

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

MONDAY SEPTEMBER 18, 2017

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

Members Present: Dave Stump, Mark Kuneman, Scott Blackerby, Brad Morgan, Donald Skelton, George Rowland

Members Absent: Donald Johnston and Ken Brawley

Staff: Drew Satterwhite, P.E., Debi Atkins, Carolyn Bennett, Velma Starks

General Counsel: Mike Wynne, Wynne and Smith

Visitors: Dick Long, Valley View Consulting LLC
Mark Gibson, City of Sherman
David Gattis, Freeman Millican, Inc.
Michael Hutchins, Herald Democrat

I. Call to Order

President Skelton called the meeting to order at 12:32 p.m.

II. Pledge of Allegiance

President Skelton led the group in the Pledge of Allegiance.

III. Presentation of GFOA Award to Debi Atkins.

President Skelton presented the GFOA Award to Debi Atkins. He thanked her for her outstanding work she has performed for the Authority which is evidenced by all the GFOA Awards on the wall.

IV. Consent Agenda

Items marked with an asterisk () are considered routine by the Board of Directors and will be enacted in one motion without discussion unless a Board Member or a Citizen request a specific item to be discussed and voted on separately.

Board Member Mark Kuneman made a motion to approve the consent agenda items. Board Member Dave Stump seconded the motion. Motion passed unanimously.

V. * Consider and act upon approval of Minutes of August 21, 2017 Meeting.

VI. * Consider and act upon approval of accrued liabilities for August 2017.

VII. * Receive Monthly Financial Information.

VIII. Citizens to be Heard.

There were no citizens present requesting to speak before the Board.

IX. Consider and act upon approval of Investment Policy.

General Manager Satterwhite provided background information for the Board. The Budget Committee met with staff and Valley View Consulting on September 11, 2017 to review the proposed changes. All of the Budget Committee's comments have been incorporated into the policy.

Dick Long, Valley View Consulting LLC, presented the policy. He informed the Board the policy is conservative, keeping the same risk criteria. The rules have changed and the policy has been updated. Board Member Stump made the motion to approve the Investment Policy. Board Member Morgan seconded the motion. Motion passed unanimously.

X. Consider and act upon an Engagement Letter for Independent Audit Services for FY 2016-2017.

General Manager Satterwhite provided background information for the Board. Adami, Lindsey & Co., LLP informed the Authority staff that they are unable to perform the Authority's audit this year due to a shortage of staff. After hearing of this circumstance, Authority staff immediately began developing a solicitation for audit proposals. The solicitation was sent out on July 13, 2017 and with a response deadline of August 8, 2017. Two proposals were received, one from Hankins, Eastup, Deaton, Tonn and Seay, and one from Schalk and Smith.

At the August board meeting, the Board authorized Hankins, Eastup, Deaton, Tonn and Seay to be awarded the audit services agreement, if they agreed not to increase rates more than 2% each year. Hankins, Eastup, Deaton, Tonn and Seay agreed to hold the increase to 2% per year.

Board Member Stump made the motion to authorize the engagement letter with Hankins, Eastup, Deaton, Tonn and Seay to perform the audit services. Board Member Morgan seconded the motion. Motion passed unanimously.

XI. Consider and act upon awarding contract to Lynn Vessels Construction for Sherman Industrial Sewer Replacement Project.

General Manager Satterwhite provided background information for the Board. The City of Sherman requested the Authority's assistance with financing a new wastewater collection line that will bring sewer from the Blalock Industrial Park to the City of Sherman's Wastewater Treatment Plant. The project will consist of the construction of approximately 6,000 feet of 21-inch, 3,000 linear feet of 18-inch and 800 linear feet of 15-inch PVC gravity sanitary sewer lines.

