

**GREATER TEXOMA UTILITY AUTHORITY
BOARD MEETING
DECEMBER 17, 2018**

AGENDA
GREATER TEXOMA UTILITY AUTHORITY
BOARD OF DIRECTORS PUBLIC HEARING AND MEETING
GTUA BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020
12:30 P.M., MONDAY, DECEMBER 17, 2018

Notice is hereby given that a meeting of the Board of Directors of the Greater Texoma Utility Authority will be held on the 17th day of December, 2018, at 12:30 p.m. in the Administrative Offices of the Greater Texoma Utility Authority, 5100 Airport Drive, Denison TX, 75020, at which time the following items may be discussed, considered and acted upon, including the expenditure of funds:

Agenda:

- I. Call to Order.
- II. Pledge of Allegiance.
- III. 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 requests a specific item to be discussed and voted on separately.
- IV. * Consider and act upon approval of Minutes November 19, 2018 Meeting.
- V. * Consider and act upon approval of accrued liabilities for November 2018.
- VI. Citizens to be Heard.
- VII. Appointment of a committee for the nomination of officers for the 2018 calendar year.
- VIII. Consider all matters incident and related to the issuance and sale of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2018A (City of Gunter Project)", including the adoption of a resolution authorizing the issuance of such bonds.
- IX. Consider and act upon authorization for General Manager to advertise for bids for City of Gunter Project.
- X. Consider all matters incident and related to the issuance and sale of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2019 (Bear Creek Special Utility District Project)", including the adoption of a resolution authorizing the issuance of such bonds.
- XI. Consider and act upon authorization for General Manager to advertise for bids for Bear Creek SUD Project.

- XII. Consider and act upon authorizing the execution of all documents associated with the sale of drainage easements to the Texas Department of Transportation.
- XIII. Receive General Manager's Report: The General Manager will update the Board on operational and other activities of the Authority.
- XIV. Adjourn.

¹The Board may vote and/or act upon each of the items listed in this agenda.

²At any time during the meeting or work session and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the Greater Texoma Utility Authority Board may meet in executive session on any of the above agenda items or other lawful items for consultation concerning attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gifts (§551.073); personnel matters (§551.074); and deliberation regarding security devices (§551.076). Any subject discussed in executive session may be subject to action during an open meeting.

³PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING, AND WHO MAY NEED ASSISTANCE, ARE REQUESTED TO CONTACT VELMA STARKS AT (903) 786-4433 TWO (2) WORKING DAYS PRIOR TO THE MEETING, SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.

ATTACHMENT IV

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

MONDAY NOVEMBER 19, 2018

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

Members Present: Ken Brawley, Brad Morgan, Stanley Thomas, Scott Blackerby, Donald Johnston, Mark Kuneman, and Anthony Richardson (arrived late)

Members Absent: Matt Brown

Staff: Drew Satterwhite, Carolyn Bennett, Debi Atkins, and Velma Starks

General Counsel: Mike Wynne, Wynne and Smith

I. Call to Order

Board President Morgan called the meeting to order at 12:30 p.m.

II. Pledge of Allegiance

Board President Morgan led the group in the Pledge of Allegiance.

III. Consent Agenda

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

IV. * Consider and act upon approval of Minutes of October 15, 2018 Meeting.

V. * Consider and act upon approval of accrued liabilities for October 2018.

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

VI. *Receive Monthly Financial Information.

VII. Receive Quarterly Investment Report.

Debi Atkins presented the Quarterly Investment Report to the Board.

VIII. Citizens to be Heard.

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

IX. Consider and act upon Administrative Service Contract with the Red River Groundwater Conservation District for 2019.

Board President Brad Morgan presented background information regarding the relationship between the Authority and the Red River GCD, and the Administrative Service Contract to the Board. Board Member Donald Johnston made the motion to execute the contract with the Red River Groundwater Conservation District for 2019. Board Member Scott Blackerby seconded the motion. The motion passed unanimously.

X. Consider and act upon Administrative Service Contract with the North Texas Groundwater Conservation District for 2019.

Board President Brad Morgan informed the Board that the contract with North Texas Groundwater Conservation District was the same as the contract with Red River Groundwater Conservation District. Board Member Scott Blackerby made the Motion to execute the contract with the Red River Groundwater Conservation District for 2019. Board Member Mark Kuneman seconded the motion. The motion passed unanimously.

XI. Consider and act upon the GTUA Regional Water Supply Study Contract Amendment with Freese and Nichols.

General Manager Drew Satterwhite provided background information for the Board regarding the Regional Water Study. The Authority currently has five existing water storage contracts with the United States Army Corps of Engineers in Lake Texoma. The Authority also has an associated water rights permit with the Texas Commission on Environmental Quality allowing for a withdraw of up to 83,200 acre-feet per year. The Authority has entered into agreement with 15 area water suppliers for the right to use the water right held by the Authority.

The Authority staff met with several of the water suppliers and determined that there was an interest in an engineering study being performed. The goal of the Regional Water Distribution Study is to explore the feasibility of developing a regional water distribution system to deliver treated water to parts of southwest Grayson, northwest Collin, northeast Denton and southwest Cooke Counties. Some of the retail water providers interested in this project already own water supplies in Lake Texoma which could be treated and used to distribute within this area. Others do not own water rights in Lake Texoma but could contract with current owners who possess water rights that are not expected to be needed to meet their demands for a long period of time. It was decided that at least 10 suppliers were needed to pursue contracting an engineering contract with Freese and Nichols, Inc., 13 entities indicated interest in participating and paid \$12,307.69 each.

Anthony Richardson arrived at 12:47pm.

The City of Weston requested to participate after the initial contract was initiated. The proposed amendment will add the City of Weston to the study, for an additional amount of \$12,307.69. The City has already forwarded a check in this amount to the Authority. Board

Member Scott Blackerby made the motion to approve the GTUA Regional Water supply Study Contract Amendment with Freese and Nichols. Board Member Donald Johnston seconded the motion. The motion passed unanimously.

XII. Consider and act upon awarding the contract for the Ector Wastewater Treatment Plant Project.

General Manager Drew Satterwhite provided background information for the Board. The City of Ector requested assistance in obtaining funding through the Texas Water Development Board ("TWDB") Clean Water State Revolving Fund ("CWSRF") for the disinfection upgrade required for the City's Wastewater Treatment Plant. The City of Ector has had difficulty during rainfall events keeping their discharges within the Texas Commission on Environmental Quality's permitted *E.coli* parameters. The engineer determined that a disinfection system is necessary for the City to comply with effluent parameters at the wastewater treatment plant.

The Board of Directors authorized the issuance of bonds in the amount of \$550,000 through the TWDB's CWSRF for design and construction of these improvements. The project was advertised for bids. Five bids were received with Patterson Professional Services' bid of \$314,075.50 being the lowest. The City of Ector has already voted to award the contract to Patterson Professional Services, LLC at their last City Council meeting. The Authority staff recommends authorizing the General Manager to award the contract to Patterson Professional Services, LLC in the amount of \$314,075.50 for the construction of the City of Ector Wastewater Treatment Plant Project.

Board Member Donald Johnston made the motion authorizing the General Manager to award the contract to Patterson Professional Services, LLC in the amount of \$314,075.50 for the construction of the City of Ector Wastewater Treatment Plant Project. Board Member Mark Kuneman seconded the motion. The motion passed unanimously.

XIII. Receive General Manager's Report: The General Manager will update the Board on operational and other activities of the Authority

General Manager Drew Satterwhite informed the Board of upcoming projects, Gunter, Bear Creek and Pottsboro. He thanked legal counsel, Mike Wynne for his assistance in expediting the review of the Gunter Wastewater Treatment Plant Rehabilitation project.

XIV. Adjourn

Anthony Richardson made the motion to adjourn. Mark Kuneman seconded the motion. Motion passed unanimously. Board President Morgan declared the meeting adjourned at 12:55 p.m.

#####

Recording Secretary

Secretary-Treasurer

ATTACHMENT V

RESOLUTION NO. _____

**A RESOLUTION BY THE BOARD OF DIRECTORS OF THE
GREATER TEXOMA UTILITY AUTHORITY AUTHORIZING
PAYMENT OF ACCRUED LIABILITIES FOR THE MONTH OF NOVEMBER**

The following liabilities are hereby presented for payment:

GENERAL:

Dues and Subscriptions

Gainesville Area Chamber of Commerce (transition from an individual to corporate account) 140.00

Fuel and Reimbursements for Mileage

Velma Starks (Reimbursement for mileage) 20.76
Conoco (Fuel - operations vehicles) 393.39
ExxonMobil (Fuel - operations vehicles) 960.88
Drew Satterwhite (Fuel) 179.66
Shell Fleet (Fuel - operations vehicles) 42.18

Insurance

Drew Satterwhite (2015 Chevy) 116.67
TWCA Risk Management (Workers' compensation insurance) 659.00

Leases/Rental Fees

North Texas Regional Airport (Lease - administrative offices) 2,061.43

Legal Fees

Wynne & Smith, LLC (Agenda, Board Meeting) 350.47

Maintenance Agreements

NovaCopy (Konica-Minolta copier) 495.58

Meetings and Conferences

Feast on This (BOD Lunches) 235.00

Professional Services

Final Details (Cleaning services) 585.00
Gonzalez Landscape (August-September) 204.16
Gonzalez Landscape (October-November)) 204.16

Repair & Maintenance - Administrative and Operations Vehicles

Whistlestop Car Spa & Lube (November oil changes and truck wash) 175.78

Supplies

Bank of Texas Visa (Office supplies)	434.03
Exxon/Mobil (Field supplies - ice)	8.60
Office Depot (Field Supplies)	24.93
Office Depot (Office & Janitorial supplies)	709.53

Utilities

Wayne Eller (Reimbursement for cell phone expenses)	25.00
Dave Tomlinson (Reimbursement for cell phone expenses)	25.00
Drew Satterwhite (Reimbursment for cell phone expense)	25.00
Cable One (Internet line)	129.44
AT & T Wireless (cell phone)	79.00
City of Denison (Water)	133.40
City of Sherman (Trash & Recycle services new rate)	102.00
8x8, Inc.(phone lines - local & long distance)	179.51
TXU Electric	391.20
ATMOS Energy	153.88
TOTAL:	\$ 9,269.64

SOLID WASTE:

Utilities

Grayson-Collin Electric	180.65
Starr Water Supply	53.69
TOTAL:	\$ 234.34

WASTEWATER:

Advertising

Gainesville Daily Register (Ector 2017 - 2nd notice for construction bids)	200.95
Herald Democrat (Ector 2017 - WWTP advertisement for construction and bids)	211.39

Construction Contracts

Lynn Vessels (Sherman 2017 - Industrial Replacement Sewer Final Pay App #8 Final)	81,087.92
Patterson Professional Ser. (Gunter 2018 WWTP replacement project Pay App #2)	127,794.00

Engineering Fees

CobbFendley (Ector 2017-WWTP Disinfection 100% complete for Final Design & bidding)	6,500.00
CobbFendley (Gunter - 2018 - WWTP Downtown replacement 35% const. phase services complete)	4,912.50

Paying Agent Fees

Bank of Texas Trust (Pottsboro 2006 POTTSBORO06 12/1/2018)	225.00
--	--------

Bank of Texas Trust (Melissa GTUACRBMP09A 12/1/18 & GTUACRBMP09B 12/1/18)	600.00
Bank of Texas Trust (Van Alstyne GTUAVANAL14B 12/1/18)	300.00

TOTAL:	\$ 221,831.76
---------------	----------------------

WATER:

Advertising

Star Local Media (Princeton 2018 - public notice for categorical exclusion - meter)	99.00
---	-------

Construction Costs

Central Texas Well Water (Tom Bean 2015 - Water System Improvements Pay App #5)	76,095.00
H2O Innovations USA (Sherman 2015 Equipment for WTP Pay App #3)	1,438,432.50
H2O Innovations USA (Sherman 2015 Equipment for WTP Pay App #5)	334,643.83
HydroPro Soutlions, LLC (Princeton 2018 - Meter project for installation and equipment)	64,633.66
Landmark Structures LP (Sherman 2015 - 1.5mg elevated tank project Final. Pay App # 16)	112,422.35
MWH (Sherman 2015 WTP expansion and improvements Pay App #19)	595,288.26
MWH (Sherman 2017 WTP expansion and improvements Pay App #19)	346,939.03
MWH (Sherman 2017 WTP expansion and improvements Pay App #20)	678,763.85
Wilson Contractors (L.K Kiowa 2017 Water System Improvements Pay App #9)	123,373.77

Dues and Subscriptions

Bank of Texas Visa (NTGCD Quickbooks Online)	31.50
Bank of Texas Visa (RRGCD Quickbooks Online)	31.50

Engineering Fees

Freeman-Millican (Sherman 2015 1.5mg elevated storage tank 100% complete construction)	1,013.60
Freeman-Millican (Sherman 2017 - Fairview repair / repaint 100% Prelim Design & 50% Final Des.)	30,712.50
City of Krum (Krum 2017 - 26.61% design const. & 19.04% basic serv. Complete Freese & Nichols)	25,431.76
City of Krum (Krum 2017 Masch Branch Wtr Well 29.67% Design Construction complete)	6,625.00
City of Sherman (Sherman 2015 inspection fees July-September)	15,949.38
City of Princeton (Princeton 2018 63% Final Design complete Fores Grove Pump Station)	90,750.00
Rice Inspection Inc. (L.K Kiowa 2017 Inspection of Utility Construction)	4,421.80

Groundwater

8x8, Inc. (NTGCD - 800 line, local & long distance)	179.50
8x8, Inc. (RRGCD - 800 line, local & long distance)	179.50
AT & T Mobility (NTGCD - W. Parkman - cell phone)	84.57
Allen Burks (RRGCD - cell phone reimbursement)	25.00
Exxon/Mobil (NTGCD - Fuel, W. Parkman)	122.74
Exxon/Mobil (RRGCD - Fuel, A. Burks)	84.41
Paul Sigle (NTGCD - cell phone reimbursement)	12.50
Paul Sigle (RRGCD - cell phone reimbursement)	12.50
Velma Starks (NTGCD - mileage reimbursement)	10.30
Velma Starks (RRGCD - mileage reimbursement)	19.15

Legal

Meetings & Conferences

American Express (NTGCD - Texas Alliance Groundwater Conservation Districts)	108.29
American Express (RRGCD - Texas Alliance Groundwater Conservation Districts)	108.29
Bank of Texas Visa (NTGCD - Prairie House Restaurant BOD meeting)	253.68
Bank of Texas Visa (RRGCD - Panera Bread BOD meeting)	209.78

Miscellaneous

Awards Unlimited (GMA-8 Gavel Award for Eddy Daniel P.E.)	156.00
FAO, USACE(Lake Texoma 2011 wtr storage for 10/28/18-10/27/19 DACW56-11-WS0001)	787.00
Gonzalez Landscape (Sherman 2012 Ref - Pump Station, Corp Property - mowing August-September)	333.36
Gonzalez Landscape (Sherman 2012 Ref - Pump Station, Corp Property - mowing October-November)	333.36
TCEQ (CGMA Annual Water Permit for FY 2019)	125.00

Paying Agent Fees

Bank of Texas Trust (Dorchester GRETEUTIL02 12/1/18)	200.00
Bank of Texas Trust (Gober GRETEUTIL012 12/1/18)	162.50
Bank of Texas Trust (Pottsboro 2007 GTUACRB07CPP 12/1/18)	325.00
Bank of Texas Trust (Van Alstyne 2014 GTUAVANAL14A 12/1/18)	300.00
Bank of Texas Trust (Van Alstyne 2015 GTUAVANAL15 12/1/18)	300.00
Bank of Texas Trust (Van Alstyne 2014 GTUAVANAL14A 12/1/18)	325.00

Postage

CGMA Repair & Maintenance

Bank of Texas Visa (CGMA - Westch Fuel Equipment)	570.48
Brenntag Southwest (CGMA - Chemicals to disinfect lines)	1,531.86
DeZurick (CGMA - Buffer for Apco Bloomdale check valve)	1,304.78
Gonzalez Landscape (CGMA - Howe Tank Site August & September)	141.66
Kemp Lawn Maintenance (CGMA - Bloomdale Pump Station)	380.83
LCRA (CGMA - Nitrate Analysis)	103.85
Lowe's (NTGCD - Totes)	9.48
Lowe's (RRGCD - Totes)	9.48
Lowe's (CGMA - zip ties, hole saw, pipe bushings for tank)	49.24
Texas Excavation Safety System, Inc. (CGMA - water tests)	185.25

Supplies

Wayne Parkman (NTGCD - cell phone charger kit for truck)	19.46
Allen Burks (RRGCD - cell phone and charger kit for truck)	22.48
Bank of Texas Visa (NTGCD - Home Depot Field supplies, slip caps, flexible caps, clamps etc)	141.89
Bank of Texas Visa (RRGCD - Home Depot Field supplies, slip caps, flexible caps, clamps etc)	172.57
Bank of Texas Visa (NTGCD - Lowes Field Supplies, Sch 40 caps, flexible cap fittings, totes)	44.67
Bank of Texas Visa (RRGCD - Lowes Field Supplies, Sch 40 caps, flexible cap fittings, totes)	44.67

Training

Bank of Texas Visa (NTGCD - Suncoast Learning Systems Chlorinator Systems & Chemical Handling, \ 235.00

CGMA Utilities

AT & T U-Verse (Bloomdale Pump Station) 89.90
City of McKinney (Pass Through Charges September) 30,280.82
North Texas Municipal Water District (Water Usage) 188,483.35
TXU Energy (Bloomdale Pump Station) 7,689.24

TOTAL: \$ 4,181,926.68

GRAND TOTAL: \$ 4,413,262.42

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY THAT the Secretary-Treasurer is hereby authorized to make payments in the amounts listed above.

On motion of _____ and seconded by _____, the foregoing Resolution was passed and approved on this, the _____ day of _____, _____ by the following vote:

AYE:

NAY:

At a regular meeting of the Board of Directors of the Greater Texoma Utility Authority.

President

ATTEST:

Secretary/Treasurer

ATTACHMENT VII



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 12, 2018

SUBJECT: AGENDA ITEM NO. VII

APPOINTMENT OF A COMMITTEE FOR THE NOMINATION OF OFFICERS FOR THE 2019 CALENDAR YEAR

ISSUE

Appointment of committee for nomination of Officers for the 2019 calendar year

BACKGROUND

The Board of Directors elects officers at the beginning of each calendar year. It has been customary for the Board President to appoint a committee to provide recommendations at the January Board meeting.

OPTIONS/ALTERNATIVES

The Board has the option to elect any member to fill the positions of President, Vice President, Secretary/Treasurer, and Assistant Secretary (traditionally the General Manager) on an annual basis. The Board President can choose to appoint any person to serve on the committee to provide recommendations for officers for the 2019 calendar year.

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

ATTACHMENT VIII



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 12, 2018

SUBJECT: AGENDA ITEM NO. VIII

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2018A (CITY OF GUNTER PROJECT)", INCLUDING THE ADOPTION OF A RESOLUTION AUTHORIZING THE ISSUANCE OF SUCH BONDS.

ISSUE

Consider and act upon bond resolution for the City of Gunter water system improvements.

BACKGROUND

The City of Gunter Mayor and Staff approached the Authority staff in late 2017 requesting assistance with obtaining funding to construct a new well, ground storage tank and pump station. The City's currently has two wells in their system with one being substantially larger than the other. The City would like to have another well in their system to provide redundancy if/when the large well goes down for whatever reason. The City is also less than 60 homes away from meeting the TCEQ's 0.6 gallons per minute of source water per connection rule. In other words, by the time this well is actually constructed, the City will likely be approaching their minimum well capacity per TCEQ rules.

The Authority, on behalf of the City of Gunter, has been approved for funding from the Texas Water Development Board ("TWDB") Drinking Water State Revolving Fund ("DWSRF") for a loan in the amount of \$3,415,000. The proposed project will include: (1) a new water well; (2) a 250,000-gallon ground storage tank; (3) a pump station; (4) disinfection facilities; (5) generator; (6) SCADA; (7) water line from the pump station to J.C. Maples Road; and (8) appurtenances, as necessary for the project.

Kristen Savant with Norton Rose Fulbright, the Authority's bond counsel, has prepared the bond resolution which authorizes the issuance of the \$3,415,000. These bond funds will be used to construct the improvements previously described to the City's water system.

CONSIDERATIONS

The TWDB's DWSRF has been identified as the most economical method of financing these projects for the City of Gunter. The DWSRF offers a 1.35% interest rate subsidy which brought the interest rate on this 30 year bond series to 2.45%. The TWDB estimates that by utilizing this program, the City of Gunter could save approximately \$762,000 over the loan.

The City of Gunter will consider an ordinance to confirm the Authority's Bond resolution at their December Council Meeting.

STAFF RECOMMENDATIONS

The Authority staff recommends that the Board adopt the Resolution authorizing the issuance of such bonds on behalf of the City of Gunter in the amount of \$3,415,000.



**GREATER TEXOMA UTILITY AUTHORITY
AGENDA COMMUNICATION**

PAGE 2

ATTACHMENTS

Bond Resolution will be available at the meeting

PREPARED AND SUBMITTED BY:

A handwritten signature in blue ink, appearing to read "Drew Satterwhite", is written over a horizontal line.

Drew Satterwhite, P.E., General Manager

ATTACHMENT IX



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 12, 2018

SUBJECT: AGENDA ITEM NO. IX

CONSIDER AND ACT UPON AUTHORIZATION FOR THE GENERAL MANAGER TO ADVERTISE FOR BIDS FOR CITY OF GUNTER PROJECT

ISSUE

Authorization for staff to advertise for bids for projects financed by the "Greater Texoma Utility Authority Contract Revenue Bonds (City of Gunter Project)"

BACKGROUND

The previous agenda item authorized the issuance of bonds to construct improvements to the City of Gunter's water system, including construction of a new water well, ground storage tank, pump station, disinfection facilities, water line, generator, SCADA and other appurtenances necessary for this project.

OPTIONS/ALTERNATIVES

In the past the Board has customarily authorized the General Manager to proceed with advertising projects as soon as the engineering plans and specifications are complete.

CONSIDERATIONS

Authorizing the General Manager to advertise as soon as plans and specifications are complete will improve the efficiency of the process to complete the project, and avoids the potential for a one to two month wait to receive approval to advertise for bids.

STAFF RECOMMENDATIONS

The staff recommends that the Board approve the General Manager to advertise for bids on any projects that are to be financed with the GTUA/City of Gunter.

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

ATTACHMENT X



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 12, 2018

SUBJECT: AGENDA ITEM NO. X

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2019 (BEAR CREEK SPECIAL UTILITY DISTRICT PROJECT)", INCLUDING THE ADOPTION OF A RESOLUTION AUTHORIZING THE ISSUANCE OF SUCH BONDS.

ISSUE

Consider and act upon bond resolution for the Bear Creek Special Utility District ("SUD") water system improvements.

BACKGROUND

Earlier this year, the Bear Creek SUD approached the Authority to discuss the process of utilizing the Authority for financing water infrastructure projects. The Bear Creek SUD is planning to construct 1) a new ground storage tank and pump station to replace the existing facilities which are outdated and undersized, and 2) 6,200' and 2,200' of 12" and 16" pipeline to connect the new pump station to the system.

At their May 2018 Board meeting, the Bear Creek SUD passed a resolution expressing their intent to utilize the Authority for financial assistance for these projects.

At the September 2018 meeting, the Board approved a Water Facilities Contract between the Authority and Bear Creek SUD enabling the Authority to issue debt on behalf of Bear Creek SUD. Bear Creek SUD approved the Water Facilities Contract at their October 9, 2018 meeting.

The Texas Water Development Board ("TWDB") has approved an application for funding through their Drinking Water State Revolving Fund ("DWSRF") for the Bear Creek SUD water system improvement projects, and provided a commitment letter for the bond issue.

Kristen Savant with Norton Rose Fulbright, the Authority's bond counsel, has prepared the bond resolution which authorizes the issuance of the \$7,490,000. These bond funds will be used to construct the improvements previously described to the District's water system.

CONSIDERATIONS

The TWDB's DWSRF has been identified as the most economical method of financing these projects for the Bear Creek SUD. The DWSRF offers a 1.35% interest rate subsidy which brought the interest rate on this 30 year bond series to 2.39%. The TWDB estimates that by utilizing this program, the Bear Creek SUD could save approximately \$1,802,000 over the loan.

The Bear Creek SUD will consider an ordinance to confirm the Authority's Bond resolution at their January meeting.

STAFF RECOMMENDATIONS

The Authority staff recommends the Board adopt the bond resolution authorizing the issuance of bonds on behalf of the Bear Creek SUD in the amount of \$7,490,000.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

ATTACHMENTS

Bond Resolution will be available at the meeting

PREPARED AND SUBMITTED BY:

A handwritten signature in blue ink, appearing to read "Drew Satterwhite", is written over a horizontal line.

Drew Satterwhite, P.E. General Manager

ATTACHMENT XI



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 12, 2018

SUBJECT: AGENDA ITEM NO. XI

CONSIDER AND ACT UPON AUTHORIZATION FOR THE GENERAL MANAGER TO ADVERTISE FOR BIDS FOR BEAR CREEK SUD PROJECT

ISSUE

Authorization for staff to advertise for bids for projects financed by the "Greater Texoma Utility Authority Contract Revenue Bonds Series (Bear Creek SUD Project)"

BACKGROUND

The previous agenda item authorized the issuance of bonds to construct improvements to the District's water system, including construction of: 1) a new ground storage tank and pump station to replace the existing facilities which are outdated and undersized, and 2) 6,200' and 2,200' of 12" and 16" pipeline to connect the new pump station to the system.

OPTIONS/ALTERNATIVES

In the past the Board has customarily authorized the General Manager to proceed with advertising projects as soon as the engineering plans and specifications are complete.

CONSIDERATIONS

Authorizing the General Manager to advertise as soon as plans and specifications are complete will improve the efficiency of the process to complete the project, and avoids the potential for a one to two month wait to receive approval to advertise for bids.

STAFF RECOMMENDATIONS

The staff recommends that the Board approve the General Manager to advertise for bids on any projects that are to be financed with the GTUA/Bear Creek SUD.

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

ATTACHMENT XII



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 12, 2018

SUBJECT: AGENDA ITEM NO. XII

CONSIDER AND ACT UPON AUTHORIZING THE EXECUTION OF ALL DOCUMENTS ASSOCIATED WITH THE SALE OF DRAINAGE EASEMENTS TO THE TEXAS DEPARTMENT OF TRANSPORTATION

ISSUE

Consider authorizing the execution of easement documents with the Texas Department of Transportation ("TxDOT").

BACKGROUND

In 2007, the Authority completed construction Collin Grayson Municipal Alliance ("CGMA") water line and pump station. This project was a cooperative effort amongst the Authority, Melissa, Anna, Van Alstyne and Howe. The pipeline runs from McKinney to the Howe and is situated on a combination of easements and property owned by the Authority.

In November, the Authority received documentation from TxDOT explaining two (2) drainage easements they are wanting to acquire from the Authority for an expansion they are working on for Highway 5 north of Anna. The documentation included the proposed easements, possession and use agreements, and appraisals. The two (2) parcels they are looking at are 510 square feet and 735 square feet.

CONSIDERATIONS

The staff is currently in discussions with the engineering firm trying to determine exactly what TxDOT plans to do in the drainage easements. Initial discussions indicate that they plan to do grade work in the easement. The Authority staff's primary concern is to ensure that our pipeline is protected as the proposed easements are over the top of our 24" pipeline.

TxDOT is offering \$1,000 per easement which is the minimum amount they pay for easements. This is over the appraised amounts TxDOT provided, however, they do not offer less than \$1,000 due to administrative efforts. They are also providing an additional \$3,000 per easement if we sign their possession and use agreement this month.

The staff is currently working to better understand the possession and use agreements along with the construction impacts to our pipeline. We will continue discussions with the engineering firm and also our legal counsel prior to the Board meeting. Due to the limited time frame to sign the possession and use agreement to receive the \$3,000 incentive, this agenda item was posted on the agenda in the event we are prepared to recommend action to the Board.

STAFF RECOMMENDATIONS

The staff will have a recommendation prepared at the Board meeting.

ATTACHMENTS

Will be available at the meeting



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

PREPARED AND SUBMITTED BY:

A handwritten signature in blue ink, appearing to read "Drew Satterwhite", is written over a horizontal line.

Drew Satterwhite, P.E., General Manager

ADJOURN