

**GREATER TEXOMA UTILITY AUTHORITY
BOARD MEETING
MAY 23, 2022**

**GTUA BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020**

**NOTICE OF PUBLIC MEETING
OF THE BOARD OF DIRECTORS OF THE
GREATER TEXOMA UTILITY AUTHORITY
GTUA BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020
Monday, May 23, 2022, 12:30 p.m.**

Notice is hereby given that a meeting of the Board of Directors of the Greater Texoma Utility Authority will be held on the 23rd day of May, 2022, 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. Consider and act upon accepting resignation of Anthony Richardson.
- IV. Presentation of plaque to Anthony Richardson.
- 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 April 18, 2022 Meeting.
- VII. * Consider and act upon approval of accrued liabilities for April 2022.
- VIII. Citizens to be Heard.
- IX. Receive Quarterly Investment Report.
- X. Consider and act upon Change Order No. 5 and closeout of the contract with Patterson Professional Services, LLC for the City of Gunter Downtown Wastewater Treatment Plant Replacement Project.
- XI. Consider and act upon Change Order No. 1 & 2 to the contract with Hayes Construction for the City of Sherman's North Travis Street and US 75 Waterline Replacements Project.
- XII. Consider all matters incident and related to providing for the redemption of certain outstanding "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2007 (Argyle Water Supply Corporation Project)", including the adoption of a resolution pertaining thereto.

- XIII. Consider all matters incident and related to the issuance and sale of “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (City of Bells Project)” including the adoption of an ordinance approving the issuance thereof and the facilities to be constructed or acquired by such Authority.
- XIV. Consider and act upon authorization of General Manager to advertise for bids for City of Bells Project.
- XV. Consider all matters incident and related to the approval and execution of a Water and Sewer Facilities Contract with the City of Henrietta, Texas, including the adoption of a resolution pertaining thereto.
- XVI. Consider all matters incident and related to the issuance and sale of “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (City of Henrietta Project)”, including the adoption of a resolution approving the issuance of such bonds.
- XVII. Consider and act upon authorization of General Manager to advertise for bids for City of Henrietta Project.
- XVIII. Consider all matters incident and related to the approval and execution of a Water and Sewer Facilities Contract with the City of Valley View, Texas, including the adoption of a resolution pertaining thereto.
- XIX. Consider all matters incident and related to the issuance and sale of “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (City of Valley View Project)”, including the adoption of a resolution approving the issuance of such bonds.
- XX. Consider and act upon authorization of General Manager to advertise for bids for City of Valley View Project.
- XXI. Consider all matters incident and related to the issuance and sale of “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (City of Dorchester Project)”, including the adoption of a resolution approving the issuance of such bonds.
- XXII. Consider and act upon authorization of General Manager to advertise for bids for City of Dorchester Project.
- XXIII. Consider all matters incident and related to the issuance and sale of “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (Northwest Grayson County WCID #1 Project)”, including the adoption of a resolution approving the issuance of such bonds.
- XXIV. Consider and act upon authorization of General Manager to advertise for bids for Northwest Grayson County WCID #1 Project.
- XXV. Consider and act upon selection of a firm for audit services.
- XXVI. Consider all matters incident and related to the issuance, sale and delivery of “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (City of Sherman 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

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

XXVIII. 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 VI

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

MONDAY, APRIL 18, 2022

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

Members Present: Brad Morgan, Stanley Thomas, Ken Brawley, Matt Brown, and Donald Johnston

Members Absent: Scott Blackerby

Staff: Drew Satterwhite, Tasha Hamilton, Nichole Sims, and Velma Starks

General Counsel: Mike Wynne, Wynne and Smith

Bond Counsel: Kristen Savant, Norton Rose Fulbright

Visitors: Tom Pruitt, P.E., City of Sherman
David Howerton, Plummer Associates, Inc.

I. Call to Order

Board President Brad Morgan called the meeting to order at 12:30 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 March 21, 2022, and March 31, 2022, Meetings.

V. * Consider and act upon approval of accrued liabilities for March 2022.

General Manager Drew Satterwhite reviewed the liabilities with the Board. Discussion was held. Board Member Stanley Thomas made the motion to approve the Consent Agenda as presented. Board Member Matt Brown seconded the motion. Motion passed unanimously.

VI. Citizens to be Heard.

There were no citizens requesting to address the Board.

VII. Quarterly Investment Report

This item was mistakenly left on the Board Members' packet agenda. The Board decided to table this item for the next board meeting. Board Member Donald Johnston made the motion to table the Quarterly Investment Report until the next meeting. Board Member Ken Brawley seconded the motion. Motion passed unanimously.

VIII. Consider all matters incident and related to the issuance, sale and delivery of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (City of Sherman 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. The City of Sherman requested assistance in obtaining funding for improvements to the City's water and wastewater system. A major part of this request is the TI expansion coming to Sherman resulting in growth and demand upon the City's water and wastewater system. Discussion was held. The Resolution is for the General Manager to operate as Pricing Officer for the sale of the Bonds on behalf of the City of Sherman. Kristen Savant, Norton Rose Fulbright, provided resolution and bond information for the Board. Board Member Donald Johnston made the motion to adopt the 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. Board Member Matt Brown seconded the motion. Motion passed unanimously.

IX. 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 (Collin Grayson Municipal Alliance Water System Improvements Project).

General Manager Drew Satterwhite provided background for the Board. The Authority along with the CGMA Cities, are planning a construction project to expand the delivery capacity of the CGMA water system. The work will focus on the pump station site and consist of the following components, 1) add a 4th pump and motor, VFDs, soft starters, 2) Add 2 additional stages to the three (3) existing pumps, 3) additional ground storage tank, 4) SCADA upgrades, 5) Backup Generator, 6) piping and pressure relief additions, 7) all associated electrical, plumbing and earthwork 8) and appurtenances. The TWDB met and approved an invitation for the Authority to apply for funding through the TWDB's State Water Implementation Fund for Texas ("SWIFT"). The Authority has 30-days from the invitation date to submit a completed application. Discussion was held. Board Member Matt Brown made a motion approving the resolution authorizing the filing of an application for assistance to the TWDB for funds to be used by the Authority for the CGMA Water System Improvements Project. Board Member Ken Brawley seconded the motion. Motion passed unanimously.

X. 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 Gainesville Water System Improvements Project).

General Manager Drew Satterwhite provided background information for the Board. The City of Gainesville requested the Authority's assistance with obtaining funding from the Texas Water Development Board for a water system improvement project. The project they are seeking funding for would consist of the replacement of a 14" water transmission main to alleviate water loss. This water main is 80+ years old and the City estimates that the line has lost 30-million gallons of water over the past 5-years. The TWDB met and approved an invitation for the Authority to apply for funding through the TWDB's State Water Implementation Fund for Texas ("SWIFT"). The Authority has 30-days from the invitation date to submit a completed application. Board Member Donald Johnston made a motion to approve the resolution authorizing the filing of the application to the TWDB for funds to be used by the Authority on behalf of the City of Gainesville for the City of Gainesville Water System Improvements Project. Board Member Stanley Thomas seconded the motion. Motion passed unanimously.

XI. Consider and act upon award of contract for the Collin Grayson Municipal Alliance Bloomdale Pump Station Emergency Generator Connection Project.

General Manager Drew Satterwhite provided background information for the Board. At the November 2021 Authority Board meeting, the ESA was approved which authorized the design of the projects. The Board also authorized separating the generator quick-connect infrastructure into a separate engineering and construction project. This will allow us to build this portion of the project with cash-on-hand ahead of the bond issuance and be able to plug in our rental generator into power for any of the existing pumps. The quick-connect infrastructure portion of the improvements, Emergency Generator Connection Project, was bid on April 5, 2022. We had four (4) bidders submit proposals. Prater Electric was the lowest bidder in the amount of \$135,000.00. Freeman Millican, Engineers, reviewed the bids and recommended awarding the contract to Prater Electric. Discussion was held. Board Member Donald Johnston made the motion to award the contract for the Collin Grayson Municipal Alliance Bloomdale Pump Station Emergency Generator Connection Project to Prater Electric. Board Member Matt Brown seconded the motion. Motion passed unanimously.

XII. Presentation of plaque to Anthony Richardson.

The suggestion was made to table this item since we had not been able to contact Anthony Richardson. Board Member Ken Brawley made the motion to table the presentation of the plaque to Anthony Richardson. Board Member Matt Brown seconded the motion. Motion passed unanimously.

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

a. SWIFT Update

General Manager Drew Satterwhite informed the Board that the account executive for Bank of Texas is in Dallas. We are in the process of preparation for sending out RFPs and wanting to decide if Committee wants to be involved before sending out RFPs. We are wanting to set up an in-person meeting with the account executive.

May Board meeting will be May 23.

An update was provided on the Legion Development project. The Bonding company has requested payment directly as Legion is unable to pay subcontractors.

Gunter Wastewater Plant Project still has not received mufflers that were ordered. There might be a change order in the future to remove the muffler from the project and closeout the project. Mufflers would be paid from other funds if the contractor decides to keep them.

XIV. Adjourn

Board Member Matt Brown made the motion to adjourn. Board Member Ken Brawley seconded the motion. Board President Brad Morgan declared the meeting adjourned at 1:19 p.m.

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Recording Secretary

Secretary-Treasurer

ATTACHMENT IX



Greater Texoma Utility Authority

QUARTERLY INVESTMENT REPORT

For the Quarter Ended

March 31, 2022

Prepared by
Valley View Consulting, L.L.C.

The investment portfolio of the Greater Texoma Utility Authority is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Drew Satterwhite
General Manager

Debi Atkins
Finance Officer

Disclaimer: These reports were compiled using information provided by the Authority. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment advisor fees.

Summary

Quarter End Results by Investment Category:

Asset Type	December 31, 2021		March 31, 2022		
	Ave. Yield	Book Value	Market Value	Book Value	Market Value
Demand Accounts	0.25%	\$ 392,832	\$ 392,832	\$ 814,503	\$ 814,503
NOW/MMA/MMF/ICS	0.28%	36,047,186	36,047,186	37,809,936	37,809,936
Local Government Pools	0.11%	11,421,389	11,421,389	24,156,549	24,156,549
CDs/Securities	0.35%	28,491,681	28,491,681	23,393,681	23,393,681
Totals		\$ 76,353,087	\$ 76,353,087	\$ 86,174,669	\$ 86,174,669

Quarter End Average Yield (1)

Total Portfolio	0.25%
Rolling Three Month Treasury	0.31%
Rolling Six Month Treasury	0.36%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	0.21%
Rolling Three Month Treasury	0.18%
Rolling Six Month Treasury	0.22%
TexPool	0.10%

Interest Revenue

Quarterly Interest Income	\$ 75,599	Approximate	<u>Bank Fee Offset</u>	585
Year-to-date Interest Income	\$ 149,320	Approximate	Quarterly Bank Fees Offset	\$ 1,026
			Year-to-date Bank Fees Offset	\$

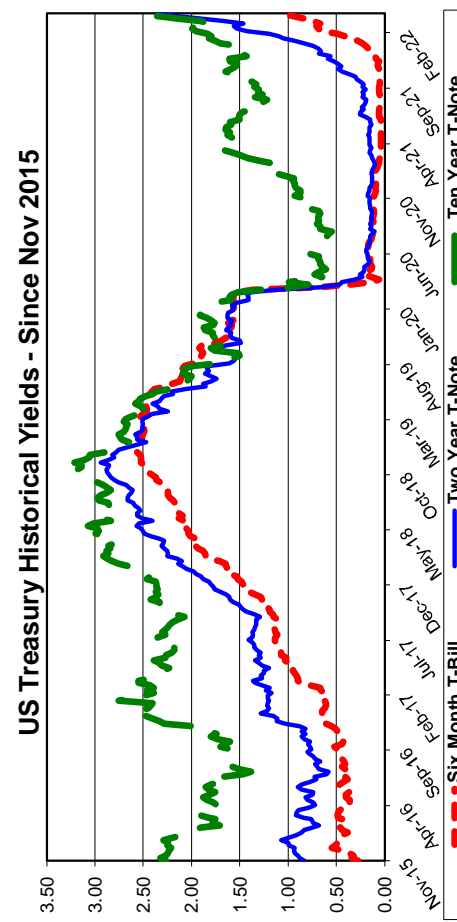
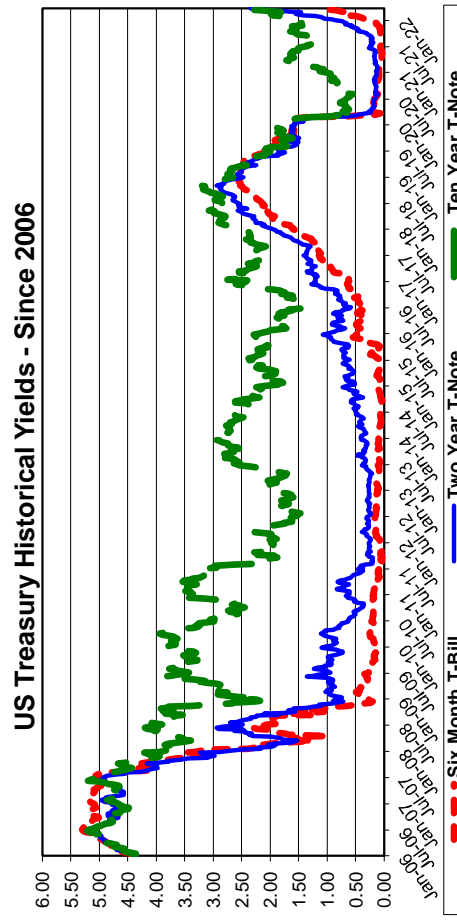
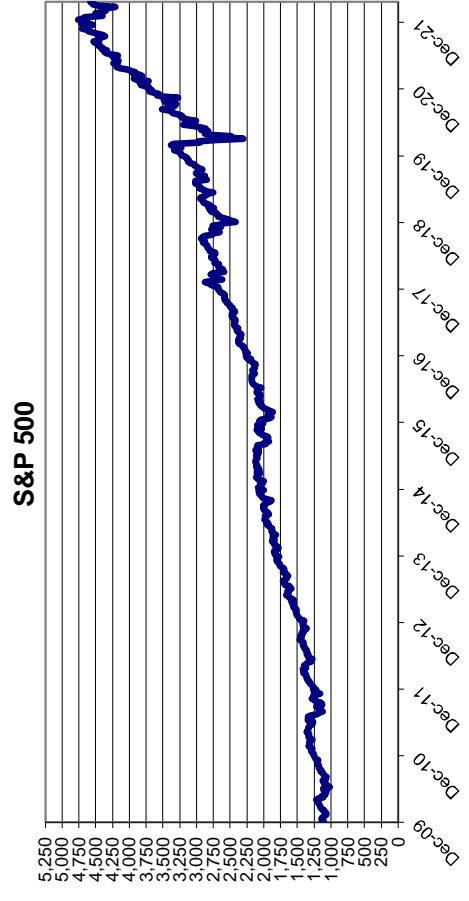
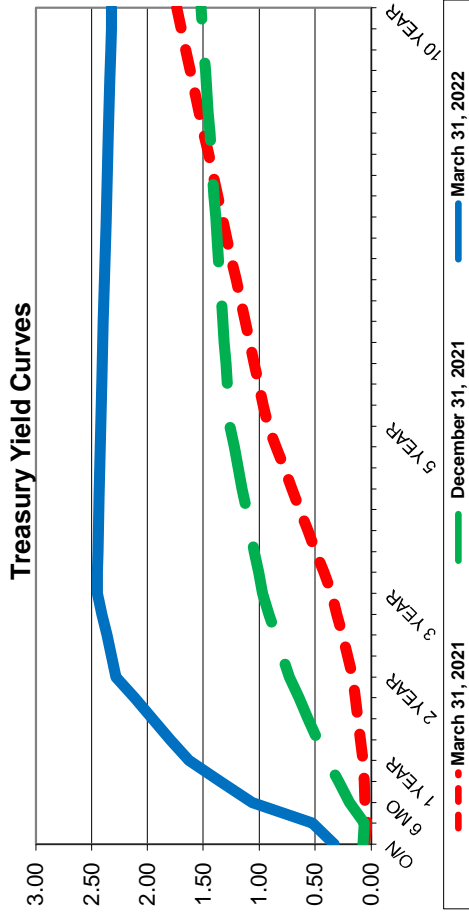
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Overview

3/31/2022

The Federal Open Market Committee (FOMC) **raised** the Fed Funds target range to 0.25% to 0.50% (Effective Fed Funds are trading +/-0.30%). The FOMC ended monthly security purchases and may begin reducing their balance sheet. The market projection 4 to 6 more increases this calendar year. Final Fourth Quarter GDP recorded +6.9%. March Non-Farm Payroll missed estimates adding 431k net new jobs. Decreasing the Three Month Average NFP to 562k. Crude oil declined to +/- \$100 per barrel. The Stock Markets have recovered from the "correction" and slowly regained some lost ground. Some domestic economic indicators, including housing, softened. Inflation remained well over the FOMC 2% target (Core PCE +/-5.4%). The FOMC Fed Funds target projections pushed the yield curve to a Three Year Maturity peak.



**Investment Holdings
March 31, 2022**

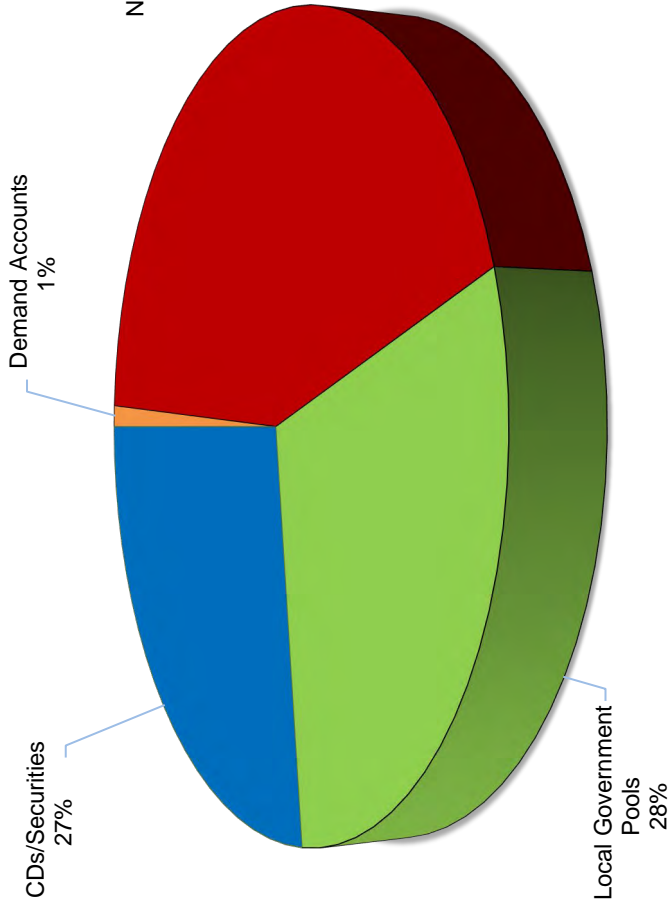
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Face Amount/ Par Value	Book Value	Market Price	Market Value	Life (Day)	Yield
BOT DDA (3)		0.25%	04/01/22	03/31/22	\$ 814,503	\$ 814,503	1.00	\$ 814,503	1	0.25%
BOT Escrow MMF		0.25%	04/01/22	03/31/22	20,603,503	20,603,503	1.00	20,603,503	1	0.25%
Prosperity MMA (Sherman 20/21)		0.15%	04/01/22	03/31/22	9,870,049	9,870,049	1.00	9,870,049	1	0.15%
Veritex Bank MMA		0.27%	04/01/22	03/31/22	250,210	250,210	1.00	250,210	1	0.27%
NexBank ICS		0.55%	04/01/22	03/31/22	7,086,174	7,086,174	1.00	7,086,174	1	0.55%
TexPool	AAAm	0.15%	04/01/22	03/31/22	36,591	36,591	1.00	36,591	1	0.15%
TexSTAR	AAAm	0.11%	04/01/22	03/31/22	24,119,959	24,119,959	1.00	24,119,959	1	0.11%
Bank OZK		0.13%	05/13/22	05/13/21	1,200,000	1,200,000	100.00	1,200,000	43	0.13%
Bank OZK		0.13%	05/13/22	05/13/21	600,000	600,000	100.00	600,000	43	0.13%
Bank OZK		0.13%	05/13/22	05/13/21	400,000	400,000	100.00	400,000	43	0.13%
Bank OZK		0.13%	05/13/22	05/13/21	850,000	850,000	100.00	850,000	43	0.13%
Prosperity Bank		0.20%	05/24/22	05/24/21	1,000,000	1,000,000	100.00	1,000,000	54	0.20%
Bank OZK		0.13%	07/13/22	05/13/21	400,000	400,000	100.00	400,000	104	0.13%
Bank OZK		0.13%	07/13/22	05/13/21	934,500	934,500	100.00	934,500	104	0.13%
Prosperity Bank		0.20%	07/28/22	07/28/21	1,100,000	1,100,000	100.00	1,100,000	119	0.20%
Prosperity Bank		0.20%	07/28/22	07/28/21	1,000,000	1,000,000	100.00	1,000,000	119	0.20%
Prosperity Bank		0.20%	07/28/22	07/28/21	1,100,000	1,100,000	100.00	1,100,000	119	0.20%
Prosperity Bank		0.20%	07/28/22	07/28/21	1,000,000	1,000,000	100.00	1,000,000	119	0.20%
Legend Bank CDARS		0.42%	07/28/22	10/29/20	1,913,481	1,913,481	100.00	1,913,481	119	0.42%
Legend Bank CDARS		0.50%	09/10/22	09/10/20	1,320,000	1,320,000	100.00	1,320,000	163	0.50%
Allegiance Bank		0.30%	11/30/22	11/30/20	1,708,000	1,708,000	100.00	1,708,000	244	0.30%
East West Bank		0.32%	12/28/22	12/28/21	1,416,700	1,416,700	100.00	1,416,700	272	0.32%
East West Bank		0.32%	12/28/22	12/28/21	1,000,000	1,000,000	100.00	1,000,000	272	0.32%
East West Bank		0.32%	12/28/22	12/28/21	1,000,000	1,000,000	100.00	1,000,000	272	0.32%
East West Bank		0.67%	01/31/23	01/31/22	1,000,000	1,000,000	100.00	1,000,000	306	0.67%
East West Bank		0.67%	01/31/23	01/31/22	2,000,000	2,000,000	100.00	2,000,000	306	0.67%
East West Bank		0.81%	02/07/23	02/07/22	1,456,000	1,456,000	100.00	1,456,000	313	0.81%
Bank OZK		0.21%	03/23/23	03/23/21	995,000	995,000	100.00	995,000	357	0.21%
					\$ 86,174,669	\$ 86,174,669		\$ 86,174,669	51	0.25%
									(1)	(2)

(1) **Weighted average life** - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have a one day maturity.

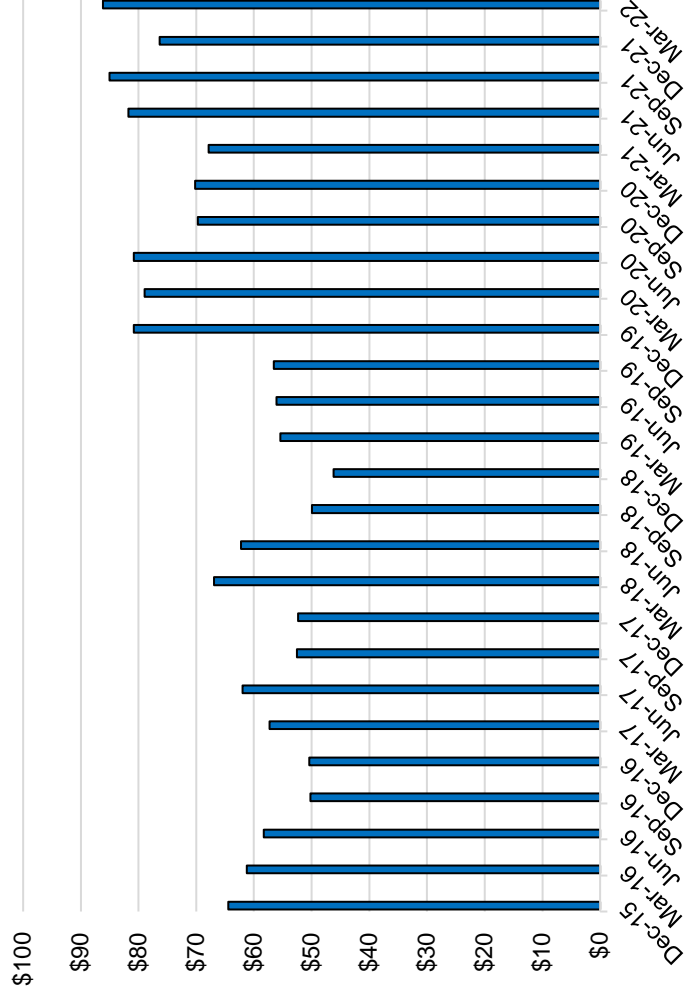
(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts, pools, and money market funds.

(3) **Earnings Credit** - The Authority's depository accounts provide an earnings credit on balances which is used to offset bank fees. The reported rate is estimated based on fees offset and average balances.

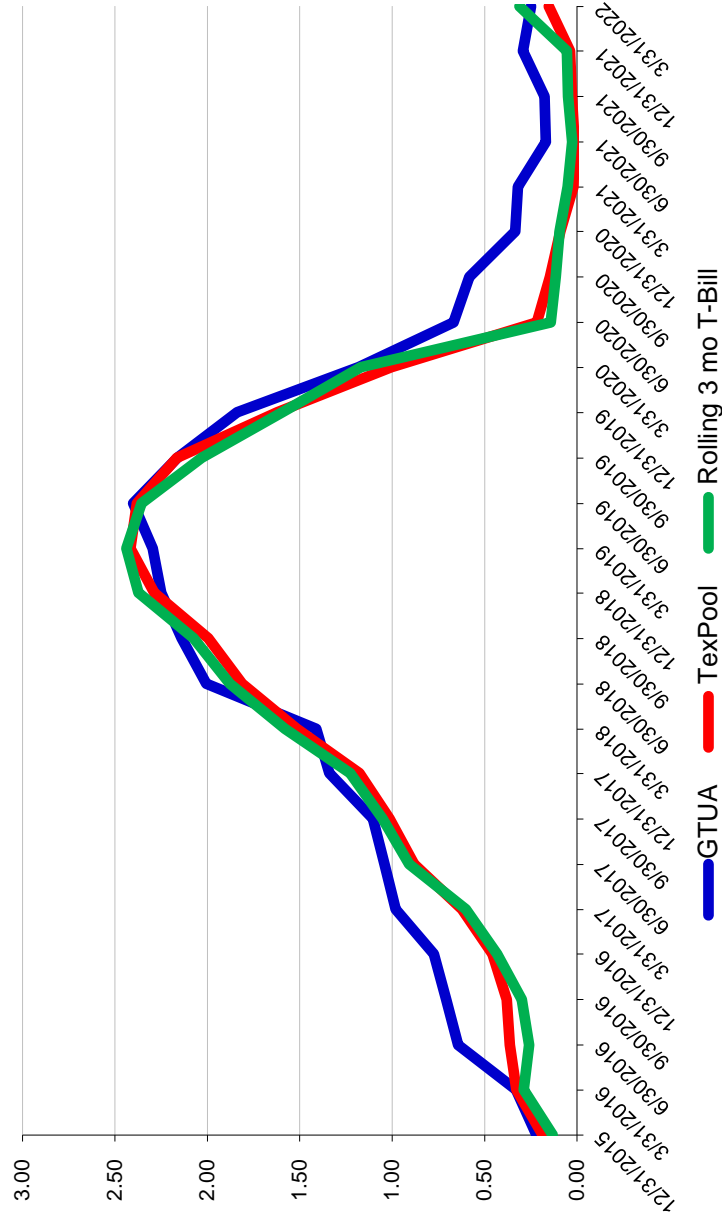
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/21	Increases	Decreases	Book Value 03/31/22	Market Value 12/31/21	Change in Market Value	Market Value 03/31/22
BOT	0.25%	04/01/22	\$ 392,832	\$ 421,671	\$ -	\$ 814,503	\$ 392,832	\$ 421,671	\$ 814,503
BOT Escrow MMF	0.25%	04/01/22	20,368,960	234,543	-	20,603,503	20,368,960	234,543	20,603,503
Prosperity MMA (Sherman 20/21)	0.15%	04/01/22	11,000,944	-	(1,130,895)	9,870,049	11,000,944	(1,130,895)	9,870,049
Veritex Bank MMA	0.27%	04/01/22	250,118	92	-	250,210	250,118	92	250,210
NexBank ICS	0.55%	04/01/22	4,427,164	2,659,010	-	7,086,174	4,427,164	2,659,010	7,086,174
TexPool	0.15%	04/01/22	36,583	7	-	36,591	36,583	7	36,591
TexSTAR	0.11%	04/01/22	11,384,805	12,735,153	-	24,119,959	11,384,805	12,735,153	24,119,959
East West Bank	0.09%	01/13/22	800,000	-	(800,000)	-	800,000	(800,000)	-
Prosperity Bank	0.20%	01/26/22	1,000,000	-	(1,000,000)	-	1,000,000	(1,000,000)	-
Prosperity Bank	0.20%	01/26/22	1,000,000	-	(1,000,000)	-	1,000,000	(1,000,000)	-
Prosperity Bank	0.20%	01/26/22	2,000,000	-	(2,000,000)	-	2,000,000	(2,000,000)	-
East West Bank	1.64%	01/31/22	1,354,000	-	(1,354,000)	-	1,354,000	(1,354,000)	-
East West Bank	0.10%	02/11/22	1,000,000	-	(1,000,000)	-	1,000,000	(1,000,000)	-
East West Bank	0.10%	02/11/22	2,000,000	-	(2,000,000)	-	2,000,000	(2,000,000)	-
East West Bank	0.10%	03/11/22	200,000	-	(200,000)	-	200,000	(200,000)	-
East West Bank	0.10%	03/11/22	200,000	-	(200,000)	-	200,000	(200,000)	-
Bank OZK	0.13%	05/13/22	1,200,000	-	-	1,200,000	1,200,000	-	1,200,000
Bank OZK	0.13%	05/13/22	600,000	-	-	600,000	600,000	-	600,000
Bank OZK	0.13%	05/13/22	400,000	-	-	400,000	400,000	-	400,000
Prosperity Bank	0.13%	05/13/22	850,000	-	-	850,000	850,000	-	850,000
Prosperity Bank	0.20%	05/24/22	1,000,000	-	-	1,000,000	1,000,000	-	1,000,000
Bank OZK	0.13%	07/13/22	400,000	-	-	400,000	400,000	-	400,000
Bank OZK	0.13%	07/13/22	934,500	-	-	934,500	934,500	-	934,500
Prosperity Bank	0.20%	07/28/22	1,100,000	-	-	1,100,000	1,100,000	-	1,100,000
Prosperity Bank	0.20%	07/28/22	1,000,000	-	-	1,000,000	1,000,000	-	1,000,000
Prosperity Bank	0.20%	07/28/22	1,100,000	-	-	1,100,000	1,100,000	-	1,100,000
Prosperity Bank	0.20%	07/28/22	1,000,000	-	-	1,000,000	1,000,000	-	1,000,000
Legend Bank CDARS	0.42%	07/28/22	1,913,481	-	-	1,913,481	1,913,481	-	1,913,481
Legend Bank CDARS	0.50%	09/10/22	1,320,000	-	-	1,320,000	1,320,000	-	1,320,000
Allegiance Bank	0.30%	11/30/22	1,708,000	-	-	1,708,000	1,708,000	-	1,708,000
East West Bank	0.32%	12/28/22	1,416,700	-	-	1,416,700	1,416,700	-	1,416,700
East West Bank	0.32%	12/28/22	1,000,000	-	-	1,000,000	1,000,000	-	1,000,000
East West Bank	0.32%	12/28/22	1,000,000	-	-	1,000,000	1,000,000	-	1,000,000
East West Bank	0.67%	01/31/23	-	1,000,000	-	1,000,000	-	1,000,000	1,000,000
East West Bank	0.67%	01/31/23	-	2,000,000	-	2,000,000	-	2,000,000	2,000,000
East West Bank	0.81%	02/07/23	-	1,456,000	-	1,456,000	-	1,456,000	1,456,000
Bank OZK	0.21%	03/23/23	995,000	-	-	995,000	995,000	-	995,000
TOTAL / AVERAGE	0.25%		\$ 76,353,087	\$ 20,506,476	\$ (10,684,895)	\$ 86,174,669	\$ 76,353,087	\$ 9,821,582	\$ 86,174,669

**Allocation by Fund
Book & Market Value**

March 31, 2022

	Maturity	Investment Total	General	Construction	Bond I&S	Revenue	Reserve
BOT	3/31/2022	\$ 814,503	\$ 814,503				
BOT Escrow MMF	3/31/2022	20,603,503		20,603,503			
Prosperity MMA (Sherman 20/21)	3/31/2022	9,870,049		9,870,049			
Veritex Bank MMA	3/31/2022	250,210		250,210			
NexBank ICS	3/31/2022	7,086,174		929,060	6,157,114		
TexPool	3/31/2022	36,591	36,591				
TexSTAR	3/31/2022	24,119,959	749,317	17,848,178	2,894,143	1,711,849	916,472
Bank OZK	05/13/22	1,200,000		1,200,000			
Bank OZK	05/13/22	600,000		600,000			
Bank OZK	05/13/22	400,000		400,000			
Bank OZK	05/13/22	850,000		850,000			
Prosperity Bank	05/24/22	1,000,000		1,000,000			
Bank OZK	07/13/22	400,000		400,000			
Bank OZK	07/13/22	934,500					934,500
Prosperity Bank	07/28/22	1,100,000		1,100,000			
Prosperity Bank	07/28/22	1,000,000		1,000,000			
Prosperity Bank	07/28/22	1,100,000		1,100,000			
Prosperity Bank	07/28/22	1,000,000		1,000,000			
Legend Bank CDARS	07/28/22	1,913,481					1,913,481
Legend Bank CDARS	09/10/22	1,320,000					1,320,000
Allegiance Bank	11/30/22	1,708,000					1,708,000
East West Bank	12/28/22	1,416,700					1,416,700
East West Bank	12/28/22	1,000,000		1,000,000			
East West Bank	12/28/22	1,000,000		1,000,000			
East West Bank	01/31/23	1,000,000		1,000,000			
East West Bank	01/31/23	2,000,000		2,000,000			
East West Bank	02/07/23	1,456,000					1,456,000
Bank OZK	03/23/23	995,000					995,000

Totals \$ 86,174,669 \$ 1,600,410 \$ 63,151,000 \$ 9,051,257 \$ 1,711,849 \$ 10,660,153

**Allocation by Fund
Book & Market Value**

December 31, 2021

	Maturity	Investment Total	General	Construction	Bond I&S	Revenue	Reserve
BOT	12/31/2021	\$ 392,832	\$ 392,832				
BOT Escrow MMF	12/31/2021	20,368,960		20,368,960			
Prosperity MMA (Sherman 20/21)	12/31/2021	11,000,944		11,000,944			
Veritex Bank MMA	12/31/2021	250,118		250,118			
NexBank ICS	12/31/2021	4,427,164		3,566,875	860,289		
TexPool	12/31/2021	36,583	36,583				
TexSTAR	12/31/2021	11,384,805	749,297	5,486,597	3,110,435	1,770,792	267,685
East West Bank	01/13/22	800,000		800,000			
Prosperity Bank	01/26/22	1,000,000		1,000,000			
Prosperity Bank	01/26/22	1,000,000		1,000,000			
Prosperity Bank	01/26/22	2,000,000		2,000,000			
East West Bank	01/31/22	1,354,000					1,354,000
East West Bank	02/11/22	1,000,000		1,000,000			
East West Bank	02/11/22	2,000,000		2,000,000			
East West Bank	03/11/22	200,000		200,000			
East West Bank	03/11/22	200,000		200,000			
Bank OZK	05/13/22	1,200,000		1,200,000			
Bank OZK	05/13/22	600,000		600,000			
Bank OZK	05/13/22	400,000		400,000			
Bank OZK	05/13/22	850,000		850,000			
Prosperity Bank	05/24/22	1,000,000		1,000,000			
Bank OZK	07/13/22	400,000		400,000			
Bank OZK	07/13/22	934,500					934,500
Prosperity Bank	07/28/22	1,100,000		1,100,000			
Prosperity Bank	07/28/22	1,000,000		1,000,000			
Prosperity Bank	07/28/22	1,100,000		1,100,000			
Prosperity Bank	07/28/22	1,000,000		1,000,000			
Legend Bank CDARS	07/28/22	1,913,481					1,913,481
Legend Bank CDARS	09/10/22	1,320,000					1,320,000
Allegiance Bank	11/30/22	1,708,000					1,708,000
East West Bank	12/28/22	1,416,700					1,416,700
East West Bank	12/28/22	1,000,000		1,000,000			
East West Bank	12/28/22	1,000,000		1,000,000			
Bank OZK	03/23/23	995,000					995,000
Totals		\$ 76,353,087	\$ 1,178,712	\$ 59,523,493	\$ 3,970,724	\$ 1,770,792	\$ 9,909,366



May 5, 2022

To: Drew Satterwhite
Debi Atkins

Fr: Dick Long
Ben Day

Re: Wells Fargo Safekeeping and Broker/Dealer Services

GTUA's investment horizon has been radically altered with the Federal Open Market Committee's (FOMC) interest rate increase plan. Financial Institutions have generally been slow to adjust their deposit rates, while government security yields have risen dramatically. Therefore, it is to GTUA's advantage to invest in government securities instead of CDs.

Government securities require access to a Federal Reserve Bank safekeeping account. The BOKF Escrow accounts already have this access, but the non-Escrow funds need to establish a safekeeping account.

The Authority's primary depository bank (Bank of Texas) can provide this service, but the cost is excessive (estimated at over \$24,000 per year). Wells Fargo Bank offers safekeeping, if Wells Fargo Securities is allowed to compete for the investment business. The fees are a combination of fixed and variable fees that are estimated at +/- \$260/month or \$3,120/year.

GTUA has four Authorized Broker/Dealers:

- BOKF Financial
- FHN Financial
- Multi-Bank Securities
- SAMCO Capital Markets

The Wells Fargo Securities – Dallas office has a dedicated public funds team that will complement the current B/Ds.

We recommend approving Wells Fargo Securities as an Authorized Broker/Dealer and opening a Wells Fargo Bank Safekeeping account.

ATTACHMENT X



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: May 16, 2022

SUBJECT: AGENDA ITEM NO. X

**CONSIDER AND ACT UPON CHANGE ORDER NO. 5 AND CLOSOUT OF 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. 5 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 had 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.

Change Order No. 3 resulted in an increase of \$34,500.00 and consisted 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 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.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

Change Order No.4 resulted in an increase of \$285,550.00 and included 1) adding mufflers to the newly installed blowers to ease noise complaints from nearby residents, 2) reconciling quantities of sludge that were removed from old ponds. In regard to the ponds, the engineer didn't have as-built drawings on the plant, so they had to make an educated guess on the bid quantities. The contractor was required to survey after the ponds were cleaned so that the quantities were correct. Unfortunately, the pond was a lot deeper than anticipated which resulted in a significant amount of sludge having to be removed.

Change Order No. 5 would result in a decrease of \$24,784.80 and includes 1)removal of some of the core sampling requirements in the retired ponds and 2) removal of the blower mufflers from the contract. The TCEQ offered lenience to the City and allowed them not to take the final core samples in the retired pond. The mufflers have fallen victim to the supply chain difficulties we've been experiencing and in an effort not to hold the project up, everyone has verbally agreed to remove these from the scope of this contract and allow the City to install on their own. Change Order No. 5 would result in a decrease of \$24,784.80 resulting in a revised contract amount of \$2,171,962.70.

CONSIDERATIONS

The contractor has been substantially complete on this project for several months. Assuming Change Order No. 5 is approved, the contract is now complete.

The City of Gunter is set to consider Change Order No. 5 and closeout of this contract on their May agenda.

STAFF RECOMMENDATIONS

Contingent upon the City of Gunter's approval, the staff recommends 1) approving Change Order No. 5 to the contract with Patterson Professional Services in the amount of (\$24,784.80 resulting in a revised contract amount of \$2,171,962.70) and 2) authorizing the closeout of the contract.

ATTACHEMNTS

Change Order No. 5
Closeout Documentation

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

CONSTRUCTION CONTRACT CHANGE ORDER #5

April 20, 2022

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

Change Order: 5 (R1)
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 have been deleted from the contract:

1. Removal of Soil Samples that were not used during construction. Due to constant delays by the manufacturer in shipping the ordered sound suppressing mufflers for the three blower units, the City, GTUA, and Patterson Professional Services have agreed to remove the installation of this item from the contract.

QUANTITY SUMMARY					
NO.	DESCRIPTION	QUANTITY CHANGE	UNIT	UNIT PRICE	EXTENDED PRICE
4	Plant Closure Soil Samples	-7.4	EA	802.00	\$ -5,934.80
CO5-1	Add sound mufflers to the 3 blowers	-1	LS	\$ 18,850.00	\$ -18,850.00
TOTAL					\$ -24,784.80

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
Change Order #4	\$	285,550.00
Change Order #5	\$	- 24,784.80

Revised Contract Amount: \$ 2,171,962.70

C. CHANGE IN SCHEDULE

No change in 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.

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: Ted Sugg

Date: 4-20-2022

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

Patterson Professional Services

Periodic Estimate Final

GTUA/City of Gunter WWTP Replacement Project

FINAL

Estimate **Final**

Project GTUA/City of Gunter WWTP Replacement Project

Owner GTUA/City of Gunter

Address 105 N 4th St, Gunter, TX 75058

Contractor Patterson Professional Services, LLC

Address P.O. Box 910, Collinsville, TX 76233

Original Contract Amount	\$1,814,097.50
CO #1	\$14,000.00
CO #2	\$48,600.00
CO #2	\$34,500.00
CO #4	\$285,550.00
CO #5	(\$24,784.80)
Total Additions	\$357,865.20
Total Deductions	\$0.00
Contract as of Date	\$2,171,962.70
Total Work Done as of Date	\$2,171,962.70
Materials on Hand	\$0.00
Total Work & Materials	\$2,171,962.70
Amount Retained	\$0.00
Balance	\$2,171,962.70
Less Previous Payments	\$2,150,243.07
Amount Due This Application	\$21,719.63

Start Date	9/18/2018
Days Allowed to Complete	540
	60
	0
Total Days	600
Date of Substantial Completion	3/11/2020
Date of Final Completion	5/10/2020

Contractors Certification; The undersigned Contractor certifies (1) all previous progress payments received from owner on account of work done under the contract referred to above has been applied to discharge in full all obligations of Contractor incurred in connection with the covered by prior Applications for Payment numbered 1 through 12 inclusive; and (2) title to all materials and equipment incorporated in said Work or otherwise listed in our covered by this Application for Payment will pass to the Owner at time of payment free and clear of all liens, claims, security interests, and encumbrances (except such as covered by

Patterson Professional Services, LLC

Date 04/20/2022

GTUA Inspector

Date 4-21-22

GTUA/City of Gunter

Engineer's Recommendation: This application with accompanying documents meets the requirements of the contract Documents and payment of the above Amount Due This Application is recommended.

Date 4-26-22

Engineer: Ted Sugg
Cobb Fendley

Patterson Professional Services LLC

PO Box 910
Collinsville, TX 76233

Date	Invoice #
4/20/2022	6527

Bill To

GTUA/City of Gunter
105 N 4th Street
Gunter, TX 75058

P.O. No.	Terms
	Due in 10 Days

Item	Quantity	Description	Rate	Amount
Special Projects		GTUA/Cityof Gunter WWTP Replacement Project - Final	21,719.63	21,719.63

			Total	\$21,719.63
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Phone #	E-mail
903-429-3008	accounting@pwg.services

Payments/Credits	\$0.00
Balance Due	\$21,719.63

GTUA/City of Gunter WWTP Replacement Project
FINAL

Description	Quantity	Units	Unit Price	Total	Completed		Billed		Due this Period	Remaining in Contract
					This Period	Previous Periods	This Period	Previous Periods		
WWTP Replacement Project										
1. Remove and dispose of waste sludge	8075	CY	\$35.00	\$282,625.00			\$282,625.00		\$0.00	\$0.00
2. Unclassified earthwork	38000	CY	\$4.00	\$152,000.00			\$152,000.00		\$0.00	\$0.00
3. Import fill	3600	CY	\$12.00	\$43,200.00			\$43,200.00		\$0.00	\$0.00
4. Plant closure soil samples	12	EA	\$802.00	\$9,624.00			\$3,689.20		\$0.00	\$5,934.80
5. Remove and dispose of existing plant infrastructure	1	LS	\$8,000.00	\$8,000.00			\$8,000.00		\$0.00	\$0.00
6. Package wastewater treatment plant	1	LS	\$833,700.00	\$833,700.00			\$833,700.00		\$0.00	\$0.00
7. Plant foundation	1	LS	\$85,000.00	\$85,000.00			\$85,000.00		\$0.00	\$0.00
8. Chlorine building and equipment	1	LS	\$35,000.00	\$35,000.00			\$35,000.00		\$0.00	\$0.00
9. Equipment shelter	1	LS	\$4,000.00	\$4,000.00			\$4,000.00		\$0.00	\$0.00
10. Solids handling and polymer system	1	LS	\$60,000.00	\$60,000.00			\$60,000.00		\$0.00	\$0.00
11. Building refurbishment	1	LS	\$4,000.00	\$4,000.00			\$4,000.00		\$0.00	\$0.00
12. Effluent discharge line	550	LF	\$27.27	\$14,998.50			\$14,998.50		\$0.00	\$0.00
13. Effluent discharge manhole	2	EA	\$5,000.00	\$10,000.00			\$10,000.00		\$0.00	\$0.00
14. Influent lift station refurbishment	1	LS	\$85,000.00	\$85,000.00			\$85,000.00		\$0.00	\$0.00
15. Proposed plant electrical	1	LS	\$75,000.00	\$75,000.00			\$75,000.00		\$0.00	\$0.00
16. Temporary facilities	1	LS	\$20,000.00	\$20,000.00			\$20,000.00		\$0.00	\$0.00
17. Overflow piping	1	LS	\$5,100.00	\$5,100.00			\$5,100.00		\$0.00	\$0.00
18. Influent lift station piping	1	LS	\$5,100.00	\$5,100.00			\$5,100.00		\$0.00	\$0.00
19. Emergency generator, pad, and automatic transf	1	LS	\$75,000.00	\$75,000.00			\$75,000.00		\$0.00	\$0.00
20. Trench Safety	650	LF	\$3.00	\$1,950.00			\$1,950.00		\$0.00	\$0.00
21. SWPPP	1	LS	\$4,800.00	\$4,800.00			\$4,800.00		\$0.00	\$0.00
Change Order #1				\$14,000.00			\$14,000.00		\$0.00	\$0.00
Change Order #2				\$48,600.00			\$48,600.00		\$0.00	\$0.00
Change Order #3				\$34,500.00			\$34,500.00		\$0.00	\$0.00
Change Order #4				\$285,550.00			\$266,700.00		\$0.00	\$18,850.00
Change Order #5				(\$24,784.80)						(\$24,784.80)
Totals				\$2,171,962.70			\$2,171,962.70		\$0.00	\$0.00

CERTIFICATE OF PROJECT COMPLETION

Project: City of Gunter – Downtown Wastewater Treatment Plant
TWDB # 73775: Loan # L1000682

Date of Issuance: April 25, 2022

Owner: City of Gunter

Contractor: Patterson Professional Services

Engineer: CobbFendley & Associates

This Certificate of Project Completion applies to all Work under Contract Documents or to the following specified parts thereof:

All specified work

To: Greater Texoma Utility Authority/City of Gunter
OWNER

And to Patterson Professional Services
CONTRACTOR

The Work to which this Certificate applies has been inspected by authorized representatives of OWNER, CONTRACTOR and ENGINEER, and that Work is hereby declared to be complete in accordance with Contract Documents on

April 25, 2022
Date of Completion

From the date of Completion the responsibilities between OWNER and CONTRACTOR for security, operation, safety, maintenance, heat, utilities, insurance and warranties and guarantees shall be as follows:

RESPONSIBILITIES:

OWNER: Security, operation, safety, maintenance, heat, utilities, insurance

CONTRACTOR: Two year Contractor's Guarantee (from the date of completion),
Payment and Performance Bonds, Pipe Manufacturer's Warranty,

The following documents are attached to and made a part of this Certificate:

Contractor's Guarantee, Consent of Surety, Final Pay Estimate

This certificate does not constitute an acceptance of work not in accordance with the Contract Documents nor is it a release of CONTRACTOR'S obligations to complete the Work in accordance with the Contract Documents.

Executed by ENGINEER on April 25, 2022.

CobbFendley & Associates: Ted B. Sugg, P.E.
ENGINEER

By: Ted Sugg

CONTRACTOR'S CERTIFICATION AND GUARANTEE

Date: April 25, 2022

Project: Downtown Wastewater Treatment Plant Replacement

Owner: City of Gunter

Contractor: Patterson Professional Services, LLC

Date of Contract: July 18, 2018

Date of Project Completion: April 25, 2022

Final Contract Amount: 2,171,962.70

The CONTRACTOR certifies that (1) all payments received from OWNER on account of WORK done under the CONTRACT have been applied to discharge obligations of CONTRACTOR incurred in connection with WORK; and (2) title to all materials and equipment incorporated in said WORK will pass to OWNER at time of payment free and clear of all liens, claims, security interests and encumbrances.

The CONTRACTOR shall guarantee all materials and equipment furnished and WORK performed for a period of 2 year(s) from the date of completion as evidenced by the Engineer's Final Certificate. The CONTRACTOR warrants and guarantees for a period of 2 year(s) from the date of completion that all work under the CONTRACT is free from faulty materials in every particular and free from improper workmanship, and against injury from proper and usual wear, and agrees to replace or to re-execute without cost to the OWNER such work as may be found to be improper or imperfect and to make good all damages caused to the other work or materials, due to such required replacement or re-execution. The OWNER will give notice of observed defects with reasonable promptness. In the event that the CONTRACTOR should fail to make such repairs, adjustments, or other work that may be made necessary to such defects, the OWNER may do so and charge the CONTRACTOR the cost thereby incurred. The PERFORMANCE BOND shall remain in full force and effect through the guarantee period.

Contractor:



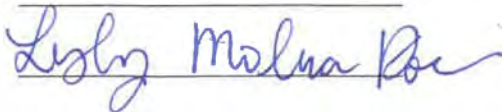
By:

Mark Patterson

Date:

04/25/2022

Attest:



**CONSENT OF
SURETY COMPANY
TO FINAL PAYMENT**

PROJECT: City of Gunter Downtown Wastewater Treatment Plant

CONTRACT DATE: July 18, 2018

OWNER: Greater Texoma Utility Authority on behalf of City of Gunter
5100 Airport Drive
Denison, TX 75020

CONTRACTOR: Patterson Professional Services
PO Box 910, Collinsville, TX 76233

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the (here insert name and address of Surety Company)

Endurance American Insurance Company
4 Manhattanville Road
Purchase, NY 10577

, SURETY COMPANY,

on Bond of (here insert name and address of Contractor)

Patterson Professional Services
PO Box 910, Collinsville, TX 76233

, CONTRACTOR,

hereby approves of the final payment to the Contractor, and agrees that final payment to the Contractor shall not relieve the Surety Company of any of its obligations to (here insert name of Owner)

Greater Texoma Utility Authority on behalf of City of Gunter
5100 Airport Drive
Denison, TX 75020

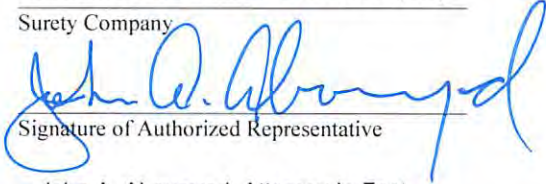
, OWNER,

as set forth in the said Surety Company's Bond No. EAIC115000143, dated August 7, 2018

IN WITNESS WHEREOF,

the Surety Company has hereunto set its hand this 21st day of April, 2022.

Endurance American Insurance Company
Surety Company


Signature of Authorized Representative

John A. Aboumrad, Attorney-in-Fact

Title


Attest Neira Hernandez, Witness

(S E A L)

POWER OF ATTORNEY

11510

KNOW ALL BY THESE PRESENTS, that **Endurance Assurance Corporation**, a Delaware corporation, **Endurance American Insurance Company**, a Delaware corporation, **Lexon Insurance Company**, a Texas corporation, and/or **Bond Safeguard Insurance Company**, a South Dakota corporation, each, a "Company" and collectively, "**Sompo International**," do hereby constitute and appoint: **Chandler Nazzal, John A. Aboumrad, William D. Baldwin, Brent Baldwin, Brock Baldwin, Brady K. Cox, Blaine Allen, Russ Frenzel** as true and lawful Attorney(s)-In-Fact to make, execute, seal, and deliver for, and on its behalf as surety or co-surety; bonds and undertakings given for any and all purposes, also to execute and deliver on its behalf as aforesaid renewals, extensions, agreements, waivers, consents or stipulations relating to such bonds or undertakings provided, however, that no single bond or undertaking so made, executed and delivered shall obligate the Company for any portion of the penal sum thereof in excess of the sum of **ONE HUNDRED MILLION Dollars (\$100,000,000.00)**.

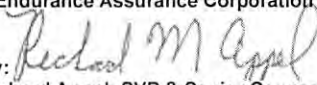
Such bonds and undertakings for said purposes, when duly executed by said attorney(s)-in-fact, shall be binding upon the Company as fully and to the same extent as if signed by the President of the Company under its corporate seal attested by its Corporate Secretary.

This appointment is made under and by authority of certain resolutions adopted by the sole shareholder of each Company by unanimous written consent effective the 15th day of June, 2019, a copy of which appears below under the heading entitled "Certificate".

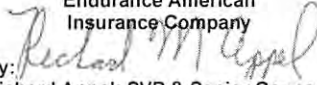
This Power of Attorney is signed and sealed by facsimile under and by authority of the following resolution adopted by the sole shareholder of each Company by unanimous written consent effective the 15th day of June, 2019 and said resolution has not since been revoked, amended or repealed:

RESOLVED, that the signature of an individual named above and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signature or seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

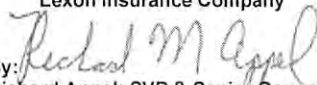
IN WITNESS WHEREOF, each Company has caused this instrument to be signed by the following officers, and its corporate seal to be affixed this 15th day of June, 2019.

Endurance Assurance Corporation
By: 
Richard Appel: SVP & Senior Counsel

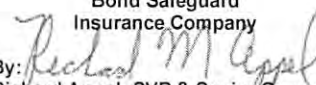


Endurance American Insurance Company
By: 
Richard Appel: SVP & Senior Counsel



Lexon Insurance Company
By: 
Richard Appel: SVP & Senior Counsel

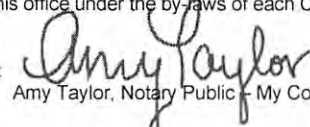


Bond Safeguard Insurance Company
By: 
Richard Appel: SVP & Senior Counsel



ACKNOWLEDGEMENT

On this 15th day of June, 2019, before me, personally came the above signatories known to me, who being duly sworn, did depose and say that he/she is an officer of each of the Companies; and that he executed said instrument on behalf of each Company by authority of his office under the by-laws of each Company.

By: 
Amy Taylor, Notary Public - My Commission Expires 5/9/23



CERTIFICATE

I, the undersigned Officer of each Company, DO HEREBY CERTIFY that:

1. That the original power of attorney of which the foregoing is a copy was duly executed on behalf of each Company and has not since been revoked, amended or modified; that the undersigned has compared the foregoing copy thereof with the original power of attorney, and that the same is a true and correct copy of the original power of attorney and of the whole thereof;
2. The following are resolutions which were adopted by the sole shareholder of each Company by unanimous written consent effective June 15, 2019 and said resolutions have not since been revoked, amended or modified:

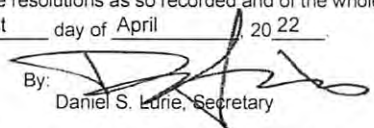
"RESOLVED, that each of the individuals named below is authorized to make, execute, seal and deliver for and on behalf of the Company any and all bonds, undertakings or obligations in surety or co-surety with others: **RICHARD M. APPEL, BRIAN J. BEGGS, CHRISTOPHER DONELAN, SHARON L. SIMS, CHRISTOPHER L. SPARRO, MARIANNE L. WILBERT**

; and be it further

RESOLVED, that each of the individuals named above is authorized to appoint attorneys-in-fact for the purpose of making, executing, sealing and delivering bonds, undertakings or obligations in surety or co-surety for and on behalf of the Company."

3. The undersigned further certifies that the above resolutions are true and correct copies of the resolutions as so recorded and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal this 21st day of April, 2022.

By: 
Daniel S. Lurie, Secretary

NOTICE: U. S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL (OFAC)

No coverage is provided by this Notice nor can it be construed to replace any provisions of any surety bond or other surety coverage provided. This Notice provides information concerning possible impact on your surety coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous foreign agents, front organizations, terrorists, terrorist organizations, and narcotics traffickers as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's website - <https://www.treasury.gov/resource-center/sanctions/SDN-List>.

In accordance with OFAC regulations, if it is determined that you or any other person or entity claiming the benefits of any coverage has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, any coverage will be considered a blocked or frozen contract and all provisions of any coverage provided are immediately subject to OFAC. When a surety bond or other form of surety coverage is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments may also apply.

Any reproductions are void.

Surety Claims Submission: LexonClaimAdministration@sompo-intl.com

Telephone: 615-553-9500 Mailing Address: Sompo International; 12890 Lebanon Road; Mount Juliet, TN 37122-2870

April 25, 2022

Dean Crenshaw
Texas Water Development Board
Project Manager, Mesquite Field Office
Regional Water Project Development - Northeast
1515 East Kearney, Suite 401
Mesquite, TX 75149

Re: City of Gunter – Downtown Wastewater Treatment Plant
TWDB # 73775: Loan # L1000682
Engineers Certificate of Substantial Completion

Dear Mr. Crenshaw;

I am sending you this letter as notification that the referenced project is complete in accordance with the TWDB approved Contract Documents. To the best of my knowledge, information and belief, based on General Representation observations, the work performed was complete in accordance with the TWDB Contract Documents, plans, specifications, change orders and field orders in compliance with 30 TAC 217.

The contractor provided red line markups of the design plans showing field changes which were used to prepare the record drawings for the project which have been delivered to the City of Gunter.

Please advise if you have any questions or comments.

Sincerely,



Ted B. Sugg, P.E.
Principle: Regional Municipal Manager

Cc: City of Gunter
Greater Texoma Utility Authority

From: [Ted Sugg](#)
Sent: Monday, April 25, 2022 2:03 PM
To: [Tasha Hamilton](#)
Subject: RE: Gunter WWTP Record Drawings

April 7th +/-

TED B. SUGG, P.E.
Principal : Regional Municipal Manager

From: Tasha Hamilton <tashah@gtua.org>
Sent: Monday, April 25, 2022 1:25 PM
To: Ted Sugg <TSugg@cobbfindley.com>
Subject: RE: Gunter WWTP Record Drawings

Ted,
Thank you for providing the drawings. When did you originally receive the drawings?

From: Ted Sugg <TSugg@cobbfindley.com>
Sent: Monday, April 25, 2022 1:21 PM
To: David Gallagher (firechief@ci.gunter.tx.us) <firechief@ci.gunter.tx.us>; Drew Satterwhite <drews@gtua.org>; Tasha Hamilton <tashah@gtua.org>; pattproserv@aol.com
Subject: Gunter WWTP Record Drawings

I have placed the record drawings for the Gunter Downtown WWTP in our DropBox at
<https://www.dropbox.com/sh/u7bkivv6sj2a2qi/AAeM31GKMf3S8ddBWT7dXQAa?dl=0>

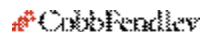
Please download the files for your records.

Thanks

TED B. SUGG, P.E.
Principal : Regional Municipal Manager

Office: 972.335.3214
Mobile: 214.499.5010

2801 Network Boulevard, Suite 800 | Frisco, TX 75034
TBPELS Engineering Firm No. 274; Land Surveying Firm No. 10046702



We Collaborate. We Commit. We Build Communities.

Disclaimer

Final American Iron and Steel Certification

Compliance Submittal by Owner (Sub-Recipient)

TWDB Project No. 73775
Loan No. L1000682

This executed certification must be submitted after the completion of the construction contract and prior to issuance of a Certificate of Approval by the TWDB, stating the project was completed in compliance with the AIS requirements.

I, Dave Tomlinson, Inspector of
(Name) (Title)

GTUA hereby certify that all iron and steel products and/or materials incorporated into the construction, alteration, maintenance, or repair of the subject project were in full compliance with the American Iron and Steel requirements of Section 608 of the Federal Water Pollution Control Act (33 U.S.C. §1388) for the Clean Water State Revolving Fund or federal law, including federal appropriation acts and Section 1452(a)(4) of the Safe Drinking Water Act (42 U.S.C. §300j-12(a)(4)), as applicable, for the Drinking Water State Revolving Fund, or comply with waivers granted by the U.S. Environmental Protection Agency.

I understand that a false statement herein may subject me to penalties under federal and state laws relating to filing false statements and other relevant statutes.


Signature

4-21-23
Date

**MONTHLY DAVIS BACON ACT CERTIFICATE of COMPLIANCE
Submittal by Owner (Sub-Recipient)**

TWDB Project No. 73775
Loan/Grant No. L1000682

This executed certificate must be submitted with each Outlay report for labor included within construction contracts. This Certificate applies only for LOANS CLOSED AFTER 10/30/2009.

I, Dave Tomlinson, Inspector of Greater Texoma Utility Authority hereby certify that periodic reviews of a representative sample of the weekly payroll data, and contractor weekly payroll certifications such as OMB No. 1215-0149, have been performed to verify that contractors and subcontractors are paying the appropriate wage rate for compliance with the DAVIS BACON ACT, 40 U.S.C. §§3141 *et seq.* as amended and in conformance with the U.S. Department of Labor regulations at 29 CFR Part 5, (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction) and 29 CFR Part 3 (Contractors and Subcontractors on Public Work Financed in Whole or in Part by Loans or Grants from the United States).

I understand that a false statement herein may subject me to penalties under federal and state laws relating to filing false statements and other relevant statutes.



Signature

4-21-22
Date

ATTACHMENT XI



GREATER TEXOMA UTILITY AUTHORITY

AGENDA COMMUNICATION

DATE: May 16, 2022

SUBJECT: AGENDA ITEM NO. XI

CONSIDER AND ACT UPON CHANGE ORDER NO. 1 & 2 TO THE CONTRACT WITH HAYES CONSTRUCTION FOR THE CITY OF SHERMAN'S NORTH TRAVIS STREET AND US 75 WATERLINE REPLACEMENTS PROJECT.

ISSUE

Consider and act upon the Change Order No. 1 & 2 to the contract with Hayes Construction for the City of Sherman's North Travis Street and US 75 Waterline Replacements Project.

BACKGROUND

In 2019, the City of Sherman staff approached the Authority staff requesting financial assistance for several upcoming capital improvement projects. After several meetings with the City staff, we identified the projects that were ideal candidates to take advantage of the below market interest rate savings through the Texas Water Development Board's ("TWDB") Clean Water State Revolving Fund ("CWSRF"), and projects that were ideal for an open market issuance.

In April of 2019, the Board and City of Sherman Council approved resolutions which authorized the issuance of debt through the open market to fund \$5,815,000 in projects for the City of Sherman. One of the projects funded with that issuance is the North Travis Street and US 75 Waterline Replacements Project. This project of the construction of approximately 2,530 linear feet of new 12-inch PVC water line along North Travis Street and a new 12-inch water line under US 75 by bore. The work includes site excavation, open cut trench excavation and backfill, bore with casing, water line placement, and street repair. The low bid was received by Hayes Construction in the amount of \$473,839.00 and was awarded in April of 2021.

Change Order No. 1 would result in a \$52,013.00 increase. This Change Order work was performed under an emergency order from the City of Sherman. The City had an 8" sewer line failure, under railroad tracks, that the City crews are unequipped to repair or replace. The quickest solution to this emergency repair was to request that Hayes Construction perform this work as they were already mobilized in the City with boring equipment and crews. The City Council has already approved this Change Order.

Change Order No. 2 would result in a \$7,990 increase and includes 1) 3 additional water services, 2) an additional 8" gate valve, 3) deleting 19 SY asphalt street repair due to closing of street to Knollwood, and 4) deletion of water service bore. Order No. 2 would result in an increase of \$7,990.00, and when combined with Change Order No. 1 would result in a revised contract in the amount of \$534,842.00.

CONSIDERATIONS

The City of Sherman Council has already approved Change Order No. 1 and will be considering Change Order No. 2 at an upcoming council meeting.

STAFF RECOMMENDATIONS

Staff recommends authorizing the approval of Change Order No. 1 & 2 to the contract with Hayes Construction, which would result in a revised contract amount of \$534,842.00. Action would be contingent upon the Sherman City Council taking similar action.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

ATTACHED

Change Order 1 & Project Vicinity Map
Change Order 2

PREPARED AND SUBMITTED BY:



Drew Satterwhite, P.E., General Manager

Change Order

Date of Issuance: January 10, 2022

No. 1

Project:GTUA/Sherman North Travis Water Line Replacement / US 75 Water Line Crossing	Project No.: COS 1398-U F-M 16003
Owner: GTUA / City of Sherman	Date of Contract: April 26, 2021
Contractor: Hayes Construction	

The Contract Documents are modified as follows upon execution of this Change Order:

Description: Mobilization, Placement of 4' diameter x 5' deep MH with 20' Stub-out, All labor and Materials to install 180-LF 8" sewer by bore and pull back through existing deteriorated SS, including Bypass pumping to maintain service, tie in new line, and grout new line under RR tracks, installed and Complete, including clean-up.

Justification:

Emergency repair of collapsing existing 8" clay tile sewer line.

CHANGE IN CONTRACT PRICE:

CHANGE IN CONTRACT TIMES:

Original Contract Price:

Original Contract

\$ 473,839.00

Substantial completion days: 270

Substantial completion date: March 15, 2022

[Increase] [Decrease] from previously approved Change Orders No. 0 to No. 0:

[Increase] [Decrease] from previously Change Orders No. 0 to No. 0:

\$ _____

Substantial completion days: 270

Substantial completion date: March 15, 2022

Contract Price prior to this Change Order:

Contract Times prior to this Change Order:

\$ 473,839.00

Substantial completion days: 270

Substantial completion date: March 15, 2022

[Increase]-[Decrease] of this Change Order:

[Increase]-[Decrease] of this Change Order:

\$ 53,013.00

Substantial completion days: 30

Substantial completion date: April 14, 2022

Contract Price incorporating this Change

Contract Times with all approved Change Orders:

\$ 526,852.00

Substantial completion days: 300

Substantial completion date: April 14, 2022

RECOMMENDED:

ACCEPTED:

ACCEPTED:

By: [Signature]

By: _____

By: [Signature]

Engineer (Authorized Signature)

Owner (Authorized Signature)

Contractor (Authorized Signature)

Date: 4-19-22

Date: _____

Date: 4/19/22





Sherman
CLASSIC TOWN. BROAD HORIZON.

Change Order

No. 2

Date of Issuance: _____

Project: North Travis Street Waterline Replacement	Project No.:
Owner: City of Sherman/GTUA	Date of Contract: April 26, 2021
Contractor: Hayes Construction	

The Contract Documents are modified as follows upon execution of this Change Order:

- Description: 2 additional water services for duplex that normally would have been on closer 6" main.
- 1 additional water service for recently razed rock house west side of street.
- 1 additional 8" gate valve at North Creek Dr. because existing valve was too far west.
- Delete 19 SY asphalt street repair due to closing of street to Knollwood.
- All but \$1400 water service bore under N. Travis based on bid unit prices.

CHANGE IN CONTRACT PRICE:

CHANGE IN CONTRACT TIMES:

Original Contract Price:

Original Contract Times:

\$473,839 _____

Substantial completion days: 270 _____

Substantial completion date: March 15, 2022 _____

[Increase] [Decrease] from previously approved Change Orders No. 1 to No. na:

[Increase] [Decrease] from previously Change Orders No. 1 to No. na:

\$53,013 _____

Substantial completion days: 30 _____

Substantial completion date: April 14, 2022 _____

Contract Price prior to this Change Order:

Contract Times prior to this Change Order:

\$526852 _____

Substantial completion days: 300 _____

Substantial completion date: April 14, 2022 _____

[Increase] [Decrease] of this Change Order:

[Increase] [Decrease] of this Change Order:

\$7,990 _____

Substantial completion days: 0 _____

Substantial completion date: April 14, 2022 _____

Contract Price incorporating this Change Order:

Contract Times with all approved Change Orders:

\$534,842 _____

Substantial completion days: 300 _____

Substantial completion date: April 14, 2022 _____

RECOMMENDED:

ACCEPTED:

ACCEPTED:

By: David E. Latta
Engineer (Authorized Signature)

By: _____
Owner (Authorized Signature)

By: [Signature]
Contractor (Authorized Signature)

Date: _____

Date: _____

Date: 4/27/2022

By: _____

GTUA

Date: _____

ATTACHMENT XII



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: May 18, 2022

SUBJECT: AGENDA ITEM NO. XII

CONSIDER ALL MATTERS INCIDENT AND RELATED TO PROVIDING FOR THE REDEMPTION OF CERTAIN OUTSTANDING "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2007 (ARGYLE WATER SUPPLY CORPORATION PROJECT)", INCLUDING THE ADOPTION OF A RESOLUTION PERTAINING THERETO.

ISSUE

Argyle Water Supply Corporation (WSC) has requested that that the Authority begin the process of redeeming their 2007 bond issuance with the Authority.

BACKGROUND

In 2007, the Authority issued debt on behalf of Argyle WSC for storage facilities, transmission and distribution pipelines, and other water system appurtenances as necessary. The debt was issued through the Texas Water Development Board. The total amount of the initial issuance was \$1,605,000. In a standard bond issuance, the Authority and our client entities are allowed to redeem (or pay off) the outstanding bonds after 10 years without penalty. Argyle WSC would like to redeem these bonds early and has the cash-on-hand to pay the remaining bonds.

CONSIDERATIONS

The Authority staff sees no reason to object to the Argyle WSC's request.

Argyle WSC will consider this item at their May Board Meeting. The funds will be placed in an I&S account following Argyle WSC's Board action to insure the funds are in place to fund the redemption.

STAFF RECOMMENDATIONS

Contingent upon Argyle WSC taking a similar action, the Authority staff recommends authorizing a resolution which would allow us to redeem the "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2007 (Argyle Water Supply Corporation Project)" Bonds.

ATTACHED

Resolution

REPAIRED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

RESOLUTION NO. _____

A RESOLUTION providing for the redemption of certain outstanding "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2007 (Argyle Water Supply Corporation Project)"; and resolving other matters incident and related to the redemption of such bonds.

WHEREAS, pursuant to a resolution by the Board of Directors of the Greater Texoma Utility Authority (the "Authority"), the following described obligations were duly authorized to be issued and are currently outstanding, to wit: "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2007 (Argyle Water Supply Corporation Project)", dated October 1, 2007, scheduled to mature on on October 1, 2022 through October 1, 2037, and aggregating in the principal amount of \$1,485,000 (the "Bonds"); and

WHEREAS, the Bonds were authorized, issued, sold, and delivered subject to the right and authority of the Authority to redeem the same prior to maturity, as provided in the authorizing resolution and in the Bonds; and

WHEREAS, the Board of Directors of the Authority hereby finds and determines the Bonds should be redeemed prior to their maturity in the manner hereinafter provided and in accordance with the requirements prescribed therefor and a notice of redemption of the Bonds should be approved and authorized to be given at this time by the Board; now, therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY:

SECTION 1: The bonds of that series designated as "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2007 (Argyle Water Supply Corporation Project)", dated October 1, 2007, scheduled to mature on October 1, 2022 through October 1, 2037, and aggregating in the principal amount of \$1,485,000, shall be redeemed and the same are hereby called for redemption on _____, 2022 at the price of par plus accrued interest to the date of redemption. The General Manager of the Authority is hereby authorized and directed to file a copy of this Resolution, together with a suggested form of notice of redemption to be sent to the bondholders, with BOKF, NA, Houston, Texas, in accordance with the redemption provisions in the resolution authorizing the issuance of the Bonds, such suggested form of notice of redemption being attached hereto as Exhibit A and incorporated herein by reference as a part of this Resolution for all purposes.

SECTION 2: The findings and determinations of the Board of Directors of the Authority contained in the preambles hereof are hereby incorporated by reference and made a part of this Resolution for all purposes as if the same were restated in full in this Section.

SECTION 3: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 4: This Resolution shall be in force and effect from and after its passage on the date shown below.

PASSED AND ADOPTED, this May 23, 2022.

GREATER TEXOMA UTILITY AUTHORITY

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(Authority Seal)

EXHIBIT A

**NOTICE OF REDEMPTION
GREATER TEXOMA UTILITY AUTHORITY
CONTRACT REVENUE BONDS
SERIES 2007
(ARGYLE WATER SUPPLY CORPORATION PROJECT)
DATED OCTOBER 1, 2007**

NOTICE IS HEREBY GIVEN that the bonds of the above series maturing on October 1, 2022 through October 1, 2037, and aggregating in principal amount \$1,485,000 have been called for redemption on _____, 2022 at the redemption price of par plus accrued interest to the date of redemption, such bonds being identified as follows:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>CUSIP Number</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>CUSIP Number</u>
2022	\$65,000	39238RKD3	2030	\$95,000	39238RKM3
2023	\$65,000	39238RKE1	2031	\$95,000	39238RKN1
2024	\$70,000	39238RKF8	2032	\$100,000	39238RKP6
2025	\$70,000	39238RKG6	2033	\$105,000	39238RKQ4
2026	\$75,000	39238RKH4	2034	\$115,000	39238RKR2
2027	\$80,000	39238RKJ0	2035	\$120,000	39238RKS0
2028	\$85,000	39238RKK7	2036	\$125,000	39238RKT8
2029	\$90,000	39238RKL5	2037	\$130,000	39238RKU5

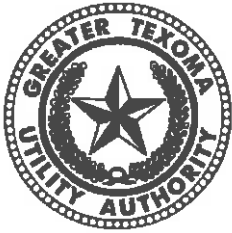
THE ABOVE DESCRIBED BONDS shall become due and payable on _____, 2022 and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said bonds shall be paid to the registered owners of the bonds only upon presentation and surrender of such bonds to BOKF, NA, at their designated offices at the following address:

BOKF, NA Corporate Trust Services
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said bonds and pursuant to a resolution by the Board of Directors of the Greater Texoma Utility Authority.

BOKF, NA, as Paying Agent/Registrar
Address: 1401 McKinney, Suite 1000
Houston, Texas 77010

ATTACHMENT XIII



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: May 18, 2022

SUBJECT: AGENDA ITEM NO. XIII

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2022 (CITY OF BELLS PROJECT)", INCLUDING THE ADOPTION OF A RESOLUTION APPROVING THE ISSUANCE OF SUCH BONDS

ISSUE

Consider and act upon resolution authorizing the issuance of bonds for the City of Bells Water and Wastewater system improvements projects.

BACKGROUND

The City of Bells requested the Authority staff to assist the City in obtaining funding from the Texas Water Development Board for rehabilitation of water distribution lines, a new water well, ground storage tank, pump station, generators at well sites, replacing water meters, SCADA, repairs to the wastewater treatment plant and likely some improvements to their wastewater collection system.

The Texas Water Development Board ("TWDB") State Revolving Funds were initially selected as the funding sources for these improvements. However, the TWDB informed the Authority staff in February that changes had been made to the SRF programs by limiting the amount of funding they are making available. The programs are now more difficult to qualify for and will take significantly more time to be funded if a project ends up qualifying. Due to these changes in the SRF program and discussions with TWDB, the Authority staff is proposing to pursue funding through the Texas Water Development Fund ("DFund"). The DFund is a state funded loan program with below market interest rates. This path forward was approved by the Board in February of 2021.

The TWDB has now provided a funding commitment for this project and the next step is to get Board and Council action to authorize issuance of the debt.

CONSIDERATIONS

In order to proceed with the Bond issuance, the Authority and the City will need to adopt a resolution authorizing the issuance. The City of Bells Council is set to consider this at their May 23, 2022 meeting.

The interest rate we received was 4.10% for the \$7,200,000 on a 40-year term.

Kristen Savant, the Authority's Bond Counsel, will be at the meeting to present and assist with any questions the Board may have.

STAFF RECOMMENDATIONS

Staff recommends that the Board of Directors approve the City of Bells Bond Resolution which would authorize the issuance of \$7,200,000 through the TWDB's DFund.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

ATTACHED

Debt Service Schedule

Bond Resolution – link will be sent to Board

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

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$7,200,000 Contract Revenue Bonds, Series 2022

(City of Bells Project)

June 23, 2022 Closing

Debt Service Schedule

Part 1 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/23/2022	-	-	-	-	-
10/01/2022	-	-	77,552.16	77,552.16	-
04/01/2023	-	-	142,442.75	142,442.75	-
09/30/2023	-	-	-	-	219,994.91
10/01/2023	95,000.00	2.410%	142,442.75	237,442.75	-
04/01/2024	-	-	141,298.00	141,298.00	-
09/30/2024	-	-	-	-	378,740.75
10/01/2024	100,000.00	2.650%	141,298.00	241,298.00	-
04/01/2025	-	-	139,973.00	139,973.00	-
09/30/2025	-	-	-	-	381,271.00
10/01/2025	105,000.00	2.760%	139,973.00	244,973.00	-
04/01/2026	-	-	138,524.00	138,524.00	-
09/30/2026	-	-	-	-	383,497.00
10/01/2026	105,000.00	2.810%	138,524.00	243,524.00	-
04/01/2027	-	-	137,048.75	137,048.75	-
09/30/2027	-	-	-	-	380,572.75
10/01/2027	110,000.00	2.880%	137,048.75	247,048.75	-
04/01/2028	-	-	135,464.75	135,464.75	-
09/30/2028	-	-	-	-	382,513.50
10/01/2028	110,000.00	2.950%	135,464.75	245,464.75	-
04/01/2029	-	-	133,842.25	133,842.25	-
09/30/2029	-	-	-	-	379,307.00
10/01/2029	115,000.00	3.040%	133,842.25	248,842.25	-
04/01/2030	-	-	132,094.25	132,094.25	-
09/30/2030	-	-	-	-	380,936.50
10/01/2030	120,000.00	3.130%	132,094.25	252,094.25	-
04/01/2031	-	-	130,216.25	130,216.25	-
09/30/2031	-	-	-	-	382,310.50
10/01/2031	125,000.00	3.200%	130,216.25	255,216.25	-
04/01/2032	-	-	128,216.25	128,216.25	-
09/30/2032	-	-	-	-	383,432.50
10/01/2032	125,000.00	3.390%	128,216.25	253,216.25	-
04/01/2033	-	-	126,097.50	126,097.50	-
09/30/2033	-	-	-	-	379,313.75
10/01/2033	130,000.00	3.570%	126,097.50	256,097.50	-
04/01/2034	-	-	123,777.00	123,777.00	-
09/30/2034	-	-	-	-	379,874.50
10/01/2034	135,000.00	3.720%	123,777.00	258,777.00	-
04/01/2035	-	-	121,266.00	121,266.00	-
09/30/2035	-	-	-	-	380,043.00

2022 Bells \$7.2mm DFund (| SINGLE PURPOSE | 5/17/2022 | 2:21 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$7,200,000 Contract Revenue Bonds, Series 2022

(City of Bells Project)

June 23, 2022 Closing

Debt Service Schedule

Part 2 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
10/01/2035	135,000.00	3.870%	121,266.00	256,266.00	-
04/01/2036	-	-	118,653.75	118,653.75	-
09/30/2036	-	-	-	-	374,919.75
10/01/2036	140,000.00	3.990%	118,653.75	258,653.75	-
04/01/2037	-	-	115,860.75	115,860.75	-
09/30/2037	-	-	-	-	374,514.50
10/01/2037	145,000.00	4.060%	115,860.75	260,860.75	-
04/01/2038	-	-	112,917.25	112,917.25	-
09/30/2038	-	-	-	-	373,778.00
10/01/2038	150,000.00	4.140%	112,917.25	262,917.25	-
04/01/2039	-	-	109,812.25	109,812.25	-
09/30/2039	-	-	-	-	372,729.50
10/01/2039	155,000.00	4.010%	109,812.25	264,812.25	-
04/01/2040	-	-	106,704.50	106,704.50	-
09/30/2040	-	-	-	-	371,516.75
10/01/2040	160,000.00	4.030%	106,704.50	266,704.50	-
04/01/2041	-	-	103,480.50	103,480.50	-
09/30/2041	-	-	-	-	370,185.00
10/01/2041	165,000.00	4.050%	103,480.50	268,480.50	-
04/01/2042	-	-	100,139.25	100,139.25	-
09/30/2042	-	-	-	-	368,619.75
10/01/2042	170,000.00	4.070%	100,139.25	270,139.25	-
04/01/2043	-	-	96,679.75	96,679.75	-
09/30/2043	-	-	-	-	366,819.00
10/01/2043	175,000.00	4.140%	96,679.75	271,679.75	-
04/01/2044	-	-	93,057.25	93,057.25	-
09/30/2044	-	-	-	-	364,737.00
10/01/2044	180,000.00	4.140%	93,057.25	273,057.25	-
04/01/2045	-	-	89,331.25	89,331.25	-
09/30/2045	-	-	-	-	362,388.50
10/01/2045	185,000.00	4.140%	89,331.25	274,331.25	-
04/01/2046	-	-	85,501.75	85,501.75	-
09/30/2046	-	-	-	-	359,833.00
10/01/2046	190,000.00	4.140%	85,501.75	275,501.75	-
04/01/2047	-	-	81,568.75	81,568.75	-
09/30/2047	-	-	-	-	357,070.50
10/01/2047	195,000.00	4.210%	81,568.75	276,568.75	-
04/01/2048	-	-	77,464.00	77,464.00	-
09/30/2048	-	-	-	-	354,032.75
10/01/2048	200,000.00	4.210%	77,464.00	277,464.00	-

2022 Bells \$7.2mm DFund (| SINGLE PURPOSE | 5/17/2022 | 2:21 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$7,200,000 Contract Revenue Bonds, Series 2022

(City of Bells Project)

June 23, 2022 Closing

Debt Service Schedule

Part 3 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/01/2049	-	-	73,254.00	73,254.00	-
09/30/2049	-	-	-	-	350,718.00
10/01/2049	205,000.00	4.210%	73,254.00	278,254.00	-
04/01/2050	-	-	68,938.75	68,938.75	-
09/30/2050	-	-	-	-	347,192.75
10/01/2050	210,000.00	4.210%	68,938.75	278,938.75	-
04/01/2051	-	-	64,518.25	64,518.25	-
09/30/2051	-	-	-	-	343,457.00
10/01/2051	215,000.00	4.210%	64,518.25	279,518.25	-
04/01/2052	-	-	59,992.50	59,992.50	-
09/30/2052	-	-	-	-	339,510.75
10/01/2052	225,000.00	4.210%	59,992.50	284,992.50	-
04/01/2053	-	-	55,256.25	55,256.25	-
09/30/2053	-	-	-	-	340,248.75
10/01/2053	230,000.00	4.210%	55,256.25	285,256.25	-
04/01/2054	-	-	50,414.75	50,414.75	-
09/30/2054	-	-	-	-	335,671.00
10/01/2054	235,000.00	4.210%	50,414.75	285,414.75	-
04/01/2055	-	-	45,468.00	45,468.00	-
09/30/2055	-	-	-	-	330,882.75
10/01/2055	245,000.00	4.210%	45,468.00	290,468.00	-
04/01/2056	-	-	40,310.75	40,310.75	-
09/30/2056	-	-	-	-	330,778.75
10/01/2056	250,000.00	4.210%	40,310.75	290,310.75	-
04/01/2057	-	-	35,048.25	35,048.25	-
09/30/2057	-	-	-	-	325,359.00
10/01/2057	260,000.00	4.210%	35,048.25	295,048.25	-
04/01/2058	-	-	29,575.25	29,575.25	-
09/30/2058	-	-	-	-	324,623.50
10/01/2058	265,000.00	4.210%	29,575.25	294,575.25	-
04/01/2059	-	-	23,997.00	23,997.00	-
09/30/2059	-	-	-	-	318,572.25
10/01/2059	275,000.00	4.210%	23,997.00	298,997.00	-
04/01/2060	-	-	18,208.25	18,208.25	-
09/30/2060	-	-	-	-	317,205.25
10/01/2060	280,000.00	4.210%	18,208.25	298,208.25	-
04/01/2061	-	-	12,314.25	12,314.25	-
09/30/2061	-	-	-	-	310,522.50
10/01/2061	290,000.00	4.210%	12,314.25	302,314.25	-
04/01/2062	-	-	6,209.75	6,209.75	-

2022 Bells \$7.2mm DFund (| SINGLE PURPOSE | 5/17/2022 | 2:21 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$7,200,000 Contract Revenue Bonds, Series 2022

(City of Bells Project)

June 23, 2022 Closing

Debt Service Schedule

Part 4 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/30/2062	-	-	-	-	308,524.00
10/01/2062	295,000.00	4.210%	6,209.75	301,209.75	-
09/30/2063	-	-	-	-	301,209.75
Total	\$7,200,000.00	-	\$7,287,427.66	\$14,487,427.66	-

Yield Statistics

Bond Year Dollars	\$176,455.00
Average Life	24.508 Years
Average Coupon	4.1299071%
DV01	10,642.25
Net Interest Cost (NIC)	4.1299071%
True Interest Cost (TIC)	4.1009782%
Bond Yield for Arbitrage Purposes	4.1009782%
All Inclusive Cost (AIC)	4.1009782%

IRS Form 8038

Net Interest Cost	4.1299071%
Weighted Average Maturity	24.508 Years

ATTACHMENT XV



GREATER TEXOMA UTILITY AUTHORITY

AGENDA COMMUNICATION

DATE: May 18, 2022

SUBJECT: AGENDA ITEM NO. XV

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE APPROVAL AND EXECUTION OF A WATER AND SEWER FACILITIES CONTRACT WITH THE CITY OF HENRIETTA, INCLUDING THE ADOPTION OF A RESOLUTION PERTAINING THERETO.

ISSUE

Approval of a Water Supply and Sewer Service Facilities Contract with the City of Henrietta.

BACKGROUND

The City of Henrietta requested the Authority staff assist the City in obtaining funding for improvements to the City's wastewater system. The City currently has two (2) wastewater treatment plants (WWTP) that have reached the end of their useful life. The City is proposing to build a new WWTP adjacent to the location of their current south WWTP. The City would then decommission the old plant sites and build a lift station at their north WWTP to divert that sewage through a new force main to the new WWTP.

The Texas Water Development Board ("TWDB") State Revolving Fund was initially selected as the funding source for these improvements. However, the TWDB informed the Authority staff in February that changes had been made to the SRF programs by limiting the amount of funding they are making available. The programs are now more difficult to qualify for and will take significantly more time to be funded if a project ends up qualifying. Due to these changes in the SRF program and discussions with TWDB, the Authority staff is proposing to pursue funding through the Texas Water Development Fund ("DFund"). The DFund is a state funded loan program with below market interest rates. This path forward was approved by the Board in February of 2021.

Due to the Authority not having an active bond issuance with the City of Henrietta, a facilities contract must be entered into prior to issuing debt. The facilities contracts that the Authority maintains with debt partners expire upon retirement of debt with the Authority.

CONSIDERATIONS

This contract was developed by the Authority's bond counsel, Norton Rose Fulbright. This contract establishes the relationship between the Authority and the City that will ultimately enable the Authority to issue debt on their behalf.

This facilities contract is very similar to the other facilities contracts the Authority has with bond holders. The contracts have slowly evolved over the past decades, but remain very similar to the early contracts.

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. A copy is attached for the Board's consideration.

STAFF RECOMMENDATIONS

Staff recommends the Board approve the attached resolution / Water Supply and Sewer Facilities Contract.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

ATTACHED

Water Supply and Sewer Service Facilities Contract

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

WATER AND SEWER FACILITIES CONTRACT

THE STATE OF TEXAS §
 §
COUNTY OF CLAY §

THIS CONTRACT (the or this "Contract") is made and entered into as of May 23, 2022, between the GREATER TEXOMA UTILITY AUTHORITY (hereinafter referred to as the "Authority"), a conservation and reclamation authority, a governmental agency, a political subdivision of the State of Texas, and a body politic and corporate, duly created, existing, and acting by virtue of Chapter 8283 of the Texas Special District Local Laws Code, as amended, (the "Act"), and the CITY OF HENRIETTA, TEXAS, a political subdivision of the State of Texas in the County of Clay, Texas (hereinafter referred to as the "City"), duly created and existing under the laws of the State of Texas:

W I T N E S S E T H:

WHEREAS, the Authority, acting pursuant to the Act, has issued or proposes to issue, or both, its bonds for the purposes of providing (i) certain sewer collection and treatment facilities for use by the City, (ii) an additional supply of water to the City, and/or (iii) certain water supply facilities in order to store and transport water to the City;

WHEREAS, certain revenues to be received by the Authority from the City under this Contract are to be pledged to the payment and security of the bonds issued or to be issued by the Authority and will constitute the basis for the Authority's credit in financing such facilities and issuing such bonds; and

WHEREAS, the Authority and the City, acting through their duly constituted governing bodies pursuant to authority granted by Texas Government Code, Section 791.026, as amended, have mutually agreed upon the terms and conditions of this Contract; now, therefore

IN CONSIDERATION of the mutual covenants, agreements and undertakings herein set forth, the parties hereto hereby agree and contract as follows:

ARTICLE I
DEFINITIONS

SECTION 1.01: Unless the context shall indicate a contrary meaning or intent, the terms below defined, for all purposes of this Contract and any contract amendatory or supplemental to this Contract shall be construed or used and are intended to have meanings as follows:

- (a) "Authority" shall mean the Greater Texoma Utility Authority, or its successor.
- (b) "Board" and "Board of Directors" shall mean the Board of Directors of the Authority.
- (c) "Bond Resolution" shall mean any resolution of the Board of Directors authorizing the issuance of the Bonds and providing for their security and payment, as such resolution(s) may

be amended from time to time as therein permitted, where the proceeds from the sale of the Bonds will be used to discharge the cost of the Project.

(d) "Bonds" shall mean any bonds payable from revenues to be received by the Authority from the City under this Contract and to be issued by the Authority for the purpose of providing funds to pay the necessary costs of the Project or to refund currently outstanding bonds previously issued by the Authority payable from the revenues to be received by the Authority under this Contract, whether in one or more series or issues.

(e) "City" shall mean the City of Henrietta, Texas.

(f) "Cost of the Project" shall mean, with respect to the Water Project or the Sewer Project, all cost and expense incurred in connection with the acquisition, construction, improvements, enlargement, extension, and repair of the Project, including, without limiting the generality of the foregoing, the cost of the acquisition of all land, rights-of-way, property rights, easements, and interests, the cost of all machinery and equipment, financing charges, interest, and administrative expenses expected to accrue during the period of construction, the funding of any reserve funds created by the Bond Resolution(s), cost of estimates and of engineering and legal services, plans, specifications, surveys, estimates of cost and of revenue, other expenses necessary or incident to determining the feasibility and practicability of acquiring, constructing, improving, enlarging, extending, or repairing the Project, and such other expense as may be necessary or incident to the acquisition, construction, improvement, enlargement, extension, or repair of the Project and all legal fees, printing and other cost, fees, and expenses necessary for or incident to the issuance of the Bonds.

(g) "Engineer" shall mean a registered, professional engineer (who may be the City Engineer or the Authority's Engineer). The City and Authority agree that the Engineer may be a different firm on different aspects of the Project and that any Project will be acquired, constructed, improved, enlarged, extended, and repaired in accordance with the plans and specifications prepared under the supervision of the Engineer. It is further agreed that an Engineer may be changed or added and the scope of duties adjusted by the Authority, subject to the consent of the City.

(h) "Fiscal Year" shall mean the twelve month operating period (under this Contract) commencing October 1st of each year, provided such twelve month period may be changed one time in any three calendar year period by agreement of the Authority and the City (which agreement, if made, shall be attached hereto as an exhibit).

(i) "Force Majeure" shall have the meaning assigned to such term in Section 4.13 hereto.

(j) "Maintenance and Operation Expense of the Project" shall mean the expense of maintenance and operation of the Project, including all salaries, labor, materials, interest, repairs, and replacements necessary to render efficient service, or which might be necessary to meet some physical accident or condition which would otherwise impair the security of the Bonds. Such term shall not include depreciation.

(k) "Operator" shall mean the party to the Contract who is designated, from time to time, by the parties with respect to each Project and, in the absence of such designation, shall mean the City.

(l) "Project" shall mean, collectively, the Water Project and the Sewer Project.

(m) "Sewer Project" shall mean, collectively, the sewer facilities which are to be (i) constructed or acquired in order to meet the contractual obligations hereunder, and (ii) financed by the Authority through the issuance of bonds or other obligations, to the extent the same are payable from the money paid or required to be paid by the City under this Contract, or obtained as grant funds, from any source, for the purpose of paying all or part of the Cost of the Project described in each ordinance or resolution of the City, duly passed prior to or subsequent to the date of this Contract, authorizing the issuance of Bonds by the Authority to finance the Costs of the Project.

(n) "State" shall mean the State of Texas.

(o) "Utility System" shall have the meaning assigned to such term in Section 2.01(c) hereto.

(p) "Water Project" shall mean, collectively, the water supply, storage and transmission facilities which are to be (i) constructed or acquired in order to meet the contractual obligations hereunder and (ii) financed by the Authority through the issuance of bonds or other obligations, to the extent the same are payable from the money paid or required to be paid by the City under this Contract or obtained as grant funds, from any source, for the purpose of paying all or part of the Cost of the Project described in each ordinance or resolution of the City, duly passed prior to or subsequent to the date of this Contract, authorizing the issuance of Bonds by the Authority to finance the Costs of the Project.

ARTICLE II REPRESENTATIONS AND AGREEMENTS

SECTION 2.01: The City's Representations and Agreements. In connection with its undertakings hereunder, the City represents to the Authority and agrees with the Authority as follows:

(a) In its capacity as a duly incorporated city of the State, it is empowered under applicable laws of Texas to enter into the engagements prescribed for it under this Contract and to perform all obligations which may result therefrom, and its governing body has duly authorized execution of this Contract.

(b) It will timely pay to the Authority the full amount it is required to pay under the provisions of this Contract for the services supplied by the Project.

(c) It will plan, construct, maintain, operate, and finance its own utility system and set retail rates to individual customers for water and sewer service adequate to pay all City obligations secured by and made payable from the revenues derived from the operation of the City's combined Water and Sewer System (the "Utility System").

(d) It will cooperate with the Authority in the performance of the duties and responsibilities assigned to the Authority by this Contract.

SECTION 2.02: Representations and Agreements of Authority. In connection with its undertakings hereunder, the Authority represents to the City and agrees with the City as follows:

(a) In its capacity as a conservation and reclamation district created by the Act, pursuant to Article XVI, Section 59 of the Texas Constitution, it is empowered under applicable laws of the State of Texas, particularly under the Act, the Interlocal Cooperation Act, and the Texas Water Code, to enter into the engagements prescribed for it under this Contract and to perform all obligations which may result therefrom, and its governing body has duly authorized execution of this Contract.

(b) It will finance all Costs of the Project not provided by the City and any grant secured for the construction of the Project.

SECTION 2.03: Construction. The Operator agrees to assume responsibility for the construction of the Project and the Authority will enter into such contracts as are necessary to construct the Project. To this end, the Authority and the City agree that:

(a) Unless otherwise agreed by the parties, the Operator shall be responsible for the preparation of final plans and specifications for the Project.

(b) Final plans and specifications for the Project shall be subject to the approval of the Authority and the City.

(c) All construction contracts shall be let and awarded pursuant to the laws applicable to the Authority.

(d) The Authority shall let and award all construction contracts, subject to the approval of each contract by the City.

(e) The Authority shall deposit from the proceeds from the sale of its Bonds in a special Construction Fund to be created and established by the Bond Resolution(s), an amount of money which shall be specified in said Bond Resolution(s). The Authority shall draw on and use the money in such Construction Fund to pay the cost of acquiring, constructing, improving, extending, enlarging, and repairing the Project.

(f) Unless otherwise agreed by the parties, the Operator shall be responsible for the acquisition of all land, rights-of-way, property rights, easements, and interest required to provide the Project, subject to the approval of the City and the Authority.

ARTICLE III FISCAL MATTERS

SECTION 3.01: Payment for Service. The Authority will provide from the proceeds received through the issuance and sale of its Bonds such funds as are necessary, when coupled with any funds or property provided by the City and any grant received, for the purpose of providing all or part of the Project; provided, however, proceeds from Bonds issued for refunding purposes may be used as provided in such Bond Resolution(s) authorizing such refunding Bonds. It is agreed that the City and its customers shall have the exclusive use of the entire Project for the useful life of the Project. In consideration for the Authority's obligation hereunder, the City recognizes and agrees that the Authority will acquire an undivided interest in the Project equivalent to the percentage of the total cost of the Project provided by the Authority through the issuance and sale of its Bonds. It is further agreed that the City's obligations to make any and all payments specified in this Article and the ownership interest of the Authority in the Project will terminate when all of the Authority's Bonds issued in connection with the Project have been paid

in full and retired and are no longer outstanding. It is further understood and agreed that the Authority's only source of funds to pay the principal of and interest on its Bonds is from the payments to be made by the City to the Authority under this Contract, and the City agrees that it will make to the Authority the following payments:

(a) Monthly amortization payment — Such amounts, payable monthly on or before the 20th day of each month, in approximately equal installments, as are necessary to pay (i) the principal coming due on the Authority's Bonds on the next succeeding principal payment date; (ii) the interest coming due on the Authority's Bonds on the next succeeding interest payment date; and, (iii) the fees and charges of the Paying Agent(s) for paying or redeeming the Bonds and interest thereon coming due on each applicable date.

(b) Reserve Fund Payment — Such amount as is required to be paid into the Reserve Fund from the Revenue Fund (out of payments to be made by the City) under the Bond Resolution(s) in order to establish, maintain or replenish the Reserve Fund for the security and payment of Bonds.

(c) Administrative Payment — An amount sufficient to pay the administrative and overhead expenses of the Authority, directly attributable and chargeable to the Bonds and the Project, including the cost of routine annual accounting reports and the costs of all continuing disclosure undertakings.

(d) Extraordinary Expense Payment — Such amounts as are necessary to pay or reimburse the Authority for any extraordinary or unexpected expenses or costs reasonably and necessarily incurred by the Authority in connection with the Bonds and the Project, such as expenses of litigation, if any, and costs of special studies and special professional services, if and when required by any governmental directive or regulation or as may be agreed between the City and the Authority.

(e) Maintenance and Operation Costs — Such amounts as are necessary to pay or reimburse the Authority for costs of Maintenance and Operation of the Project (for which provision is made in Section 3.03), if the Authority is the Operator under that Section.

SECTION 3.02: Time for Making of Payments. The City agrees to make the payments required by Section 3.01 at the times hereafter specified:

(a) Monthly Amortization Payments — the City shall commence making monthly amortization payments at such time as any amount required by the Bond Resolution(s) to be deposited into an escrow account for the payment of interest on the Bonds during the Project construction period has been fully exhausted; provided that such payments shall commence in no event later than the earlier of (i) twelve months prior to the first principal payment date specified in the Bond Resolution(s), or (ii) six months prior to the first interest payment date for which moneys are not set aside for the payment of the interest coming due on such date from the proceeds of the Bonds. Monthly amortization payments shall continue to be made throughout the term of the Contract and shall be adjusted by the City so as to provide for the accumulation of the full amount of debt service requirements (principal, interest, and paying agent fees due on any given payment date) on or before the first day of the month such debt service requirements become due.

(b) Reserve Fund Payment — the City shall commence making these payments on the 20th day of the following month, as may be provided in the Bond Resolution, after the delivery of the initial series of Bonds issued to provide the Project, and upon the issuance of additional

Bonds, shall increase the payments in accordance with the Bond Resolution(s) authorizing such additional Bonds.

(c) Administrative Payment — the City shall commence making the administrative payment on the 20th day of the month following the effective date of this Contract, and thereafter such payment shall be made on the 20th day of each month thereafter throughout the term of this Contract.

(d) Extraordinary Expense Payment — the City shall make any extraordinary expense payment immediately upon receipt of the statement therefor.

(e) Maintenance and Operating Expenses — (i) if the City is designated as the Operator, such expenses shall be paid by the City as the same become due; or (ii) if the Authority is designated as the Operator, the City shall pay (up to the amount annually budgeted for such expenses) the amount which the Authority determines shall be required in such months, such payments to be made on or before the 20th day of each month after the Project becomes operational. The annual budget shall be prepared by the Authority at least thirty (30) days prior to the date the Project is to become operational, or, thereafter prior to the beginning of each Fiscal Year; the budget shall then be submitted to the City which may indicate exceptions or suggestions, which shall then be considered by the Board. If an annual budget is found to be insufficient or excessive, the parties agree the same shall be taken into consideration by an amendment as well as the budget for the following year, with the view that additional payments shall be made or credit shall be given so that expenditures match receipts over the Fiscal Year or an adjustment is made in the following month.

SECTION 3.03: Maintenance and Operation of the Project. Unless otherwise agreed by the parties, it is agreed that the Operator will be responsible for maintaining and operating the Project for the entire term of this Contract, and shall pay all costs and expenses incurred in regard to the maintenance and operation of the Project. The Operator hereby agrees and covenants to operate and maintain the Project in accordance with accepted good business and engineering practices and in accordance with all applicable federal and state laws, including any rules and regulations issued by appropriate agencies in the administration of said laws. If the City is the Operator under this Section, the City agrees, to the extent allowed by law, to indemnify and to save and hold harmless the Authority from any and all, exclusive of costs caused by or associated with the Authority's negligence, claims, damages, losses, costs, and expenses, including reasonable attorney fees, arising at any time from the acquisition, existence, ownership, operation, and maintenance of the Project.

SECTION 3.04: Insurance. The Operator specifically agrees to carry fire, casualty, public liability, or other insurance on the Project for purposes and in amounts which would ordinarily be carried by a municipal corporation owning and operating such facilities. Such insurance will provide, to the extent feasible and practicable, for the restoration of damages or destroyed properties and equipment so as to minimize the interruption of services of such facilities. All premiums for such insurance shall constitute a Maintenance and Operation Expense of the Project.

SECTION 3.05: Covenant of Timely Payment. The City covenants that it will timely make (i) the monthly amortization payments and (ii) the additional payments specified hereunder in accordance with the provisions of this Contract as the same shall become due and payable, irrespective of whether service of the Project has been abandoned or discontinued, or if the Project has been rendered wholly or partially unusable by reason of Force Majeure. The City recognizes the fact that the Authority will use the payment received from the City hereunder to

pay, secure, and finance the issuance of the Bonds, and the holders of the Bonds shall be entitled to rely upon the foregoing covenant of payment regardless of any other agreement that may exist between the Authority and the City.

SECTION 3.06: Late Payment Penalty. Should the City fail to make any payment at the time herein specified, interest on such amounts shall accrue at the rate of ten percent (10%) per annum from the date such payment becomes due until paid in full with interest as herein specified. In the event such payment is not made within sixty (60) days from the date such payment becomes due, the Authority may institute a proceeding for a mandatory injunction requiring the payment of the amount due and interest thereon, such action to be instituted in a court of competent jurisdiction.

SECTION 3.07: Priority of Charges - City to Fix Adequate Rates.

(a) The City represents and covenants that all payments to be made by it hereunder shall constitute "operating expenses" of the City's Utility System.

(b) The City further agrees to fix and collect such rates and charges for water and sewer services to its customers as will make possible the prompt payment of all expenses of operating and maintaining its Utility System, including all payments, obligations and indemnities contracted hereunder.

SECTION 3.08: Nature of Obligation of City. The payments required to be made by the City under the terms of this Contract shall be due and payable in any and all events regardless of whether there shall be, for any reason, a delay in the completion of all or any part of the Project and regardless of whether the Project shall have been wholly or partially destroyed or damaged. The agreements of the City shall be and are separate and independent covenants and the City shall have no rights of set off, recoupment, or counterclaim. The Authority shall never have the right to demand payment of any amounts due hereunder by the City out of funds raised or to be raised by taxation. Any obligations assumed or imposed on either party hereto shall never be construed to be a debt of such party of a kind that would require it to levy and collect taxes to discharge any such obligation, it being expressly understood by the parties hereto that the funds required for all payments due from the City pursuant to this Contract are to be collected from the sources referenced herein, and from no other source.

ARTICLE IV
MISCELLANEOUS PROVISIONS

SECTION 4.01: Contract Term. The obligation of the City to promptly make all prescribed payments shall commence with the effective date of this Contract and continue for the period during which the Bonds are outstanding and unpaid.

SECTION 4.02: Useful Life of Project. The City and Authority agree and mutually find that the anticipated useful life of a Project equals or exceeds the period specified in the Bond Resolution(s) for the maturity of all Bonds authorized to be issued to fund such Project.

SECTION 4.03: Abandonment of Use of Project. Except as provided by this Contract, the City may not obtain services provided for in this Contract from a source other than a contracting party. It is specifically recognized by the parties hereto that the City, during the term of this Contract, may acquire other facilities so as to make the continued operation of the Project

uneconomical so it will be to the best interest of the parties to discontinue the operation of the Project.

Should the City choose to discontinue the operation of all or part of the Project, the City shall have the exclusive right to the salvage of all of the properties and improvements constituting the Project so discontinued. Any cost of salvage will be a maintenance and operating expense of the City, and any money realized from such salvage will serve as a reduction of such expense. The City shall retain the use of the land where the Project is situated and all remaining improvements thereon for its corporate purposes.

The abandonment of the use of the Project shall have no effect upon the obligations of the City to the Authority provided for by this Contract and all payments provided for by this Contract shall remain obligations of the City of the same nature as provided for by this Contract.

SECTION 4.04: Modification of Provisions. This Contract may be changed and modified only with the consent of the governing bodies of the Authority and the City. Such modification may be requested by either party, in which event a joint meeting of the governing bodies or of their duly authorized and appointed representative shall be held not less than thirty (30) days after the giving of such notice. At such joint meeting, the suggested changes or modifications shall be considered, discussed and settled. No such change or modification may be made which will affect adversely the payment when due of all moneys required to be paid by the City under the terms of this Contract and no such change will be effective which affects adversely or causes a violation of any covenants contained in the Bond Resolution(s).

If for any reason the City may desire the construction of additional facilities over and above those now contemplated, and provided the same are within the legal and economic capabilities of the Authority, provision therefor shall be made by means of a supplement hereto, the terms of which are to be negotiated between the City and the Authority.

SECTION 4.05: Regulatory Provisions. This Contract shall be subject to all valid rules, regulations and laws applicable thereto, as promulgated by the United States of America, the State of Texas, or any other governmental body or agency having lawful jurisdiction or any authorized representative or agency of any of them.

SECTION 4.06: Taxes. In the event any sales or use taxes, or taxes of any nature, are hereafter imposed upon the Project or the Authority on account of the acquisition, existence, ownership, operation and maintenance of the Project, the amount of such taxes shall be treated as operating expenses of the Project.

SECTION 4.07: Title to Water and Sewage. Title to all water and sewage put into the Project under this Contract shall be in the City.

SECTION 4.08: Notices. Any notice, request, demand, statement or bill provided for in this Contract shall be in writing and shall be considered to have been fully delivered when sent by registered mail, addressed as follows:

To the Authority: 5100 Airport Drive
Denison, Texas 75020
Attention: President, Board of Directors

To the City: 101 North Main Street
Henrietta, Texas 76365
Attention: Mayor

as the case may be, except that routine communications may be sent by ordinary mail and except that either party, by the filing of an appropriate written notice to the other, may specify some other individual to whom communications thereafter are to be addressed.

SECTION 4.09: Covenant to Enforce Contractual Obligations. The Authority covenants that it will enforce the obligations of the City hereunder as may be required to accomplish the purpose of this Contract. Either party may enforce any obligations hereunder owed to it by the other party.

SECTION 4.10: Consequences of City Default. The Authority and the City agree that in the event of default or threatened default, in the payment of principal of or interest on the Bonds, any court of competent jurisdiction upon petition of the holders of twenty-five percent (25%) of the principal amount of the then outstanding Bonds of the Authority shall appoint a receiver with authority to collect and receive all resources pledged to the payment of the Bonds, enforce all rights arising from default, if any, by the City in making payment under this Contract, and take charge of the pledged funds on hand and manage the proprietary affairs of the Authority insofar as such affairs relate to the Project. The court may further vest the receiver with such powers and duties as the court may find necessary for the protection of the holders of the Bonds.

SECTION 4.11: Further Agreements of the Parties. The parties hereto specifically recognize that to the extent the City has heretofore issued, sold and delivered revenue bonds that were and are payable from and secured by a lien on and pledge of the surplus net revenues of its Utility System, and to the extent such bonds so issued and delivered are outstanding, the City has disclosed to the Authority the existence and terms of all such bonds.

Additionally, the City represents to the Authority that:

- (a) There is no provision in any ordinance of the City which prohibits the City from entering into and executing this Contract.
- (b) The execution of this Contract and the operation thereunder will not in any way impair the obligation of contract by and between the City and any other person. The Project is in furtherance of governmental policy, not inconsistent with the existing contractual obligations of the City.

SECTION 4.12: Control of Project by Operator. The parties hereto recognize and it is specifically agreed that after completion of the Project and during the term of this Contract, the Operator shall have the exclusive right to the use and utilization of the Project, for the benefit of the City; that the Operator without hindrance from the Authority or the City, or the employees or

other agents of either of them, may operate, maintain, repair, enlarge, improve, extend, provide for additions to or otherwise control, manage and keep up the Project.

Except as specified in this Article, the abandonment of the use of all or part of such Project has no effect upon the obligations of the parties.

SECTION 4.13: Force Majeure.

(a) If for any reason of Force Majeure either of the parties hereto shall be rendered unable wholly or in part to carry out its obligation under this Contract, other than the obligation of City to make the payments required under the terms of Section 3.01 hereof, then if such party shall give notice and full particulars of such reasons in writing to the other party within a reasonable time after the occurrence of the event, or cause relied upon, the obligation of the party giving such notice, so far as it is affected by such Force Majeure shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such parties shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "Force Majeure" as employed herein shall mean acts of God, strikes, lock-outs, or other industrial disturbances, acts of a public enemy, orders or actions of any kind of the Government of the United States of America or of the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakages or accident to dams, machinery, partial or entire failure of water supply and inability on the part of the Authority to deliver water hereunder or to provide sewage treatment or of the City to receive water or to deliver sewage treatment, on account of any other cause not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lock-outs shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch, shall not require the settlement of strikes and lock-outs by acceding to the demands of the opposing parties when such settlement is unfavorable to it in the judgment of the party having the difficulty. No failure of Authority to meet any obligation by reason for Force Majeure shall relieve the City from its obligations to make the payments required under the terms of Section 3.01 hereof.

(b) No damage shall be recoverable from Authority by reason of the suspension of the operation of the Project due to any of the causes above mentioned. If Operator's ability to operate the Project is affected by any of such causes, the Operator shall promptly notify the other party in writing giving the particulars as soon as possible after the occurrence of the cause or causes for such interruption.

(c) It is expressly recognized by City that the Operator may be compelled to make necessary alterations, repairs or extensions of new or additional facilities from time to time during the life of this Contract, and any suspensions of the operation of the Project due to such operation shall not be cause for claim of damage on part of the Operator provided all reasonable effort is used by the Operator to provide City with the service afforded by the Project in accordance with this Contract. In such case, the Operator shall give the other party as much advance notice as may be practicable of the suspension of operation and of the estimated duration thereof.

SECTION 4.14: Easements. The City agrees that the Authority may have such easements over any easements, right-of-way, or property held by the City so that the facilities herein anticipated and the placement thereof and of all required equipment may be appropriately provided.

SECTION 4.15: Bond Approval by the City.

(a) Prior to the issuance and delivery of any Bonds which are (i) payable as to principal, interest, or redemption premium out of the debt service payments, or (ii) to provide facilities or service or any item which is to be maintained by the Authority utilizing any part of the base monthly payments, the City shall approve the issuance thereof as provided in this Section.

(b) If the Bonds are to be sold at a public sale, the governing body of the City shall, by resolution or ordinance, approve (i) the "Notice of Sale" issued or proposed to be issued by the Authority prior to their delivery; and (ii) the facilities to be constructed or acquired; or, if the Bonds are to be negotiated, or are refunding Bonds, the governing body of the City shall, by resolution or ordinance approve either (i) the form of purchase agreement or (ii) the resolution authorizing the issuance of the Bonds.

(c) If the Bonds are to be exchanged for property or services or are to be privately placed, the governing body of the City shall, by resolution or ordinance, approve (i) the form of the resolution adopted or to be adopted by the governing body of the Authority which authorizes the issuance of such Bonds; and (ii) the facilities to be constructed or acquired, or the services to be provided.

(d) The City and the Authority agree that the holders of the Bonds, and each party deemed a holder of a Bond by virtue of subrogation to the rights of the holders of the Bonds or otherwise, shall be express third-party beneficiaries of this Contract and shall have all available remedies pertaining to enforcement of this Contract.

SECTION 4.16: Severability. The parties hereto agree that if any of the provisions of this Contract contravene or are held to be invalid under the laws of the State, the same shall not invalidate the whole Contract, but it shall be construed as though not containing that particular provision, and the rights and obligations of the parties shall be construed and in force accordingly.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this Contract to be duly executed in several counterparts, each of which shall constitute an original, all as of the day and year first above written.

GREATER TEXOMA UTILITY AUTHORITY

(Authority Seal)

By: _____
President, Board of Directors

ATTEST:

Secretary, Board of Directors

CITY OF HENRIETTA, TEXAS

(City Seal)

By: _____
Mayor

ATTEST:

City Secretary

ATTACHMENT XVI



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: May 18, 2022

SUBJECT: AGENDA ITEM NO. XVI

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2022 (CITY OF HENRIETTA PROJECT)", INCLUDING THE ADOPTION OF A RESOLUTION APPROVING THE ISSUANCE OF SUCH BONDS

ISSUE

Consider and act upon resolution authorizing the issuance of bonds for the City of Henrietta Wastewater system improvements projects.

BACKGROUND

The City of Henrietta requested the Authority staff assist the City in obtaining funding for improvements to the City's wastewater system. The City currently has two (2) wastewater treatment plants (WWTP) that have reached the end of their useful life. The City is proposing to build a new WWTP adjacent to the location of their current south WWTP. The City would then decommission the old plant sites and build a lift station at their north WWTP to divert that sewage through a new force main to the new WWTP.

The Texas Water Development Board ("TWDB") State Revolving Fund was initially selected as the funding source for these improvements. However, the TWDB informed the Authority staff in February that changes had been made to the SRF programs by limiting the amount of funding they are making available. The programs are now more difficult to qualify for and will take significantly more time to be funded if a project ends up qualifying. Due to these changes in the SRF program and discussions with TWDB, the Authority staff is proposing to pursue funding through the Texas Water Development Fund ("DFund"). The DFund is a state funded loan program with below market interest rates. This path forward was approved by the Board in February of 2021.

The TWDB has now provided a funding commitment for this project and the next step is to get Board and Council action to authorize issuance of the debt.

CONSIDERATIONS

In order to proceed with the Bond issuance, the Authority and the City will need to adopt a resolution authorizing the issuance. The City Council is set to consider this at their June 13, 2022 meeting.

The interest rate we received was 4.10% for the \$10,235,000 on a 40-year term.

Kristen Savant, the Authority's Bond Counsel, will be at the meeting to present and assist with any questions the Board may have.

STAFF RECOMMENDATIONS

Staff recommends that the Board of Directors approve the City of Henrietta Bond Resolution which would authorize the issuance of \$10,235,000 through the TWDB's DFund.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

ATTACHED

Debt Service Schedule

Bond Resolution – link will be sent to Board

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

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$10,235,000 Contract Revenue Bonds, Series 2022

(City of Henrietta Project)

June 28, 2022 Closing

Debt Service Schedule

Part 1 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/28/2022	-	-	-	-	-
08/15/2022	-	-	52,836.68	52,836.68	-
09/30/2022	-	-	-	-	52,836.68
02/15/2023	-	-	202,353.25	202,353.25	-
08/15/2023	140,000.00	2.410%	202,353.25	342,353.25	-
09/30/2023	-	-	-	-	544,706.50
02/15/2024	-	-	200,666.25	200,666.25	-
08/15/2024	145,000.00	2.650%	200,666.25	345,666.25	-
09/30/2024	-	-	-	-	546,332.50
02/15/2025	-	-	198,745.00	198,745.00	-
08/15/2025	150,000.00	2.760%	198,745.00	348,745.00	-
09/30/2025	-	-	-	-	547,490.00
02/15/2026	-	-	196,675.00	196,675.00	-
08/15/2026	155,000.00	2.810%	196,675.00	351,675.00	-
09/30/2026	-	-	-	-	548,350.00
02/15/2027	-	-	194,497.25	194,497.25	-
08/15/2027	155,000.00	2.880%	194,497.25	349,497.25	-
09/30/2027	-	-	-	-	543,994.50
02/15/2028	-	-	192,265.25	192,265.25	-
08/15/2028	160,000.00	2.950%	192,265.25	352,265.25	-
09/30/2028	-	-	-	-	544,530.50
02/15/2029	-	-	189,905.25	189,905.25	-
08/15/2029	165,000.00	3.040%	189,905.25	354,905.25	-
09/30/2029	-	-	-	-	544,810.50
02/15/2030	-	-	187,397.25	187,397.25	-
08/15/2030	170,000.00	3.130%	187,397.25	357,397.25	-
09/30/2030	-	-	-	-	544,794.50
02/15/2031	-	-	184,736.75	184,736.75	-
08/15/2031	175,000.00	3.200%	184,736.75	359,736.75	-
09/30/2031	-	-	-	-	544,473.50
02/15/2032	-	-	181,936.75	181,936.75	-
08/15/2032	180,000.00	3.390%	181,936.75	361,936.75	-
09/30/2032	-	-	-	-	543,873.50
02/15/2033	-	-	178,885.75	178,885.75	-
08/15/2033	185,000.00	3.570%	178,885.75	363,885.75	-
09/30/2033	-	-	-	-	542,771.50
02/15/2034	-	-	175,583.50	175,583.50	-
08/15/2034	190,000.00	3.720%	175,583.50	365,583.50	-
09/30/2034	-	-	-	-	541,167.00
02/15/2035	-	-	172,049.50	172,049.50	-

2022 Henrietta \$10.235mm | SINGLE PURPOSE | 5/17/2022 | 1:58 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$10,235,000 Contract Revenue Bonds, Series 2022

(City of Henrietta Project)

June 28, 2022 Closing

Debt Service Schedule

Part 2 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/15/2035	195,000.00	3.870%	172,049.50	367,049.50	-
09/30/2035	-	-	-	-	539,099.00
02/15/2036	-	-	168,276.25	168,276.25	-
08/15/2036	205,000.00	3.990%	168,276.25	373,276.25	-
09/30/2036	-	-	-	-	541,552.50
02/15/2037	-	-	164,186.50	164,186.50	-
08/15/2037	210,000.00	4.060%	164,186.50	374,186.50	-
09/30/2037	-	-	-	-	538,373.00
02/15/2038	-	-	159,923.50	159,923.50	-
08/15/2038	215,000.00	4.140%	159,923.50	374,923.50	-
09/30/2038	-	-	-	-	534,847.00
02/15/2039	-	-	155,473.00	155,473.00	-
08/15/2039	220,000.00	4.010%	155,473.00	375,473.00	-
09/30/2039	-	-	-	-	530,946.00
02/15/2040	-	-	151,062.00	151,062.00	-
08/15/2040	225,000.00	4.030%	151,062.00	376,062.00	-
09/30/2040	-	-	-	-	527,124.00
02/15/2041	-	-	146,528.25	146,528.25	-
08/15/2041	235,000.00	4.050%	146,528.25	381,528.25	-
09/30/2041	-	-	-	-	528,056.50
02/15/2042	-	-	141,769.50	141,769.50	-
08/15/2042	240,000.00	4.070%	141,769.50	381,769.50	-
09/30/2042	-	-	-	-	523,539.00
02/15/2043	-	-	136,885.50	136,885.50	-
08/15/2043	245,000.00	4.140%	136,885.50	381,885.50	-
09/30/2043	-	-	-	-	518,771.00
02/15/2044	-	-	131,814.00	131,814.00	-
08/15/2044	255,000.00	4.140%	131,814.00	386,814.00	-
09/30/2044	-	-	-	-	518,628.00
02/15/2045	-	-	126,535.50	126,535.50	-
08/15/2045	260,000.00	4.140%	126,535.50	386,535.50	-
09/30/2045	-	-	-	-	513,071.00
02/15/2046	-	-	121,153.50	121,153.50	-
08/15/2046	270,000.00	4.140%	121,153.50	391,153.50	-
09/30/2046	-	-	-	-	512,307.00
02/15/2047	-	-	115,564.50	115,564.50	-
08/15/2047	275,000.00	4.210%	115,564.50	390,564.50	-
09/30/2047	-	-	-	-	506,129.00
02/15/2048	-	-	109,775.75	109,775.75	-
08/15/2048	285,000.00	4.210%	109,775.75	394,775.75	-

2022 Henrietta \$10.235mm | SINGLE PURPOSE | 5/17/2022 | 1:58 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$10,235,000 Contract Revenue Bonds, Series 2022

(City of Henrietta Project)

June 28, 2022 Closing

Debt Service Schedule

Part 3 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/30/2048	-	-	-	-	504,551.50
02/15/2049	-	-	103,776.50	103,776.50	-
08/15/2049	290,000.00	4.210%	103,776.50	393,776.50	-
09/30/2049	-	-	-	-	497,553.00
02/15/2050	-	-	97,672.00	97,672.00	-
08/15/2050	300,000.00	4.210%	97,672.00	397,672.00	-
09/30/2050	-	-	-	-	495,344.00
02/15/2051	-	-	91,357.00	91,357.00	-
08/15/2051	310,000.00	4.210%	91,357.00	401,357.00	-
09/30/2051	-	-	-	-	492,714.00
02/15/2052	-	-	84,831.50	84,831.50	-
08/15/2052	320,000.00	4.210%	84,831.50	404,831.50	-
09/30/2052	-	-	-	-	489,663.00
02/15/2053	-	-	78,095.50	78,095.50	-
08/15/2053	325,000.00	4.210%	78,095.50	403,095.50	-
09/30/2053	-	-	-	-	481,191.00
02/15/2054	-	-	71,254.25	71,254.25	-
08/15/2054	335,000.00	4.210%	71,254.25	406,254.25	-
09/30/2054	-	-	-	-	477,508.50
02/15/2055	-	-	64,202.50	64,202.50	-
08/15/2055	345,000.00	4.210%	64,202.50	409,202.50	-
09/30/2055	-	-	-	-	473,405.00
02/15/2056	-	-	56,940.25	56,940.25	-
08/15/2056	355,000.00	4.210%	56,940.25	411,940.25	-
09/30/2056	-	-	-	-	468,880.50
02/15/2057	-	-	49,467.50	49,467.50	-
08/15/2057	365,000.00	4.210%	49,467.50	414,467.50	-
09/30/2057	-	-	-	-	463,935.00
02/15/2058	-	-	41,784.25	41,784.25	-
08/15/2058	375,000.00	4.210%	41,784.25	416,784.25	-
09/30/2058	-	-	-	-	458,568.50
02/15/2059	-	-	33,890.50	33,890.50	-
08/15/2059	385,000.00	4.210%	33,890.50	418,890.50	-
09/30/2059	-	-	-	-	452,781.00
02/15/2060	-	-	25,786.25	25,786.25	-
08/15/2060	395,000.00	4.210%	25,786.25	420,786.25	-
09/30/2060	-	-	-	-	446,572.50
02/15/2061	-	-	17,471.50	17,471.50	-
08/15/2061	410,000.00	4.210%	17,471.50	427,471.50	-
09/30/2061	-	-	-	-	444,943.00

2022 Henrietta \$10.235mm | SINGLE PURPOSE | 5/17/2022 | 1:58 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$10,235,000 Contract Revenue Bonds, Series 2022

(City of Henrietta Project)

June 28, 2022 Closing

Debt Service Schedule

Part 4 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/15/2062	-	-	8,841.00	8,841.00	-
08/15/2062	420,000.00	4.210%	8,841.00	428,841.00	-
09/30/2062	-	-	-	-	437,682.00
Total	\$10,235,000.00	-	\$10,272,866.68	\$20,507,866.68	-

Yield Statistics

Bond Year Dollars	\$248,716.24
Average Life	24.301 Years
Average Coupon	4.1303563%
DV01	14,918.30
Net Interest Cost (NIC)	4.1303563%
True Interest Cost (TIC)	4.1015461%
Bond Yield for Arbitrage Purposes	4.1015461%
All Inclusive Cost (AIC)	4.1015461%

IRS Form 8038

Net Interest Cost	4.1303563%
Weighted Average Maturity	24.301 Years

ATTACHMENT XVIII



GREATER TEXOMA UTILITY AUTHORITY

AGENDA COMMUNICATION

DATE: May 18, 2022

SUBJECT: AGENDA ITEM NO. XVIII

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE APPROVAL AND EXECUTION OF A WATER AND SEWER FACILITIES CONTRACT WITH THE CITY OF VALLEY VIEW, INCLUDING THE ADOPTION OF A RESOLUTION PERTAINING THERETO.

ISSUE

Approval of a Water Supply and Sewer Service Facilities Contract with the City of Valley View.

BACKGROUND

The City of Valley View requested the Authority staff assist the City with obtaining funding from the Texas Water Development Board ("TWDB"). They have a wastewater plant that needs to be upgraded as well as some inflow and infiltration issues in their collection system. These issues need to be looked at as a whole and we believe that there needs to be preliminary engineering performed to dive further into these issues in order for the City to select the appropriate path forward on capital improvements.

The Texas Water Development Board ("TWDB") State Revolving Fund was initially selected as the funding source for these improvements. However, the TWDB informed the Authority staff in February that changes had been made to the SRF programs by limiting the amount of funding they are making available. The programs are now more difficult to qualify for and will take significantly more time to be funded if a project ends up qualifying. Due to these changes in the SRF program and discussions with TWDB, the Authority staff is proposing to pursue funding through the Texas Water Development Fund ("DFund"). The DFund is a state funded loan program with below market interest rates. This path forward was approved by the Board in February of 2021.

Due to the Authority not having an active bond issuance with the City of Valley View, a facilities contract must be entered into prior to issuing debt. The facilities contracts that the Authority maintains with debt partners expire upon retirement of debt with the Authority.

CONSIDERATIONS

This contract was developed by the Authority's bond counsel, Norton Rose Fulbright. This contract establishes the relationship between the Authority and the City that will ultimately enable the Authority to issue debt on their behalf.

This facilities contract is very similar to the other facilities contracts the Authority has with bond holders. The contracts have slowly evolved over the past decades, but remain very similar to the early contracts.

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. A copy is attached for the Board's consideration.

STAFF RECOMMENDATIONS

Staff recommends the Board approve the attached resolution / Water Supply and Sewer Facilities Contract.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

ATTACHED

Water Supply and Sewer Service Facilities Contract

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

WATER AND SEWER FACILITIES CONTRACT

THE STATE OF TEXAS §
 §
COUNTY OF COOKE §

THIS CONTRACT (the or this "Contract") is made and entered into as of May 23, 2022, between the GREATER TEXOMA UTILITY AUTHORITY (hereinafter referred to as the "Authority"), a conservation and reclamation authority, a governmental agency, a political subdivision of the State of Texas, and a body politic and corporate, duly created, existing, and acting by virtue of Chapter 8283 of the Texas Special District Local Laws Code, as amended, (the "Act"), and the CITY OF VALLEY VIEW, TEXAS, a political subdivision of the State of Texas in the County of Cooke, Texas (hereinafter referred to as the "City"), duly created and existing under the laws of the State of Texas:

W I T N E S S E T H:

WHEREAS, the Authority, acting pursuant to the Act, has issued or proposes to issue, or both, its bonds for the purposes of providing (i) certain sewer collection and treatment facilities for use by the City, (ii) an additional supply of water to the City, and/or (iii) certain water supply facilities in order to store and transport water to the City;

WHEREAS, certain revenues to be received by the Authority from the City under this Contract are to be pledged to the payment and security of the bonds issued or to be issued by the Authority and will constitute the basis for the Authority's credit in financing such facilities and issuing such bonds; and

WHEREAS, the Authority and the City, acting through their duly constituted governing bodies pursuant to authority granted by Texas Government Code, Section 791.026, as amended, have mutually agreed upon the terms and conditions of this Contract; now, therefore

IN CONSIDERATION of the mutual covenants, agreements and undertakings herein set forth, the parties hereto hereby agree and contract as follows:

ARTICLE I
DEFINITIONS

SECTION 1.01: Unless the context shall indicate a contrary meaning or intent, the terms below defined, for all purposes of this Contract and any contract amendatory or supplemental to this Contract shall be construed or used and are intended to have meanings as follows:

- (a) "Authority" shall mean the Greater Texoma Utility Authority, or its successor.
- (b) "Board" and "Board of Directors" shall mean the Board of Directors of the Authority.
- (c) "Bond Resolution" shall mean any resolution of the Board of Directors authorizing the issuance of the Bonds and providing for their security and payment, as such resolution(s) may

be amended from time to time as therein permitted, where the proceeds from the sale of the Bonds will be used to discharge the cost of the Project.

(d) "Bonds" shall mean any bonds payable from revenues to be received by the Authority from the City under this Contract and to be issued by the Authority for the purpose of providing funds to pay the necessary costs of the Project or to refund currently outstanding bonds previously issued by the Authority payable from the revenues to be received by the Authority under this Contract, whether in one or more series or issues.

(e) "City" shall mean the City of Valley View, Texas.

(f) "Cost of the Project" shall mean, with respect to the Water Project or the Sewer Project, all cost and expense incurred in connection with the acquisition, construction, improvements, enlargement, extension, and repair of the Project, including, without limiting the generality of the foregoing, the cost of the acquisition of all land, rights-of-way, property rights, easements, and interests, the cost of all machinery and equipment, financing charges, interest, and administrative expenses expected to accrue during the period of construction, the funding of any reserve funds created by the Bond Resolution(s), cost of estimates and of engineering and legal services, plans, specifications, surveys, estimates of cost and of revenue, other expenses necessary or incident to determining the feasibility and practicability of acquiring, constructing, improving, enlarging, extending, or repairing the Project, and such other expense as may be necessary or incident to the acquisition, construction, improvement, enlargement, extension, or repair of the Project and all legal fees, printing and other cost, fees, and expenses necessary for or incident to the issuance of the Bonds.

(g) "Engineer" shall mean a registered, professional engineer (who may be the City Engineer or the Authority's Engineer). The City and Authority agree that the Engineer may be a different firm on different aspects of the Project and that any Project will be acquired, constructed, improved, enlarged, extended, and repaired in accordance with the plans and specifications prepared under the supervision of the Engineer. It is further agreed that an Engineer may be changed or added and the scope of duties adjusted by the Authority, subject to the consent of the City.

(h) "Fiscal Year" shall mean the twelve month operating period (under this Contract) commencing October 1st of each year, provided such twelve month period may be changed one time in any three calendar year period by agreement of the Authority and the City (which agreement, if made, shall be attached hereto as an exhibit).

(i) "Force Majeure" shall have the meaning assigned to such term in Section 4.13 hereto.

(j) "Maintenance and Operation Expense of the Project" shall mean the expense of maintenance and operation of the Project, including all salaries, labor, materials, interest, repairs, and replacements necessary to render efficient service, or which might be necessary to meet some physical accident or condition which would otherwise impair the security of the Bonds. Such term shall not include depreciation.

(k) "Operator" shall mean the party to the Contract who is designated, from time to time, by the parties with respect to each Project and, in the absence of such designation, shall mean the City.

(l) "Project" shall mean, collectively, the Water Project and the Sewer Project.

(m) "Sewer Project" shall mean, collectively, the sewer facilities which are to be (i) constructed or acquired in order to meet the contractual obligations hereunder, and (ii) financed by the Authority through the issuance of bonds or other obligations, to the extent the same are payable from the money paid or required to be paid by the City under this Contract, or obtained as grant funds, from any source, for the purpose of paying all or part of the Cost of the Project described in each ordinance or resolution of the City, duly passed prior to or subsequent to the date of this Contract, authorizing the issuance of Bonds by the Authority to finance the Costs of the Project.

(n) "State" shall mean the State of Texas.

(o) "Utility System" shall have the meaning assigned to such term in Section 2.01(c) hereto.

(p) "Water Project" shall mean, collectively, the water supply, storage and transmission facilities which are to be (i) constructed or acquired in order to meet the contractual obligations hereunder and (ii) financed by the Authority through the issuance of bonds or other obligations, to the extent the same are payable from the money paid or required to be paid by the City under this Contract or obtained as grant funds, from any source, for the purpose of paying all or part of the Cost of the Project described in each ordinance or resolution of the City, duly passed prior to or subsequent to the date of this Contract, authorizing the issuance of Bonds by the Authority to finance the Costs of the Project.

ARTICLE II REPRESENTATIONS AND AGREEMENTS

SECTION 2.01: The City's Representations and Agreements. In connection with its undertakings hereunder, the City represents to the Authority and agrees with the Authority as follows:

(a) In its capacity as a duly incorporated city of the State, it is empowered under applicable laws of Texas to enter into the engagements prescribed for it under this Contract and to perform all obligations which may result therefrom, and its governing body has duly authorized execution of this Contract.

(b) It will timely pay to the Authority the full amount it is required to pay under the provisions of this Contract for the services supplied by the Project.

(c) It will plan, construct, maintain, operate, and finance its own utility system and set retail rates to individual customers for water and sewer service adequate to pay all City obligations secured by and made payable from the revenues derived from the operation of the City's combined Water and Sewer System (the "Utility System").

(d) It will cooperate with the Authority in the performance of the duties and responsibilities assigned to the Authority by this Contract.

SECTION 2.02: Representations and Agreements of Authority. In connection with its undertakings hereunder, the Authority represents to the City and agrees with the City as follows:

(a) In its capacity as a conservation and reclamation district created by the Act, pursuant to Article XVI, Section 59 of the Texas Constitution, it is empowered under applicable laws of the State of Texas, particularly under the Act, the Interlocal Cooperation Act, and the Texas Water Code, to enter into the engagements prescribed for it under this Contract and to perform all obligations which may result therefrom, and its governing body has duly authorized execution of this Contract.

(b) It will finance all Costs of the Project not provided by the City and any grant secured for the construction of the Project.

SECTION 2.03: Construction. The Operator agrees to assume responsibility for the construction of the Project and the Authority will enter into such contracts as are necessary to construct the Project. To this end, the Authority and the City agree that:

(a) Unless otherwise agreed by the parties, the Operator shall be responsible for the preparation of final plans and specifications for the Project.

(b) Final plans and specifications for the Project shall be subject to the approval of the Authority and the City.

(c) All construction contracts shall be let and awarded pursuant to the laws applicable to the Authority.

(d) The Authority shall let and award all construction contracts, subject to the approval of each contract by the City.

(e) The Authority shall deposit from the proceeds from the sale of its Bonds in a special Construction Fund to be created and established by the Bond Resolution(s), an amount of money which shall be specified in said Bond Resolution(s). The Authority shall draw on and use the money in such Construction Fund to pay the cost of acquiring, constructing, improving, extending, enlarging, and repairing the Project.

(f) Unless otherwise agreed by the parties, the Operator shall be responsible for the acquisition of all land, rights-of-way, property rights, easements, and interest required to provide the Project, subject to the approval of the City and the Authority.

ARTICLE III FISCAL MATTERS

SECTION 3.01: Payment for Service. The Authority will provide from the proceeds received through the issuance and sale of its Bonds such funds as are necessary, when coupled with any funds or property provided by the City and any grant received, for the purpose of providing all or part of the Project; provided, however, proceeds from Bonds issued for refunding purposes may be used as provided in such Bond Resolution(s) authorizing such refunding Bonds. It is agreed that the City and its customers shall have the exclusive use of the entire Project for the useful life of the Project. In consideration for the Authority's obligation hereunder, the City recognizes and agrees that the Authority will acquire an undivided interest in the Project equivalent to the percentage of the total cost of the Project provided by the Authority through the issuance and sale of its Bonds. It is further agreed that the City's obligations to make any and all payments specified in this Article and the ownership interest of the Authority in the Project will terminate when all of the Authority's Bonds issued in connection with the Project have been paid

in full and retired and are no longer outstanding. It is further understood and agreed that the Authority's only source of funds to pay the principal of and interest on its Bonds is from the payments to be made by the City to the Authority under this Contract, and the City agrees that it will make to the Authority the following payments:

(a) Monthly amortization payment — Such amounts, payable monthly on or before the 20th day of each month, in approximately equal installments, as are necessary to pay (i) the principal coming due on the Authority's Bonds on the next succeeding principal payment date; (ii) the interest coming due on the Authority's Bonds on the next succeeding interest payment date; and, (iii) the fees and charges of the Paying Agent(s) for paying or redeeming the Bonds and interest thereon coming due on each applicable date.

(b) Reserve Fund Payment — Such amount as is required to be paid into the Reserve Fund from the Revenue Fund (out of payments to be made by the City) under the Bond Resolution(s) in order to establish, maintain or replenish the Reserve Fund for the security and payment of Bonds.

(c) Administrative Payment — An amount sufficient to pay the administrative and overhead expenses of the Authority, directly attributable and chargeable to the Bonds and the Project, including the cost of routine annual accounting reports and the costs of all continuing disclosure undertakings.

(d) Extraordinary Expense Payment — Such amounts as are necessary to pay or reimburse the Authority for any extraordinary or unexpected expenses or costs reasonably and necessarily incurred by the Authority in connection with the Bonds and the Project, such as expenses of litigation, if any, and costs of special studies and special professional services, if and when required by any governmental directive or regulation or as may be agreed between the City and the Authority.

(e) Maintenance and Operation Costs — Such amounts as are necessary to pay or reimburse the Authority for costs of Maintenance and Operation of the Project (for which provision is made in Section 3.03), if the Authority is the Operator under that Section.

SECTION 3.02: Time for Making of Payments. The City agrees to make the payments required by Section 3.01 at the times hereafter specified:

(a) Monthly Amortization Payments — the City shall commence making monthly amortization payments at such time as any amount required by the Bond Resolution(s) to be deposited into an escrow account for the payment of interest on the Bonds during the Project construction period has been fully exhausted; provided that such payments shall commence in no event later than the earlier of (i) twelve months prior to the first principal payment date specified in the Bond Resolution(s), or (ii) six months prior to the first interest payment date for which moneys are not set aside for the payment of the interest coming due on such date from the proceeds of the Bonds. Monthly amortization payments shall continue to be made throughout the term of the Contract and shall be adjusted by the City so as to provide for the accumulation of the full amount of debt service requirements (principal, interest, and paying agent fees due on any given payment date) on or before the first day of the month such debt service requirements become due.

(b) Reserve Fund Payment — the City shall commence making these payments on the 20th day of the following month, as may be provided in the Bond Resolution, after the delivery of the initial series of Bonds issued to provide the Project, and upon the issuance of additional

Bonds, shall increase the payments in accordance with the Bond Resolution(s) authorizing such additional Bonds.

(c) Administrative Payment — the City shall commence making the administrative payment on the 20th day of the month following the effective date of this Contract, and thereafter such payment shall be made on the 20th day of each month thereafter throughout the term of this Contract.

(d) Extraordinary Expense Payment — the City shall make any extraordinary expense payment immediately upon receipt of the statement therefor.

(e) Maintenance and Operating Expenses — (i) if the City is designated as the Operator, such expenses shall be paid by the City as the same become due; or (ii) if the Authority is designated as the Operator, the City shall pay (up to the amount annually budgeted for such expenses) the amount which the Authority determines shall be required in such months, such payments to be made on or before the 20th day of each month after the Project becomes operational. The annual budget shall be prepared by the Authority at least thirty (30) days prior to the date the Project is to become operational, or, thereafter prior to the beginning of each Fiscal Year; the budget shall then be submitted to the City which may indicate exceptions or suggestions, which shall then be considered by the Board. If an annual budget is found to be insufficient or excessive, the parties agree the same shall be taken into consideration by an amendment as well as the budget for the following year, with the view that additional payments shall be made or credit shall be given so that expenditures match receipts over the Fiscal Year or an adjustment is made in the following month.

SECTION 3.03: Maintenance and Operation of the Project. Unless otherwise agreed by the parties, it is agreed that the Operator will be responsible for maintaining and operating the Project for the entire term of this Contract, and shall pay all costs and expenses incurred in regard to the maintenance and operation of the Project. The Operator hereby agrees and covenants to operate and maintain the Project in accordance with accepted good business and engineering practices and in accordance with all applicable federal and state laws, including any rules and regulations issued by appropriate agencies in the administration of said laws. If the City is the Operator under this Section, the City agrees, to the extent allowed by law, to indemnify and to save and hold harmless the Authority from any and all, exclusive of costs caused by or associated with the Authority's negligence, claims, damages, losses, costs, and expenses, including reasonable attorney fees, arising at any time from the acquisition, existence, ownership, operation, and maintenance of the Project.

SECTION 3.04: Insurance. The Operator specifically agrees to carry fire, casualty, public liability, or other insurance on the Project for purposes and in amounts which would ordinarily be carried by a municipal corporation owning and operating such facilities. Such insurance will provide, to the extent feasible and practicable, for the restoration of damages or destroyed properties and equipment so as to minimize the interruption of services of such facilities. All premiums for such insurance shall constitute a Maintenance and Operation Expense of the Project.

SECTION 3.05: Covenant of Timely Payment. The City covenants that it will timely make (i) the monthly amortization payments and (ii) the additional payments specified hereunder in accordance with the provisions of this Contract as the same shall become due and payable, irrespective of whether service of the Project has been abandoned or discontinued, or if the Project has been rendered wholly or partially unusable by reason of Force Majeure. The City recognizes the fact that the Authority will use the payment received from the City hereunder to

pay, secure, and finance the issuance of the Bonds, and the holders of the Bonds shall be entitled to rely upon the foregoing covenant of payment regardless of any other agreement that may exist between the Authority and the City.

SECTION 3.06: Late Payment Penalty. Should the City fail to make any payment at the time herein specified, interest on such amounts shall accrue at the rate of ten percent (10%) per annum from the date such payment becomes due until paid in full with interest as herein specified. In the event such payment is not made within sixty (60) days from the date such payment becomes due, the Authority may institute a proceeding for a mandatory injunction requiring the payment of the amount due and interest thereon, such action to be instituted in a court of competent jurisdiction.

SECTION 3.07: Priority of Charges - City to Fix Adequate Rates.

(a) The City represents and covenants that all payments to be made by it hereunder shall constitute "operating expenses" of the City's Utility System.

(b) The City further agrees to fix and collect such rates and charges for water and sewer services to its customers as will make possible the prompt payment of all expenses of operating and maintaining its Utility System, including all payments, obligations and indemnities contracted hereunder.

SECTION 3.08: Nature of Obligation of City. The payments required to be made by the City under the terms of this Contract shall be due and payable in any and all events regardless of whether there shall be, for any reason, a delay in the completion of all or any part of the Project and regardless of whether the Project shall have been wholly or partially destroyed or damaged. The agreements of the City shall be and are separate and independent covenants and the City shall have no rights of set off, recoupment, or counterclaim. The Authority shall never have the right to demand payment of any amounts due hereunder by the City out of funds raised or to be raised by taxation. Any obligations assumed or imposed on either party hereto shall never be construed to be a debt of such party of a kind that would require it to levy and collect taxes to discharge any such obligation, it being expressly understood by the parties hereto that the funds required for all payments due from the City pursuant to this Contract are to be collected from the sources referenced herein, and from no other source.

ARTICLE IV
MISCELLANEOUS PROVISIONS

SECTION 4.01: Contract Term. The obligation of the City to promptly make all prescribed payments shall commence with the effective date of this Contract and continue for the period during which the Bonds are outstanding and unpaid.

SECTION 4.02: Useful Life of Project. The City and Authority agree and mutually find that the anticipated useful life of a Project equals or exceeds the period specified in the Bond Resolution(s) for the maturity of all Bonds authorized to be issued to fund such Project.

SECTION 4.03: Abandonment of Use of Project. Except as provided by this Contract, the City may not obtain services provided for in this Contract from a source other than a contracting party. It is specifically recognized by the parties hereto that the City, during the term of this Contract, may acquire other facilities so as to make the continued operation of the Project

uneconomical so it will be to the best interest of the parties to discontinue the operation of the Project.

Should the City choose to discontinue the operation of all or part of the Project, the City shall have the exclusive right to the salvage of all of the properties and improvements constituting the Project so discontinued. Any cost of salvage will be a maintenance and operating expense of the City, and any money realized from such salvage will serve as a reduction of such expense. The City shall retain the use of the land where the Project is situated and all remaining improvements thereon for its corporate purposes.

The abandonment of the use of the Project shall have no effect upon the obligations of the City to the Authority provided for by this Contract and all payments provided for by this Contract shall remain obligations of the City of the same nature as provided for by this Contract.

SECTION 4.04: Modification of Provisions. This Contract may be changed and modified only with the consent of the governing bodies of the Authority and the City. Such modification may be requested by either party, in which event a joint meeting of the governing bodies or of their duly authorized and appointed representative shall be held not less than thirty (30) days after the giving of such notice. At such joint meeting, the suggested changes or modifications shall be considered, discussed and settled. No such change or modification may be made which will affect adversely the payment when due of all moneys required to be paid by the City under the terms of this Contract and no such change will be effective which affects adversely or causes a violation of any covenants contained in the Bond Resolution(s).

If for any reason the City may desire the construction of additional facilities over and above those now contemplated, and provided the same are within the legal and economic capabilities of the Authority, provision therefor shall be made by means of a supplement hereto, the terms of which are to be negotiated between the City and the Authority.

SECTION 4.05: Regulatory Provisions. This Contract shall be subject to all valid rules, regulations and laws applicable thereto, as promulgated by the United States of America, the State of Texas, or any other governmental body or agency having lawful jurisdiction or any authorized representative or agency of any of them.

SECTION 4.06: Taxes. In the event any sales or use taxes, or taxes of any nature, are hereafter imposed upon the Project or the Authority on account of the acquisition, existence, ownership, operation and maintenance of the Project, the amount of such taxes shall be treated as operating expenses of the Project.

SECTION 4.07: Title to Water and Sewage. Title to all water and sewage put into the Project under this Contract shall be in the City.

SECTION 4.08: Notices. Any notice, request, demand, statement or bill provided for in this Contract shall be in writing and shall be considered to have been fully delivered when sent by registered mail, addressed as follows:

To the Authority: 5100 Airport Drive
Denison, Texas 75020
Attention: President, Board of Directors

To the City: 101 South Frontage Road
City of Valley View, Texas 76272
Attention: Mayor

as the case may be, except that routine communications may be sent by ordinary mail and except that either party, by the filing of an appropriate written notice to the other, may specify some other individual to whom communications thereafter are to be addressed.

SECTION 4.09: Covenant to Enforce Contractual Obligations. The Authority covenants that it will enforce the obligations of the City hereunder as may be required to accomplish the purpose of this Contract. Either party may enforce any obligations hereunder owed to it by the other party.

SECTION 4.10: Consequences of City Default. The Authority and the City agree that in the event of default or threatened default, in the payment of principal of or interest on the Bonds, any court of competent jurisdiction upon petition of the holders of twenty-five percent (25%) of the principal amount of the then outstanding Bonds of the Authority shall appoint a receiver with authority to collect and receive all resources pledged to the payment of the Bonds, enforce all rights arising from default, if any, by the City in making payment under this Contract, and take charge of the pledged funds on hand and manage the proprietary affairs of the Authority insofar as such affairs relate to the Project. The court may further vest the receiver with such powers and duties as the court may find necessary for the protection of the holders of the Bonds.

SECTION 4.11: Further Agreements of the Parties. The parties hereto specifically recognize that to the extent the City has heretofore issued, sold and delivered revenue bonds that were and are payable from and secured by a lien on and pledge of the surplus net revenues of its Utility System, and to the extent such bonds so issued and delivered are outstanding, the City has disclosed to the Authority the existence and terms of all such bonds.

Additionally, the City represents to the Authority that:

- (a) There is no provision in any ordinance of the City which prohibits the City from entering into and executing this Contract.
- (b) The execution of this Contract and the operation thereunder will not in any way impair the obligation of contract by and between the City and any other person. The Project is in furtherance of governmental policy, not inconsistent with the existing contractual obligations of the City.

SECTION 4.12: Control of Project by Operator. The parties hereto recognize and it is specifically agreed that after completion of the Project and during the term of this Contract, the Operator shall have the exclusive right to the use and utilization of the Project, for the benefit of the City; that the Operator without hindrance from the Authority or the City, or the employees or

other agents of either of them, may operate, maintain, repair, enlarge, improve, extend, provide for additions to or otherwise control, manage and keep up the Project.

Except as specified in this Article, the abandonment of the use of all or part of such Project has no effect upon the obligations of the parties.

SECTION 4.13: Force Majeure.

(a) If for any reason of Force Majeure either of the parties hereto shall be rendered unable wholly or in part to carry out its obligation under this Contract, other than the obligation of City to make the payments required under the terms of Section 3.01 hereof, then if such party shall give notice and full particulars of such reasons in writing to the other party within a reasonable time after the occurrence of the event, or cause relied upon, the obligation of the party giving such notice, so far as it is affected by such Force Majeure shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such parties shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "Force Majeure" as employed herein shall mean acts of God, strikes, lock-outs, or other industrial disturbances, acts of a public enemy, orders or actions of any kind of the Government of the United States of America or of the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakages or accident to dams, machinery, partial or entire failure of water supply and inability on the part of the Authority to deliver water hereunder or to provide sewage treatment or of the City to receive water or to deliver sewage treatment, on account of any other cause not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lock-outs shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch, shall not require the settlement of strikes and lock-outs by acceding to the demands of the opposing parties when such settlement is unfavorable to it in the judgment of the party having the difficulty. No failure of Authority to meet any obligation by reason for Force Majeure shall relieve the City from its obligations to make the payments required under the terms of Section 3.01 hereof.

(b) No damage shall be recoverable from Authority by reason of the suspension of the operation of the Project due to any of the causes above mentioned. If Operator's ability to operate the Project is affected by any of such causes, the Operator shall promptly notify the other party in writing giving the particulars as soon as possible after the occurrence of the cause or causes for such interruption.

(c) It is expressly recognized by City that the Operator may be compelled to make necessary alterations, repairs or extensions of new or additional facilities from time to time during the life of this Contract, and any suspensions of the operation of the Project due to such operation shall not be cause for claim of damage on part of the Operator provided all reasonable effort is used by the Operator to provide City with the service afforded by the Project in accordance with this Contract. In such case, the Operator shall give the other party as much advance notice as may be practicable of the suspension of operation and of the estimated duration thereof.

SECTION 4.14: Easements. The City agrees that the Authority may have such easements over any easements, right-of-way, or property held by the City so that the facilities herein anticipated and the placement thereof and of all required equipment may be appropriately provided.

SECTION 4.15: Bond Approval by the City.

(a) Prior to the issuance and delivery of any Bonds which are (i) payable as to principal, interest, or redemption premium out of the debt service payments, or (ii) to provide facilities or service or any item which is to be maintained by the Authority utilizing any part of the base monthly payments, the City shall approve the issuance thereof as provided in this Section.

(b) If the Bonds are to be sold at a public sale, the governing body of the City shall, by resolution or ordinance, approve (i) the "Notice of Sale" issued or proposed to be issued by the Authority prior to their delivery; and (ii) the facilities to be constructed or acquired; or, if the Bonds are to be negotiated, or are refunding Bonds, the governing body of the City shall, by resolution or ordinance approve either (i) the form of purchase agreement or (ii) the resolution authorizing the issuance of the Bonds.

(c) If the Bonds are to be exchanged for property or services or are to be privately placed, the governing body of the City shall, by resolution or ordinance, approve (i) the form of the resolution adopted or to be adopted by the governing body of the Authority which authorizes the issuance of such Bonds; and (ii) the facilities to be constructed or acquired, or the services to be provided.

(d) The City and the Authority agree that the holders of the Bonds, and each party deemed a holder of a Bond by virtue of subrogation to the rights of the holders of the Bonds or otherwise, shall be express third-party beneficiaries of this Contract and shall have all available remedies pertaining to enforcement of this Contract.

SECTION 4.16: Severability. The parties hereto agree that if any of the provisions of this Contract contravene or are held to be invalid under the laws of the State, the same shall not invalidate the whole Contract, but it shall be construed as though not containing that particular provision, and the rights and obligations of the parties shall be construed and in force accordingly.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this Contract to be duly executed in several counterparts, each of which shall constitute an original, all as of the day and year first above written.

GREATER TEXOMA UTILITY AUTHORITY

(Authority Seal)

By: _____
President, Board of Directors

ATTEST:

Secretary, Board of Directors

CITY OF VALLEY VIEW, TEXAS

(City Seal)

By: _____
Mayor

ATTEST:

City Secretary

ATTACHMENT XIX



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: May 18, 2022

SUBJECT: AGENDA ITEM NO. XIX

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2022 (CITY OF VALLEY VIEW PROJECT)", INCLUDING THE ADOPTION OF A RESOLUTION APPROVING THE ISSUANCE OF SUCH BONDS

ISSUE

Consider and act upon resolution authorizing the issuance of bonds for the City of Valley View Wastewater system improvements projects.

BACKGROUND

The City of Valley View requested the Authority staff assist the City with obtaining funding from the Texas Water Development Board ("TWDB"). They have a wastewater plant that needs to be upgraded as well as some inflow and infiltration issues in their collection system. These issues need to be looked at as a whole and we believe that there needs to be preliminary engineering performed to dive further into these issues in order for the City to select the appropriate path forward on capital improvements.

The Texas Water Development Board ("TWDB") State Revolving Fund was initially selected as the funding source for these improvements. However, the TWDB informed the Authority staff in February that changes had been made to the SRF programs by limiting the amount of funding they are making available. The programs are now more difficult to qualify for and will take significantly more time to be funded if a project ends up qualifying. Due to these changes in the SRF program and discussions with TWDB, the Authority staff is proposing to pursue funding through the Texas Water Development Fund ("DFund"). The DFund is a state funded loan program with below market interest rates. This path forward was approved by the Board in February of 2021.

The TWDB has now provided a funding commitment for this project and the next step is to get Board and Council action to authorize issuance of the debt.

CONSIDERATIONS

In order to proceed with the Bond issuance, the Authority and the City will need to adopt a resolution authorizing the issuance. The City Council is set to consider this at their June 9, 2022 meeting.

The interest rate we received was 4.02% for the \$700,000 on a 30-year term.

Kristen Savant, the Authority's Bond Counsel, will be at the meeting to present and assist with any questions the Board may have.

STAFF RECOMMENDATIONS

Staff recommends that the Board of Directors approve the City of Valley View Bond Resolution which would authorize the issuance of \$700,000 through the TWDB's DFund.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

ATTACHED

Debt Service Schedule

Bond Resolution – link will be sent to Board

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

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$700,000 Contract Revenue Bonds, Series 2022

(City of Valley View Project)

June 29, 2022 Closing

Debt Service Schedule

Part 1 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/29/2022	-	-	-	-	-
10/01/2022	-	-	6,909.46	6,909.46	-
04/01/2023	-	-	13,518.50	13,518.50	-
09/30/2023	-	-	-	-	20,427.96
10/01/2023	-	-	13,518.50	13,518.50	-
04/01/2024	-	-	13,518.50	13,518.50	-
09/30/2024	-	-	-	-	27,037.00
10/01/2024	15,000.00	2.650%	13,518.50	28,518.50	-
04/01/2025	-	-	13,319.75	13,319.75	-
09/30/2025	-	-	-	-	41,838.25
10/01/2025	15,000.00	2.760%	13,319.75	28,319.75	-
04/01/2026	-	-	13,112.75	13,112.75	-
09/30/2026	-	-	-	-	41,432.50
10/01/2026	15,000.00	2.810%	13,112.75	28,112.75	-
04/01/2027	-	-	12,902.00	12,902.00	-
09/30/2027	-	-	-	-	41,014.75
10/01/2027	15,000.00	2.880%	12,902.00	27,902.00	-
04/01/2028	-	-	12,686.00	12,686.00	-
09/30/2028	-	-	-	-	40,588.00
10/01/2028	15,000.00	2.950%	12,686.00	27,686.00	-
04/01/2029	-	-	12,464.75	12,464.75	-
09/30/2029	-	-	-	-	40,150.75
10/01/2029	15,000.00	3.040%	12,464.75	27,464.75	-
04/01/2030	-	-	12,236.75	12,236.75	-
09/30/2030	-	-	-	-	39,701.50
10/01/2030	20,000.00	3.130%	12,236.75	32,236.75	-
04/01/2031	-	-	11,923.75	11,923.75	-
09/30/2031	-	-	-	-	44,160.50
10/01/2031	20,000.00	3.200%	11,923.75	31,923.75	-
04/01/2032	-	-	11,603.75	11,603.75	-
09/30/2032	-	-	-	-	43,527.50
10/01/2032	20,000.00	3.390%	11,603.75	31,603.75	-
04/01/2033	-	-	11,264.75	11,264.75	-
09/30/2033	-	-	-	-	42,868.50
10/01/2033	20,000.00	3.570%	11,264.75	31,264.75	-
04/01/2034	-	-	10,907.75	10,907.75	-
09/30/2034	-	-	-	-	42,172.50
10/01/2034	20,000.00	3.720%	10,907.75	30,907.75	-
04/01/2035	-	-	10,535.75	10,535.75	-
09/30/2035	-	-	-	-	41,443.50

2022 Valley View \$700k DF | SINGLE PURPOSE | 5/17/2022 | 2:26 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$700,000 Contract Revenue Bonds, Series 2022

(City of Valley View Project)

June 29, 2022 Closing

Debt Service Schedule

Part 2 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
10/01/2035	20,000.00	3.870%	10,535.75	30,535.75	-
04/01/2036	-	-	10,148.75	10,148.75	-
09/30/2036	-	-	-	-	40,684.50
10/01/2036	20,000.00	3.990%	10,148.75	30,148.75	-
04/01/2037	-	-	9,749.75	9,749.75	-
09/30/2037	-	-	-	-	39,898.50
10/01/2037	20,000.00	4.060%	9,749.75	29,749.75	-
04/01/2038	-	-	9,343.75	9,343.75	-
09/30/2038	-	-	-	-	39,093.50
10/01/2038	20,000.00	4.140%	9,343.75	29,343.75	-
04/01/2039	-	-	8,929.75	8,929.75	-
09/30/2039	-	-	-	-	38,273.50
10/01/2039	25,000.00	4.010%	8,929.75	33,929.75	-
04/01/2040	-	-	8,428.50	8,428.50	-
09/30/2040	-	-	-	-	42,358.25
10/01/2040	25,000.00	4.030%	8,428.50	33,428.50	-
04/01/2041	-	-	7,924.75	7,924.75	-
09/30/2041	-	-	-	-	41,353.25
10/01/2041	25,000.00	4.050%	7,924.75	32,924.75	-
04/01/2042	-	-	7,418.50	7,418.50	-
09/30/2042	-	-	-	-	40,343.25
10/01/2042	25,000.00	4.070%	7,418.50	32,418.50	-
04/01/2043	-	-	6,909.75	6,909.75	-
09/30/2043	-	-	-	-	39,328.25
10/01/2043	25,000.00	4.140%	6,909.75	31,909.75	-
04/01/2044	-	-	6,392.25	6,392.25	-
09/30/2044	-	-	-	-	38,302.00
10/01/2044	25,000.00	4.140%	6,392.25	31,392.25	-
04/01/2045	-	-	5,874.75	5,874.75	-
09/30/2045	-	-	-	-	37,267.00
10/01/2045	25,000.00	4.140%	5,874.75	30,874.75	-
04/01/2046	-	-	5,357.25	5,357.25	-
09/30/2046	-	-	-	-	36,232.00
10/01/2046	30,000.00	4.140%	5,357.25	35,357.25	-
04/01/2047	-	-	4,736.25	4,736.25	-
09/30/2047	-	-	-	-	40,093.50
10/01/2047	30,000.00	4.210%	4,736.25	34,736.25	-
04/01/2048	-	-	4,104.75	4,104.75	-
09/30/2048	-	-	-	-	38,841.00
10/01/2048	30,000.00	4.210%	4,104.75	34,104.75	-

2022 Valley View \$700k DF | SINGLE PURPOSE | 5/17/2022 | 2:26 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$700,000 Contract Revenue Bonds, Series 2022

(City of Valley View Project)

June 29, 2022 Closing

Debt Service Schedule

Part 3 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/01/2049	-	-	3,473.25	3,473.25	-
09/30/2049	-	-	-	-	37,578.00
10/01/2049	30,000.00	4.210%	3,473.25	33,473.25	-
04/01/2050	-	-	2,841.75	2,841.75	-
09/30/2050	-	-	-	-	36,315.00
10/01/2050	30,000.00	4.210%	2,841.75	32,841.75	-
04/01/2051	-	-	2,210.25	2,210.25	-
09/30/2051	-	-	-	-	35,052.00
10/01/2051	35,000.00	4.210%	2,210.25	37,210.25	-
04/01/2052	-	-	1,473.50	1,473.50	-
09/30/2052	-	-	-	-	38,683.75
10/01/2052	35,000.00	4.210%	1,473.50	36,473.50	-
04/01/2053	-	-	736.75	736.75	-
09/30/2053	-	-	-	-	37,210.25
10/01/2053	35,000.00	4.210%	736.75	35,736.75	-
09/30/2054	-	-	-	-	35,736.75
Total	\$700,000.00	-	\$539,007.46	\$1,239,007.46	-

Yield Statistics

Bond Year Dollars	\$13,293.89
Average Life	18.991 Years
Average Coupon	4.0545507%
DV01	902.95
Net Interest Cost (NIC)	4.0545507%
True Interest Cost (TIC)	4.0213871%
Bond Yield for Arbitrage Purposes	4.0213871%
All Inclusive Cost (AIC)	4.0213871%

IRS Form 8038

Net Interest Cost	4.0545507%
Weighted Average Maturity	18.991 Years

2022 Valley View \$700k DF | SINGLE PURPOSE | 5/17/2022 | 2:26 PM

ATTACHMENT XXI



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: May 18, 2022

SUBJECT: AGENDA ITEM NO. XXI

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2022 (CITY OF DORCHESTER PROJECT)", INCLUDING THE ADOPTION OF A RESOLUTION APPROVING THE ISSUANCE OF SUCH BONDS

ISSUE

Consider and act upon resolution authorizing the issuance of bonds for the City of Dorchester Water system improvements projects.

BACKGROUND

The City of Dorchester has requested assistance in obtaining funding for improvements to the City's water system. These improvements include construction of new water well, pump station, ground storage and water lines, appurtenances and other water system projects as funds allow.

The Texas Water Development Board ("TWDB") State Revolving Fund was initially selected as the funding source for these improvements. However, the TWDB informed the Authority staff in February that changes had been made to the SRF programs by limiting the amount of funding they are making available. The programs are now more difficult to qualify for and will take significantly more time to be funded if a project ends up qualifying. Due to these changes in the SRF program and discussions with TWDB, the Authority staff is proposing to pursue funding through the Texas Water Development Fund ("DFund"). The DFund is a state funded loan program with below market interest rates. This path forward was approved by the Board in February of 2021.

The TWDB has now provided a funding commitment for this project and the next step is to get Board and Council action to authorize issuance of the debt.

CONSIDERATIONS

In order to proceed with the Bond issuance, the Authority and the City will need to adopt a resolution authorizing the issuance. The City Council is set to consider this at their June 6, 2022 meeting.

The interest rate we received was 4.10% for the \$4,625,000 on a 40-year term.

Kristen Savant, the Authority's Bond Counsel, will be at the meeting to present and assist with any questions the Board may have.

STAFF RECOMMENDATIONS

Staff recommends that the Board of Directors approve the City of Dorchester Bond Resolution which would authorize the issuance of \$4,625,000 through the TWDB's DFund.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

ATTACHED

Debt Service Schedule

Bond Resolution – link will be sent to Board

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

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$4,625,000 Contract Revenue Bonds, Series 2022

(City of Dorchester Project)

June 28, 2022 Closing

Debt Service Schedule

Part 1 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/28/2022	-	-	-	-	-
12/01/2022	-	-	77,647.93	77,647.93	-
06/01/2023	75,000.00	2.410%	91,350.50	166,350.50	-
09/30/2023	-	-	-	-	243,998.43
12/01/2023	-	-	90,446.75	90,446.75	-
06/01/2024	65,000.00	2.650%	90,446.75	155,446.75	-
09/30/2024	-	-	-	-	245,893.50
12/01/2024	-	-	89,585.50	89,585.50	-
06/01/2025	65,000.00	2.760%	89,585.50	154,585.50	-
09/30/2025	-	-	-	-	244,171.00
12/01/2025	-	-	88,688.50	88,688.50	-
06/01/2026	70,000.00	2.810%	88,688.50	158,688.50	-
09/30/2026	-	-	-	-	247,377.00
12/01/2026	-	-	87,705.00	87,705.00	-
06/01/2027	70,000.00	2.880%	87,705.00	157,705.00	-
09/30/2027	-	-	-	-	245,410.00
12/01/2027	-	-	86,697.00	86,697.00	-
06/01/2028	75,000.00	2.950%	86,697.00	161,697.00	-
09/30/2028	-	-	-	-	248,394.00
12/01/2028	-	-	85,590.75	85,590.75	-
06/01/2029	75,000.00	3.040%	85,590.75	160,590.75	-
09/30/2029	-	-	-	-	246,181.50
12/01/2029	-	-	84,450.75	84,450.75	-
06/01/2030	75,000.00	3.130%	84,450.75	159,450.75	-
09/30/2030	-	-	-	-	243,901.50
12/01/2030	-	-	83,277.00	83,277.00	-
06/01/2031	80,000.00	3.200%	83,277.00	163,277.00	-
09/30/2031	-	-	-	-	246,554.00
12/01/2031	-	-	81,997.00	81,997.00	-
06/01/2032	80,000.00	3.390%	81,997.00	161,997.00	-
09/30/2032	-	-	-	-	243,994.00
12/01/2032	-	-	80,641.00	80,641.00	-
06/01/2033	85,000.00	3.570%	80,641.00	165,641.00	-
09/30/2033	-	-	-	-	246,282.00
12/01/2033	-	-	79,123.75	79,123.75	-
06/01/2034	85,000.00	3.720%	79,123.75	164,123.75	-
09/30/2034	-	-	-	-	243,247.50
12/01/2034	-	-	77,542.75	77,542.75	-
06/01/2035	90,000.00	3.870%	77,542.75	167,542.75	-
09/30/2035	-	-	-	-	245,085.50

2022 Dorchester \$4.625mm | SINGLE PURPOSE | 5/17/2022 | 1:49 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$4,625,000 Contract Revenue Bonds, Series 2022

(City of Dorchester Project)

June 28, 2022 Closing

Debt Service Schedule

Part 2 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/01/2035	-	-	75,801.25	75,801.25	-
06/01/2036	90,000.00	3.990%	75,801.25	165,801.25	-
09/30/2036	-	-	-	-	241,602.50
12/01/2036	-	-	74,005.75	74,005.75	-
06/01/2037	95,000.00	4.060%	74,005.75	169,005.75	-
09/30/2037	-	-	-	-	243,011.50
12/01/2037	-	-	72,077.25	72,077.25	-
06/01/2038	95,000.00	4.140%	72,077.25	167,077.25	-
09/30/2038	-	-	-	-	239,154.50
12/01/2038	-	-	70,110.75	70,110.75	-
06/01/2039	100,000.00	4.010%	70,110.75	170,110.75	-
09/30/2039	-	-	-	-	240,221.50
12/01/2039	-	-	68,105.75	68,105.75	-
06/01/2040	100,000.00	4.030%	68,105.75	168,105.75	-
09/30/2040	-	-	-	-	236,211.50
12/01/2040	-	-	66,090.75	66,090.75	-
06/01/2041	105,000.00	4.050%	66,090.75	171,090.75	-
09/30/2041	-	-	-	-	237,181.50
12/01/2041	-	-	63,964.50	63,964.50	-
06/01/2042	110,000.00	4.070%	63,964.50	173,964.50	-
09/30/2042	-	-	-	-	237,929.00
12/01/2042	-	-	61,726.00	61,726.00	-
06/01/2043	110,000.00	4.140%	61,726.00	171,726.00	-
09/30/2043	-	-	-	-	233,452.00
12/01/2043	-	-	59,449.00	59,449.00	-
06/01/2044	115,000.00	4.140%	59,449.00	174,449.00	-
09/30/2044	-	-	-	-	233,898.00
12/01/2044	-	-	57,068.50	57,068.50	-
06/01/2045	115,000.00	4.140%	57,068.50	172,068.50	-
09/30/2045	-	-	-	-	229,137.00
12/01/2045	-	-	54,688.00	54,688.00	-
06/01/2046	120,000.00	4.140%	54,688.00	174,688.00	-
09/30/2046	-	-	-	-	229,376.00
12/01/2046	-	-	52,204.00	52,204.00	-
06/01/2047	125,000.00	4.210%	52,204.00	177,204.00	-
09/30/2047	-	-	-	-	229,408.00
12/01/2047	-	-	49,572.75	49,572.75	-
06/01/2048	130,000.00	4.210%	49,572.75	179,572.75	-
09/30/2048	-	-	-	-	229,145.50
12/01/2048	-	-	46,836.25	46,836.25	-

2022 Dorchester \$4.625mm | SINGLE PURPOSE | 5/17/2022 | 1:49 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$4,625,000 Contract Revenue Bonds, Series 2022

(City of Dorchester Project)

June 28, 2022 Closing

Debt Service Schedule

Part 3 of 4

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/01/2049	130,000.00	4.210%	46,836.25	176,836.25	-
09/30/2049	-	-	-	-	223,672.50
12/01/2049	-	-	44,099.75	44,099.75	-
06/01/2050	135,000.00	4.210%	44,099.75	179,099.75	-
09/30/2050	-	-	-	-	223,199.50
12/01/2050	-	-	41,258.00	41,258.00	-
06/01/2051	140,000.00	4.210%	41,258.00	181,258.00	-
09/30/2051	-	-	-	-	222,516.00
12/01/2051	-	-	38,311.00	38,311.00	-
06/01/2052	145,000.00	4.210%	38,311.00	183,311.00	-
09/30/2052	-	-	-	-	221,622.00
12/01/2052	-	-	35,258.75	35,258.75	-
06/01/2053	145,000.00	4.210%	35,258.75	180,258.75	-
09/30/2053	-	-	-	-	215,517.50
12/01/2053	-	-	32,206.50	32,206.50	-
06/01/2054	150,000.00	4.210%	32,206.50	182,206.50	-
09/30/2054	-	-	-	-	214,413.00
12/01/2054	-	-	29,049.00	29,049.00	-
06/01/2055	155,000.00	4.210%	29,049.00	184,049.00	-
09/30/2055	-	-	-	-	213,098.00
12/01/2055	-	-	25,786.25	25,786.25	-
06/01/2056	160,000.00	4.210%	25,786.25	185,786.25	-
09/30/2056	-	-	-	-	211,572.50
12/01/2056	-	-	22,418.25	22,418.25	-
06/01/2057	165,000.00	4.210%	22,418.25	187,418.25	-
09/30/2057	-	-	-	-	209,836.50
12/01/2057	-	-	18,945.00	18,945.00	-
06/01/2058	170,000.00	4.210%	18,945.00	188,945.00	-
09/30/2058	-	-	-	-	207,890.00
12/01/2058	-	-	15,366.50	15,366.50	-
06/01/2059	175,000.00	4.210%	15,366.50	190,366.50	-
09/30/2059	-	-	-	-	205,733.00
12/01/2059	-	-	11,682.75	11,682.75	-
06/01/2060	180,000.00	4.210%	11,682.75	191,682.75	-
09/30/2060	-	-	-	-	203,365.50
12/01/2060	-	-	7,893.75	7,893.75	-
06/01/2061	185,000.00	4.210%	7,893.75	192,893.75	-
09/30/2061	-	-	-	-	200,787.50
12/01/2061	-	-	3,999.50	3,999.50	-
06/01/2062	190,000.00	4.210%	3,999.50	193,999.50	-
09/30/2062	-	-	-	-	197,999.00
Total	\$4,625,000.00	-	\$4,596,440.93	\$9,221,440.93	-

2022 Dorchester \$4.625mm | SINGLE PURPOSE | 5/17/2022 | 1:49 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$4,625,000 Contract Revenue Bonds, Series 2022

(City of Dorchester Project)

June 28, 2022 Closing

Debt Service Schedule

Part 4 of 4

Yield Statistics

Bond Year Dollars	\$111,248.13
Average Life	24.054 Years
Average Coupon	4.1317019%
DV01	6,632.85
Net Interest Cost (NIC)	4.1317019%
True Interest Cost (TIC)	4.1032531%
Bond Yield for Arbitrage Purposes	4.1032531%
All Inclusive Cost (AIC)	4.1032531%

IRS Form 8038

Net Interest Cost	4.1317019%
Weighted Average Maturity	24.054 Years

ATTACHMENT XXIII



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: May 18, 2022

SUBJECT: AGENDA ITEM NO. XXIII

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2022 (NORTHWEST GRAYSON COUNTY WCID #1 PROJECT)", INCLUDING THE ADOPTION OF A RESOLUTION APPROVING THE ISSUANCE OF SUCH BONDS

ISSUE

Consider and act upon resolution authorizing the issuance of bonds for the Northwest Grayson Water Control Improvements District #1 (NWGWCID#1) Water system improvements projects.

BACKGROUND

The Northwest Grayson County WCID #1 has requested assistance in obtaining funding for improvements to their water system. These improvements include a new elevated storage tank, appurtenances and other water system projects as funds allow.

The Texas Water Development Board ("TWDB") State Revolving Fund was initially selected as the funding source for these improvements. However, the TWDB informed the Authority staff in February that changes had been made to the SRF programs by limiting the amount of funding they are making available. The programs are now more difficult to qualify for and will take significantly more time to be funded if a project ends up qualifying. Due to these changes in the SRF program and discussions with TWDB, the Authority staff is proposing to pursue funding through the Texas Water Development Fund ("DFund"). The DFund is a state funded loan program with below market interest rates. This path forward was approved by the Board in February of 2021.

The TWDB has now provided a funding commitment for this project and the next step is to get Boards to authorize issuance of the debt.

CONSIDERATIONS

In order to proceed with the Bond issuance, the Authority and the NWGWCID#1 will need to adopt a resolution authorizing the issuance. The NWGWCID#1 is set to consider this at their June 14, 2022 meeting.

The interest rate we received was 4.00% for the \$2,360,000 on a 30-year term.

Kristen Savant, the Authority's Bond Counsel, will be at the meeting to present and assist with any questions the Board may have.

STAFF RECOMMENDATIONS

Staff recommends that the Board of Directors approve the NWGWCID#1 Bond Resolution which would authorize the issuance of \$2,360,000 through the TWDB's DFund.

ATTACHED

Debt Service Schedule

Bond Resolution – link will be sent to Board



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

PREPARED AND SUBMITTED BY:

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

Drew Satterwhite, P.E., General Manager

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$2,360,000 Contract Revenue Bonds, Series 2022

(Northwest Grayson County WC&ID #1 Project)

June 29, 2022 Closing

Debt Service Schedule

Part 1 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
06/29/2022	-	-	-	-	-
08/15/2022	-	-	11,487.35	11,487.35	-
09/30/2022	-	-	-	-	11,487.35
02/15/2023	-	-	44,950.50	44,950.50	-
08/15/2023	50,000.00	2.410%	44,950.50	94,950.50	-
09/30/2023	-	-	-	-	139,901.00
02/15/2024	-	-	44,348.00	44,348.00	-
08/15/2024	50,000.00	2.650%	44,348.00	94,348.00	-
09/30/2024	-	-	-	-	138,696.00
02/15/2025	-	-	43,685.50	43,685.50	-
08/15/2025	55,000.00	2.760%	43,685.50	98,685.50	-
09/30/2025	-	-	-	-	142,371.00
02/15/2026	-	-	42,926.50	42,926.50	-
08/15/2026	55,000.00	2.810%	42,926.50	97,926.50	-
09/30/2026	-	-	-	-	140,853.00
02/15/2027	-	-	42,153.75	42,153.75	-
08/15/2027	55,000.00	2.880%	42,153.75	97,153.75	-
09/30/2027	-	-	-	-	139,307.50
02/15/2028	-	-	41,361.75	41,361.75	-
08/15/2028	60,000.00	2.950%	41,361.75	101,361.75	-
09/30/2028	-	-	-	-	142,723.50
02/15/2029	-	-	40,476.75	40,476.75	-
08/15/2029	60,000.00	3.040%	40,476.75	100,476.75	-
09/30/2029	-	-	-	-	140,953.50
02/15/2030	-	-	39,564.75	39,564.75	-
08/15/2030	60,000.00	3.130%	39,564.75	99,564.75	-
09/30/2030	-	-	-	-	139,129.50
02/15/2031	-	-	38,625.75	38,625.75	-
08/15/2031	65,000.00	3.200%	38,625.75	103,625.75	-
09/30/2031	-	-	-	-	142,251.50
02/15/2032	-	-	37,585.75	37,585.75	-
08/15/2032	65,000.00	3.390%	37,585.75	102,585.75	-
09/30/2032	-	-	-	-	140,171.50
02/15/2033	-	-	36,484.00	36,484.00	-
08/15/2033	70,000.00	3.570%	36,484.00	106,484.00	-
09/30/2033	-	-	-	-	142,968.00
02/15/2034	-	-	35,234.50	35,234.50	-
08/15/2034	70,000.00	3.720%	35,234.50	105,234.50	-
09/30/2034	-	-	-	-	140,469.00
02/15/2035	-	-	33,932.50	33,932.50	-

2022 NW Grayson \$2.36mm D | SINGLE PURPOSE | 5/17/2022 | 2:13 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$2,360,000 Contract Revenue Bonds, Series 2022

(Northwest Grayson County WC&ID #1 Project)

June 29, 2022 Closing

Debt Service Schedule

Part 2 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/15/2035	70,000.00	3.870%	33,932.50	103,932.50	-
09/30/2035	-	-	-	-	137,865.00
02/15/2036	-	-	32,578.00	32,578.00	-
08/15/2036	75,000.00	3.990%	32,578.00	107,578.00	-
09/30/2036	-	-	-	-	140,156.00
02/15/2037	-	-	31,081.75	31,081.75	-
08/15/2037	75,000.00	4.060%	31,081.75	106,081.75	-
09/30/2037	-	-	-	-	137,163.50
02/15/2038	-	-	29,559.25	29,559.25	-
08/15/2038	80,000.00	4.140%	29,559.25	109,559.25	-
09/30/2038	-	-	-	-	139,118.50
02/15/2039	-	-	27,903.25	27,903.25	-
08/15/2039	80,000.00	4.010%	27,903.25	107,903.25	-
09/30/2039	-	-	-	-	135,806.50
02/15/2040	-	-	26,299.25	26,299.25	-
08/15/2040	80,000.00	4.030%	26,299.25	106,299.25	-
09/30/2040	-	-	-	-	132,598.50
02/15/2041	-	-	24,687.25	24,687.25	-
08/15/2041	85,000.00	4.050%	24,687.25	109,687.25	-
09/30/2041	-	-	-	-	134,374.50
02/15/2042	-	-	22,966.00	22,966.00	-
08/15/2042	85,000.00	4.070%	22,966.00	107,966.00	-
09/30/2042	-	-	-	-	130,932.00
02/15/2043	-	-	21,236.25	21,236.25	-
08/15/2043	90,000.00	4.140%	21,236.25	111,236.25	-
09/30/2043	-	-	-	-	132,472.50
02/15/2044	-	-	19,373.25	19,373.25	-
08/15/2044	90,000.00	4.140%	19,373.25	109,373.25	-
09/30/2044	-	-	-	-	128,746.50
02/15/2045	-	-	17,510.25	17,510.25	-
08/15/2045	95,000.00	4.140%	17,510.25	112,510.25	-
09/30/2045	-	-	-	-	130,020.50
02/15/2046	-	-	15,543.75	15,543.75	-
08/15/2046	95,000.00	4.140%	15,543.75	110,543.75	-
09/30/2046	-	-	-	-	126,087.50
02/15/2047	-	-	13,577.25	13,577.25	-
08/15/2047	100,000.00	4.210%	13,577.25	113,577.25	-
09/30/2047	-	-	-	-	127,154.50
02/15/2048	-	-	11,472.25	11,472.25	-
08/15/2048	105,000.00	4.210%	11,472.25	116,472.25	-

2022 NW Grayson \$2.36mm D | SINGLE PURPOSE | 5/17/2022 | 2:13 PM

Based on Rates Provided by the TWDB

Greater Texoma Utility Authority

\$2,360,000 Contract Revenue Bonds, Series 2022

(Northwest Grayson County WC&ID #1 Project)

June 29, 2022 Closing

Debt Service Schedule

Part 3 of 3

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/30/2048	-	-	-	-	127,944.50
02/15/2049	-	-	9,262.00	9,262.00	-
08/15/2049	105,000.00	4.210%	9,262.00	114,262.00	-
09/30/2049	-	-	-	-	123,524.00
02/15/2050	-	-	7,051.75	7,051.75	-
08/15/2050	110,000.00	4.210%	7,051.75	117,051.75	-
09/30/2050	-	-	-	-	124,103.50
02/15/2051	-	-	4,736.25	4,736.25	-
08/15/2051	110,000.00	4.210%	4,736.25	114,736.25	-
09/30/2051	-	-	-	-	119,472.50
02/15/2052	-	-	2,420.75	2,420.75	-
08/15/2052	115,000.00	4.210%	2,420.75	117,420.75	-
09/30/2052	-	-	-	-	119,841.50
Total	\$2,360,000.00	-	\$1,688,664.35	\$4,048,664.35	-

Yield Statistics

Bond Year Dollars	\$41,816.56
Average Life	17.719 Years
Average Coupon	4.0382674%
DV01	2,868.40
Net Interest Cost (NIC)	4.0382674%
True Interest Cost (TIC)	4.0038272%
Bond Yield for Arbitrage Purposes	4.0038272%
All Inclusive Cost (AIC)	4.0038272%

IRS Form 8038

Net Interest Cost	4.0382674%
Weighted Average Maturity	17.719 Years

ATTACHMENT XXV



GREATER TEXOMA UTILITY AUTHORITY

AGENDA COMMUNICATION

DATE: May 16, 2022

SUBJECT: AGENDA ITEM NO. XXV

CONSIDER AND ACT UPON SELECTION OF A FIRM FOR AUDIT SERVICES

ISSUE

Consideration of a proposal for independent audit services.

BACKGROUND

The Authority is required by its enabling legislation and the bond holders of securities issued by the Authority to provide an annual independent audit of its operations.

At the February 2015 meeting, the Board directed staff to solicit for audit proposals due to the length of time that the Authority had been engaging with Schalk and Smith. The solicitations were to exclude Schalk and Smith from proposing. This recommendation did not come as a result of the quality of the product being delivered, but simply a best management practice. Adami, Lindsey and Company was ultimately awarded the contract for audit services pursuant to the Request for Proposals.

Adami, Lindsey & Co., LLP informed the Authority staff last month that they are unable to perform the Authority's audit this year due to a shortage of staff. After hearing of this circumstance, Authority staff immediately began developing a solicitation for audit proposals. At the August 2017 meeting, the Board reviewed two (2) proposals from 1) Hankins, Eastup, Deaton, Tonn and Seay, and 2) Schalk and Smith. Hankins, Eastup, Deaton, Tonn and Seay were selected to perform the auditing services for the Board for a 5-year term.

Earlier this year, the staff discussed the audit solicitation process for the selection of an auditing firm. Following that meeting, the staff put together an RFP and sent out to six (6) auditing firms who we have worked with in the past and/or are doing work for cities in the region. We received one (1) response and that was from Patillo, Brown & Hill.

CONSIDERATIONS

Patillo, Brown & Hill appear to be well qualified to perform the work and a summary of the pricing in the proposal can be found below.

<u>Year</u>	<u>Price</u>
2022	\$ 53,900
2023	\$ 54,400
2024	\$ 54,900
2025	\$ 55,400
2026	\$ 55,900



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

STAFF RECOMMENDATIONS

The staff will be prepared to discuss a recommendation at the Board Meeting.

PREPARED AND SUBMITTED BY:

A blue ink signature of Drew Satterwhite, consisting of a stylized 'D' and 'S' followed by a horizontal line.

Drew Satterwhite, P.E., General Manager

PREPARED AND SUBMITTED BY:

A black ink signature of Debi Atkins, written in a cursive style.

Debi Atkins, Finance Officer

ADJOURN