr. Chapman explained that the Quarterly Financial Report is contained in the agenda packet. The investment pool yields are minimal and the staff has been investing in CDs or anything that will provide a better interest rate. Based on the recommendations of the Investment Committee, the staff is keeping the investments short term.

Mr. Chapman also reported that the staff has started registering wells for the North Texas GCD. Many of the approximately 280 wells that have been registered are wells owned by the oil and gas industry. Enron has purchased a site in northwest Cooke County and has cleared the majority of the site. The District is unable to control the pumping of oil and gas wells. These wells are capable of producing almost 5 million gallons per day. Mr. Chapman updated the Board on the current activities of the Red River GCD. The staff is still providing assistance to both districts, as well as Groundwater Management Area 8, which extends from the Red River to Burnet County on the north side of Austin.

Vice President Johnson asked if the North Texas Municipal Water District (NTMWD) has attempted to take any water from Lake Texoma. The NTMWD voluntarily ceased pumping in July 2009. They have not resumed pumping. Mr. Chapman explained that the raw water line will have to be cleaned before it can be used by NTMWD. Mr. Chapman reviewed the activities regarding the line and the pump station improvements. The line will be out of service for 6 to 7 weeks while it is cleaned and the bends are strengthened.

Consider and act upon a Resolution adopting policies and amendments to the Board Policy Manual and repealing obsolete policies

Earlier this year, the Board chose to modify the Board Policy Manual. The modifications were provided to the Board with 30-day notice. Some of the changes were removing obsolete policies, and others were modifications to update the policies.

Board Member Sprowl motioned to approve a Resolution adopting policies and amendments to the Board Policy Manual and repealing obsolete policies. The motion was seconded by Board Member Kuneman and passed unanimously.

Consider and act upon Resolutions of Appreciation for State Representative Phillips and Senator Estes for assistance modifying the Authority's legislation.

The Authority's legislation was modified earlier this year to extend the allowed amount of change orders to be increased from 10% to 25%. Representative Phillips introduced the bill into the House and supported the bill. Senator Estes supported the bill in the Senate. The Legislation passed both the House and the Senate and was sent to the Governor for signature. A resolution of appreciation for each has been provided.

Vice President Johnson motioned to approve the Resolutions of Appreciation for State Representative Phillips and Senator Estes for assistance modifying the Authority's legislation. The motion was seconded by Board Member Kirley and passed unanimously.

IX. Executive Session

Pursuant to Government Code Sections 551.074, the Board of Directors adjourned into closed Executive Session at 1:03 p.m. to discuss Personnel Matters and Real Property.

X. Regular Session

Consider and act upon items listed in Executive Session.

The Board reconvened into Regular session at 1:27 p.m. President Skelton stated no action was taken on items discussed during the Executive Session.

XI. Adjourn

Upon motion by President Skelton, seconded by Vice President Johnson and passed unanimously, the Board adjourned at 1:28 PM.

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Recording Secretary



Secretary-Treasurer