

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

MONDAY, FEBRUARY 20, 2012

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

Members Present: Don Skelton, Bill Johnson, George Rowland, Everett Grantham, Paul Kirley, Mark Kuneman, Clyde Yeatts

Members Absent: Duane Hayes, David Sprowl

Staff: Jerry Chapman, Carolyn Bennett and Carmen Catterson

Visitors: Jonathan Cannon, Herald Democrat
Kristen Savant, Fulbright & Jaworski

I. Call to Order

President Skelton called the meeting to order at 12:34 PM

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 Yeatts and passed unanimously.

III. * Consider and act upon approval of Minutes of January 23, 2012 Meeting

IV. * Consider and act upon approval of accrued liabilities for January 2012

V. Citizens to be Heard

Mr. Chapman introduced the visitors and reported that Board Member Hayes was not present due to the bank holiday and Board Member Sprowl would not be able to attend this meeting, but planned to attend the March meeting.

VI. Consider all matters incident and related to the issuance and sale of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2012 (City of Gainesville Project)", including the adoption of a resolution authorizing the issuance of such bonds.

This is the final portion of the \$7 million bond series for the City of Gainesville water projects. This is a \$1.135 million installment of this bond series. Ms. Savant briefly reviewed the bond resolution with the Board. This series has a 1.29% interest rate.

Vice President Johnson motioned to approve the adoption of a resolution authorizing the issuance of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2012 (City of Gainesville Project)". The motion was seconded by Board Member Kuneman and passed unanimously.

VII. Consider and act upon all matters incident and related to the underwriting agreement for the Contract Revenue Refunding Bonds, Series 2012 (City of Sherman Projects)

The Underwriting Agreement addresses a potential refunding opportunity for the City of Sherman for the 2002-A, 2002-B and 2003 bond series for a total of approximately \$10 million. Garry Kimball, the Authority's Financial Advisor is proposing to use two underwriting companies, Morgan Keegan and First Southwest. The objective is to have a firm place the bonds quickly and at the lowest possible interest rate. The estimate is between 11-12% present value savings, which is far above the required 3%.

Vice President Johnson motioned to appoint Morgan Keegan and First Southwest as underwriters for the "Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2012 (City of Sherman Projects)". The motion was seconded by Board Member Kirley and passed unanimously.

VIII. Consider and act upon amending the GTUA Retirement Plan

This deals with amending the GTUA Retirement Plan to allow for hardship disbursements or loans. The staff thought the plan had this component, but when it was revised in 2009, this component was not included. The documents were supposed to be delivered by the date of the meeting, but were not received. The attorney broke both her hands in a skiing incident and was not able to complete the documents in a timely manner.

Vice President motioned to amend the GTUA Retirement Plan and sign the amended documents. The motion was seconded by Board Member Kirley and passed unanimously.

IX. Receive updated information on Zebra Mussels related to Lake Texoma and the US Army Corps of Engineers

Mr. Chapman passed out a photo of the pigging device that has been delivered to the pump station. One unit has been inserted into the line. A walkthrough inspection was conducted on February 17th. The punch list items still need to be addressed, but the project is substantially complete. The Corps of Engineers has submitted a list of 18 items that must be addressed before pumping can resume by the North Texas Municipal Water District (NTMWD). However, the number of viglers (juvenile Zebra Mussels) per liter must be below 0.07 and the numbers are higher due to the mild winter. This does not affect the City of Sherman's pumping, but does affect the NTMWD.

The seasonal pumping plan requested by the NTMWD was to be implemented between November and April 2012. However, due to the excessive number of viglers per liter, the NTMWD will not be able to pump this season. The NTMWD is constructing a \$270 million 96-inch water line from the end of the water line at Howe to the treatment plant at Lake Lavon. The Board continued to discuss the Zebra Mussels and potential impacts.

X Consider and act upon Change Order No. 1 and a Resolution accepting as complete the contract with Red River Construction Co. for the Sherman 2010 WWTP Improvements Project

This is the most recently finished project at the Sherman wastewater treatment plant. This was to install dome covers over the digesters. The \$1.4 million project is complete and the engineer submitted close out documents, including a final change order to adjust for quantities used. A resolution accepting the project as complete is also included for approval.

Board Member Yeatts motioned to authorize the General Manager to execute Change Order No. 1 and to approve a Resolution accepting the contract with Red River Construction Co. for the Sherman 2010 WWTP Improvements Project as complete, contingent upon similar action being taken by the Sherman City Council. The motion was seconded by Vice President Johnson and passed unanimously.

XI. *Receive Monthly Financials

XII. Receive General Manager's Report


The North Texas GCD meeting is on February 21st and the Red River GCD meeting is on February 22nd. The North Texas GCD is currently registering wells and the Red River GCD will begin registering wells in April. The staff is building a 1 million gallon elevated storage tank for Princeton and the project engineer removed the grass and shrubbery because there will be no water available for plants. The Board discussed the drought and the impact the drought will have on the area.

XIII. Adjourn

Upon motion by President Skelton, seconded by Vice President Johnson and passed unanimously, the Board adjourned at 1:10 PM.

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Recording Secretary


Secretary-Treasurer