

**GREATER TEXOMA UTILITY AUTHORITY
BOARD MEETING
JANUARY 28, 2019**

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, JANUARY 28, 2019

Notice is hereby given that a meeting of the Board of Directors of the Greater Texoma Utility Authority will be held on the 28th day of January, 2019, 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. Administer Oath of Office.
 - IV. Consider and act upon Officers for 2019 Calendar Year.
 - V. 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.
 - VI. * Consider and act upon approval of Minutes December 17, 2018 Meeting.
 - VII. * Consider and act upon approval of accrued liabilities for December 2018.
 - VIII. *Receive Monthly Financial Information.
 - IX. Citizens to be Heard.
 - X. Consider and act upon Audit for Fiscal Year Ending September 30, 2018.
 - XI. Discussion of potential future Authority participants for bond issues.
 - XII. Discuss next meeting date as the next scheduled meeting is February 18, President's Day.
 - XIII. Receive General Manager's Report: The General Manager will update the Board on operational and other activities of the Authority.
 - XIV. Adjourn.
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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



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: January 16, 2019

SUBJECT: AGENDA ITEM NO. IV

CONSIDER AND ACT UPON OFFICERS FOR THE 2019 CALENDAR YEAR

ISSUE

Officers for the 2019 calendar year

BACKGROUND

The Board of Directors elects officers for the calendar year and the January meeting. The President established a nominating committee during the December 2018 meeting, comprised of Board Members Mark Kuneman and Ken Brawley to provide recommendations for a slate of officers for 2019.

OPTIONS/ALTERNATIVES

The Board has the option to elect any person to fill the positions of President, Vice President and Secretary/Treasurer on an annual basis.

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

ATTACHMENT VI

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

MONDAY DECEMBER 17, 2018

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

Members Present: Ken Brawley, Brad Morgan, Stanley Thomas, Scott Blackerby, Donald Johnston, Matt Brown, and Anthony Richardson

Members Absent: Mark Kuneman

Staff: Drew Satterwhite, Carolyn Bennett, Tasha Hamilton, and Velma Starks

General Counsel: Mike Wynne, Wynne and Smith

Bond Counsel Kristen Savant, Norton Rose Fulbright

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 November 19, 2018 Meeting.

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

Board Member Anthony Richardson made a motion to approve the consent agenda items. Board Member Stanley Thomas seconded the motion. Motion passed unanimously.

VI. Citizens to be Heard.

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

VII. Appointment of a committee for the nomination of officers for the 2018 calendar year.

Board President Brad Morgan appointed Mark Kuneman and Ken Brawley to the Nominating Committee.

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.

General Manager Drew Satterwhite provided background information for the Board. In 2017 the City of Gunter requested assistance with obtaining funding to construct a new well, ground storage tank and pump station. Gunter has two wells, one larger than the other. The City needs another well for system redundancy should the large well go down. 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. Funding from the Texas Water Development Board ("TWDB") Drinking Water State Revolving Fund ("DWSRF") for a loan in the amount of \$3,415,000 has been approved. 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. 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.

Kristen Savant, bond counsel, provided an overview of the bonds to be issued, and explained the parity bond process.

Board Member Donald Johnston made the motion to adopt the resolution authorizing the issuance of the bonds. Board Member Scott Blackerby seconded the motion. The motion passed unanimously.

IX. Consider and act upon authorization for General Manager to advertise for bids for City of Gunter Project.

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. 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

Board Member Matt Brown made the motion to authorize the General Manager to advertise for bids for City of Gunter Project. Board Member Ken Brawly seconded the motion. The motion passed unanimously.

- 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.

General Manager Drew Satterwhite provided background information for the Board. The City of Princeton's engineering firm recommended GTUA to the Bear Creek SUD. The Bear Creek SUD contacted GTUA for assistance in obtaining funding 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. Since Bear Creek SUD was new to GTUA, Bear Creek SUD was requested to pass a resolution expressing their intent to utilize the Authority for financial assistance for these projects which they did at their May 2018 meeting.

The Board, at their September 2018 meeting, 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.

Mr. Satterwhite also pointed out that 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.

Kristen Savant, bond counsel with Norton Rose Fulbright, explained the first time bond process with Bear Creek SUD.

Board Member Donald Johnston made the motion to adopt the resolution to authorize the issuance of the bonds. Board Member Scott Blackerby seconded the motion. The motion passed unanimously.

- XI. Consider and act upon authorization for General Manager to advertise for bids for Bear Creek SUD Project.

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. 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.

Board Member Ken Brawley made the motion to authorize the General Manager to advertise for bids for the Bear Creek SUD Project. Board Member Anthony Richardson seconded the motion. The motion passed unanimously.

- XII. Consider and act upon authorizing the execution of all documents associated with the sale of drainage easements to the Texas Department of Transportation.

General Manager Drew Satterwhite provided background information for the Board. 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 needing to be acquired from the Authority for an expansion project 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. 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 Board discussed the documents and decided that the language needed clarification. The Board suggested that Drew Satterwhite work with Mike Wynn, legal counsel, on clarification of language in documents and inform Board President Brad Morgan.

Board Member Donald Johnston made the motion that Drew Satterwhite, Mike Wynne and Brad Morgan reach a proposed solution pertaining to the language of the documents to be presented to the Board for negotiation with TxDOT. Board Member Stanley Thomas 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 that the Pottsboro tax exempt private water situation has been resolved between the City and the water supplier. The issue now is being reviewed by the Texas Water Development Board attorney.

Whitewright has been invited to apply for DWSRF funding that would include \$1.8mm in loan forgiveness and 0% on a portion of the loan. A meeting will be held to see what the needs are and what they can afford.

Both RRGCD and NTGCD have adopted their Permanent Rules including permitting and spacing.

Some Board Members went on tour of GCMA water line pump station after last month's board meeting.

XIV. Adjourn

Board Member Matt Brown made the motion to adjourn. Board Member Scott Blackerby seconded the motion. The motion passed unanimously. Board President Morgan declared the meeting adjourned at 1:30 p.m.

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Recording Secretary

Secretary-Treasurer

ATTACHMENT VII

RESOLUTION NO. _____

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

The following liabilities are hereby presented for payment:

GENERAL:

Fuel and Reimbursements for Mileage

Tasha Hamilton (Reimbursement for mileage)	7.52
Velma Starks (Reimbursement for mileage)	19.63
Conoco (Fuel - operations vehicles)	345.68
ExxonMobil (Fuel - operations vehicles)	783.37
Drew Satterwhite (Fuel)	146.29

Insurance

TWCA Risk Management (Workers' compensation insurance)	653.00
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Leases/Rental Fees

Pitney-Bowes (Mailing system)	105.00
North Texas Regional Airport (Lease - administrative offices)	2,061.43

Legal Fees

Wynne & Smith, LLC (Agenda, Board Meeting)	406.72
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Maintenance Agreements

NovaCopy (Konica-Minolta copier)	237.43
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Meetings and Conferences

American Express (TAGD Conference)	4.81
Feast on This (BOD Lunches)	235.00
Tasha Hamilton (Supplies for BOD meeting cups and spoons)	14.99

Miscellaneous

Bank of Texas Visa (GTUA Domain renewal)	33.10
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Postage

United States Postal Service (Rcfill meter)	500.00
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Professional Services

Final Details (Cleaning services)	585.00
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Repair & Maintenance - Building & Equipment

J&J Electrical (Fixed office light) 75.00

Repair & Maintenance - Administrative and Operations Vehicles

Discount Tire (2 new tires for 2012 Ford truck LP 1096614 - WE) 487.00

Whistlestop Car Spa & Lube (Oil changes for two trucks LP 1096614 & LP 1286579) 113.13

Supplies

Exxon/Mobil (Field supplies - ice) 12.90

Lowes (Field Supplies) 1.56

Office Depot (general office supplies) 26.28

Supplyworks (Janitorial supplies) 134.52

Wal-Mart (Field supplies) 39.76

Training

Bank of Texas Visa (Texas Rural Water Association classes for DT and WE) 630.00

Uniforms

Alan Moore (workboots) 119.99

Utilities

Alan Moore (Reimbursement for cell phone November 2018 expenses) 25.00

Alan Moore (Reimbursement for cell phone expenses) 25.00

Wayne Eller (Reimbursement for cell phone expenses) 25.00

Dave Tomlinson (Reimbursement for cell phone expenses) 25.00

Cable One (Internet line) 129.44

AT & T Wireless (cell phone) 79.19

City of Denison (Water) 135.07

City of Sherman (Trash services) 102.00

8x8, Inc.(phone lines - local & long distance) 179.51

TXU Electric 368.66

ATMOS Energy 240.33

TOTAL: \$ 9,113.31

SOLID WASTE:

Supplies

David Tomlinson (Home Depot couplings and clamps) 38.70

Wal-Mart (2 space heaters) 39.76

Utilities

Grayson-Collin Electric 155.15

Starr Water Supply 60.78

TOTAL: \$ 294.39

WASTEWATER:

Construction Contracts

Patterson Professional Ser. (Gunter 2018 - WWTP Replacement proj. Pay App #3 Inv 3092) 96,301.50

Engineering Fees

CobbFendley (Gunter 18 -Downtown WWTP 40% construction phase complete) 982.50

Paying Agent Fees

Bank of Texas Trust (Anna / Melissa WW GRTEXUACRB06 & GTUACRBOS07AM 12/1/18) 950.00

Bank of Texas Trust (Tom Bean 2000 GTUATOMBEA00 1/1/2019) 250.00

TOTAL: \$ 98,484.00

WATER:

Advertising

Bank of Texas Visa (GMA8 - Grayson County Clerk to post public announcement for BOD) 4.00

Construction Costs

HydroPro Solutions (Princeton 2018 - equipment and installation for meter project) 6,305.00

City of Sherman (2015 - WTP Inspection 1st Q 2018) 14,738.67

Engineering Fees

City of Krum (Krum 2017 - Masch Branch water Well 37.72% design complete) 1,799.00

Freese & Nichols (GTUA Regional Water Study services through November 2018) 14,910.56

Freeman-Millican (CGMA - Water Study) 4,125.00

City of Princeton (Princeton 2018 - reimburse Kimley Horn for Oct 2018 66% Final Design. Complete) 24,750.00

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) 85.77

Allen Burks (RRGCD - cell phone reimbursement) 25.00

Exxon/Mobil (NTGCD - Fuel, W. Parkman) 114.48

Wayne Parkman (NTGCD - Seven Eleven Fuel) 10.00

Paul Sigle (NTGCD - cell phone reimbursement) 12.50

Paul Sigle (RRGCD - cell phone reimbursement) 12.50

Velma Starks (NTGCD - mileage reimbursement) 7.73

Velma Starks (RRGCD - mileage reimbursement) 16.09

Legal

Meetings & Conferences

American Express (NTGCD - TAGD conference) 94.81

American Express (RRGCD - TAGD conference) 150.13

Theda Anderson (RRGCD - BOD cookies) 11.98

Bank of Texas Visa (RRGCD - Cowboy Chicken catering for BOD) 229.68

Miscellaneous

Bank of Texas Visa (NTGCD - GoDaddy, domain renewal)	40.34
Bank of Texas Visa (GMA-8 - GoDaddy, web builder renewal for 2019)	153.38
Bank of Texas Visa (GMA-8 - GoDaddy web builder renewal for December)	12.78
Bank of Texas Visa (NTGCD - Chick-Fil-A BOD catering)	174.00
Bank of Texas Visa (NTGCD - Quickbooks Online canceled software)	31.50
Bank of Texas Visa (NTGCD - GoDaddy, Private registration for domain name)	20.24
Bank of Texas Visa (RRGCD - GoDaddy, Private registration for domain name)	13.00
Bank of Texas Visa (RRGCD - GoDaddy monthly webhosting and back up)	299.98
Bank of Texas Visa (RRGCD - Quickbooks Online canceled software)	31.50
Gonzalez Landscape (Sherman 2012 Ref - Pump Station, Corp Property - mowing)	

Paying Agent Fees

Bank of Texas Trust (Tom Bean GTUATBEAN15 & GTUATBEAN17 1/1/2019)	600.00
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CGMA Repair & Maintenance

Brenntag Southwest Inc. (CGMA - chemicals to disinfect lines)	2,002.26
Kemp Lawn Maintenance (CGMA - Bloomdale Pump Station)	380.83
Texas Excavation Safety System, Inc. (CGMA - water tests)	166.25
USA Bluebook (CGMA - sampling station warm climate)	601.14
USA Bluebook (CGMA - Parts for Tank)	406.23

CGMA Utilities

AT & T U-Verse (Bloomdale Pump Station)	71.54
City of McKinney (Pass Through Charges)	25,228.11
North Texas Municipal Water District (Excess Water 2017-2018)	91,840.50
TXU Energy (Bloomdale Pump Station)	6,745.43

TOTAL: \$ 196,580.91

GRAND TOTAL: \$ 304,472.61

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 X



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: January 21, 2019

SUBJECT: AGENDA ITEM NO. X

CONSIDER AND ACT UPON AUDIT FOR FISCAL YEAR ENDING SEPTEMBER 30, 2018

ISSUE

Consider and act upon audit for fiscal year ending September 30, 2018

BACKGROUND

Each year the Authority Board of Directors engages the services of an independent auditing firm to perform an audit of the Authority's financial resources. This year the audit is being provided by Hankins, Eastup, Deaton, Tonn & Seay. The auditors performed their field work at the Authority offices over the past three (3) months and are now prepared to present their findings to the Board.

OPTIONS/ALTERNATIVES

If the Board is not prepared to adopt the audit, it could make any assignments necessary to a committee to develop a better understanding of the information contained in the audit.

CONSIDERATIONS

The statute requires that the Authority provide copies of its audit to various public agencies within 135 days of the end of its fiscal year. In order for this to take place, it is necessary for the Board to review the audit at the January meeting.

The Authority's Finance Officer and General Manager met with Carl Deaton, lead auditor, on January 21, 2019 to review the findings of the audit.

STAFF RECOMMENDATIONS

The staff recommends the Board of Directors, after hearing from the auditors, consider adopting the audit and authorize the dissemination to all agencies requiring a copy to be filed.

ATTACHMENTS

Digital copies of the Audit will be provided to the Board via-email prior to the meeting. Hard copies will be available at the meeting and can also be delivered to the Board Members upon request.

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

RECOMMENDED BY:

Debi Atkins, Finance Officer

ATTACHMENT XI



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: January 21, 2019

SUBJECT: AGENDA ITEM NO. XI

DISCUSSION OF POTENTIAL FUTURE AUTHORITY PARTICIPANTS FOR BOND ISSUES

ISSUE

To discuss the possibility of a couple of entities ability to utilize the Authority for potential future bond issues.

BACKGROUND

The Authority has recently been contacted by a couple of entities to explore the possibility of utilizing our bond issuance services for water system capital improvements. The Authority is legally authorized to work anywhere in the state of Texas, however, the staff needs direction from the Board of Directors as to the distance from our offices we are willing to offer our services.

The staff will provide details 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

ADJOURN