

**GREATER TEXOMA UTILITY AUTHORITY
BOARD MEETING
DECEMBER 21, 2020**

IN-PERSON MEETING LOCATION:

GTUA Board Room
5100 Airport Drive
Denison, Texas 75020

OR

REMOTE ACCESS AVAILABLE AT:

Join by computer, tablet or smartphone at the following link:

<https://global.gotomeeting.com/join/850157485>

OR

Join by phone 646-749-3122 with access code: 850-157-485

**NOTICE OF PUBLIC MEETING
OF THE BOARD OF DIRECTORS OF THE
GREATER TEXOMA UTILITY AUTHORITY
Monday, December 21, 2020, 12:30 p.m.**

**IN-PERSON MEETING LOCATION:
GTUA BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020**

Or

REMOTE ACCESS ALSO AVAILABLE AT:

Join by computer, tablet or smartphone at the following link:
<https://global.gotomeeting.com/join/850157485>

Or

Join by phone 646-749-3122 with access code: 850-157-485

Notice is hereby given that, in accordance with Governor Abbott's March 16, 2020, action to temporarily suspend certain provisions of the Texas Open Meetings Act, a quorum of the Board of Directors of the Greater Texoma Utility Authority will hold a Board meeting in-person and via telephone and video conference call beginning at 12:30 p.m. on Monday, December 21, 2020. Please note for in-person attendance that the Board meeting location can only accommodate a limited number of attendees in order to comply with the Governor's proclamation related to in-person gatherings, and that remote access may be required in the event the capacity limitations are reached. Public comment can be provided whether participating in-person or remotely.

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 16, 2020 Meeting.
- V. * Consider and act upon approval of accrued liabilities for November 2020.
- VI. Citizens to be Heard.
- VII. Appointment of a committee for the nomination of officers for the 2021 calendar year.

- VIII. Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority requesting financial assistance from the Texas Water Development Board, authorizing the filing of an application for assistance, and making certain findings in connection therewith (City of Whitewright WWTP Rehabilitation Project).
- IX. Consider and act upon Statements of Qualifications for Engineering Services for City of Bells Wastewater System Improvements Project.
- X. Consider and act upon Statements of Qualifications for Engineering Services for City of Henrietta Wastewater Treatment Plant Project.
- XI. Consider and act upon the CGMA Policy Statement for Water Rate Charges
- XII. Consider and act upon authorizing the execution of Change Order No. 3 for the City of Gunter WWTP Replacement Project with Patterson Professional Services.
- XIII. Discussion and possible action of changing January Meeting date due to Martin Luther King Jr. Day.
- XIV. Consider and act upon Resolution of Appreciation for Mark Kuneman including presentation of plaque.
- XV. Presentation of plaque to Carolyn Bennett honoring her service to the Authority of over 33 years.
- XIV. Receive General Manager's Report: The General Manager will update the Board on operational and other activities of the Authority.
- XV. 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 16, 2020

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

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

Members Absent:

Staff: Drew Satterwhite, Debi Atkins, Carolyn Bennett, Tasha Hamilton, Nichole Sims, and Velma Starks,

General Counsel: Mike Wynne, Wynne and Smith

Visitors: Richard Long, Valley View Consulting
Kristen Savant, Norton Rose Fulbright US LLP

I. Call to Order

Board President Brad Morgan called the meeting to order at 12:31 p.m.

II. Pledge of Allegiance

Board President Brad 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 September 21, 2020 Meeting.

V. * Consider and act upon approval of accrued liabilities for September & October 2020.

General Manager Drew Satterwhite reviewed the liabilities with the Board.

VI. *Receive Monthly Financial Information.

General Manager Drew Satterwhite reviewed the financials with the Board.

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

VII. Citizens to be Heard.

There were no citizens requesting to address the Board.

VIII. Receive Quarterly Investment Report.

Richard Long, Valley View Consulting, reviewed the Investment Report with the Board. Brief discussion was held.

IX. Review and act upon Approval of Investment Policy.

Richard Long, Valley View Consulting, reviewed the language changes within the Investment Policy with the Board. Board Member Matt Brown made the motion to approve the Investment Policy. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

X. Consider and act upon authorizing the execution of Change Order No. 2 for the City of Gunter Water System Improvements Project with Legion Development LLC.

General Manager Drew Satterwhite provided background information for the Board. The Authority obtained funding through the Texas Water Development Board's Drinking Water State Revolving Fund to construct a well, ground storage tank and pump station. The City has two wells. The City is close to meeting the Texas Commission on Environmental Quality's 0.6 gallons per minute of source water per connection rule.

The project was separated into two projects with Project A including: (1) a 250,000-gallon ground storage tank; (2) pump station; (3) disinfection facilities; (4) generator; (5) SCADA; (6) water line from the pump station to J.C. Maples Road; and (7) appurtenances. Project B included a new water well and appurtenances.

Change Order No. 2 adds SCADA package to contract. This was originally intended to be a separate bid package, but the engineer is of the opinion that installing SCADA as a part of this contract will provide better integration of the system. In addition, panels have been added to allow new pump station to operate independently of the SCADA system in the event of SCADA failure. The proposed SCADA package includes equipment at the existing elevated tank site and the old pump station & control room site to allow for communication of all sites for the complete system. Change Order No. 2 would increase the contract amount by \$162,454.00 resulting in a revised contract amount of \$1,828,816.00. The City will be considering Change Order No. 2 at their November Council meeting. Board Member Matt Brown made the motion to authorize Change Order No. 2 contingent upon the City of Gunter approving Change Order 2 at their meeting. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

- XI. Consider and act upon authorizing the execution of Change Order No. 2 for the City of Paradise Water Line Extension Elevated Storage Tank Improvements Project with Patterson Professional Services.

General Manager Drew Satterwhite provided background information for the Board. The Authority assisted the City of Paradise in obtaining funding to construct approximately 17,000' of 6" water line and Elevated Storage Tank improvements. This is part of an effort by the City of Paradise to extend water service to growing areas of the City and to provide service for residents who do not currently have City water service.

Change Order No. 2 includes 100' of 2" bore to extend 1" water service, 160' of 8" bore due to a difficult tie-in under drainage pipe. It includes installing five (5) automatic flushing valves and sampling stations at existing water hydrants. Three (3) out of the five (5) locations where these valves and sampling stations will be installed, are on pipelines that were not part of this project. The purpose of these flushing valves is to maintain disinfectant residual levels within the water system and provide a higher quality of water to the city's water customers. The City of Paradise has already approved Change Order No. 2. Change Order No. 2 will increase the contract price by \$88,174.00 resulting in a revised contract amount of \$1,155,569.00 and extend the time of contract by 40 days. Board Member Matt Brown made the motion to approve Change Order No. 2. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

- XII. Consider and act upon authorizing the execution of Change Order No. 1 for the City Krum Water Well Project.

General Manager Drew Satterwhite provided background information for the Board. The Authority assisted the City of Krum in obtaining funding through the Texas Water Development Board Drinking Water State Revolving Fund Program for the construction of a water well to supplement the City's existing water supply. At the July 2020 meeting, the Board authorized award of contract to THI in the amount of \$1,026,774.96. After award of contract, the water well driller informed the Engineer that they believed that they could get more water at this well location by upsizing the casing and well pump. The City currently has issues with meeting the TCEQ's 0.6 gpm per connection rule and the upsizing of this well and pump would give the City more capacity to grow.

General Manager Drew Satterwhite reviewed Change Order No. 1 with the Board. City of Krum will have to send check before Authority can sign Change Order No. 1 in compliance with the City's agreement with GTUA to have enough money for the project. Not enough funding is available without the City's check. Board Member Stanley Thomas made the motion to approve Change Order No. 1 contingent upon the Authority receiving the check prior to the Authority signing the Change Order No. 1. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

General Manager Drew Satterwhite requested Board to address Item XIV before Item XIII. Board went to Item XIV.

XIII. Consider and act upon Administrative Service Contract with the Red River Groundwater Conservation District for 2021.

General Manager Drew Satterwhite informed the Board that the RRGCD president was considering bringing before the RRGCD Board the idea to change their one-year contract to a five-year contract. The administrative services provided to the RRGCD are paid by the RRGCD and have been a great help in offsetting the administrative costs of the Authority. This agreement provides a significantly more cost-effective mechanism for operating the RRGCD than procuring an office and hiring full-time staff. This contract is scheduled to be on the November 19, 2020 RRGCD Board Meeting agenda and the costs for these services have been budgeted in the RRGCD's 2021 budget. General Manager Drew Satterwhite recommended that the Board approve this one-year contract and allow a five-year amendment, with the review of Mike Wynne, legal counsel, Brad Morgan, and Drew Satterwhite similar to the NTGCD contract which was previously approved in Item XIV. Board Member Matt Brown made the motion to approve the RRGCD one year contract and give authority to Mike Wynne, legal counsel, Brad Morgan, and Drew Satterwhite to modify to five year contract. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

Board moved to Item XV

XIV. Consider and act upon Administrative Service Contract with the North Texas Groundwater Conservation District for 2021.

General Manager Drew Satterwhite informed the Board that the contract changed from a one year to a five year contract at the request of the NTGCD Board. The administrative services provided to the NTGCD are paid by the NTGCD and have been a great help in offsetting the administrative costs of the Authority. This agreement provides a significantly more cost-effective mechanism for operating the NTGCD than procuring an office and hiring full-time staff. This contract was approved at the NTGCD's November 10, 2020, Board Meeting and the costs for these services have been budgeted in the NTGCD's 2021 budget. General Manager Drew Satterwhite reviewed the contract with the Board and explained the changes. Brief discussion was held. Board Member Scott Blackerby made the motion to authorize the execution of the Administrative Services Contract with the North Texas Groundwater Conservation District. Board Member Matt Brown seconded the motion. Motion passed unanimously.

XV. Consider all matters incident and related to the approval and execution of a Water Supply and Sewer Service Facilities Contract with the Gober Municipal Utility District, including the adoption of a resolution pertaining thereto.

General Manager Drew Satterwhite provided background information for Board. The Authority has obtained \$830,000 in financial assistance through the Texas Water Development Board Drinking Water State Revolving Fund for Gober MUD's water system improvements. The previous bond was paid in full earlier this year. The contract expired when amortized. A new Water Supply and Sewer Service Facilities Contract is necessary between the Authority and the Gober MUD for the new debt to be issued for the water system improvements project. Kristen Savant with Norton Rose Fulbright has drafted the proposed new facilities contract. This standard contract has remained largely the same for over 30 years. Kristen Savant explained the contract updates and key points. Gober MUD is expected to approve this contract at their

Thursday night meeting. Board Member Scott Blackerby made the motion to approve the execution of the Gober MUD contract. Board member Stanley Thomas seconded the motion. Motion passed unanimously.

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

General Manager Drew Satterwhite provided updates on the ongoing activities of the Authority.

XVII. Adjourn

Board Member Scott Blackerby made the motion to adjourn. Board Member Matt Brown seconded the motion. Motion passed unanimously. Board President Brad Morgan declared the meeting adjourned at 1:25 p.m.

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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:

	CURRENT	PRIOR MONTH	PRIOR YEAR
GENERAL:			
<u>Fuel and Reimbursements for Mileage</u>			
Velma Starks (Reimbursement for mileage)	28.16		
ExxonMobil (Fuel - operations vehicles)	368.06		
Shell Fleet (Fuel - operations vehicles)	199.67		
Valero Fleet (Fuel - operations vehicles)	192.83		
<u>Insurance</u>			
Drew Satterwhite (2017 Ford F150)	86.25		
TWCA Risk Management (Workers' compensation insurance)	848.00		
<u>Leases/Rental Fees</u>			
North Texas Regional Airport (Lease - administrative offices)	2,266.08		
<u>Maintenance Agreements</u>			
Nova Tech (Konica-Minolta copier)	317.49		
<u>Postage</u>			
United States Postal Service (Refill meter)	500.00		
Velma Starks (UPS Ground for BOD Packets)	51.60		
<u>Professional Services</u>			
Final Details (Cleaning Service)	585.00		
Gonzalez Landscape (Lawn Care)	204.16		
<u>Repair & Maintenance - Administrative and Operations Vehicles</u>			
Blake Utter Ford (F150 2012 - installed new alternator and assembly. LP1096614)	848.58		
Discount Tire (F150 2016 - Tire replacement fee (DT))	29.25		
Whistlestop Car Spa & Lube (Oil change LP 1286579 (DT))	53.66		
<u>Supplies</u>			
American Express (Logme in, Checks for checking acct, toner)	454.48		
Bank of Texas Visa (General Office Supplies)	349.51		
Office Depot (General Office Supplies)	47.98		
Exxon/Mobil (Field supplies - ice)	8.60		
<u>Uniforms</u>			
Alan Moore (Reimbursement for 5 pairs Jeans)	185.15		
<u>Utilities</u>			
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		
Drew Satterwhite (Reimbursement for cell phone expense)	25.00		
Sparklight (Internet)	129.44		
AT & T Wireless (cell phone)	78.05		
City of Denison (Water)	194.00		
City of Sherman (Trash services)	122.00		
MP2 Energy Texas LLC - (Electric)	330.54		
ATMOS Energy	130.79		
TOTAL:	\$ 8,709.33	\$ 21,702.99	\$ 10,758.69

SOLID WASTE:

	CURRENT	PRIOR MONTH	PRIOR YEAR
<u>Fuel</u>			
ExxonMobil (Fuel - operations vehicles)	51.44		
<u>Supplies</u>			
Lowes (Landfill door repair)	51.30		
<u>Utilities</u>			
Grayson-Collin Electric	128.02		
Starr Water Supply	60.30		
TOTAL:	\$ 291.06	\$ 349.87	\$ 267.08

WASTEWATER:

Construction Contracts

City of Sherman (Sherman 17A - Reimbursement for Preston Sewer 3rd Qtr 2020)	101,638.26
City of Sherman (Sherman 2019 - Reimbursement for WWTP Ctrl Bldg 3rd Qtr 2020)	3,292.50
City of Sherman (Sherman 2017A - Reimbursement for Storm Wtr Eng Fees 3rd Qtr 2020)	17.00
City of Sherman (Sherman 2019 - Reimbursement for Storm Wtr Lift 3rd Qtr 2020)	16,978.50
City of Sherman (Sherman 2019 - Reimbursement for Moore Str. Sewer 3rd Qtr 2020)	27,069.72
Lynn Vessels (Sherman 2020 - Storm Water Management Pay App #2)	67,184.34
Patterson Professional (Gunter 2018 - WWTP Replacement project. Pay App #16)	123,386.00
Red River Construction (Kaufman 2019 - WWTP Improvements Pay App #2)	59,232.50

Engineering Fees

Plummer (Pottsboro 2019 - WWTP Ph 2 detailed design. Services through October 2020)	20,837.05
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Miscellaneous

BLX (Whitewright 2015 - arbitrage report for 2015 revenue bonds)	250.00
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Paying Agent Fees

Bank of Texas Trust (Anna / Melissa 2006 GRTEXUACRB06 12/1/20)	475.00
Bank of Texas Trust (Anna / Melissa 2007 GTUACRBS07AM 12/1/20)	475.00
Bank of Texas Trust (Melissa 2009A - GTUACRBMP09A 12/1/20)	300.00
Bank of Texas Trust (Melissa 2009B - GTUACRBMP09B 12/1/20)	300.00
Bank of Texas Trust (Pottsboro 2006 - POTTSBORO06 12/1/20)	225.00
Bank of Texas Trust (Pottsboro 2019 - GTUAPOTTS19 12/1/20)	300.00
Bank of Texas Trust (Van Alstyne 2014B - GTUAVANAL14B 12/1/20)	300.00

Postage

TOTAL:	\$ 422,260.87	\$ 193,009.84	\$ 131,457.71
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WATER:

Construction Costs

City of Sherman (Sherman 2017A - Reimbursement for Hight Country Wtr 3rd Qtr 2020)	4,029.52
City of Sherman (Sherman 2019 - Reimbursement for Water line relocation 3rd Qtr 2020)	17,552.50
Legion Development (Gunter 18 - Water Improvements Pay Apps #8 & #9)	107,401.04
THI Water Well (Krum 2017 - Masch Branch Road Well Pay App #1)	237,110.50
Western Municipal (Bear Creek 2019 - 16"x12" water lines Pay App #5)	71,001.95

Engineering Fees

Freeman-Millican (CGMA - Regional Water Study 65% Update)	20,550.00
Freeman-Millican (Gunter 2018 - Water System Improvements for September 2020)	11,365.00
KSA (Whitewright 2019 - Water System Improvements for August 2020)	9,505.00
KSA (Whitewright 2019 - Water System Improvements for October 2020)	4,382.50

Groundwater

American Express (NTGCD - Invoiced, BOD Chick-Fil-A, Foxit PDF)	235.99
American Express (RRGCD - Invoiced, GoDaddy server renewal 1 mo., Foxit PDF)	361.42

	CURRENT	PRIOR MONTH	PRIOR YEAR
AT & T Mobility (NTGCD - W. Parkman - cell phone)	72.05		
Allen Burks (RRGCD - cell phone reimbursement)	25.00		
Bank of Texas Visa (NTGCD - GMA8 Filing Fees, GoDaddy Domain, ChickfilA BOD)	211.20		
Exxon/Mobil (NTGCD - Fuel, W. Parkman)	33.01		
Paul Sigle (NTGCD - cell phone reimbursement & monitor stand)	28.73		
Paul Sigle (RRGCD - cell phone reimbursement & monitor stand)	28.73		
Shell Fleet (NTGCD - Fuel, W. Parkman)	56.29		
Tasha Hamilton (RRGCD - Mileage to pick up BOD lunches)	8.05		
Velma Starks (NTGCD - mileage reimbursement)	3.02		
Velma Starks (RRGCD - mileage reimbursement)	17.98		
Wayne Parkman (NTGCD - reimbursement phone charging cord and adapter)	19.46		
Whistlestop Car Spa & Lube (NTGCD - Truck wash and Oil change LP 1286579)	90.25		
<u>Miscellaneous</u>			
BLX Group (Tom Bean 2015 - Arbitrage rebate report for 2000 Bond for July 2020)	250.00		
BLX Group (Gober 2001 - Preparation of final opinion for period ending 10/15/20)	250.00		
BLX Group (Southmayd 2000 - final opinion for revenue bond for period ending 10/1/20)	250.00		
City of Southmayd (Southmayd 2000 - closing out revenue bonds)	21,374.36		
Gonzalez Landscape (Sherman 2012 Ref - Pump Station, Corp Property - mowing)	333.36		
TCEQ (CGMA - Water System Fee annual permit 2021)	125.00		
<u>Paying Agent Fees</u>			
Bank of Texas Trust (CGMA 2005 - GRETEXUTIL05 10/1/20)	375.00		
Bank of Texas Trust (CGMA 2007 - GTUACRB07CWT 10/1/20)	250.00		
Bank of Texas Trust (Dorchester GRETEUTIL02 12/1/20)	200.00		
Bank of Texas Trust (Pottsboro 2007 - GTUACRB07CPP 12/1/20)	325.00		
Bank of Texas Trust (Van Alstyne 2014A - GTUAVANAL14A 12/1/20)	300.00		
Bank of Texas Trust (Van Alstyne 2015 - GTUAVANAL15 12/1/20)	300.00		
<u>CGMA Repair & Maintenance</u>			
Alan Moore (CGMA - Reimbursement for 1" pump)	265.27		
Brenntag Southwest (CGMA - Chemicals to disinfect lines at pump station)	2,484.01		
City of Denison Lab (CGMA - Water Tests for Bloomdale Pump Station)	63.00		
Gonzalez Landscape (CGMA - Howe Tank Site)	141.66		
LCRA Environmental Lab (CGMA - Nitrate and DBP2 Water Tests)	115.71		
Shermco Industries (CGMA - Labor to remove & Install motor for pump 2 at Bloomdale P.S.)	20,394.00		
Texas Excavation Safety System, Inc. (CGMA - water tests)			
<u>Supplies</u>			
Alan Moore (CGMA - Rat Bait)	17.97		
American Express (CGMA - Extra Value Checks - for checking account)	88.41		
Douglas Distributing (CGMA - Grease and Oil for Bloomdale Pump Station)	283.36		
National Wholesale Supplies (CGMA - Brass Nipples)	49.70		
<u>CGMA Utilities</u>			
AT & T Mobility (CGMA emergency back up lines)	112.46		
AT & T U-Verse (Bloomdale Pump Station)	95.08		
City of McKinney (Pass Through Charges)	38,999.67		
North Texas Municipal Water District (Water Usage, October)	228,981.76		
MP2Energy Texas LLC (Bloomdale Pump Station)	8,314.35		
TOTAL:	\$ 808,828.32	\$ 1,291,785.79	\$ 872,370.85
GRAND TOTAL:	\$ 1,240,089.58	\$ 1,506,848.49	\$ 1,014,854.33

CURRENT PRIOR MONTH PRIOR YEAR

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 15, 2020

SUBJECT: AGENDA ITEM NO. VII

APPOINTMENT OF A COMMITTEE FOR THE NOMINATION OF OFFICERS FOR THE 2021 CALENDAR YEAR

ISSUE

Appointment of committee for nomination of Officers for the 2021 calendar year.

BACKGROUND

The Board of Directors elects officers at the beginning of each calendar year to serve 1-year terms. 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 2021 calendar year.

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

ATTACHMENT VIII



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 3, 2020

SUBJECT: AGENDA ITEM NO. VIII

CONSIDER AND ACT UPON A RESOLUTION BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD, AUTHORIZING THE FILING OF AN APPLICATION FOR ASSISTANCE, AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH (CITY OF WHITEWRIGHT WWTP REHABILITATION PROJECT).

ISSUE

Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority requesting financial assistance from the Texas Water Development Board, authorizing the filing of an application for assistance, and making certain findings in connection therewith (City of Whitewright WWTP Rehabilitation project).

BACKGROUND

The City of Whitewright requested the Authority's assistance in financing and constructing improvements to the City's wastewater treatment plant. The Authority staff is pursuing the Texas Water Development Board's ("TWDB") Clean Water State Revolving Fund ("CWSRF") for this project.

The Authority staff solicited the engineering services on behalf of the City of Whitewright, following the requirements of TWDB Disadvantage Business Enterprise Program. Two (2) Statements of Qualifications ("SOQ") were received. The Whitewright City Council considered the statements of qualifications at their March 4, 2019 meeting and voted to retain the services of KSA Engineers. The Board of Directors subsequently confirmed the Whitewright City Council's selection of KSA Engineers.

David Perkins, P.E. with KSA Engineers assisted the Authority staff in submitting the required Project Information Form to the TWDB for the CWSRF Program. The PIF was submitted in a manner that demonstrated the City of Whitewright qualifies for loan forgiveness offered to disadvantaged communities. Subsequently, the Intended Use Plan reflects that the project will receive 70% in loan forgiveness.

The TWDB has included the City of Whitewright WWTP Rehabilitation Project in the 2021 Amended Intended Use Plan Priority List of Projects. The project is now on the Initially Invited List and is slated to receive 70% in loan forgiveness.

The Authority staff is expecting an invitation from the TWDB to apply for these funds in January and at that point will have 30-days to submit. With the Board's approval of the resolution requesting financial assistance from the TWDB on behalf of Whitewright WWTP Rehabilitation Project, the Authority staff will be able to move forward when invited to apply for the funding.

CONSIDERATIONS

The application is to be filed with the Texas Water Development Board in an amount not to exceed \$5,810,000.00 to provide for the costs of improvements to Whitewright Wastewater Treatment Plant.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

STAFF RECOMMENDATIONS

Staff recommends the Board approve the Resolution requesting financial assistance from the TWDB on behalf of the City of Whitewright for improvements to their WWTP in an amount not to exceed \$5,810,000.

ATTACHMENTS

Affidavit
Certificate of Secretary
Resolution

PREPARED AND SUBMITTED BY:

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

Drew Satterwhite, P.E., General Manager

Application Affidavit

THE STATE OF TEXAS §
COUNTY OF Grayson §
APPLICANT GTUA/City of Whitewright §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Drew Satterwhite, P.E. as the Authorized Representative of the Greater Texoma Utility Authority, who being by me duly sworn, upon oath says that:

1. The decision by the Greater Texoma Utility Authority (authority, city, county, corporation, district) to request financial assistance from the Texas Water Development Board ("TWDB") was made in a public meeting held in accordance with the Open Meetings Act (Government Code, §551.001, et seq.) and after providing all such notice as required by such Act as is applicable to the Greater Texoma Utility Authority (authority, city, county, corporation, district).

2. The information submitted in the application is true and correct according to my best knowledge and belief.

3. The Greater Texoma Utility Authority (authority, city, county, corporation, district) has no pending, threatened, or outstanding judgments, orders, fines, penalties, taxes, assessment or other enforcement or compliance issue of any kind or nature by the Environmental Protection Agency, Texas Commission on Environmental Quality, Texas Comptroller, Texas Secretary of State, or any other federal, state or local government, except for the following (if no such outstanding compliance issues, write in "none").

None.

4. The Greater Texoma Utility Authority (authority, city, county, corporation, district) warrants compliance with the representations made in the application in the event that the TWDB provides the financial assistance; and

5. the Greater Texoma Utility Authority (authority, city, county, corporation, district) will comply with all applicable federal laws, rules, and regulations as well as the laws of this state and the rules and regulations of the TWDB.

Official Representative
Title: _____

SWORN TO AND SUBSCRIBED BEFORE ME, by _____,
on this _____ day of _____, 20____.

(NOTARY'S SEAL) _____
Notary Public, State of Texas

Application Resolution - Certificate of Secretary

THE STATE OF TEXAS §
COUNTY OF Grayson §
APPLICANT GTUA/City of Whitewright §

I, the undersigned, Secretary of the Board of Directors, Greater Texoma Utility Authr Texas, DO HEREBY CERTIFY as follows:

1. That on the 21 day of December, 2020, a regular/special meeting of the Greater Texoma Utility Authority was held; the duly constituted members of the Board of Directors being as follows:

Brad, Morgan, Donald JOHNston, Mark Kuneman, Scott Blackerby, Ken Brawley, Matt Brown, Anthony Richardson, Stanley Thomas

all of whom were present at the meeting, except the following:

Among other business considered at the meeting, the attached resolution entitled:

"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."

was introduced and submitted to the Board of Directors of the Greater Texoma Utility Authority for passage and adoption. After presentation and consideration of the resolution, and upon a motion made by _____ and seconded by _____, the resolution was passed and adopted by the Board of Directors of the Greater Texoma Utility Authority by the following vote:

_____ voted "For" _____ voted "Against" _____ abstained

all as shown in the official minutes of the Greater Texoma Utility Authority for this meeting.

2. That the attached resolution is a true and correct copy of the original on file in the official records of the Greater Texoma Utility Authority; the qualified and acting members of the Board of Directors on the date of this meeting are those persons shown above and, according to the records of my office, advance notice of the time, place, and purpose of meeting was given to each member of the Board of Directors; and that the meeting, and the deliberations of the public business described above, was open to the public and written notice of the meeting, including the subject of the resolution described above, was posted and given in advance of the meeting in compliance with the provisions of Chapter 551 of the Texas Government Code.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the _____, this the _____ day of _____, 20 _____.

Secretary

(SEAL)

Application Filing and Authorized Representative Resolution

A RESOLUTION by the Board of Directors of the Greater Texoma Utility Authority requesting financial assistance from the Texas Water Development Board; authorizing the filing of an application for assistance; and making certain findings in connection therewith.

BE IT RESOLVED BY THE Board of Directors OF THE Greater Texoma Utility Authority :

SECTION 1: That an application is hereby approved and authorized to be filed with the Texas Water Development Board seeking financial assistance in an amount not to exceed \$5,810,000.00 to provide for the costs of improvements to Whitewright Wastewater Treatment Plant.

SECTION 2: That Drew Satterwhite, P.E. be and is hereby designated the authorized representative of the Greater Texoma Utility Authority for purposes of furnishing such information and executing such documents as may be required in connection with the preparation and filing of such application for financial assistance and the rules of the Texas Water Development Board.

SECTION 3: That the following firms and individuals are hereby authorized and directed to aid and assist in the preparation and submission of such application and appear on behalf of and represent the Greater Texoma Utility Authority before any hearing held by the Texas Water Development Board on such application, to wit:

Financial Advisor: Garry Kimball, Specialized Public Finance
248 Addie Roy Road, Suite B-103, Austin, TX 78746-4110

Engineer: David Perkins, KSA Engineers, Inc.
8875 Synergy Drive, McKinney, TX 75070

Bond Counsel: Kristen Savant, Norrton Rose Fulbright
2200 Ross Ave., Suite 3600, Dallas, TX 75201-7932

PASSED AND APPROVED, this the _____ day of _____, 20____.

ATTEST: _____

By: _____

(Seal)

ATTACHMENT IX



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 15, 2020

SUBJECT: AGENDA ITEM NO. IX

**CONSIDER AND ACT UPON STATEMENTS OF QUALIFICATIONS FOR ENGINEERING SERVICES FOR CITY OF BELLS
WASTEWATER SYSTEM IMPROVEMENTS PROJECT.**

ISSUE

Consider and act upon qualifications for engineering services for the City of Bells Wastewater System Improvements Project.

BACKGROUND

The Bells City Administrator recently requested the Authority staff assist the City of Bells in obtaining funding from the Texas Water Development Board ("TWDB") Clean Water State Revolving Fund ("CWSRF"). One of the first steps in obtaining this funding is to solicit the engineering services associated with the project. The TWDB CWSRF includes federal funds, which necessitates that all services and contracts associated with the projects are solicited in a manner to allow disadvantaged businesses to participate in providing statements of qualifications or proposals for the services or contracts.

The Authority staff assisted the City is obtaining Statements of Qualifications ("SOQS") for the engineering services associated with the projects. Three (3) SOQs were received pursuant to the solicitation for these services from KSA, Antero Group, Hayter Engineering. The qualification statements were provided to the City of Bells for the Council's consideration at their November 18, 2020 Council Meeting.

CONSIDERATIONS

City of Bells has selected Antero Group for engineering services on their Wastewater System Improvements Project.

The Authority Staff is of the opinion that Antero Group has the necessary qualifications to perform the desired work for the City of Bells.

STAFF RECOMMENDATIONS

Staff recommends the Board concur with the Bells City Council's approval of Antero Group to provide the engineering services for the City's wastewater projects.

ATTACHED

SOQs have been uploaded to a shareable folder Google Drive and emailed to the Board

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

ATTACHMENT X



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 15, 2020

SUBJECT: AGENDA ITEM NO. X

CONSIDER AND ACT UPON STATEMENTS OF QUALIFICATIONS FOR ENGINEERING SERVICES FOR CITY OF HENRIETTA WASTEWATER TREATMENT PLANT PROJECT

ISSUE

Consider and act upon qualifications for engineering services for the City of Henrietta Wastewater Treatment Plant Project.

BACKGROUND

The Henrietta City Administrator recently requested the Authority staff assist the City in obtaining funding for improvements to the City's wastewater treatment plant. One of the first steps in obtaining this funding is to solicit the engineering services associated with the project. The TWDB CWSRF includes federal funds, which necessitates that all services and contracts associated with the projects are solicited in a manner to allow disadvantaged businesses to participate in providing statements of qualifications or proposals for the services or contracts.

The Authority staff assisted the City is obtaining Statements of Qualifications ("SOQS") for the engineering services associated with the improvements to Henrietta's wastewater treatment plant. Two (2) SOQs were received pursuant to the solicitation for these services from Biggs and Mathews and KSA.

CONSIDERATIONS

The Henrietta City Council considered the SOQs at their December 14, 2020 meeting. Biggs and Mathews of Wichita Falls, Texas was selected by the Council as the firm to assist in the engineering services associated with the improvements to the wastewater treatment plant.

The Authority Staff has worked with Biggs and Mathews in the past and believes they are qualified to perform services necessary to meet the City's needs on this project.

STAFF RECOMMENDATIONS

Staff recommends confirmation of the Henrietta City Council's selection of Biggs and Mathews.

ATTACHED

SOQs have been uploaded to a shareable folder Google Drive and emailed to the Board

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

ATTACHMENT XI



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 16, 2020

SUBJECT: AGENDA ITEM NO. XI

CONSIDER AND ACT UPON THE CGMA POLICY STATEMENT FOR WATER RATE CHARGES

ISSUE

Consider and act upon the CGMA Policy Statement for Water Rate Charges

BACKGROUND

The North Texas Municipal Water District ("NTMWD") has recently constructed a new 84" transmission line that runs within 500' of the Authority's CGMA pump station. For the past 13 years, the system has purchased water from NTMWD and has it delivered through the City of McKinney's distribution system. This arrangement has worked great for all parties, however, now that the NTMWD line is in the area, the CGMA system will finally be able to tie directly into NTMWD's transmission system and eliminate the pass-through charge from McKinney. At the September 2019 meeting, the Board authorized award of contract for a construction project that will allow for the direct connection to the NTMWD system. The current contract between NTMWD and the Authority is void following the connection to their system, which necessitated a new contract between NTMWD and the Authority which was approved at the February 2020 meeting.

As a result of the Authority having a new contract with NTMWD, the Authority had to enter into new contracts with all of the CGMA Cities in order to make sure the Authority is able to satisfy the new contract with NTMWD. This was approved at the May 2019 meeting.

As a part of the new provisions in the new contract, we have set up mechanisms to begin funding different components of the system with a rate instead of charging as expenses come up like we have been doing since 2007. In staff's opinion, this new methodology will smooth out financial operation and provide capital for GTUA to make improvements to the system as they come up and will enable us to service future debt with a rate. This document lays out details of how rates are structured, where the funds will go, how much reserve rates will be, along with what to do once reserves are considered sufficient. The reserves, except the original \$0.05, will begin being charged after the McKinney Pass Through Charge goes away which is expected to take place in January. The initial reserve rates in the policy are as follows:

Original Reserve, set in 2017	\$0.05
Expense & Administrative Reserve	\$0.02
System Maintenance Reserve	\$0.14
Capital & Debt Reserve	<u>\$0.245</u>
Total	\$0.455

CONSIDERATIONS

This document is consistent with our contracts between Melissa, Anna, Van Alstyne and Howe. In addition, the rate for non-reserve items (Administration, Debt Administration, Operations, NTMWD Water Cost and Electricity) \$3.575 which is consistent with the CGMA Budget the GTUA Board adopted for this fiscal year. The contract states that a rate methodology will be memorialized into a Policy Statement (what the Board is considering at this meeting) and that the Policy statement would be recommended to the GTUA Board.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

The CGMA Board which consists of Mayors of all 4 cities approved this unanimously at a November 2020 meeting.

STAFF RECOMMENDATIONS

The Authority staff recommends authorizing the execution of the CGMA Policy Statement for Water Charges.

ATTACHMENTS

CGMA Policy Statement

PREPARED AND SUBMITTED BY:

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

Drew Satterwhite, P.E., General Manager

CGMA Policy Statement for Water Rate Charges

Submitted to Cities and Conceptually Approved

Approved at CGMA Board Meeting of November 10, 2020

Subsequently Accepted by GTUA Board at Meeting of December 2020

Section I. Summary and Overview

Subsection 8. (L) of the GTUA-City Contract (hereinafter referenced as The Contract) effective September 1, 2020 provides for annually established GTUA-CGMA Water Rate Provisions for the unit prices of water per 1000 gallons and other billing provisions. The water rate established for GTUA potable water delivered to Participating Cities shall be based on all costs incurred in the delivery of potable water to Participating Cities broken down into the cost per 1,000 ("K") gallons of water, including, but not limited to the provisions in Paragraphs 1 – 10 of Subsection 8 (L) of the Contract.

It is the intent of this Policy Statement to provide details for the implementation of Subsection 8 of The Contract between GTUA and CGMA Participants while: 1) encouraging transparency in water cost calculations, and; 2) providing consistency with the original debt document provisions relating to the transition of Original CGMA Water System Debt from equal one-fourth annual share of debt to annual share of debt proportionate to Minimum Annual Volume (MAV). It is intended that transparency will help understanding of the origin and purpose of all cost and will foster communication throughout the contract term. It is provided that the cost and accounting records of GTUA and NTMWD volume records shall be considered reliable for both water cost and debt allocation.

Contract paragraphs 1 thru 7 identify the various components of costs that may be incorporated into the delivered water rate per K gallons of water delivered. These costs shall be provided to each Participant City in such form as is readily available from GTUA accounting records and may be aggregated into general categories such as Management & General Administration, Debt Administration, Operations, Water Cost (from NTMWD), Energy / Electricity, and Reserves or other similar general reference categories as may be appropriate from time to time. Said categories may be shifted as accounting records adjust with advisory discussion between GTUA and CGMA without contract Amendment, however it is expected that this Policy Statement will be updated for documentation of the transitions and changing methodologies that might be implemented.

Section II. Rate Specifics and Calculation

The following represents the initial categories and costs included in each aggregated category. It is acknowledged that items A through F-1 have been charged to each Participant on separate monthly or quarterly billings (a recent summary of which is provided to Participants. The difference will be that the separate billing per Participant is hereinafter replaced by the charges being added to the water bill each month as an additive cost per one thousand gallons of water. The methodology shall incorporate said charges per K gallons of water for each ensuing Fiscal

Year shall be based on the Minimum Annual Volume (MAV) of water cost. Additional volumes of water taken over the MAV shall be invoiced to additional volume users at the rate specified hereinafter at the same water cost as the MAV or other cost bases as charged to GTUA by NTMWD plus the additional cost / K gallons as provided for hereinafter . Categories of cost are:

- A. Management and General Administration – salaries; employee insurance and benefits; office expense; travel / transportation; general insurance; office maintenance; rental or debt; and miscellaneous administrative expense. Said costs for GTUA Management, Administration, Operations, and other costs shall be as allocated to all entities / Cities by the GTUA standard cost allocation system.
- B. Debt Administration – GTUA Debt and Accounting staff costs (including benefits) as allocated by the GTUA standard debt administration cost allocation system (percentage of entity debt to total debt administered by GTUA); fiscal agent fees and expenses; attorney & bond attorney expenses (not charged at debt issue), debt insurance; and other miscellaneous debt administration expenses.
- C. Operations – operations and maintenance performed by GTUA staff; maintenance performed by contractors; equipment and supplies needed or used in the maintenance / repair of water system components; testing of water quality and system components including meters; chemicals and water treatment systems; and telephone or other communications component / expenses used for water system information and management.
- D. Water Cost – all water cost of water purchased from treated water suppliers (NTMWD and others as may be added) shall be calculated as provided for in The Contract.
- E. Energy / Electricity – electrical power expense and other energy expense incurred to pump water through the GTUA-CGMA System to Participant entities.
- F. Reserves
 - 1. A \$0.05 maintenance reserve has been added to the water expense prior to The Contract being approved and shall hereinafter be continued and references as the Base Maintenance Reserve until such time as the Maintenance Reserve Working Capital hereinafter explained is reached, at which time, a portion or all of the \$0.05 maintenance reserve may be eliminated or otherwise modified.
 - 2. Newly Established Reserves: From the time the GTUA-CGMA Water System began pumping until new take point requirements are completed (anticipated Oct 1-Oct 30, 2020), the system has paid a fee to McKinney known as the Pass-Through charge established through an agreement with McKinney to compensate for their pumping cost to transfer water from a NTMWD approved take point to the CGMA system. Upon the cessation of said pass-through requirement, Participants have agreed that the current amount of said fee (\$0.407 for the 2020 water year) per K gallons of water shall be continued except the funds shall be directed to the following Newly Established Reserve categories:

- a. GTUA-CGMA Expense & Administrative Reserve: this working capital reserve is initially set at \$0.02 / K gallons of water delivered to each Participant based on the MAV volume.
- b. GTUA-CGMA System Maintenance Reserve: this reserve is initially set at \$0.14 / K gallons of water delivered to each Participant based on the MAV volume, and shall be for maintenance cost not allocated in the annual GTUA maintenance budget and is established to keep budgeted maintenance at a more moderate level by funding this reserve for large maintenance needs which exceed annual budget funding. Unexpended budget expense for operations and maintenance shall be transferred to the CGMA System Maintenance Reserve up to the level of the unexpended budget amount.
- c. GTUA-CGMA Capital & Debt Reserve Fund: this reserve is initially set at \$0.245 / K gallons of water delivered to each Participant based on the MAV volume, and shall be for capital projects and major equipment funded with reserve funds and / or for debt amortization of future debt approved by all the Participants and the GTUA Board under state regulations for utility system debt. The debt cost to be funded by said debt obligation shall be set forth in the project planning documents and referenced in the debt approval Resolutions / Ordinances by GTUA and all Participant Entities. For water volumes greater than the MAV, the rate of funding per K gallons may be reduced if agreed to by all Participants.
- d. Working Capital Objectives:
 - i. GTUA-CGMA Expense & Administrative Reserve: at such time as the Expense & Administrative Reserve \$50,000, the amount of the annual charge may be reduced with the approval of the majority of the Participant Cites to \$0.01 / K gallons; subsequent reductions be made to \$0.005 / K gallons when the balance reaches \$75,000, and ultimately eliminated when the balance reaches \$100,000 or beyond. Should the balance drop below \$75,000, the CGMA Board shall discuss options from reinstating a portion of the charge or reallocating the Working Capital Maintenance Fund or the Capital Expansion / Debt Service Fund if either fund is sufficiently funded to justify reduction or reallocation.
 - ii. GTUA-CGMA System Maintenance Reserve: the System Maintenance Reserve Fund initial objective shall be \$250,000 or such amount at the time that is adequate to cash flow major maintenance such as significant breaks, pipeline breaches, pump/motor replacements or major rebuilding projects. The objective is to establish a maintenance fund sufficient to prevent unplanned assessments from being made to Participant Entities and keep annual budget cost to moderate levels. This Reserve may be reduced

by annual reductions of up to \$0.025 / K gallons of water as the annual Fund balance total reaches \$300,000 but shall never decline below \$0.10 / K gallons of water unless both GTUA and all participants concur that such reduction would not negatively impact the sustainability of the System to meet the water needs of the Participants.

- e. **Capital & Debt Reserve Objectives** - The initial objective is expected to generate \$275,000 per year by 2023 based on the target potential to fund up to \$5.0 million or more in new debt for system expansion and potentially to fund significant engineering design costs to allow funding of project by Fall 2022 to Spring 2023. The level of funding shall be maintained at the same rate per K gallons of volume including both MAV and any additional volumes to fund debt expense and continue to build up capital expansion fund. As the Expense and Administrative Reserve increases beyond \$100,000, higher funding levels accumulated may be transferred to the Capital & Debt Reserve Fund to accommodate future expansion and / or needed debt without the requirement of assessing Participants directly for capital. It is thus the intent to fund future capital expansions and / or debt with the established charges per K gallons as volume grows and Participant requirements increase. Participants and GTUA shall reassess this policy provision every five years with an updated analysis of potential funding needs and a capital funding projection to determine the continuing capability of the fund to fulfill its objective; a majority vote of $\frac{3}{4}$ of Participants shall be required to change this provision.

III. Timing of Annual Budget Submittal to Participants

- A. Beginning with the first fiscal year after the adoption of The Contact, GTUA shall send a monthly summary of water usage that will enable the Cities' to track their usage in relation to their MAV.
- B. A preliminary budget projection shall be prepared by GTUA staff and provided to each Participant City in August for each fiscal year beginning August 2021 to allow Participants to inquire about any budget concerns or provide input to said budget process.
- C. GTUA shall send a MAV projection for each new Water Year upon receipt of the GTUA MAV from NTMWD, typically in late August.
- D. Additionally, a projected final budget shall be sent to each Participant by September 1 of each year beginning in 2021 and each year thereafter showing the budget proposed for adoption by the GTUA Board along with a summary aggregated into the categories for water rate calculation and the projected subsequent Fiscal Year Water Rate incorporating water cost and all related cost as detailed in Section II above.

- E. Following the NTMWD and GTUA official water year end and receipt of projected new MAVs for the CGMA System, each Participant's MAV shall be adjusted following the official final determination of the most recently ended water year from volumes provided in item III. C. above. GTUA shall advise each Participant by September 25 of the subject year. Such change to the MAV shall impact the monthly billing for the MAV beginning in October of each said Fiscal Year but shall not impact the rate per K gallons provided in III. D.

IV. Debt

A. Original System Debt – The original GTUA-CGMA Water System capital and debt cost was established by inclusion in the original bond issuance documents as a separate and distinct cost from operational or potable water costs and will continue to be a separate annual charge under the methodology described in the bond covenants with clarifications provided for herein until the original debt is retired or refunded. All participants are required to use a minimum of 4.941667 million gallons per month of water for a period of three months before the debt is reallocated to a proportionate methodology as generally described in the Bond documents and further illustrated indicating that such use shall be maintained by the MAV payments even if use should fail to reach that volume.

Review of said original debt documents indicates that any different interpretation or action would necessitate approval of the issuing State Agencies if a State agency action was part of the debt process and that open market bonds could require approval of the bond holders. The most rational action, considering the time that has transpired since issue, is to proceed with the stated methodology until the debt is retired or refunded. The CGMA Board and respective Participant City Management staffs began discussing the transition from equal shares of the debt service annually by each City to a proportionate shared methodology in 2017 using the same basic methodology as incorporated in the bond issuance documents and covenants followed by multiple documents and clarification examples used for Board meeting discussions including:

1. The initial debt service illustration of the transition from equal share to a proportionate share based on water volume was dated June 12, 2017 and was the subject of a CGMA June Board Meeting Agenda item and subsequently discussed with updates at the September 2017 Board meeting. Since the original covenants failed to fully define water volume and other key issues, notes of criteria and guidelines for implementation were provided with the comparison of costs per city under the both methodologies (equal versus proportionate) and the requirements and the bond provisions stipulating the trigger mechanism for the transition was explained. Those clarification notes have been incorporated into this policy document.
2. Following the above discussion at the September 2017 Board meeting, a draft position paper was crafted (dated 1-5-2018) describing options for transition of the debt payments; it was distributed to Participant Staff

early in 2018 and supplemented with an updated illustration of the cost distribution to the Participant Cities for distribution and discussion at the June 2018 Board meeting.

3. A later discussion to assure widespread understanding helped to develop a consensus of agreement with the concept with draft illustrations in early 2019 along with more detailed consideration for the transition from equal to proportionate in mid-2019 distributed to all cities.
4. The final paper was again updated and refined for the June 2020 Board meeting incorporating the various notes and adjustments to the concepts referenced in the sequence of discussions and draft documents above.
5. The respective concepts were then incorporated in general terms in the new GTUA-CGMA Water Contract approved by all Cities in August of 2020 which led to the crafting of the CGMA Policy Statement to be used to guide GTUA and CGMA through the water rate and debt service transitions detailed herein. The above history is provided to illustrate that extensive steps have been taken to secure comments, facilitate understanding, and foster agreement from all involved Participants.

B. New Debt - Subsequent to the effective Date of The Contract (generally after October 1, 2020) all additional debt service expense (debt service, bond issuance expense, bond attorney, and all related expenses) shall be calculated and charged as a component of the water rate charge on the proportional volume of water delivered to each City Participant as a proportion of percentage of the total Participant City volume under the immediately prior Water Year (then current WY) Minimum Annual Volume Amount as described in The Contract. Funding for such debt and annual debt service expense is intended to be generated by the Capital Expense / Debt Fund provided for above. Such funding may be increased as necessitated by the capital needs of the System with the approval of all Participant Cities / Entities through the CGMA Board and such other documentation as may be required by GTUA as sufficient validation of Participant Commitment to effectuate the bond issues required. New System Debt share of debt service shall be calculated the same as Original System Debt (proportional to each City MAV as a % of the total CGMA System MAV per K gallons, except New System Debt shall be incorporated into the total water rate per K gallons instead of being billed separately.

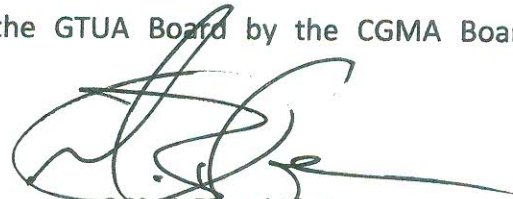
V. **Additional Provisions** - Restatement of annual operational Charges in the water billing rate:

1. Cost of water including:
 - a. The Annual Minimum Volume is the minimum water volume each Participant is required to purchase.
 - b. The charge for water taken above the MAV, if any such Additional Water is taken, shall be at the rate charged to GTUA by NTMWD plus the cost per K gallons for electricity and reserve charges provided for herein above in Section II.F.1 and Section II.F.2 (a-b) as established herein or subsequently modified per K gallons.

It is noted that the Capital & Debt Reserve Fund charge provided for in Section II.F.2 (c) shall not be charged for Additional water unless this provision is subsequently amended.

3. The subsequent Minimum Annual Volume of water each Participant is required to take is set as provided in the bond documents as 59.3125 Million Gallons per water year. Buy-Sell agreements, if pursued shall be for water volume in excess of the MAVs for any water year once the debt allocation is changed to proportionate from equal. Stated another way, only water volume greater than the minimum debt transition threshold of 59.3125 gallons of water volume per year by any Participant is eligible for buy-sell agreements among the Participants. GTUA shall recognize that buying the unused MAV of a Participant that did not use its MAV may reduce a portion of the increase in MAV of the purchasing City, but the agreements are among the Participant Cities and not an official action of GTUA. It is further specified that selling unused MAV shall not reduce the subsequent water year MAV calculation but is a mechanism to recapture a portion of the cost of said unused MAV. 59.3125 Million Gallons shall not be subject to the buy-sell agreement provision after all four of the initial Participant Cities or subsequent Participant Cities / Entities reach the initial minimum volume set in the Bond Sale Documents to fund the original System.
4. Approval by the CGMA Board is required for this Policy Statement to be transmitted to the GTUA Board for Authorizing acknowledgement of the processes detailed herein.
5. This Policy shall be reviewed as specified herein, but may shall be amended or restructured only with the approval of the CGMA Board.

Discussed and endorsed to move forward to the GTUA Board by the CGMA Board on 11/10, 2020 and certified by:



CGMA Board Chair

Passed and approved by as an mutual operational Policy by the GTUA Board on _____, 2020 and certified by:

GTUA Board Chair

ATTACHMENT XII



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: December 16, 2020

SUBJECT: AGENDA ITEM NO. XII

**CONSIDER AND ACT UPON CHANGE ORDER NO. 3 TO THE CONTRACT WITH PATTERSON
PROFESSIONAL SERVICES, LLC FOR THE CITY OF GUNTER DOWNTOWN WASTEWATER TREATMENT
PLANT REPLACEMENT PROJECT**

ISSUE

Consider and act upon Change Order No. 3 to the contract with Patterson Professional Services, LLC for the City of Gunter Downtown Wastewater Treatment Plant Replacement Project.

BACKGROUND

The Authority, on behalf of the City of Gunter is financing and administering the construction of a new Wastewater Treatment Plant ("WWTP"). The new WWTP is necessary to meet the new effluent requirements from their discharge permit issued by the Texas Commission on Environment Quality ("TCEQ"). This permit was renewed in 2017 and the City has three (3) years from the date of issuance to get in compliance with the new permit.

At the February 2018 meeting, the Board of Directors authorized the issuance of \$2,300,000 through the TWDB's CWSRF program. The Authority was able to procure a special class of CWSRF funds, Equivalency Funds, which offer an interest rate subsidy of 1.65% which brought the interest rate down to 1.77% for a 20-year term. The TWDB estimated that Gunter would save approximately \$359,000 over the life of the loan by using the CWSRF.

At the July 2018 meeting, the Board Authorized award of contract to Patterson Professional Services, LLC in the amount of \$1,814,097.50. Construction of the project progressed despite the wet weather the contractor encountered. Following the construction of the tank at the WWTP, it became apparent to the City that the original gate entrance and access road would no longer be usable. There was minimal room for vehicles to maneuver and the chlorine building was on the back side of the tank making delivery of the Chlorine difficult. As a result, the City requested the Engineer and Contractor develop a change order that would add a new access gate and road for the WWTP facility. Change Order No. 1 included the addition of a crushed stone access drive and parking area along with the addition of manual double swing gates at a cost of \$14,000.00. Change Order No. 1 resulted in a revised contract amount of \$1,828,097.50.

Change Order No. 2 resulted in an increase of \$48,600 and consisted of 1) moving the main electric service from over the generator to meet code, 2) adding a valve for the sludge pump to allow for easier maintenance in the future, 3) relocating the fence per the Cities' request, and 4) Increasing the size of the blower cover to shelter all blowers and the sludge pump.

As a part of the project, the contractor is cleaning the old ponds. Now that the project is nearing completion, the City would like to pursue adding the appurtenances necessary to store water in one of the ponds during wet weather events and also as a backup should the headworks pump station fail. Change Order No. 3 would result in an increase of \$34,500.00 and consists of 1) tapping the last manhole before the lift station 8' below the surface with an 8" PVC line that is ran to the pond and pour a 4'X4' Square around the end of the pipe allowing



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

sewage to flow into the pond if the lift station fails., 2) building a structure with steel piers and a 40' long walkway with safety rails over the pond. 3) suspending a 2" steel line (force main) running back to the lift station with a small pump to bring water back into the plant slowly.

CONSIDERATIONS

The City of Gunter will be considering this item at a future council meeting. Contingencies are available in the bond issuance to cover the costs of this Change Order.

STAFF RECOMMENDATIONS

Contingent upon the City of Gunter's approval, the staff recommends approving Change Order No.3 to the contract with Patterson Professional Services in the amount of \$34,500.00 resulting in a revised contract amount of \$1,911,197.50.

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

CONSTRUCTION CONTRACT CHANGE ORDER #3

December 9, 2020

City of Gunter, Texas
105 North 4th Street
Gunter, TX 75058

Change Order: 3

Owner: GTUA / City of Gunter
Project: Downtown WWTP Replacement Project
Executed: September 18, 2018
Contractor: Patterson Professional Services

Attachments: None

A. CHANGE IN SCOPE / QUANTITIES

The following item has been added to the contract:

1. Tap the last manhole before the lift station, 8' below the surface with a 8" PVC line and run it at that level out into the pond. Pour a 4'X4' Square around the end of the pipe. This will allow sewage to flow into the pond if the lift station fails. This line should have a dezurik sludge valve, style 180F. Extend the valve stem to near the surface and place into a box.
2. Near the lift station, build a structure with steel piers and a walkway out over the pond. Approximately 40' long with safety rails along the walkway.
3. Suspend a 2" steel line (force main) running back to the lift station. Suspend a small pump ,480V 3ph, from a stainless chain and hooked to a flexible hose. The small pump, 20 to 50 GPM, will bring water back slowly. The pump would need a simple disconnect on the walkway.

QUANTITY SUMMARY					
NO.	DESCRIPTION	QUANTITY CHANGE	UNIT	UNIT PRICE	EXTENDED PRICE
CO3-1	Overflow line from manhole to pond	1	LS	\$ 20,000	\$ 20,000
CO3-2	Walkway over pond	1	LS	\$ 8,000	\$ 8,000
CO3-3	Return pump and line	1	LS	\$ 6,500	\$ 6,500
TOTAL					\$ 34,500

B. CHANGE IN COMPENSATION

Original Contract Amount: \$ 1,814,097.50
Change Order #1: \$ 14,000.00
Change Order #2 \$ 48,600.00
Change Order #3 \$ 34,500.00

Revised Contract Amount: \$ 1,911,197.50

C. CHANGE IN SCHEDULE

This change order does not adjust the project schedule.

D. TERMS & CONDITIONS

This change order does not change the remaining scope as stated in the original contract. All terms & conditions of the original contract remain in effect.

E. AUTHORITY TO SIGN

The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the day and year set forth in this Agreement.

OWNER

CITY OF GUNTER, TEXAS

Signature: _____

Date: _____

Name: _____

Title: _____

GREATER TEXOMA UTILITY AUTHORITY

Signature: _____

Date: _____

Name: _____

Title: _____

CONTRACTOR

PATTERSON PROFESSIONAL SERVICES

Signature: _____

Date: _____

Name: Mark Patterson
President

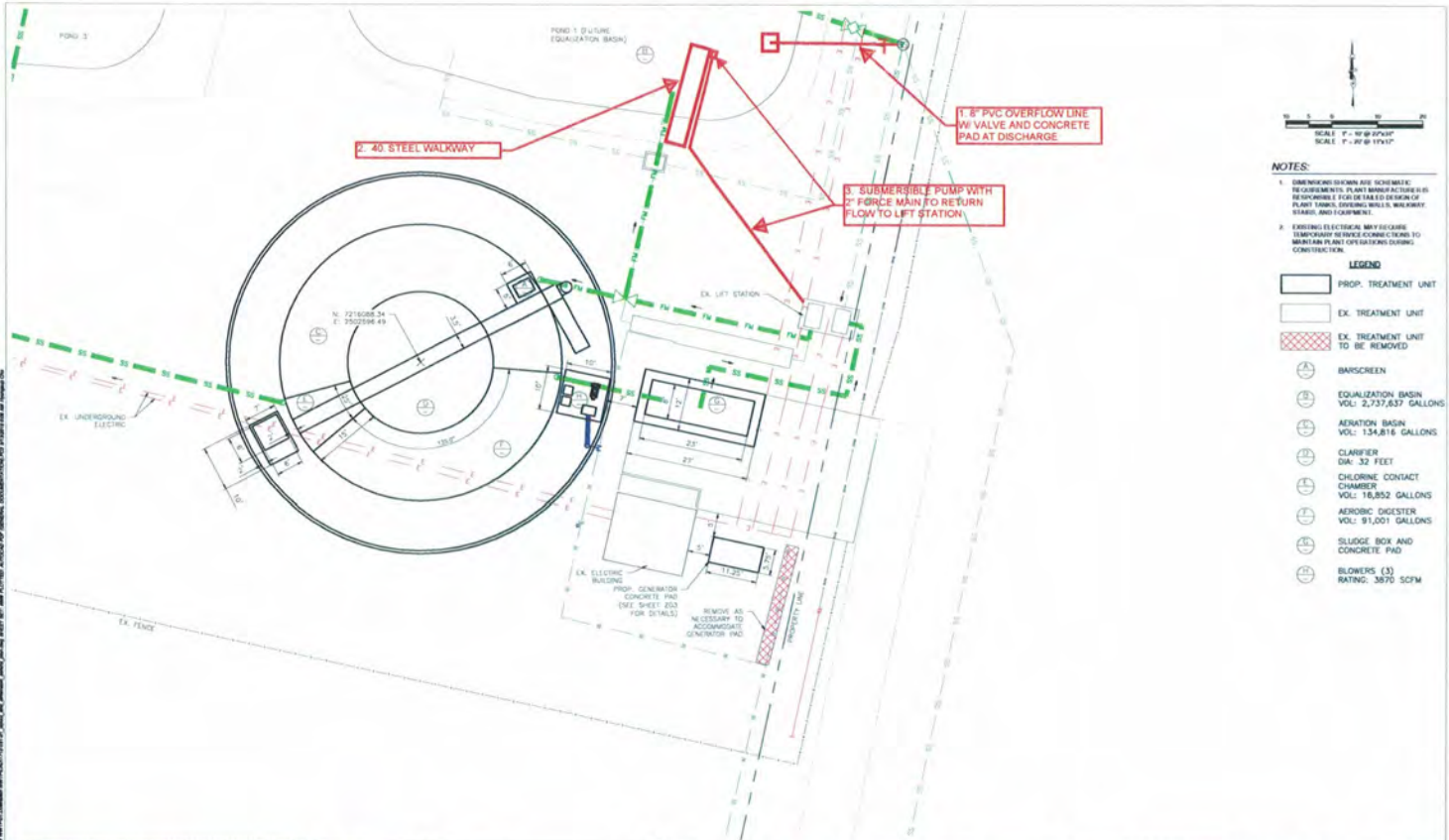
ENGINEER

COBB, FENDLEY & ASSOCIATES, INC.

Signature: _____

Date: _____

Name: Ted B. Sugg, P.E.
Project Manager



NOTES:

1. DIMENSIONS SHOWN ARE SCHEMATIC. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING EXISTING RECORD DRAWINGS OF PLANT TANKS, EXISTING WALKWAYS, STAIRS, AND EQUIPMENT.
2. EXISTING ELECTRICAL WIRING SHALL REMAIN UNLESS OTHERWISE NOTED TO BE REMOVED DURING CONSTRUCTION.

LEGEND

- PROP. TREATMENT UNIT
- EX. TREATMENT UNIT
- EX. TREATMENT UNIT TO BE REMOVED
- BAR SCREEN
- EQUALIZATION BASIN VOL: 2,737,637 GALLONS
- AERATION BASIN VOL: 1,348,816 GALLONS
- CLARIFIER DIA: 32 FEET
- CHLORINE CONTACT CHAMBER VOL: 18,852 GALLONS
- AEROBIC DIGESTER VOL: 91,001 GALLONS
- SLUDGE BOX AND CONCRETE PAD
- BLOWERS (3) RATING: 3870 SCFM

WARNING!!!
 EXISTING UTILITIES IN THE AREA. CONTRACTOR SHALL FIELD VERIFY THE LOCATION OF ALL EXISTING UTILITIES PRIOR TO START OF CONSTRUCTION AND SHALL IMMEDIATELY NOTIFY THE ENGINEER OF ANY CONFLICTS DISCOVERED. CONTRACTOR IS RESPONSIBLE FOR OBTAINING UTILITY LOCATIONS WHERE NECESSARY AND FOR PROTECTING EXISTING UTILITIES DURING CONSTRUCTION. IF ANY EXISTING UTILITIES ARE DAMAGED, THE CONTRACTOR SHALL REPLACE THEM AT THEIR OWN EXPENSE.



NO.	DATE	DESCRIPTION



CobbFendley
 TSPS Firm Registration No. F-274
 TSPS Firm Registration No. 500487
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GUNTER WASTE WATER TREATMENT PLANT
 CITY OF GUNTER DOWNTOWN WWTP
 LAYOUT AND DIMENSION CONTROL PLAN

DESIGNED BY: M.B. DRAWN BY: M.C. PROJECT NO.: 1712-001-01 DATE: Sep 2018

SHEET NO. **M02** OF 31

ATTACHMENT XIV

RESOLUTION NO. _____

GREATER TEXOMA UTILITY AUTHORITY

A RESOLUTION BY THE GREATER TEXOMA UTILITY AUTHORITY RECOGNIZING

Mark Kuneman

WHEREAS, the Greater Texoma Utility Authority wishes to recognize

Mark Kuneman

for contributing toward furthering economic development of this area and for helping to promote effective planning and utilization of water and other resources by faithfully participating in the activities of the Authority.

NOW, THEREFORE, BE IT RESOLVED BY THE GREATER TEXOMA UTILITY AUTHORITY THAT: the Authority conveys its sincere appreciation and gratitude to

Mark Kuneman

for leadership provided to the Authority and its member cities.

On motion of _____, seconded by _____, the foregoing Resolution was passed and approved on this the _____ day of _____, 2018, by the following vote:

AYE:

NAY:

ABSTAIN:

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

President

ATTEST:

Secretary-Treasurer

ADJOURN