

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

MONDAY, JANUARY 20, 2014

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

Members Present: Don Skelton, Bill Johnson, George Rowland, Jeannie Anderson, Everett Grantham, Mark Kuneman, Dave Stump, Clyde Yeatts

Members Absent: Place VI Vacant

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

General Counsel: Michael Wynne, Wynne & Smith Law

Visitors: Tom Schalk, Schalk & Smith
Judy Smith, Schalk & Smith

I. Call to Order

President Skelton called the meeting to order at 12:31 PM

II. Administer Oaths of Office

Mrs. Catterson administered the Oath of Office to President Skelton, Vice President Johnson, Secretary/Treasurer Rowland and Board Member Anderson.

III. Consider and act upon Officers for the 2014 calendar year

President Skelton nominated a committee of Kuneman, Rowland and Yeatts to provide recommendations for officers at the February meeting.

IV. 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 Kuneman and passed unanimously.

V. * Consider and act upon approval of Minutes of December 16, 2013 Meetings

VI. * Consider and act upon approval of accrued liabilities for December 2013

VII. *Receive Monthly Financials

VIII. Citizens to be Heard

Mr. Satterwhite introduced the visitors (listed above).

IX. Consider and act upon audit for fiscal year ending September 30, 2013

Mr. Schalk provided a review of the audit. He reported that they were able to once again offer a clean opinion. He explained the differences from previous years, which includes additional clarifications for reporting and responsibility. Mr. Schalk expressed that the Authority had good reporting procedures and they found no exceptions.

Secretary/Treasurer Rowland motioned to accept the audit for fiscal year ending September 30, 2013. The motion was seconded by Board Member Anderson and passed unanimously.

X. Consider all matters incident and related to a Resolution by the Board of Directors of the Greater Texoma Utility Authority requesting financial participation from the Texas Water Development Board; authorizing the filing of an application for financial participation; and making certain findings in connection therewith (City of Krum project)

This item was mentioned to the Board at the previous meeting. In August 2012, the Authority sold bonds to the Texas Water Development Board (TWDB) for wastewater treatment plant improvements. The project was bid in 2013 and many questions from contractors were received. After a pre-bid conference a 40-page addendum was incorporated into the bid documents. Bids were received in excess of the budgeted amount by approximately \$2 million. The City was left with three options – issue additional bonds to pay for the project, reduce items in the project to reduce cost, or redesign the project. The staff reviewed the options with the City. The City has requested the Authority pursue additional financing through the TWDB.

President Skelton asked if the City of Krum had the financial capability to repay the additional debt series. Mr. Satterwhite explained that Ms. Bennett has reviewed their financial situation and developed a pro-forma and they can afford the additional bonds. Mr. Satterwhite explained that this is not a new situation, and the TWDB has been very helpful.

Board Member Stump motioned to adopt a Resolution requesting financial participation from the TWDB, authorizing the filing of an application for financial participation for the City of Krum. The motion was seconded by Vice President Johnson and passed unanimously.

