

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

MONDAY FEBRUARY 18, 2019

**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 Mark Kuneman

Members Absent: Anthony Richardson

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

General Counsel: Bert Garcia, 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 Member Donald Johnston 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 January 28, 2019 Meeting.

V. * Consider and act upon approval of accrued liabilities for January 2019.

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

VI. Citizens to be Heard.

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

VII. Receive Quarterly Investment Report.

Debi Atkins presented the Quarterly Investment Report with the Board.

VIII. Consider all matters incident and related to the issuance and sale of "Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2019 (City of Princeton Project)", including the adoption of a resolution authorizing the issuance of such bonds, establishing parameters for the sale and issuance of such bonds and delegating certain matters to authorized officials of the Authority.

General Manager Drew Satterwhite provided background information for the Board. After 10 years an outstanding bond becomes refundable. Garry Kimball of Specialized Public Finance notified the Authority of the potential to refund the 2009 bond series issued by the Authority on behalf of the City of Princeton and achieve a present value savings of \$26,500 per year over the next 11 years of debt service, or at least \$238,000. The Authority staff confirmed with the City of Princeton Manager and Finance Director that the City of Princeton would like to proceed with the refunding, which would be approximately \$238,000 over the life of the bond series. The current interest rate is 5.62% and the Authority's Financial Advisor believes this can be refunded with a rate around 3.55%.

Kristen Savant, Bond Counsel, informed the Board that the Board has approved parameter resolutions in the past. She briefly explained how the parameter resolution works. By adopting the resolution the Board authorizes the General Manager to operate as pricing manager for the sale of the bonds.

Board Member Matt Brown made the motion to authorize the adoption of the resolution authorizing the issuance of Greater Texoma Utility Authority Contract Revenue Bonds, Series 2019 (City of Princeton Project, establishing parameters for the issuance of such bonds, and delegating certain matters to authorized officials of the Authority . Board Member Ken Brawley seconded the motion. Motion passed unanimously.

The Board decided to switch the order of items IX and X.

IX. Receive update on Groundwater District Rules and Database.

General Manager Drew Satterwhite provided a presentation on the Permanent Rule changes for the Red River and North Texas Groundwater Conservation Districts and gave a preview of the database that is being developed for both Districts.

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

General Manger Drew Satterwhite provided updates on the following:

The City of Ector Wastewater Treatment Plant Disinfection Project is moving along. A pre-construction meeting was held last week. This project should get the City back into compliance with TCEQ

The only bid received on the Van Alstyne Solids Dewatering equipment was higher than the budgeted amount. This will result in further in discussions with the City and their Engineer regarding options for this project.

Lake Kiowa SUD water distribution project is coming to a close. The contractor has indicated a need to leave the project and return in the spring to sod the project area. Some issues regarding taps put in 30 years ago that were outdated resulted in an added expense for the project. A reconciliation change order is expected in next month for this project.

City of Kaufman City Manager has requested General Manager Drew Satterwhite to come the second week in March and give a presentation about a bond issuance for their wastewater treatment plant.

City of Pottsboro project is currently under review by the project engineers in an effort to reduce the size of the rehabilitation project to reduce the rate increase that will be necessary for repayment of the bonds.

GTUA staff had previously discussed the necessary rate increase the City of Whitewright would need for the Water System Improvement Project.; however, since the initiation of the application to the TWDB for funding of the Water System Improvements Project, the city's engineer and Director of Public Works have discovered the wastewater treatment plant has issues that are in dire need of attention. The City is looking at reducing the Water System Improvements Project in order to address the Wastewater Treatment Plant. The implementing the projects will require a \$25 to \$35 increase per customer for repayment of the loan necessary to fund the improvements.

XI. Adjourn

Board Member Matt Brown made the motion to adjourn. Board Member Ken Brawley seconded the motion. The motion passed unanimously. Board President Morgan declared the meeting adjourned at 1:40 p.m.

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Velma Starks
Recording Secretary

[Signature]
Secretary-Treasurer