

**GREATER TEXOMA UTILITY AUTHORITY  
BOARD MEETING  
MAY 20, 2024**

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



**AGENDA**  
**GREATER TEXOMA UTILITY AUTHORITY**  
**BOARD OF DIRECTORS MEETING**  
**GTUA BOARD ROOM**  
**5100 AIRPORT DRIVE**  
**DENISON, TEXAS 75020**  
**Monday, May 20, 2024, 12:00 p.m.**

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Notice is hereby given that a meeting of the Board of Directors of the Greater Texoma Utility Authority will be held on the 20th day of May 2024, at 12:00 p.m. in the Administrative Offices of the Greater Texoma Utility Authority, 5100 Airport Drive, Denison TX, 75020, at which time the following items may be discussed, considered and acted upon, including the expenditure of funds.

**Agenda:**

- I. Call to Order.
- II. Pledge of Allegiance.
- III. Consent Agenda
  - \* Items marked with an asterisk (\*) are considered routine by the Board of Directors and will be enacted in one motion without discussion unless a Board Member or a Citizen requests a specific item to be discussed and voted on separately.
- IV. \* Consider and act upon approval of Minutes April 15, 2024, Meeting.
- V. \* Consider and act upon approval of accrued liabilities for April 2024.
- VI. \* Receive Monthly Financial Information.
- VII. \*Consider and act upon Change Order No. 1 on Red River Construction contract for the CGMA Bloomdale Pump Expansion Project
- VIII. Citizens to be Heard.
- IX. Receive Quarterly Investment Report.
- X. Consider and act upon the award of contract for City of Sherman's Post Oak Sanitary Sewer Improvements.
- XI. Consider and act upon the award of contract for City of Sherman's WTP EDR Rehab – Chain and Flight Replacement Project.

- XII. Consider all matters incident and related to the approval and execution of a Water and Sewer Facilities Contract with Arledge Ridge Water Supply Corporation.
- XIII. 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 Sherman 10 MGD Expansion).
- XIV. Consider and act upon the approval of an interlocal agreement between North Texas Municipal Water District, Upper Trinity Regional Water District, and Greater Texoma Utility Authority for a joint water supply study.
- XV. Consider and act upon the professional services agreement with Freese and Nichols, Inc. to perform professional services in connection with the joint water supply study.
- XVI. Consider and act upon authorizing the General Manager to engage specialized legal services for water rights.
- XVII. Consider and act upon a resolution approving the Greater Texoma Utility Authority's Water Conservation Plan, Water Resource, and Emergency Management Plan.
- XVIII. Receive General Manager's Report: The General Manager will update the Board on operational and other activities of the Authority.
- XIX. Adjourn.

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

<sup>2</sup>At 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.

<sup>3</sup>PERSONS 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.

**AGENDA ITEM IV**

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

**MONDAY, APRIL 15, 2024**

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

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Members Present: Scott Blackerby, Henry Koehler, Stanley Thomas, Ken Brawley, Robert Hallberg, Brad Morgan, and Matt Brown

Members Absent: Kristofor Spiegel, and Donald Johnston

Staff: Paul Sigle, Stacy Patrick, Nichole Murphy, and Velma Starks

General Counsel: Mike Wynne, Wynne and Smith

Bond Counsel:

I. Call to Order

Board President Brad Morgan called the meeting to order at 12:01 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 requests a specific item to be discussed and voted on separately.

IV. \* Consider and act upon approval of Minutes of March 18, 2024, Meeting.

V. \* Consider and act upon approval of accrued liabilities for March 2024.

Board Member Scott Blackerby made the motion to approve the Consent Agenda. Board Member Henry Koehler seconded the motion. Motion passed unanimously.

VI. Citizens to be Heard.

No citizens wished to be heard.

VII. Consider and act upon Kiewit Water Facilities South Company's Guaranteed Maximum J – Architectural and Potential Change Orders Impacting Early Works GMP Packages for City of Sherman's South Wastewater Treatment Plant – MBR Project.

General Manager Paul Sigle provided background information for the Board. Kiewit is proposing GMP J in the amount of \$10,144,164.15. In addition to the Architectural Package, the CMAR has

identified potential change orders impacting GMP A and C Packages. These change orders are a result in design changes since the GMP Packages have been previously bid. The contract price could potentially increase by \$647,560.50 based on the potential change orders. Additionally, the City of Sherman is adding an Owner's Contingency Allowance in the amount of \$3,153,958.93 to cover any additional changes from scope changes in the project. The total requested increase to the contract is \$13,945,682.58 for a total contract price of \$258,150,000.00. Discussion was held. Board Member Henry Koehler made the motion to approve the increase to Kiewit Water Facilities South Co. Contract contingent upon the City of Sherman's approval. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

VIII. Consider and act upon Revised CMAR Contingency Language for City of Sherman's South Wastewater Treatment Plant – MBR Project Construction Manager At Risk Agreement with Kiewit Water Facilities South Company.

General Manager Paul Sigle provided background information for the Board. Kiewit met with the City of Sherman's and the Authority's attorneys to discuss the proposed change. Board Member Stanley Thomas made the motion to approve the revised CMAR Contingency Language contingent upon the City of Sherman's approval. Board Member Matt Brown seconded the motion. Motion passed unanimously.

IX. Consider and act upon award of Contract for City of Sherman WTP – LAS and Rapid Mix Improvements Project.

General Manager Paul Sigle provided background information for the Board. Red River Construction Company had the lowest bid at \$4,671,700.00. Board Member Matt Brown made the motion to award the contract to Red River Construction Company in the amount of \$4,671,700.00, contingent upon the City of Sherman's City Council taking similar action. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

X. Consider and act upon award of Contract for City of Sherman Downtown Wastewater Improvements, Phase 1.

General Manager Paul Sigle provided background information for the Board. ANA Site Construction had the lowest bid at \$2,482,383.00. Board Member Ken Brawley made the motion to award the contract to ANA Site Construction in the amount of \$2,482,383.00, contingent upon the City of Sherman's City Council taking similar action. Board Member Robert Hallberg seconded the motion. Motion passed unanimously.

XI. Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority accepting the contract with Prater Electric for the CGMA Bloomdale Pump Station Emergency Generator Connection Project as complete.

General Manager Paul Sigle provided background information for the Board. Prater Electric has completed the CGMA Bloomdale Pump Station Emergency Generator Connection Project. Board Member Robert Hallberg made the motion to accept the contract with Prater Electric as complete. Board Member Stanley Thomas seconded the motion. Motion passed unanimously.

XII. Consider and act upon Resolution by the Board of Directors of the Greater Texoma Utility Authority adopting a Water Conservation Plan and a Water Resource and Emergency Management Plan to promote the responsible use of water.

Nichole Murphy, Senior Project Manager and Administrative Manager, reviewed the plan with the Board. The Texas Water Development Board and the Texas Commission on Environmental

Quality require this plan to be updated every five years. The objectives outlined in the GTUA Water Conservation plan include: keeping the level of unaccounted-for water in the system below 5%, ensuring universal metering of customers, conducting regular meter calibrations, replacements, and repairs, implementing a comprehensive leak detection and repair program, and enhancing public awareness of water conservation efforts. The Drought Contingency and water emergency components of the plan outline GTUA’s strategies and actions in response to drought conditions and water related emergencies, aligning closely with our overall goals for water conservation. Discussion was held. Board Member Stanley Thomas made the motion to adopt the Greater Texoma Utility Authority Water Conservation Plan, Water Resource, and Emergency Management Plan. Board Member Ken Brawley 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.

- City of Sherman is still reviewing the contract between GTUA and City of Sherman.
- TCEQ will be doing inspection on the CGMA water system.
- GTUA invited to apply to SWIFT for the City of Sherman
- Design has begun on the paralleling the Texoma Raw Water Pipeline. Expected construction to start in late 2025.

XIV. Adjourn

Board Member Ken Brawley made the motion to adjourn. Board Member Robert Hallberg seconded the motion. Board President Brad Morgan declared the meeting adjourned at 12:41 p.m.

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\_\_\_\_\_  
Recording Secretary

\_\_\_\_\_  
Secretary-Treasurer

**AGENDA ITEM V**



RESOLUTION NO. \_\_\_\_\_

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

The following liabilities are hereby presented for payment:

	CURRENT	PRIOR MONTH	PRIOR YEAR
<b>GENERAL:</b>			
<u>Advertisement</u>			
American Express (Ads for BOD meeting on draughts and future conditions)	178.41		
<u>Dues and Subscriptions</u>			
Bank of Texas Visa (annual membership renewal for Government Finance Officers dues)	460.00		
Texas Social Security Program (Membership dues for 2024)	35.00		
<u>Fuel and Reimbursements for Mileage</u>			
Velma Starks (Reimbursement for mileage)	32.49		
Valero Fleet Plus (Fuel - operations vehicles, April)	2,561.77		
<u>Leases/Rental Fees</u>			
North Texas Regional Airport (Lease - administrative offices)	2,494.64		
<u>Legal Fees</u>			
Wynne & Smith, LLC (Agenda, Board Meeting)	300.00		
<u>Maintenance Agreements</u>			
Novatech (Konica-Minolta copier)	469.88		
<u>Meetings and Conferences</u>			
American Express (TWCA)	11.79		
Feast On This (BOD Lunch)	272.00		
Feast On This (BOD Lunch, special meeting for February)	302.00		
<u>Miscellaneous</u>			
Equipment Member City - (City of Weston - 30 Day cylinder rental for April 2024)	60.00		
Equipment Member City - (City of Weston - Ejector with 15A Nozzle for 10-25 chlorinator PO# 2353)	856.40		
Equipment Member City - (City of Weston - Rubber Maid Heavy Duty tilt Truck - 1 cubic yard black 2 each)	2,756.72		
<u>Postage</u>			
United States Postal Service (Meter Refill)	500.00		
<u>Professional Services</u>			
Final Details (Cleaning Service)	585.00		
<u>Repair &amp; Maintenance - Building &amp; Equipment</u>			
DTI Voice Data (Installed new phone for SP. Programmed old for new employee KK. Installed new phone at the McKinney Pump Station)	290.00		
Flores Heating & A/C (Serviced all heating units, inspected, cleaned and replaced filters at Bldg 703)	385.00		
Orkin Pest Control (Bldg 703 pest control for visit 4/26/24)	147.00		
<u>Repair &amp; Maintenance - Administrative and Operations Vehicles</u>			
Whistlestop (oil change, truck wash - 2022 Ford Ranger, 2012 F150 inspection, 2014 F150 inspection, 2014 F150 oil change)	335.08		
<u>Supplies</u>			
American Express (General Office Supplies)	2,164.27		
Bank of Texas Visa (General Office Supplies, Flowers for Talmadge Buie co founder of GTUA)	780.87		
<u>Training</u>			
American Express (License renewals for DT and EK)	222.00		
<u>Utilities</u>			
ATMOS Energy (Gas)	193.77		
AT&T Mobility (Cell Phones)	175.67		
City of Denison (Water)	223.32		
City of Sherman (Trash services)	85.00		
Shell Energy (Electric)	319.31		
Sparklight (Internet, March & April)	301.88		
Dave Tomlinson (Reimbursement for cell phone expenses)	25.00		
Eric Kyukendall (Reimbursement for cell phone & other expenses)	93.05		
Nichole Murphy (Reimbursement for cell phone expenses)	25.00		
Paul Sigle (Reimbursement for cell phone expense & internet change)	8.34		
Richard McCool (Reimbursement for cell phone expense & other expenses)	55.00		
Stacy Patrick (Reimbursement for cell phone expenses)	25.00		
Steve White (Reimbursement for cell phone expenses)	25.00		
Wayne Eller (Reimbursement for cell phone expenses)	25.00		
<b>TOTAL:</b>	<b>\$ 17,780.66</b>	<b>\$ 18,184.22</b>	<b>\$ 9,797.29</b>

<b>SOLID WASTE:</b>			
<u>Supplies</u>			
Lowe's (Misc. parts and materials for maintenance)	112.21		
<u>Utilities</u>			
Grayson-Collin Electric (March & April)	560.91		
Starr Water Supply (Water meter 133 reinstalled. DT repaired lines. Need water for maintenance)	262.50		
<b>TOTAL:</b>	<b>\$ 935.62</b>	<b>\$ -</b>	<b>\$ 200.57</b>

**WASTEWATER:**

	CURRENT	PRIOR MONTH	PRIOR YEAR
<b>Construction Contracts</b>			
Archer Western (Pottsboro 2019 - WWTP Expansion & Rehab for .65 MGD flow rate. 54% complete. Pay App #12)	386,007.55		
Kiewit Water (Sherman 2023 - WWTP MBR Pay App # 7)	9,776,336.96		
Lynn Vessels (Sherman 2021 - NW Sewer remaining amount on final pay estimate)	18,613.93		
Lynn Vessels (Sherman 2023 - Hickory Hill Offsite Water & Sanitary Sewer Improv. from 1/1/24-3/28/24 Pay App #6)	88,545.00		
Urban Infraconstruction (Bells 2022 - WWTP Rehabilitation Pay App #1)	192,468.81		
Urban Infraconstruction (Bells 2022 - WWTP Rehabilitation Pay App #2)	67,521.25		
<b>Engineering Fees</b>			
Huitt-Zollars (Sherman 2021 - Post Oak Sanitary sewer Improvements. Engineering services through 3/30/24)	1,946.00		
Plummer (Sherman 2022 - WWTP Electrical Switchgear Design for electrical generator services through January 2024)	82,232.05		
Plummer (Sherman 2022 - WWTP Electrical Switchgear Design for electrical generator services through 3/29/24)	6,847.57		
<b>Legal</b>			
Wynne & Smith (Sherman 2023 - Review of final modifications of Kiewit Contract)	562.50		
<b>Miscellaneous</b>			
BLX Group (Krum 12 - Interim Arbitrage Rebate Report for the period ending 9/30/23)	500.00		
BLX Group (Pottsboro 2006 - Interim Arbitrage Rebate Report for period ending 9/30/23 with extra fee)	1,000.00		
<b>Paying Agent Fees</b>			
Bank of Texas Trust (Anna/Melissa WW - GRTEXUACRB06 6/1/24, GTUACRBS07AM 6/1/24)	950.00		
Bank of Texas Trust (Ector 2017 - GTUAECTOR17 4/1/24)	300.00		
Bank of Texas Trust (Valley View 2022 - GTUAVVIEW22 4/1/24)	300.00		
Bank of Texas Trust (Melissa 2009 - GTUACRBMP09A, GTUACRBMP09B 6/1/24)	600.00		
Bank of Texas Trust (Pottsboro 2006 - POTTBOR006 6/1/24)	225.00		
Bank of Texas Trust (Pottsboro 2019 - GTUAPOTTS19 6/1/24)	300.00		
Bank of Texas Trust (Pottsboro 2022 - GTUAPOTTS22 6/1/24)	300.00		
Bank of Texas Trust (Pottsboro 2022 - GTUAPOTTS22A 6/1/24)	300.00		
Bank of Texas Trust (Van Alstyne 2014 - GTUAVANAL14B 6/1/24)	300.00		
<b>TOTAL:</b>	<b>\$ 10,626,156.62</b>	<b>\$ 16,408,791.07</b>	<b>\$ 172,956.79</b>

<b>WATER:</b>			
<b>Construction Costs</b>			
Cohen & Gregory (Sherman 2023 - WTP equipment & material order # 1411017)	193.19		
Garney Company (Sherman 2023 - CMAR 36* NW/SW water main transmission line Pay App #8)	3,510,776.07		
Garney Company (Sherman 2023 - CMAR 36* NW/SW water main transmission line Pay App #9)	3,193,935.24		
H2O Innovations (Sherman 2022 - Expansion Pkg 1 WTP 79% complete. Pay App #3 & 4)	544,717.25		
Landmark (Van Alstyne 2021 - 750K gallon Elevated Storage Tank & Site improvements at Well Site #5. Pay App #1)	839,457.01		
Prater Electric (CGMA - Bloomdale Pump Station - Generator Electrical Work Pay App #6)	7,076.45		
Red River Construction (CGMA - Bloomdale Pump Station Improvements Pay App #5)	180,405.00		
<b>Engineering Fees</b>			
CobbFendley (Lake Kiowa 2021 - Const PH 4 Construction & Civil Eng for the period of 2/11/24)	1,342.00		
Freeman-Millican (CGMA - Engineering for the Bloomdale Pump Station PH2)	20,567.77		
Freese & Nichols (Sherman 2022 - Shepherd 2.0 MG elevated Storage Tank for services through 3/31/24)	7,197.91		
Freese & Nichols (Sherman 2023 - Lead & Copper Rule Revision for PH2 76% complete for services through 2/29/24)	41,382.11		
Freese & Nichols (Sherman 2022 - Northwest & Southwest Transmission Pipeline engineering services through 4/6/24)	80,356.96		
Freese & Nichols (Sherman 2022 - Lake Texoma Pump Station Expansion period through 3/31/24)	7,582.59		
Freese & Nichols (Sherman 2023 - Lake Texoma Pump Station Expansion period through 3/31/24)	486.34		
Geotex Engineering (Sherman 2022 - Materials, Equipment etc for 36" West Sherman Water Main for January 2024)	3,641.00		
Parkhill (Sherman 2021 - Sherman emergency power generation for March 2024 engineering services)	4,000.00		
<b>Groundwater</b>			
American Express (NTGCD - TAGD, TWCA, GoDaddy GMA8 email essentials renewal 2 years)	464.88		
American Express (RRGCD - TAGD, TWCA, GoDaddy domain naem, MS365 Email Essentials, Business Prof. Marketing Renewals)	1,245.60		
AT&T Mobility (NTGCD - W. Parkman - cell phone, March & April)	175.67		
Allen Burks (NTGCD - cell phone reimbursement)	12.50		
Allen Burks (RRGCD - cell phone reimbursement)	12.50		
Bank of Texas Visa (NTGCD - BOD Chick-Fil-A, Grayson County ad for GMA8 meeting, TWCA membership)	718.90		
Kenneth Elliott (NTGCD - cell phone reimbursement & other expenses)	24.94		
Kenneth Elliott (RRGCD - cell phone reimbursement & other expenses)	45.66		
Lisa Lee (RRGCD - Reimbursements)	10.33		
Paul Sigle (NTGCD - cell phone reimbursement)	8.33		
Paul Sigle (RRGCD - cell phone reimbursement)	48.81		
Stacy Patrick (NTGCD - Reimbursements)	537.50		
Valero Fleet Plus (NTGCD - Fuel, March & April)	527.02		
Valero Fleet Plus (RRGCD - Fuel, March & April)	51.07		
Velma Starks (NTGCD - mileage reimbursement)	21.85		
Velma Starks (RRGCD - mileage reimbursement)	23.72		
Wayne Parkman (NTGCD - reimbursement for uniforms)	54.10		
Wayne Parkman (NTGCD - reimbursement for uniforms)	54.10		
Auto Works (RRGCD - 2016 F150 fixed alignment issue)	125.10		
<b>Miscellaneous</b>			
BLX Group (Gainesville 2011 - Interim Arbitrage Rebate Report for period ending 9/30/23 w/ extra fees)	1,000.00		
BLX Group (Gainesville 2011A - Interim Arbitrage Rebate Report for period ending 9/30/23)	500.00		
BLX Group (Gainesville 2012 - Interim Arbitrage Rebate Report for period ending 9/30/23)	500.00		
BLX Group (Lake Kiowa 17 - Interim Arbitrage Rebate Report for the period ending 9/30/23)	500.00		
BLX Group (Pottsboro 2007 - Interim Arbitrage Rebate Report for the period ending 9/30/23)	500.00		
<b>Paying Agent Fees</b>			
Bank of Texas Trust (Ector 2013 - GRTEXOMA 2013 4/1/24)	225.00		
Bank of Texas Trust (Dorchester 2021 - GRETEUTIL02 6/1/24, GTUADORCH22 6/1/24)	500.00		
Bank of Texas Trust (Gober 2021 - GTUAGOBBER21 6/1/24)	300.00		
Bank of Texas Trust (Pottsboro 2007 - GTUACRB07CPP 6/1/24)	325.00		
Bank of Texas Trust (Van Alstyne 2014 - GTUAVANAL14A 6/1/24)	300.00		

	CURRENT	PRIOR MONTH	PRIOR YEAR
Bank of Texas Trust (Van Alstyne 2015 - GTUAVANAL15 6/1/24)	300.00		
Bank of Texas Trust (Van Alstyne 2021 - GTUAVANAL21 6/1/24)	300.00		
<u>Postage</u>			
Federal Express (Sherman 2023 - Lake Texoma Pump Station Valve Procurement Agreement docs)	29.09		
Federal Express (Sherman 2024 - Lake Texoma Pump Station valve procurement docs sent to Ferguson Waterworks Ryan Moore)	59.28		
<u>CGMA Equipment</u>			
Stewart & Stevenson (CGMA - Bloomdale emergency generator lease March & April)	12,978.00		
Uline (CGMA - City of Weston, Heavy Duty Tilt Truck )	2,756.72		
<u>CGMA Repair &amp; Maintenance</u>			
Brenntag Southwest (CGMA - chemicals to treat pump station water lines)	1,174.95		
Dexter McKay - Repaired 24" pipe flapper hinge. Cut off, ground down & rewelded)	300.00		
Environmental Monitoring Lab (CGMA - Nitrate Nitrogen, Nitrite Nitrogen Water tests, multiple test sites along water lines)	1,104.00		
Kemp Lawn Maintenance (CGMA - Bloomdale Pump Station)	380.00		
Murley Plumbing (CGMA - Repaired pump pit bottom. Lowered by 3" and reconfigured pump to eliminate old residual water too shallow for float switch to activate)	6,157.92		
Pump Solutions (CGMA - Bloomdale Pump Station service call 5/12/2023 PSI WO D1873 vibration on verticle turbine)	472.50		
Texas Excavation Safety System, Inc. (CGMA - Message Fees February & March)	341.55		
<u>Supplies</u>			
Lowe's (CGMA - Misc. Parts and materials)	704.72		
Home Depot Pro (CGMA - Weed Killer)	96.28		
Tractor Supply (CGMA - boot scrubbers)	53.96		
Uline (CGMA - white, yellow, red, blue reflective tape)	575.09		
<u>CGMA Utilities</u>			
A1 Little John (CGMA - Bloomdale P.S. - Portable toilet rental from	130.44		
AT & T Mobility (CGMA - Emergency back up lines, March & April)	228.71		
AT & T U-Verse (CGMA - Bloomdale Pump Station, Internet)	53.76		
North Texas Municipal Water District (Water Usage, June)	509,134.00		
Shell Energy (Bloomdale Pump Station)	13,611.69		
Valero (CGMA - F250, March & April)	1,056.55		
Waste Connections Lone Star (CGMA - Bloomdale Pump Station trash collection)	98.68		
<b>TOTAL:</b>	<b>\$ 9,004,027.36</b>	<b>\$ 3,677,175.60</b>	<b>\$ 1,805,771.58</b>
<b>GRAND TOTAL:</b>	<b>\$ 19,648,900.26</b>	<b>\$ 20,104,150.89</b>	<b>\$ 1,988,726.23</b>

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

On motion of \_\_\_\_\_ and

seconded by \_\_\_\_\_, the foregoing

Resolution was passed and approved on this, the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by the following vote:

AYE:  
NAY:

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

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary/Treasurer

## **AGENDA ITEM VII**


**CHANGE ORDER No. 1**

ENGINEER'S Project No.: 21029  
PROJECT: **Bloomdale Pump Station – Phase 2 Improvements – Contract "A"**  
CONTRACTOR: **Red River Constructions**

ORIGINAL CONTRACT Amount: **\$ 5,426,800**      CONTRACT Date: June 28, 2023

TO: Red River Construction, Inc.  
CONTRACTOR

You are directed to make the changes noted below in the subject Contract:

Greater Texoma Utility Authority  
Owner  
By:   
Dated: 4/18/2024

**NATURE OF CHANGES:**

Activity	Description	Total Price
1	Milling top flanges on the first two pumps	\$ 24,578.79
2	Surge Valve Repair	\$7,656.68
3	Credit back to Owner for uninstalled 24-inch valve	\$(30,940.94)
4	Credit back to Owner for not wanting pump witness test	\$ (6,843.00)
5	Add 3rd motor service	\$ 24,449.00
6	Remove 3rd motor and prep for shipment	\$ 1,500.00
7	Receive 3rd motor and store until the pump is serviced	\$ 2,500.00
8	Credit Back to Owner for reusing existing valve stem -PA Item 14.003*	\$ (1,388.00)
	Total for Change Order No. 1	\$ 21,512.53

These changes result in the following adjustment of Contract Price and Contract Time:

Original Contract Price: \$ 5,426,800.00  
Change Order No. 1: \$ 21,512.53  
New Contract Price: \$ 5,448,312.53  
Percent Change: 0.396%  
Original Time for Project Completion 364-378 days  
Additional Time Allowed Per This Change Order 0 Days

The Above Changes are Recommended for Approval:

Freeman-Millican, Inc.  
Engineer  
By: *Damir Lulo*  
Damir Lulo, P.E.  
Dated: April 9, 2024

Red River Construction, Inc.  
Contractor  
By: *[Signature]*  
Dated: 4/11/2024

**AGENDA ITEM IX**



*Greater Texoma Utility Authority*

**QUARTERLY INVESTMENT REPORT**

**For the Quarter Ended**

**March 31, 2024**

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.

  
\_\_\_\_\_  
Paul Sigle  
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, 2023				March 31, 2024			
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value		
Demand Accounts	1.06%	\$ 1,349,669	\$ 1,349,669	1.04%	\$ 1,205,056	\$ 1,205,056		
NOW/MMA/MMF/ICS	5.44%	63,159,525	63,159,525	5.43%	86,053,989	86,053,989		
Local Government Pools	5.34%	85,960,625	85,960,625	5.34%	95,107,415	95,107,415		
CDS/Securities	5.32%	331,843,473	331,843,473	5.28%	447,010,660	447,010,660		
<b>Totals</b>		<b>\$ 482,313,292</b>	<b>\$ 482,313,292</b>		<b>\$ 629,377,121</b>	<b>\$ 629,377,121</b>		

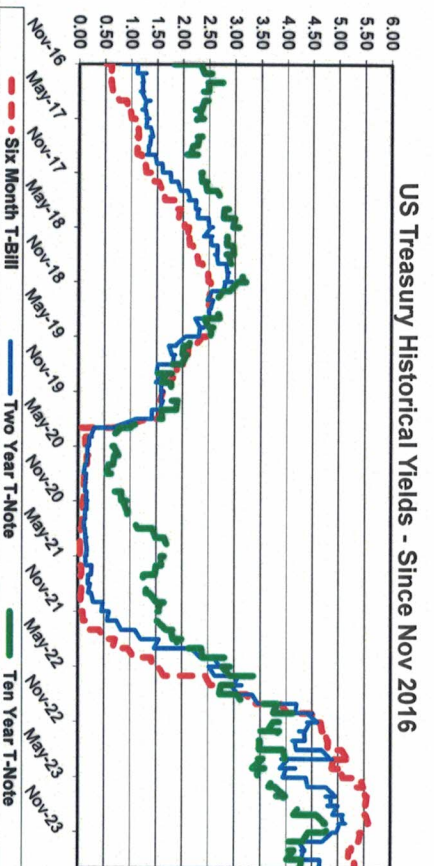
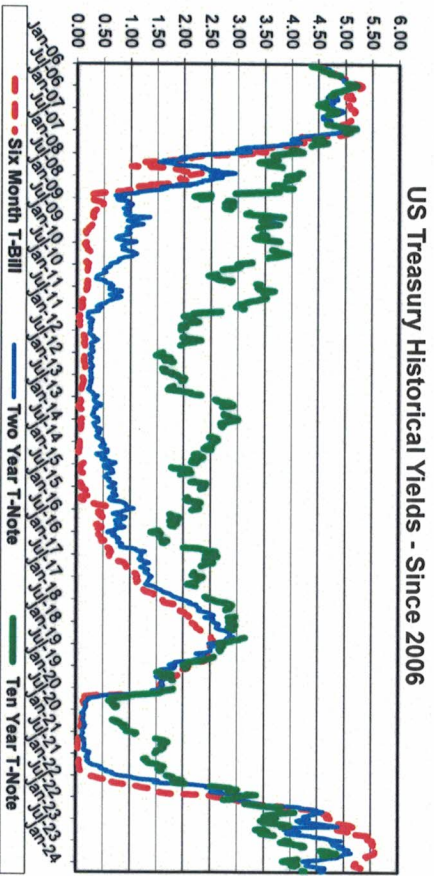
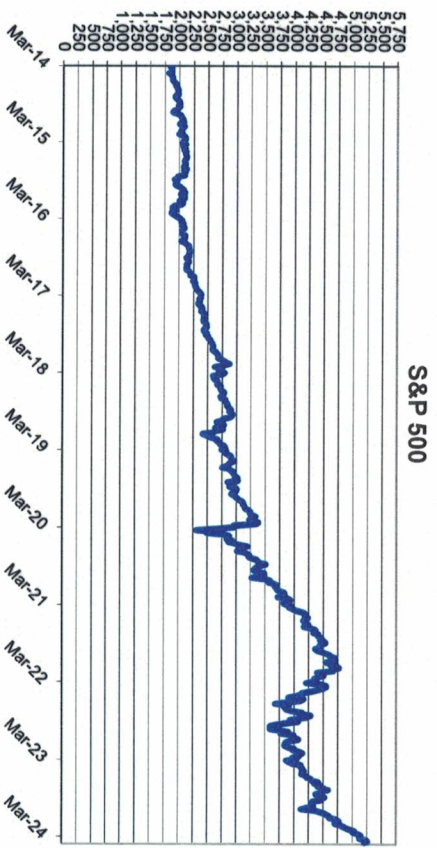
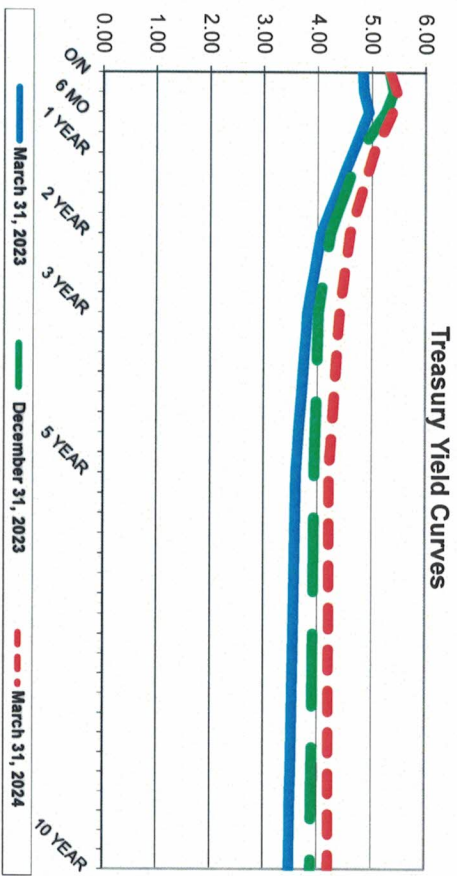
<u>Quarter End Average Yield (1)</u>		<u>Fiscal Year-to-Date Average Yield (2)</u>	
Total Portfolio	5.30%	Total Portfolio	5.31%
Rolling Three Month Treasury	5.46%	Rolling Three Month Treasury	5.49%
Rolling Six Month Treasury	5.37%	Rolling Six Month Treasury	5.43%
TexPool	5.32%	TexPool	5.34%
<u>Interest Revenue (3)</u>		<u>Bank Fee Offset</u>	
Quarterly Interest Income	\$ 8,004,739	Quarterly Bank Fees Offset	\$ 4,520
Year-to-date Interest Income	\$ 19,329,833	Year-to-date Bank Fees Offset	\$ 10,593

(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.  
 (3) Beginning with the March 31, 2024 report, interest revenue includes compound interest received on certificates of deposit.

## Economic Overview

3/31/2024

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range 5.25% - 5.50% (Effective Fed Funds are trading +/-5.33%). All expectations are for reduced future rates, but any actions will be meeting-by-meeting and "data-dependent." Fourth Quarter 2023 GDP recorded a stronger than expected 3.4%. The S&P 500 Stock Index reached another new high closing over 5,200. The yield curve remains inverted but longer yields rose slightly. Crude Oil traded over \$87 per barrel. Inflation stubbornly remained above the FOMC 2% target (Core PCE +/-2.8% and Core CPI +/-3.8%). Reduced global economic outlooks and ongoing/expanding military conflicts continue increasing uncertainty.



Investment Holdings  
March 31, 2024

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Face Amount Par Value	Book Value	Market Price	Market Value	Life (Day)	Yield
BOT DDA		1.043%	04/01/24	03/31/24	\$ 1,205,056	\$ 1,205,056	1.00	\$ 1,205,056	1	1.04%
BOT Escrow MMF		5.250%	04/01/24	03/31/24	16,262,170	16,262,170	1.00	16,262,170	1	5.25%
Invesco Govt & Agy Inst MMMF		5.230%	04/01/24	03/31/24	2,383	2,383	1.00	2,383	1	5.23%
Vertex Bank MMA Escrow		5.460%	04/01/24	03/31/24	302,903	302,903	1.00	302,903	1	5.46%
NexBank ICS		5.550%	04/01/24	03/31/24	56,829,304	56,829,304	1.00	56,829,304	1	5.55%
NexBank ICS Escrow		5.550%	04/01/24	03/31/24	2,147,775	2,147,775	1.00	2,147,775	1	5.55%
InterBank MMA		5.650%	04/01/24	03/31/24	19,518	19,518	1.00	19,518	1	5.65%
East West Bank MMA		5.010%	04/01/24	03/31/24	10,489,936	10,489,936	1.00	10,489,936	1	5.01%
TexPool	AAAmm	5.316%	04/01/24	03/31/24	36,212	36,212	1.00	36,212	1	5.32%
TexSTAR	AAAmm	5.338%	04/01/24	03/31/24	95,071,203	95,071,203	1.00	95,071,203	1	5.34%
Texas B&T CD		4.910%	04/07/24	04/07/23	1,032,264	1,032,264	100.00	1,032,264	7	5.08%
East West Bank CD		5.620%	04/08/24	08/11/23	17,108,391	17,108,391	100.00	17,108,391	8	5.78%
Texas B&T CD		4.910%	04/10/24	04/10/23	1,037,451	1,037,451	100.00	1,037,451	10	5.00%
Texas Capital Bank CD		3.400%	04/13/24	09/13/22	600,000	600,000	100.00	600,000	13	3.40%
CapTex Bank CD		4.650%	04/26/24	10/26/22	3,497,523	3,497,523	100.00	3,497,523	26	4.75%
East West Bank CD		5.740%	05/07/24	11/07/23	2,046,447	2,046,447	100.00	2,046,447	37	5.90%
East West Bank CD		5.740%	05/07/24	11/07/23	204,645	204,645	100.00	204,645	37	5.90%
East West Bank CD		5.740%	05/07/24	11/07/23	1,227,868	1,227,868	100.00	1,227,868	37	5.90%
East West Bank CD		5.740%	05/08/24	11/08/23	1,023,063	1,023,063	100.00	1,023,063	38	5.90%
BOK Financial CDARS		4.927%	05/09/24	05/11/23	7,000,000	7,000,000	100.00	7,000,000	39	5.05%
Bank OZK CDARS		4.920%	05/09/24	05/11/23	8,359,358	8,359,358	100.00	8,359,358	39	5.04%
Texas Capital Bank CD		3.410%	05/13/24	09/13/22	500,000	500,000	100.00	500,000	43	3.41%
East West Bank CD		4.890%	05/15/24	05/08/23	8,730,429	8,730,429	100.00	8,730,429	45	5.01%
East West Bank CD		5.500%	05/15/24	02/06/24	1,411,650	1,411,650	100.00	1,411,650	45	5.05%
East West Bank CD		4.890%	05/15/24	05/09/23	1,044,920	1,044,920	100.00	1,044,920	45	5.01%
East West Bank CD		4.890%	05/15/24	05/05/23	22,059,625	22,059,625	100.00	22,059,625	45	5.01%
East West Bank CD		5.680%	05/30/24	08/30/23	206,804	206,804	100.00	206,804	60	5.84%
East West Bank CD		5.680%	05/30/24	08/30/23	517,010	517,010	100.00	517,010	60	5.84%
East West Bank CD		5.500%	06/11/24	03/11/24	1,128,565	1,128,565	100.00	1,128,565	72	5.65%
Texas Capital Bank CD		3.410%	06/13/24	09/13/22	500,000	500,000	100.00	500,000	74	3.41%
East West Bank CD		5.500%	06/13/24	02/06/24	1,663,730	1,663,730	100.00	1,663,730	74	5.65%
East West Bank CD		5.400%	06/28/24	06/28/23	2,430,711	2,430,711	100.00	2,430,711	89	5.55%
East West Bank CD		5.400%	06/28/24	06/28/23	3,676,159	3,676,159	100.00	3,676,159	89	5.55%
East West Bank CD		5.400%	06/28/24	06/28/23	261,225	261,225	100.00	261,225	89	5.55%
East West Bank CD		5.510%	07/08/24	08/11/23	36,159,938	36,159,938	100.00	36,159,938	99	5.66%
Vertex Bank CD		5.520%	07/08/24	08/09/23	36,143,124	36,143,124	100.00	36,143,124	99	5.66%
East West Bank CD		5.510%	07/08/24	08/09/23	725,386	725,386	100.00	725,386	99	5.66%
East West Bank CD		5.510%	07/08/24	08/09/23	1,036,266	1,036,266	100.00	1,036,266	99	5.66%
Texas Capital Bank CD		3.410%	07/13/24	09/13/22	500,000	500,000	100.00	500,000	104	3.41%
East West Bank CD		5.280%	07/15/24	02/06/24	2,066,374	2,066,374	100.00	2,066,374	106	5.41%
East West Bank CD		5.670%	08/05/24	11/03/23	10,235,730	10,235,730	100.00	10,235,730	127	5.83%
East West Bank CD		5.670%	08/08/24	11/08/23	511,389	511,389	100.00	511,389	130	5.83%
Texas Capital Bank CD		3.425%	08/13/24	09/13/22	400,000	400,000	100.00	400,000	135	3.43%
American Nat'l B&T CDARS		5.000%	08/15/24	08/17/23	10,215,307	10,215,307	100.00	10,215,307	137	5.13%
East West Bank CD		5.280%	08/15/24	02/06/24	2,207,492	2,207,492	100.00	2,207,492	137	5.42%
East West Bank CD		5.590%	08/30/24	08/30/23	1,033,473	1,033,473	100.00	1,033,473	152	5.74%
Vertex Bank CD		5.600%	09/03/24	08/31/23	1,032,983	1,032,983	100.00	1,032,983	156	5.75%

**Investment Holdings**  
**March 31, 2024**

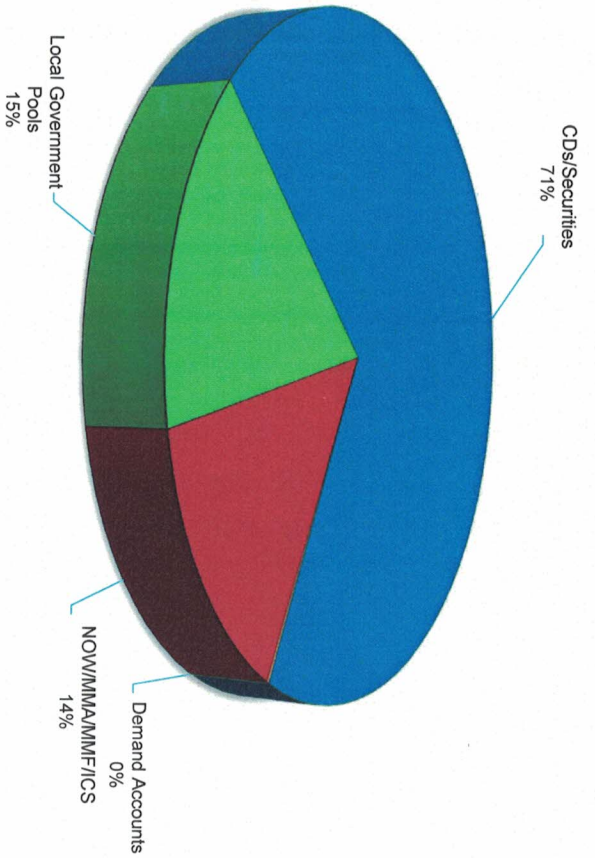
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Face Amount/ Par Value	Book Value	Market Price	Market Value	Life (Day)	Yield
Texas Capital Bank CD		3.430%	09/09/24	09/09/22	1,372,000	1,372,000	100.00	1,372,000	162	3.43%
Veritek Bank CD		5.620%	09/09/24	08/09/23	5,115,264	5,115,264	100.00	5,115,264	162	5.77%
Veritek Bank CD		5.620%	09/09/24	08/09/23	25,831,518	25,831,518	100.00	25,831,518	162	5.77%
East West Bank CD		5.430%	09/11/24	03/11/24	1,128,520	1,128,520	100.00	1,128,520	164	5.58%
East West Bank CD		5.430%	09/11/24	03/11/24	2,507,822	2,507,822	100.00	2,507,822	164	5.58%
Texas Capital Bank CD		4.325%	09/13/24	09/13/22	300,000	300,000	100.00	300,000	166	5.42%
East West Bank CD		5.280%	09/16/24	02/07/24	5,180,306	5,180,306	100.00	5,180,306	169	5.42%
East West Bank CD		5.280%	09/16/24	02/07/24	6,195,202	6,195,202	100.00	6,195,202	169	5.42%
East West Bank CD		5.060%	10/15/24	02/07/24	22,558,229	22,558,229	100.00	22,558,229	198	5.17%
East West Bank CD		5.590%	11/08/24	11/08/23	2,044,907	2,044,907	100.00	2,044,907	222	5.74%
East West Bank CD		5.590%	11/08/24	11/08/23	920,208	920,208	100.00	920,208	222	5.74%
East West Bank CD		5.590%	11/11/24	11/09/23	306,689	306,689	100.00	306,689	225	5.74%
East West Bank CD		5.590%	11/11/24	11/09/23	1,226,756	1,226,756	100.00	1,226,756	225	5.74%
East West Bank CD		5.590%	11/11/24	11/09/23	1,022,297	1,022,297	100.00	1,022,297	225	5.74%
East West Bank CD		5.590%	11/11/24	11/09/23	1,533,446	1,533,446	100.00	1,533,446	225	5.74%
East West Bank CD		5.590%	11/11/24	11/09/23	204,459	204,459	100.00	204,459	225	5.74%
East West Bank CD		5.060%	11/13/24	02/07/24	23,485,142	23,485,142	100.00	23,485,142	227	5.19%
East West Bank CD		5.230%	12/12/24	03/12/24	1,128,228	1,128,228	100.00	1,128,228	256	5.37%
East West Bank CD		5.230%	12/12/24	03/12/24	1,002,870	1,002,870	100.00	1,002,870	256	5.19%
East West Bank CD		5.060%	12/16/24	02/08/24	15,916,508	15,916,508	100.00	15,916,508	260	5.37%
East West Bank CD		4.830%	01/15/25	02/08/24	18,932,307	18,932,307	100.00	18,932,307	290	4.95%
Veritek Bank CD		4.830%	02/13/25	02/08/24	14,863,875	14,863,875	100.00	14,863,875	319	4.95%
Veritek Bank CD		5.330%	03/10/25	08/09/23	27,335,320	27,335,320	100.00	27,335,320	344	5.46%
Veritek Bank CD		5.330%	03/10/25	08/09/23	5,106,653	5,106,653	100.00	5,106,653	344	5.46%
Veritek Bank CD		5.330%	03/10/25	08/09/23	14,540,571	14,540,571	100.00	14,540,571	344	5.46%
East West Bank CD		5.020%	03/12/25	03/12/24	1,002,754	1,002,754	100.00	1,002,754	346	5.15%
Origin Bank CD		4.560%	03/13/25	02/08/24	4,480,300	4,480,300	100.00	4,480,300	347	4.64%
Origin Bank CD		5.098%	03/13/25	02/08/24	13,650,000	13,650,000	100.00	13,650,000	347	4.64%
BOK Financial CDARS		4.550%	03/13/25	03/14/24	1,127,832	1,127,832	100.00	1,127,832	347	5.23%
Origin Bank CD		4.480%	04/15/25	02/08/24	9,240,000	9,240,000	100.00	9,240,000	380	4.63%
Origin Bank CD		4.480%	05/15/25	02/08/24	7,140,000	7,140,000	100.00	7,140,000	410	4.56%
Origin Bank CD		4.440%	06/13/25	02/08/24	5,740,000	5,740,000	100.00	5,740,000	439	4.52%
BOK Financial CDARS		4.631%	03/12/26	02/08/24	10,129,000	10,129,000	100.00	10,129,000	439	4.52%
BOK Financial CDARS		4.631%	03/12/26	03/14/24	1,002,286	1,002,286	100.00	1,002,286	711	4.74%
BOK Financial CDARS		4.631%	03/19/26	03/21/24	700,978	700,978	100.00	700,978	718	4.74%
BOK Financial CDARS		4.631%	03/19/26	03/21/24	1,502,095	1,502,095	100.00	1,502,095	718	4.74%
BOK Financial CDARS		4.631%	03/26/26	03/28/24	1,000,508	1,000,508	100.00	1,000,508	725	4.74%
BOK Financial CDARS		4.631%	03/26/26	03/28/24	1,000,508	1,000,508	100.00	1,000,508	725	4.74%
					<b>\$ 629,377,121</b>	<b>\$ 629,377,121</b>		<b>\$ 629,377,121</b>	<b>142</b>	<b>5.30%</b>

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

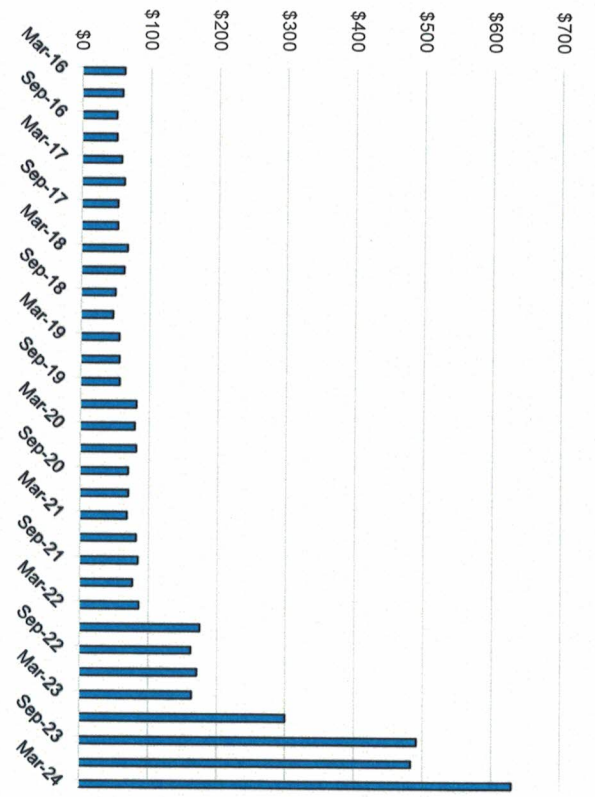
(2) Weighted average yield to maturity - The weighted average yield is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts, pools, and money market funds.

(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.

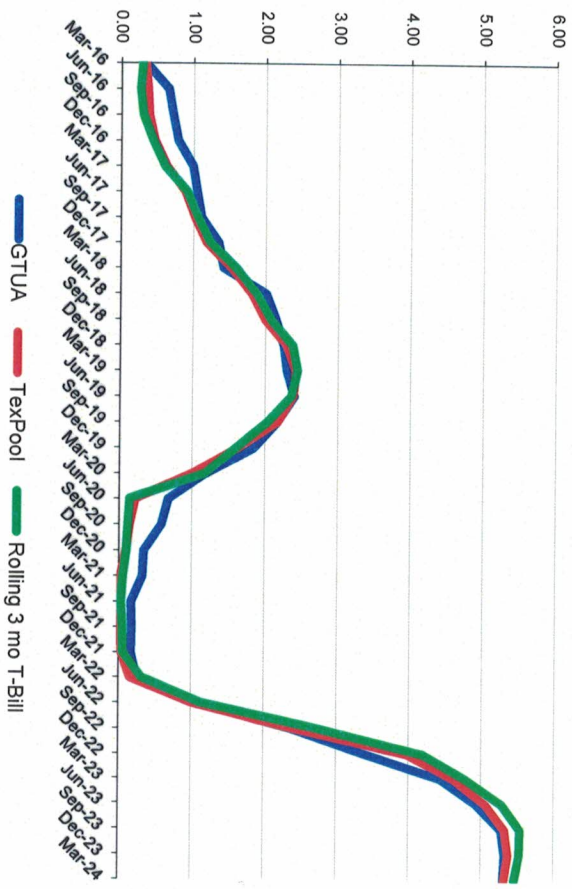
### Portfolio Composition



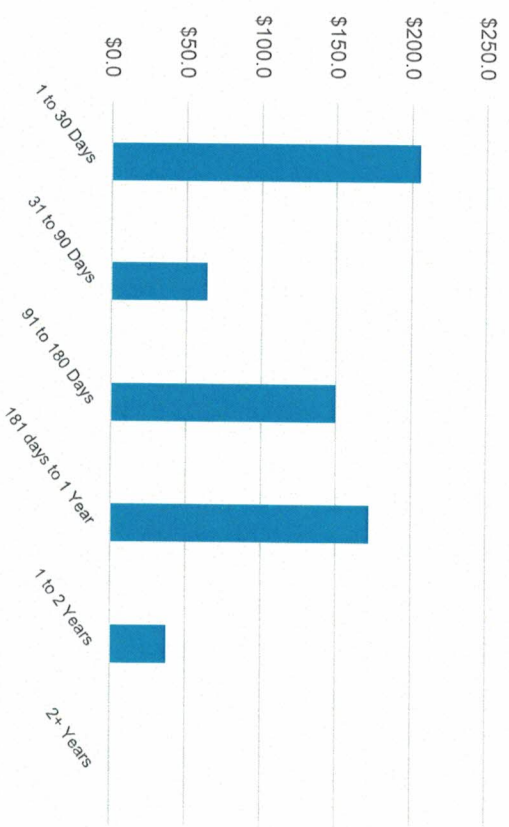
### Total Portfolio (Millions)



### Total Portfolio Performance



### Distribution by Maturity (Millions)



## Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/23	Increases	Decreases	Book Value 03/31/24	Market Value 12/31/23	Change in Market Value	Market Value 03/31/24
BOT DDA	1.04%	04/01/24	\$ 1,349,669	—	\$ (144,613)	\$ 1,205,056	\$ 1,349,669	\$ (144,613)	\$ 1,205,056
BOT Escrow MMF	5.25%	04/01/24	12,511,569	3,750,602	—	16,262,170	12,511,569	3,750,602	16,262,170
Invesco Govt & Agy Inst MIMMF	5.23%	04/01/24	2,361	21	—	2,383	2,361	21	2,383
Veritex Bank MMA Escrow	5.46%	04/01/24	416,903	—	(114,000)	302,903	416,903	(114,000)	302,903
NexBank ICS	5.55%	04/01/24	33,318,024	23,511,280	—	56,829,304	33,318,024	23,511,280	56,829,304
NexBank ICS Escrow	5.55%	04/01/24	2,115,871	31,904	—	2,147,775	2,115,871	31,904	2,147,775
InterBank MMA	5.65%	04/01/24	4,431,973	—	(4,412,455)	19,518	4,431,973	(4,412,455)	19,518
East West Bank MMA	5.01%	04/01/24	10,362,824	127,113	—	10,489,936	10,362,824	127,113	10,489,936
TexPool	5.32%	04/01/24	29,725	6,486	—	36,212	29,725	6,486	36,212
TexSTAR	5.34%	04/01/24	85,930,900	9,140,303	—	95,071,203	85,930,900	9,140,303	95,071,203
East West Bank	5.72%	01/08/24	6,129,000	—	(6,129,000)	—	6,129,000	(6,129,000)	—
East West Bank	5.72%	01/08/24	1,000,000	—	(1,000,000)	—	1,000,000	(1,000,000)	—
East West Bank	5.72%	01/08/24	700,000	—	(700,000)	—	700,000	(700,000)	—
East West Bank	4.91%	01/10/24	3,000,000	—	(3,000,000)	—	3,000,000	(3,000,000)	—
East West Bank	4.91%	01/10/24	2,892,000	—	(2,892,000)	—	2,892,000	(2,892,000)	—
Texas Bank & Trust	5.10%	01/10/24	1,000,000	—	(1,000,000)	—	1,000,000	(1,000,000)	—
Texas Bank & Trust	5.10%	01/10/24	1,000,000	—	(1,000,000)	—	1,000,000	(1,000,000)	—
Texas Capital	3.38%	01/13/24	600,000	—	(600,000)	—	600,000	(600,000)	—
East West Bank	5.26%	01/17/24	600,000	—	(600,000)	—	600,000	(600,000)	—
East West Bank	5.84%	02/07/24	500,000	—	(500,000)	—	500,000	(500,000)	—
Texas Capital	3.39%	02/09/24	100,000	—	(100,000)	—	100,000	(100,000)	—
Texas Capital	3.39%	02/13/24	600,000	—	(600,000)	—	600,000	(600,000)	—
East West Bank	5.08%	02/14/24	23,200,000	—	(23,200,000)	—	23,200,000	(23,200,000)	—
East West Bank	5.62%	03/08/24	20,500,000	—	(20,500,000)	—	20,500,000	(20,500,000)	—
East West Bank	5.62%	03/08/24	4,950,603	—	(4,950,603)	—	4,950,603	(4,950,603)	—
Texas Capital	3.40%	03/09/24	1,422,000	—	(1,422,000)	—	1,422,000	(1,422,000)	—
Texas Capital	3.40%	03/13/24	600,000	—	(600,000)	—	600,000	(600,000)	—
East West Bank	5.08%	03/13/24	3,165,100	—	(3,165,100)	—	3,165,100	(3,165,100)	—
Texas B&T CD	5.08%	04/07/24	995,000	37,264	—	1,032,264	995,000	37,264	1,032,264
East West Bank CD	5.78%	04/08/24	16,503,000	605,391	—	17,108,391	16,503,000	605,391	17,108,391
Texas B&T CD	5.00%	04/10/24	1,000,000	37,451	—	1,037,451	1,000,000	37,451	1,037,451
Texas Capital Bank CD	3.40%	04/13/24	600,000	—	—	600,000	600,000	—	600,000
CapTex Bank CD	4.75%	04/26/24	3,275,000	222,523	—	3,497,523	3,275,000	222,523	3,497,523
East West Bank CD	5.90%	05/07/24	2,000,000	46,447	—	2,046,447	2,000,000	46,447	2,046,447
East West Bank CD	5.90%	05/07/24	200,000	4,645	—	204,645	200,000	4,645	204,645
East West Bank CD	5.90%	05/07/24	1,200,000	27,868	—	1,227,868	1,200,000	27,868	1,227,868
East West Bank CD	5.90%	05/08/24	1,000,000	23,063	—	1,023,063	1,000,000	23,063	1,023,063
BOK Financial CDARS	5.05%	05/09/24	7,225,596	—	(225,596)	7,000,000	7,225,596	(225,596)	7,000,000
12/31/23 balance included accrued interest									
Bank OZK CDARS	5.04%	05/09/24	8,257,453	101,906	—	8,359,358	8,257,453	101,906	8,359,358
Texas Capital Bank CD	3.41%	05/13/24	500,000	—	—	500,000	500,000	—	500,000
East West Bank CD	5.01%	05/15/24	8,354,000	376,429	—	8,730,429	8,354,000	376,429	8,730,429
East West Bank CD	5.65%	05/15/24	—	1,411,650	—	1,411,650	—	1,411,650	1,411,650
East West Bank CD	5.01%	05/15/24	1,000,000	44,920	—	1,044,920	1,000,000	44,920	1,044,920
East West Bank CD	5.01%	05/15/24	21,100,000	959,625	—	22,059,625	21,100,000	959,625	22,059,625

## Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/23	Increases	Decreases	Book Value 03/31/24	Market Value 12/31/23	Change in Market Value	Market Value 03/31/24
East West Bank CD	5.84%	05/30/24	200,000	6,804	-	206,804	200,000	6,804	206,804
East West Bank CD	5.84%	05/30/24	500,000	17,010	-	517,010	500,000	17,010	517,010
East West Bank CD	5.65%	06/11/24	-	1,128,565	-	1,128,565	-	1,128,565	1,128,565
Texas Capital Bank CD	3.41%	06/13/24	500,000	-	-	500,000	500,000	-	500,000
East West Bank CD	5.65%	06/13/24	-	1,663,730	-	1,663,730	-	1,663,730	1,663,730
East West Bank CD	5.55%	06/28/24	2,332,559	98,152	-	2,430,711	2,332,559	98,152	2,430,711
East West Bank CD	5.55%	06/28/24	3,528,256	147,903	-	3,676,159	3,528,256	147,903	3,676,159
East West Bank CD	5.55%	06/28/24	250,700	10,525	-	261,225	250,700	10,525	261,225
East West Bank CD	5.66%	07/08/24	34,905,000	1,254,938	-	36,159,938	34,905,000	1,254,938	36,159,938
Veritek Bank CD	5.66%	07/08/24	35,000,000	1,143,124	-	36,143,124	35,000,000	1,143,124	36,143,124
East West Bank CD	5.66%	07/08/24	700,000	25,386	-	725,386	700,000	25,386	725,386
East West Bank CD	5.66%	07/08/24	1,000,000	36,266	-	1,036,266	1,000,000	36,266	1,036,266
Texas Capital Bank CD	3.41%	07/13/24	500,000	-	-	500,000	500,000	-	500,000
East West Bank CD	5.41%	07/15/24	-	2,066,374	-	2,066,374	-	2,066,374	2,066,374
East West Bank CD	5.83%	08/05/24	10,000,000	235,730	-	10,235,730	10,000,000	235,730	10,235,730
East West Bank CD	5.83%	08/08/24	500,000	11,389	-	511,389	500,000	11,389	511,389
Texas Capital Bank CD	3.43%	08/13/24	400,000	-	-	400,000	400,000	-	400,000
American Nat'l B&T CDARS	5.13%	08/15/24	10,088,765	126,542	-	10,215,307	10,088,765	126,542	10,215,307
East West Bank CD	5.42%	08/15/24	-	2,207,492	-	2,207,492	-	2,207,492	2,207,492
East West Bank CD	5.74%	08/30/24	1,000,000	33,473	-	1,033,473	1,000,000	33,473	1,033,473
Veritek Bank CD	5.75%	09/03/24	1,000,000	32,983	-	1,032,983	1,000,000	32,983	1,032,983
Texas Capital Bank CD	3.43%	09/09/24	1,372,000	-	-	1,372,000	1,372,000	-	1,372,000
Veritek Bank CD	5.77%	09/09/24	4,950,603	164,661	-	5,115,264	4,950,603	164,661	5,115,264
Veritek Bank CD	5.77%	09/09/24	25,000,000	831,518	-	25,831,518	25,000,000	831,518	25,831,518
East West Bank CD	5.58%	09/11/24	-	1,128,520	-	1,128,520	-	1,128,520	1,128,520
East West Bank CD	5.42%	09/13/24	-	2,507,822	-	2,507,822	-	2,507,822	2,507,822
Texas Capital Bank CD	5.42%	09/16/24	300,000	-	-	300,000	300,000	-	300,000
East West Bank CD	5.42%	09/16/24	-	5,180,306	-	5,180,306	-	5,180,306	5,180,306
East West Bank CD	5.42%	09/16/24	-	6,195,202	-	6,195,202	-	6,195,202	6,195,202
East West Bank CD	5.17%	10/15/24	-	22,558,229	-	22,558,229	-	22,558,229	22,558,229
East West Bank CD	5.74%	11/08/24	2,000,000	44,907	-	2,044,907	2,000,000	44,907	2,044,907
East West Bank CD	5.74%	11/08/24	900,000	20,208	-	920,208	900,000	20,208	920,208
East West Bank CD	5.74%	11/11/24	300,000	6,689	-	306,689	300,000	6,689	306,689
East West Bank CD	5.74%	11/11/24	1,200,000	26,756	-	1,226,756	1,200,000	26,756	1,226,756
East West Bank CD	5.74%	11/11/24	1,000,000	22,297	-	1,022,297	1,000,000	22,297	1,022,297
East West Bank CD	5.74%	11/11/24	1,500,000	33,446	-	1,533,446	1,500,000	33,446	1,533,446
East West Bank CD	5.74%	11/11/24	200,000	4,459	-	204,459	200,000	4,459	204,459
East West Bank CD	5.19%	11/13/24	-	23,485,142	-	23,485,142	-	23,485,142	23,485,142
East West Bank CD	5.37%	12/12/24	-	1,128,228	-	1,128,228	-	1,128,228	1,128,228
East West Bank CD	5.37%	12/12/24	-	1,002,870	-	1,002,870	-	1,002,870	1,002,870
East West Bank CD	5.19%	12/16/24	-	15,916,508	-	15,916,508	-	15,916,508	15,916,508
East West Bank CD	4.95%	01/15/25	-	18,932,307	-	18,932,307	-	18,932,307	18,932,307
East West Bank CD	4.95%	02/13/25	-	14,863,875	-	14,863,875	-	14,863,875	14,863,875
Veritek Bank CD	5.46%	03/10/25	26,500,000	835,320	-	27,335,320	26,500,000	835,320	27,335,320
Veritek Bank CD	5.46%	03/10/25	4,950,603	156,050	-	5,106,653	4,950,603	156,050	5,106,653
Veritek Bank CD	5.46%	03/10/25	14,096,236	444,335	-	14,540,571	14,096,236	444,335	14,540,571

**Book & Market Value Comparison**

Issuer/Description	Yield	Maturity Date	Book Value 12/31/23	Increases	Decreases	Book Value 03/31/24	Market Value 12/31/23	Change in Market Value	Market Value 03/31/24
East West Bank CD	5.15%	03/12/25	-	1,002,754	-	1,002,754	-	1,002,754	1,002,754
Origin Bank CD	4.64%	03/13/25	-	4,480,300	-	4,480,300	-	4,480,300	4,480,300
Origin Bank CD	4.64%	03/13/25	-	13,650,000	-	13,650,000	-	13,650,000	13,650,000
BOK Financial CDARS	5.23%	03/13/25	-	1,127,832	-	1,127,832	-	1,127,832	1,127,832
Origin Bank CD	4.63%	04/15/25	-	9,240,000	-	9,240,000	-	9,240,000	9,240,000
Origin Bank CD	4.56%	05/15/25	-	7,140,000	-	7,140,000	-	7,140,000	7,140,000
Origin Bank CD	4.52%	06/13/25	-	5,740,000	-	5,740,000	-	5,740,000	5,740,000
Origin Bank CD	4.52%	06/13/25	-	10,129,000	-	10,129,000	-	10,129,000	10,129,000
BOK Financial CDARS	4.74%	03/12/26	-	1,002,286	-	1,002,286	-	1,002,286	1,002,286
BOK Financial CDARS	4.74%	03/19/26	-	700,978	-	700,978	-	700,978	700,978
BOK Financial CDARS	4.74%	03/19/26	-	1,502,095	-	1,502,095	-	1,502,095	1,502,095
BOK Financial CDARS	4.74%	03/26/26	-	1,000,508	-	1,000,508	-	1,000,508	1,000,508
BOK Financial CDARS	4.74%	03/26/26	-	1,000,508	-	1,000,508	-	1,000,508	1,000,508
<b>TOTAL / AVERAGE</b>	<b>5.30%</b>		<b>\$ 482,313,292</b>	<b>\$ 223,919,195</b>	<b>\$ (76,855,366)</b>	<b>\$ 629,377,121</b>	<b>\$ 482,313,292</b>	<b>\$ 147,063,829</b>	<b>\$ 629,377,121</b>



**Allocation by Fund  
Book & Market Value**

**March 31, 2024**

		Investment							
	Maturity	Total	General	Construction	Bond I&S	Revenue	Reserve		
		\$	\$	\$	\$	\$	\$	\$	\$
BOT DDA	04/01/24	1,205,056	1,205,056	-	-	-	-	-	-
BOT Escrow MMF	04/01/24	16,262,170	-	16,262,170	-	-	-	-	-
Invesco Govt & Agy Inst MMMF	04/01/24	2,383	2,383	-	-	-	-	-	-
Veritek Bank MMA Escrow	04/01/24	302,903	-	302,903	-	-	-	-	-
NexBank ICS	04/01/24	56,829,304	-	36,061,108	20,422,829	345,367	-	-	-
NexBank ICS Escrow	04/01/24	2,147,775	-	2,147,775	-	-	-	-	-
InterBank MMA	04/01/24	19,518	-	19,518	-	-	-	-	-
East West Bank MMA	04/01/24	10,489,936	-	10,489,936	-	-	-	-	-
TexPool	04/01/24	36,212	36,212	-	-	-	-	-	-
TexSTAR	04/01/24	95,071,203	20,206	76,612,929	6,470,239	7,529,417	4,438,413	-	-
Texas B&T CD	04/07/24	1,032,264	-	-	-	-	1,032,264	-	-
East West Bank CD	04/08/24	17,108,391	-	17,108,391	-	-	-	-	-
Texas B&T CD	04/10/24	1,037,451	-	1,037,451	-	-	-	-	-
Texas Capital Bank CD	04/13/24	600,000	-	600,000	-	-	-	-	-
CapTex Bank CD	04/26/24	3,497,523	-	-	-	-	3,497,523	-	-
East West Bank CD	05/07/24	2,046,447	-	2,046,447	-	-	-	-	-
East West Bank CD	05/07/24	204,645	-	204,645	-	-	-	-	-
East West Bank CD	05/07/24	1,227,868	-	1,227,868	-	-	-	-	-
East West Bank CD	05/08/24	1,023,063	-	1,023,063	-	-	-	-	-
BOK Financial CDARS	05/09/24	7,000,000	-	7,000,000	-	-	-	-	-
Bank OZK CDARS	05/09/24	8,359,358	-	8,359,358	-	-	-	-	-
Texas Capital Bank CD	05/13/24	500,000	-	500,000	-	-	-	-	-
East West Bank CD	05/15/24	8,730,429	-	-	-	-	8,730,429	-	-
East West Bank CD	05/15/24	1,411,650	-	1,411,650	-	-	-	-	-
East West Bank CD	05/15/24	1,044,920	-	1,044,920	-	-	-	-	-
East West Bank CD	05/15/24	22,059,625	-	22,059,625	-	-	-	-	-
East West Bank CD	05/30/24	206,804	-	206,804	-	-	-	-	-
East West Bank CD	05/30/24	517,010	-	517,010	-	-	-	-	-
East West Bank CD	06/11/24	1,128,565	-	1,128,565	-	-	-	-	-
Texas Capital Bank CD	06/13/24	500,000	-	500,000	-	-	-	-	-
East West Bank CD	06/13/24	1,663,730	-	1,663,730	-	-	-	-	-
East West Bank CD	06/28/24	2,430,711	-	2,430,711	-	-	-	-	-
East West Bank CD	06/28/24	3,676,159	-	3,676,159	-	-	-	-	-
East West Bank CD	06/28/24	261,225	-	-	-	-	261,225	-	-
East West Bank CD	07/08/24	36,159,938	-	36,159,938	-	-	-	-	-

**Allocation by Fund  
Book & Market Value**

**March 31, 2024**

		Investment	General	Construction	Bond I&S	Revenue	Reserve
	Maturity	Total					
Veritex Bank CD	07/08/24	36,143,124	-	36,143,124	-	-	-
East West Bank CD	07/08/24	725,386	-	725,386	-	-	-
East West Bank CD	07/08/24	1,036,266	-	1,036,266	-	-	-
Texas Capital Bank CD	07/13/24	500,000	-	500,000	-	-	-
East West Bank CD	07/15/24	2,066,374	-	2,066,374	-	-	-
East West Bank CD	08/05/24	10,235,730	-	10,235,730	-	-	-
East West Bank CD	08/08/24	511,389	-	511,389	-	-	-
Texas Capital Bank CD	08/13/24	400,000	-	400,000	-	-	-
American Nat'l B&T CDARS	08/15/24	10,215,307	-	-	10,215,307	-	-
East West Bank CD	08/15/24	2,207,492	-	2,207,492	-	-	-
East West Bank CD	08/30/24	1,033,473	-	1,033,473	-	-	-
Veritex Bank CD	09/03/24	1,032,983	-	-	-	-	1,032,983
Texas Capital Bank CD	09/09/24	1,372,000	-	-	1,372,000	-	-
Veritex Bank CD	09/09/24	5,115,264	-	-	5,115,264	-	-
Veritex Bank CD	09/09/24	25,831,518	-	25,831,518	-	-	-
East West Bank CD	09/11/24	1,128,520	-	1,128,520	-	-	-
East West Bank CD	09/11/24	2,507,822	-	2,507,822	-	-	-
Texas Capital Bank CD	09/13/24	300,000	-	300,000	-	-	-
East West Bank CD	09/16/24	5,180,306	-	5,180,306	-	-	-
East West Bank CD	09/16/24	6,195,202	-	6,195,202	-	-	-
East West Bank CD	10/15/24	22,558,229	-	22,558,229	-	-	-
East West Bank CD	11/08/24	2,044,907	-	2,044,907	-	-	-
East West Bank CD	11/08/24	920,208	-	920,208	-	-	-
East West Bank CD	11/11/24	306,689	-	306,689	-	-	-
East West Bank CD	11/11/24	1,226,756	-	1,226,756	-	-	-
East West Bank CD	11/11/24	1,022,297	-	1,022,297	-	-	-
East West Bank CD	11/11/24	1,533,446	-	1,533,446	-	-	-
East West Bank CD	11/11/24	204,459	-	204,459	-	-	-
East West Bank CD	11/13/24	23,485,142	-	23,485,142	-	-	-
East West Bank CD	12/12/24	1,128,228	-	1,128,228	-	-	-
East West Bank CD	12/12/24	1,002,870	-	1,002,870	-	-	-
East West Bank CD	12/16/24	15,916,508	-	15,916,508	-	-	-
East West Bank CD	01/15/25	18,932,307	-	18,932,307	-	-	-
East West Bank CD	02/13/25	14,863,875	-	14,863,875	-	-	-
Veritex Bank CD	03/10/25	27,335,320	-	27,335,320	-	-	-
Veritex Bank CD	03/10/25	5,106,653	-	-	5,106,653	-	-

**Allocation by Fund  
Book & Market Value**

**March 31, 2024**

		Investment					
	Maturity	Total	General	Construction	Bond I&S	Revenue	Reserve
Veritex Bank CD	03/10/25	14,540,571	-	-	-	-	14,540,571
East West Bank CD	03/12/25	1,002,754	-	1,002,754	-	-	-
Origin Bank CD	03/13/25	4,480,300	-	4,480,300	-	-	-
Origin Bank CD	03/13/25	13,650,000	-	13,650,000	-	-	-
BOK Financial CDARS	03/13/25	1,127,832	-	1,127,832	-	-	-
Origin Bank CD	04/15/25	9,240,000	-	9,240,000	-	-	-
Origin Bank CD	05/15/25	7,140,000	-	7,140,000	-	-	-
Origin Bank CD	06/13/25	5,740,000	-	5,740,000	-	-	-
Origin Bank CD	06/13/25	10,129,000	-	10,129,000	-	-	-
BOK Financial CDARS	03/12/26	1,002,286	-	-	-	-	1,002,286
BOK Financial CDARS	03/19/26	700,978	-	-	-	-	700,978
BOK Financial CDARS	03/19/26	1,502,095	-	-	-	-	1,502,095
BOK Financial CDARS	03/26/26	1,000,508	-	-	-	-	1,000,508
BOK Financial CDARS	03/26/26	1,000,508	-	-	-	-	1,000,508
<b>Totals</b>		<b>\$ 629,377,121</b>	<b>\$ 1,263,856</b>	<b>\$ 532,796,408</b>	<b>\$ 48,702,291</b>	<b>\$ 7,874,784</b>	<b>\$ 38,739,781</b>

**Allocation by Fund  
Book & Market Value**

**December 31, 2023**

		Investment							
	Maturity	Total	General	Construction	Bond I&S	Revenue	Reserve		
		\$	\$	\$	\$	\$	\$		
BOT DDA	12/31/23	1,349,669	1,349,669	-	-	-	-	-	-
BOT Escrow MMF	12/31/23	12,511,569	-	12,511,569	-	-	-	-	-
Invesco Govt & Agy Inst MMMF	12/31/23	2,361	2,361	-	-	-	-	-	-
Veritex Bank MMA Escrow	12/31/23	416,903	-	416,903	-	-	-	-	-
NexBank ICS	12/31/23	33,318,024	-	20,304,765	12,672,642	340,617	-	-	-
NexBank ICS Escrow	12/31/23	2,115,871	-	2,115,871	-	-	-	-	-
InterBank MMA	12/31/23	4,431,973	-	4,431,973	-	-	-	-	-
East West Bank MMA	12/31/23	10,362,824	-	10,362,824	-	-	-	-	-
TexPool	12/31/23	29,725	29,725	-	-	-	-	-	-
TexSTAR	12/31/23	85,930,900	314,546	71,042,831	3,783,198	4,494,217	6,296,108	-	-
East West Bank	01/08/24	6,129,000	-	6,129,000	-	-	-	-	-
East West Bank	01/08/24	1,000,000	-	1,000,000	-	-	-	-	-
East West Bank	01/08/24	700,000	-	700,000	-	-	-	-	-
East West Bank	01/10/24	3,000,000	-	3,000,000	-	-	-	-	-
East West Bank	01/10/24	2,892,000	-	-	-	-	2,892,000	-	-
Texas Bank & Trust	01/10/24	1,000,000	-	1,000,000	-	-	-	-	-
Texas Bank & Trust	01/10/24	1,000,000	-	1,000,000	-	-	-	-	-
Texas Capital	01/13/24	600,000	-	600,000	-	-	-	-	-
East West Bank	01/17/24	600,000	-	600,000	-	-	-	-	-
East West Bank	02/07/24	500,000	-	500,000	-	-	-	-	-
Texas Capital	02/09/24	100,000	-	100,000	-	-	-	-	-
East West Bank	02/13/24	600,000	-	600,000	-	-	-	-	-
East West Bank	02/14/24	23,200,000	-	23,200,000	-	-	-	-	-
East West Bank	03/08/24	20,500,000	-	20,500,000	-	-	-	-	-
East West Bank	03/08/24	4,950,603	-	-	4,950,603	-	-	-	-
Texas Capital	03/09/24	1,422,000	-	-	1,422,000	-	-	-	-
East West Bank	03/13/24	600,000	-	600,000	-	-	-	-	-
East West Bank	03/13/24	3,165,100	-	-	3,165,100	-	-	-	-
Texas Bank & Trust	04/07/24	995,000	-	-	-	-	995,000	-	-
East West Bank	04/08/24	16,503,000	-	16,503,000	-	-	-	-	-
Texas Bank & Trust	04/10/24	1,000,000	-	1,000,000	-	-	-	-	-
Texas Bank & Trust	04/13/24	600,000	-	600,000	-	-	-	-	-
Cap Tex	04/26/24	3,275,000	-	-	-	-	3,275,000	-	-
East West Bank	05/07/24	2,000,000	-	2,000,000	-	-	-	-	-
East West Bank	05/07/24	200,000	-	200,000	-	-	-	-	-

**Allocation by Fund  
Book & Market Value**

**December 31, 2023**

		Investment		General	Construction	Bond I&S	Revenue	Reserve
	Maturity	Total						
East West Bank	05/07/24	1,200,000	-	-	-	-	-	-
East West Bank	05/08/24	1,000,000	-	-	-	-	-	-
BOKF	05/09/24	7,225,596	-	-	-	-	-	-
Texas Capital	05/13/24	500,000	-	-	-	-	-	-
East West Bank	05/15/24	8,354,000	-	-	-	-	-	8,354,000
East West Bank	05/15/24	1,000,000	-	-	-	-	-	-
East West Bank	05/15/24	21,100,000	-	-	21,100,000	-	-	-
Bank OZK	05/16/24	8,257,453	-	-	8,257,453	-	-	-
East West Bank	05/30/24	500,000	-	-	500,000	-	-	-
East West Bank	05/30/24	200,000	-	-	200,000	-	-	-
Texas Capital	06/13/24	500,000	-	-	500,000	-	-	-
East West Bank	06/28/24	2,332,559	-	-	2,332,559	-	-	-
East West Bank	06/28/24	3,528,256	-	-	3,528,256	-	-	-
East West Bank	06/28/24	250,700	-	-	-	-	-	250,700
East West Bank	07/08/24	34,905,000	-	-	34,905,000	-	-	-
East West Bank	07/08/24	700,000	-	-	700,000	-	-	-
East West Bank	07/08/24	1,000,000	-	-	1,000,000	-	-	-
Vertex	07/08/24	35,000,000	-	-	35,000,000	-	-	-
Texas Capital	07/13/24	500,000	-	-	500,000	-	-	-
East West Bank	08/05/24	10,000,000	-	-	10,000,000	-	-	-
East West Bank	08/08/24	500,000	-	-	500,000	-	-	-
Texas Capital	08/13/24	400,000	-	-	400,000	-	-	-
American National Bank & Trust	08/15/24	10,088,765	-	-	-	10,088,765	-	-
East West Bank	08/30/24	1,000,000	-	-	1,000,000	-	-	-
Vertex	09/03/24	1,000,000	-	-	-	-	-	1,000,000
Texas Capital	09/09/24	1,372,000	-	-	-	1,372,000	-	-
Vertex	09/09/24	4,950,603	-	-	-	4,950,603	-	-
Vertex	09/09/24	25,000,000	-	-	25,000,000	-	-	-
Texas Capital	09/13/24	300,000	-	-	300,000	-	-	-
East West Bank	11/08/24	900,000	-	-	900,000	-	-	-
East West Bank	11/08/24	2,000,000	-	-	2,000,000	-	-	-
East West Bank	11/11/24	1,000,000	-	-	1,000,000	-	-	-
East West Bank	11/11/24	300,000	-	-	300,000	-	-	-
East West Bank	11/11/24	1,200,000	-	-	1,200,000	-	-	-
East West Bank	11/11/24	1,500,000	-	-	1,500,000	-	-	-
East West Bank	11/11/24	200,000	-	-	200,000	-	-	-

**Allocation by Fund  
Book & Market Value**

**December 31, 2023**

	Maturity	Investment					Reserve
		Total	General	Construction	Bond I&S	Revenue	
Veritex	03/10/25	14,096,236	-	-	-	-	14,096,236
Veritex	03/10/25	26,500,000	-	26,500,000	-	-	-
Veritex	03/10/25	4,950,603	-	-	4,950,603	-	-
<b>Totals</b>		<b>\$ 482,313,292</b>	<b>\$ 1,696,302</b>	<b>\$ 391,267,599</b>	<b>\$ 47,355,513</b>	<b>\$ 4,834,834</b>	<b>\$ 37,159,044</b>

**AGENDA ITEM X**



# **GREATER TEXOMA UTILITY AUTHORITY**

## **AGENDA COMMUNICATION**

---

**DATE:** May 20, 2024

**SUBJECT:** AGENDA ITEM NO. X

**PREPARED BY:** Stacy Patrick, Project Manager  
**AND SUBMITTED BY:** Paul M. Sigle, General Manager

### **CONSIDER AND ACT UPON AWARD OF CONTRACT FOR CITY OF SHERMAN'S POST OAK SANITARY SEWER IMPROVEMENTS**

#### **ISSUE**

Consider and act upon award of Contract for City of Sherman Post Oak Sanitary Sewer Improvements Project.

#### **BACKGROUND**

The project was originally requested to be initiated by the City of Sherman's Utilities Department back in 2021. The concern was wastewater lines that were in Post Oak Creek and an adjacent wastewater line going up a stream north, crossing Vancouver Street, that were exposed and in danger of breaking. Pipeline hardening measures were implemented to temporarily protect the line. Subsequently, the City of Sherman conducted an engineering analysis and route study to assess the most cost-effective and sustainable options for the installation of new pipelines. After assessing the situation, it was decided that re-routing the wastewater lines would be the most optimal course of action. The design for the re-routing has been finalized.

This project consists of approximately 8,306 linear feet of sanitary sewer line replacement (6", 8", 15" 18" & 21" diameters); of which 400 linear feet is by other than open cut and 42 linear feet is through an encased aerial crossing, manholes and sewer laterals. Project shall include all necessary labor, materials, and testing.

#### **CONSIDERATIONS**

The City of Sherman accepted six bids for the project on April 30, 2024, at Sherman City Hall. Western Municipal Construction of Texas, LLC had the lowest bid at \$4,128,495.30. The City's engineer, Huitt-Zollars Incorporated, has determined the bid represents good value for the City and is recommending awarding the construction contract to Western Municipal Construction of Texas, LLC.

#### **STAFF RECOMMENDATIONS**

The Authority Staff recommends authorizing the General Manager to award the contract to Western Municipal Construction of Texas, LLC in the amount of \$4,128,495.30., contingent upon the City of Sherman's City Council taking similar action.

#### **ATTACHED**

Bid Tabulation  
Recommendation of Award





May 10, 2024

Mr. Tom Pruitt, PE  
Utility Engineer  
City of Sherman  
220 W. Mulberry St.  
Sherman, TX 75090

Re: Recommendation of Award  
Post Oak Sanitary Sewer Improvements

Dear Mr. Pruitt:

Huitt-Zollars, Inc. has reviewed the low bid submitted by Western Municipal Construction of Texas, LLC and has determined that they meet the minimum required qualifications and provided sufficient recommendations to verify their capabilities for this project.

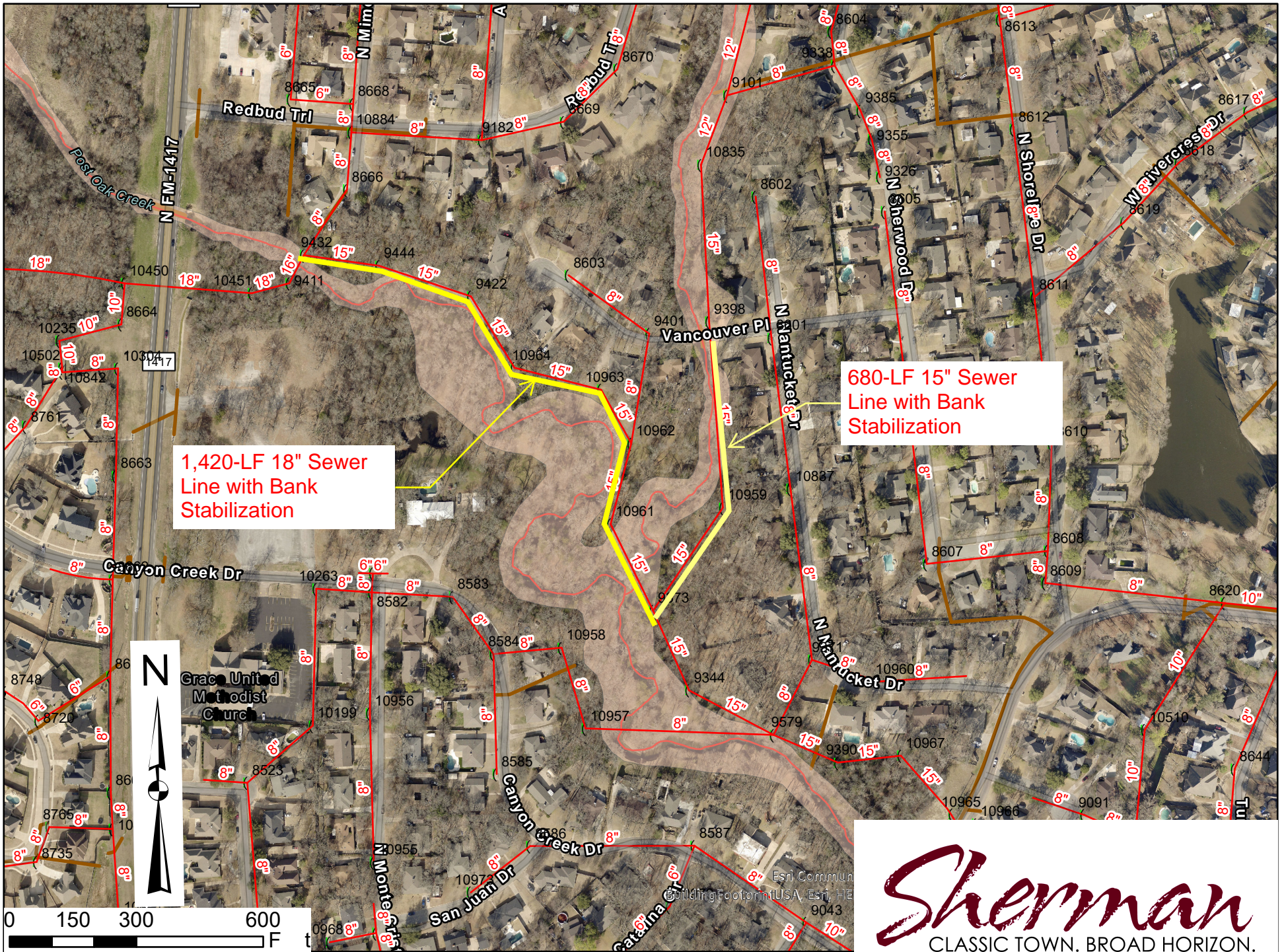
Sincerely,

HUITT-ZOLLARS, INC.

A handwritten signature in blue ink, appearing to read 'Kellen Robertson'.

Kellen Robertson, PE  
Sr. Associate

ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	AVERAGE UNIT PRICE	WESTERN MUNICIPAL CONSTRUCTION		J&L CONSTRUCTION		DICKERSON CONSTRUCTION		CANARY CONSTRUCTION		FM UTILITIES		ATKINS BROS. EQUIP. CO.		LYNN VESSELS CONSTRUCTION		
					UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE
<b>BASE BID (LINE B)</b>																			
B.1	MOBILIZATION	LS	1	\$ 130,700.72	\$ 275,000.00	\$ 275,000.00	\$ 100,259.00	\$ 100,259.00	\$ 150,000.00	\$ 150,000.00	\$ 130,000.00	\$ 130,000.00	\$ 148,246.02	\$ 148,246.02	\$ 10,000.00	\$ 10,000.00	\$ 101,400.00	\$ 101,400.00	
B.2	BARRICADES, SIGN AND TRAFFIC CONTROL	LS	1	\$ 25,708.05	\$ 6,000.00	\$ 6,000.00	\$ 37,631.00	\$ 37,631.00	\$ 63,000.00	\$ 63,000.00	\$ 25,000.00	\$ 25,000.00	\$ 19,573.83	\$ 19,573.83	\$ 10,000.00	\$ 10,000.00	\$ 18,737.50	\$ 18,737.50	
B.3	REMOVE & DISPOSE ASPHALT PAVING	SY	2,285	\$ 48.26	\$ 33.00	\$ 74,745.00	\$ 8.10	\$ 18,346.50	\$ 30.00	\$ 67,950.00	\$ 150.00	\$ 339,750.00	\$ 55.56	\$ 125,843.40	\$ 40.00	\$ 90,600.00	\$ 21.40	\$ 48,471.00	
B.4	REPLACE ASPHALT TRENCH PAVEMENT	SY	2,285	\$ 142.94	\$ 71.00	\$ 160,815.00	\$ 131.56	\$ 297,983.40	\$ 80.00	\$ 181,200.00	\$ 175.00	\$ 396,375.00	\$ 197.16	\$ 446,567.40	\$ 191.00	\$ 432,615.00	\$ 154.89	\$ 350,825.85	
B.5	REMOVE & DISPOSE CONCRETE CURB & GUTTER	LF	19	\$ 78.96	\$ 17.00	\$ 323.00	\$ 5,567.00	\$ 106.00	\$ 1,900.00	\$ 50.00	\$ 950.00	\$ 22.75	\$ 432.25	\$ 20.00	\$ 380.00	\$ 50.00	\$ 950.00		
B.6	REPLACE CONCRETE CURB & GUTTER	LF	19	\$ 105.30	\$ 45.00	\$ 855.00	\$ 290.21	\$ 5,513.99	\$ 125.00	\$ 2,375.00	\$ 50.00	\$ 950.00	\$ 56.92	\$ 1,081.48	\$ 110.00	\$ 2,090.00	\$ 60.00	\$ 1,140.00	
B.7	NOT USED	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B.8	4" DOUBLE YELLOW THERMOPLASTIC STRIPE	LF	206	\$ 39.30	\$ 1.25	\$ 257.50	\$ 173.72	\$ 35,796.32	\$ 30.00	\$ 6,180.00	\$ 40.00	\$ 8,240.00	\$ 4.88	\$ 1,005.28	\$ 4.00	\$ 824.00	\$ 21.24	\$ 4,375.44	
B.9	ABANDON EXISTING MANHOLE	EA	5	\$ 1,623.79	\$ 1,775.00	\$ 8,875.00	\$ 1,854.80	\$ 9,274.00	\$ 1,000.00	\$ 5,000.00	\$ 1,500.00	\$ 7,500.00	\$ 1,011.72	\$ 5,058.60	\$ 2,000.00	\$ 10,000.00	\$ 2,225.00	\$ 11,125.00	
B.10	REMOVE EXISTING MANHOLE	EA	7	\$ 2,049.99	\$ 1,900.00	\$ 13,300.00	\$ 692.43	\$ 4,847.01	\$ 3,000.00	\$ 21,000.00	\$ 2,000.00	\$ 14,000.00	\$ 1,819.97	\$ 12,739.79	\$ 3,000.00	\$ 21,000.00	\$ 1,937.50	\$ 13,562.50	
B.11	ANTI-SEEPAGE COLLAR	EA	12	\$ 1,284.02	\$ 2,020.00	\$ 24,240.00	\$ 838.75	\$ 10,065.00	\$ 1,500.00	\$ 18,000.00	\$ 650.00	\$ 7,800.00	\$ 2,635.65	\$ 31,627.80	\$ 1,000.00	\$ 12,000.00	\$ 343.75	\$ 4,125.00	
B.12	18" PVC SANITARY SEWER PIPE — SDR 26	LF	2,794	\$ 369.98	\$ 290.00	\$ 810,260.00	\$ 266.92	\$ 745,774.48	\$ 400.00	\$ 1,117,600.00	\$ 295.00	\$ 824,230.00	\$ 349.40	\$ 976,233.60	\$ 450.00	\$ 1,257,300.00	\$ 538.51	\$ 1,504,596.94	
B.13	18" PVC SANITARY SEWER PIPE — SDR 26 (OVER 20' DEEP)	LF	522	\$ 458.23	\$ 156.00	\$ 81,332.00	\$ 355.92	\$ 185,790.24	\$ 454.00	\$ 236,988.00	\$ 340.00	\$ 177,480.00	\$ 641.06	\$ 334,633.32	\$ 600.00	\$ 313,200.00	\$ 660.65	\$ 344,859.30	
B.14	18" PVC SANITARY SEWER PIPE — SDR 26	LF	1,693	\$ 145.62	\$ 67.00	\$ 107,401.00	\$ 180.40	\$ 299,181.20	\$ 73.00	\$ 117,019.00	\$ 95.00	\$ 152,285.00	\$ 131.48	\$ 210,762.44	\$ 200.00	\$ 320,600.00	\$ 272.48	\$ 436,785.44	
B.15	6" PVC SANITARY SEWER PIPE — SDR 26	LF	7	\$ 17.17	\$ 200.00	\$ 1,400.00	\$ 152.29	\$ 1,066.03	\$ 120.00	\$ 840.00	\$ 90.00	\$ 630.00	\$ 92.15	\$ 645.05	\$ 190.00	\$ 1,330.00	\$ 395.77	\$ 2,770.39	
B.16	5" DIA. PRECAST FLAT TOP SSMH	EA	10	\$ 19,478.69	\$ 14,150.00	\$ 141,500.00	\$ 18,913.90	\$ 189,139.00	\$ 15,000.00	\$ 150,000.00	\$ 16,000.00	\$ 160,000.00	\$ 35,077.53	\$ 350,775.30	\$ 21,000.00	\$ 210,000.00	\$ 16,209.37	\$ 162,093.70	
B.17	4" DIA. PRECAST FLAT TOP SSMH	EA	14	\$ 10,984.18	\$ 6,050.00	\$ 84,700.00	\$ 10,224.21	\$ 143,138.94	\$ 8,000.00	\$ 112,000.00	\$ 8,500.00	\$ 119,000.00	\$ 17,899.87	\$ 206,598.18	\$ 19,000.00	\$ 286,000.00	\$ 7,215.18	\$ 101,012.52	
B.18	RECONNECT EXISTING SANITARY SEWER SERVICE	EA	28	\$ 2,165.12	\$ 1,000.00	\$ 28,000.00	\$ 1,709.32	\$ 47,860.96	\$ 1,500.00	\$ 42,000.00	\$ 3,500.00	\$ 98,000.00	\$ 2,796.52	\$ 78,302.56	\$ 1,800.00	\$ 44,800.00	\$ 3,050.00	\$ 85,400.00	
B.19	CONNECT TO EXISTING SANITARY SEWER	EA	9	\$ 5,246.56	\$ 2,250.00	\$ 20,250.00	\$ 2,836.11	\$ 25,524.99	\$ 14,000.00	\$ 126,000.00	\$ 3,500.00	\$ 31,500.00	\$ 4,188.44	\$ 37,696.96	\$ 1,000.00	\$ 9,000.00	\$ 8,951.39	\$ 80,562.51	
B.20	B.O.T.C. STEEL ENCASEMENT	LF	400	\$ 873.58	\$ 830.00	\$ 332,000.00	\$ 645.17	\$ 258,068.00	\$ 700.00	\$ 280,000.00	\$ 1,200.00	\$ 480,000.00	\$ 1,001.60	\$ 400,640.00	\$ 950.00	\$ 380,000.00	\$ 788.26	\$ 315,304.00	
B.21	PLACEMENT OF BLOCK SODDING	SY	1,726	\$ 19.96	\$ 9.50	\$ 16,397.00	\$ 26.23	\$ 45,272.98	\$ 25.00	\$ 43,150.00	\$ 15.00	\$ 25,890.00	\$ 17.45	\$ 30,118.70	\$ 40.00	\$ 69,040.00	\$ 6.56	\$ 11,322.56	
B.22	FLOWABLE BACKFILL	CY	50	\$ 290.24	\$ 390.00	\$ 19,500.00	\$ 273.88	\$ 13,694.00	\$ 250.00	\$ 12,500.00	\$ 400.00	\$ 20,000.00	\$ 292.78	\$ 14,639.00	\$ 200.00	\$ 10,000.00	\$ 225.00	\$ 11,250.00	
B.23	TV INSP. OF NEW SANITARY SEWER LINES	LF	4,926	\$ 3.72	\$ 1.05	\$ 5,172.30	\$ 4.43	\$ 21,822.18	\$ 5.00	\$ 24,630.00	\$ 3.00	\$ 14,778.00	\$ 5.00	\$ 24,630.00	\$ 6.00	\$ 29,556.00	\$ 1.56	\$ 7,684.56	
B.24	TRENCH EXCAVATION SAFETY AND SUPPORT	LF	4,484	\$ 10.82	\$ 1.00	\$ 4,484.00	\$ 13.42	\$ 60,175.28	\$ 5.00	\$ 22,420.00	\$ 3.00	\$ 13,452.00	\$ 10.80	\$ 48,427.20	\$ 40.00	\$ 179,360.00	\$ 2.50	\$ 11,210.00	
B.25	SWPPP	LS	1	\$ 10,261.98	\$ 11,000.00	\$ 11,000.00	\$ 9,950.00	\$ 9,950.00	\$ 8,000.00	\$ 8,000.00	\$ 12,500.00	\$ 12,500.00	\$ 11,389.89	\$ 11,389.89	\$ 10,000.00	\$ 10,000.00	\$ 9,000.00	\$ 9,000.00	
B.26	CONSTRUCTION STAKING	LS	1	\$ 17,947.03	\$ 8,300.00	\$ 8,300.00	\$ 19,337.00	\$ 19,337.00	\$ 18,000.00	\$ 18,000.00	\$ 16,500.00	\$ 16,500.00	\$ 14,742.24	\$ 14,742.24	\$ 30,000.00	\$ 30,000.00	\$ 18,750.00	\$ 18,750.00	
B.27	30" DRILL SHAFTS	LF	40	\$ 528.83	\$ 600.00	\$ 24,000.00	\$ 1,093.38	\$ 43,735.20	\$ 600.00	\$ 24,000.00	\$ 210.00	\$ 8,400.00	\$ 461.03	\$ 18,441.20	\$ 300.00	\$ 12,000.00	\$ 416.41	\$ 16,564.40	
B.28	PIER CAP CLASS "C" CONCRETE	CY	2.5	\$ 4,743.02	\$ 13,400.00	\$ 33,500.00	\$ 10,868.80	\$ 27,172.00	\$ 2,500.00	\$ 6,250.00	\$ 1,200.00	\$ 3,000.00	\$ 819.85	\$ 2,049.63	\$ 1,900.00	\$ 4,750.00	\$ 2,512.50	\$ 6,281.25	
B.29	PIPE ENCASEMENT	LF	42	\$ 471.73	\$ 535.00	\$ 22,470.00	\$ 659.40	\$ 27,694.80	\$ 400.00	\$ 16,800.00	\$ 400.00	\$ 16,800.00	\$ 512.20	\$ 21,512.40	\$ 400.00	\$ 16,800.00	\$ 395.48	\$ 16,610.16	
B.30	CONTINGENCY ALLOWANCE	LS	1	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	
<b>SUBTOTAL BASE BID (LINE B)</b>					\$ 2,552,176.80		\$ 2,915,670.50		\$ 3,110,802.00		\$ 3,341,010.00		\$ 3,854,396.52		\$ 3,989,245.00		\$ 3,932,882.02		
<b>ALTERNATE BID (LINE A)</b>																			
A.1	MOBILIZATION	LS	1	\$ 93,760.16	\$ 255,000.00	\$ 255,000.00	\$ 81,966.00	\$ 81,966.00	\$ 87,500.00	\$ 87,500.00	\$ 75,000.00	\$ 75,000.00	\$ 79,205.11	\$ 79,205.11	\$ 10,000.00	\$ 10,000.00	\$ 67,650.00	\$ 67,650.00	
A.2	BARRICADES, SIGN & TRAFFIC CONTROL	LS	1	\$ 27,875.92	\$ 5,600.00	\$ 5,600.00	\$ 41,725.00	\$ 41,725.00	\$ 49,000.00	\$ 49,000.00	\$ 20,000.00	\$ 20,000.00	\$ 15,075.96	\$ 15,075.96	\$ 10,000.00	\$ 10,000.00	\$ 18,737.50	\$ 18,737.50	
A.3	REMOVE & DISPOSE ASPHALT PAVING	SY	2,205	\$ 52.93	\$ 33.00	\$ 72,765.00	\$ 11.20	\$ 24,696.00	\$ 30.00	\$ 66,150.00	\$ 175.00	\$ 385,875.00	\$ 59.86	\$ 131,991.30	\$ 40.00	\$ 88,200.00	\$ 21.46	\$ 47,319.30	
A.4	REPLACE ASPHALT TRENCH PAVEMENT	SY	2,205	\$ 137.52	\$ 71.00	\$ 156,555.00	\$ 144.46	\$ 318,534.30	\$ 80.00	\$ 176,400.00	\$ 150.00	\$ 330,750.00	\$ 198.45	\$ 437,682.25	\$ 191.00	\$ 421,155.00	\$ 127.70	\$ 281,578.50	
A.5	NOT USED	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A.6	4" DOUBLE YELLOW THERMOPLASTIC STRIPE	LF	390	\$ 21.67	\$ 1.25	\$ 487.50	\$ 60.32	\$ 23,524.80	\$ 30.00	\$ 11,700.00	\$ 40.00	\$ 15,600.00	\$ 4.88	\$ 1,903.20	\$ 4.00	\$ 1,560.00	\$ 11.22	\$ 4,375.80	
A.7	ABANDON EXISTING MANHOLE	EA	6	\$ 1,553.82	\$ 1,775.00	\$ 10,650.00	\$ 1,359.17	\$ 8,155.02	\$ 1,000.00	\$ 6,000.00	\$ 1,500.00	\$ 9,000.00	\$ 1,075.90	\$ 6,455.40	\$ 2,000.00	\$ 12,000.00	\$ 2,166.67	\$ 13,000.02	
A.8	ANTI-SEEPAGE COLLAR	EA	9	\$ 1,442.86	\$ 2,020.00	\$ 18,180.00	\$ 1,877.56	\$ 16,898.04	\$ 1,500.00	\$ 13,500.00	\$ 650.00	\$ 5,850.00	\$ 2,708.68	\$ 24,378.12	\$ 1,000.00	\$ 9,000.00	\$ 343.75	\$ 3,093.75	
A.9	21" PVC SANITARY SEWER PIPE — SDR 26	LF	1,817	\$ 388.44	\$ 315.00	\$ 572,355.00	\$ 302.52	\$ 549,678.84	\$ 445.00	\$ 808,565.00	\$ 295.00	\$ 536,015.00	\$ 287.92	\$ 523,150.64	\$ 475.00	\$ 863,075.00	\$ 598.67	\$ 1,087,783.39	
A.10	15" PVC SANITARY SEWER PIPE — SDR 26	LF	7	\$ 358.13	\$ 290.00	\$ 2,030.00	\$ 566.57	\$ 3,965.99	\$ 275.00	\$ 1,680.00	\$ 240.00	\$ 1,680.00	\$ 331.10	\$ 2,317.70	\$ 300.00	\$ 2,100.00	\$ 504.24	\$ 3,529.68	
A.11	8" PVC SANITARY SEWER PIPE — SDR 26	LF	1,566	\$ 149.03	\$ 57.00	\$ 88,692.00	\$ 163.18	\$ 253,908.08	\$ 75.00	\$ 116,700.00	\$ 95.00	\$ 147,820.00	\$ 131.46	\$ 204,551.76	\$ 200.00	\$ 311,200.00	\$ 321.54	\$ 500,316.24	
A.12	5" DIA. PRECAST FLAT TOP SSMH	EA	7	\$ 19,344.27	\$ 18,800.00	\$ 131,600.00	\$ 17,905.43	\$ 125,338.01	\$ 15,000.00	\$ 105,000.00	\$ 16,000.00	\$ 112,000.00	\$ 30,524.84	\$ 213,673.88	\$ 21,000.00	\$ 147,000.00	\$ 16,179.64	\$ 113,257.48	
A.13	4" DIA. PRECAST FLAT TOP SSMH	EA	6	\$ 11,920.10	\$ 8,050.00	\$ 48,300.00	\$ 12,201.67	\$ 73,210.02	\$ 9,000.00	\$ 81,000.00	\$ 6,500.00	\$ 51,000.00	\$ 18,817.79	\$ 112,968.74	\$ 19,000.00	\$ 114,000.00	\$ 7,871.25	\$ 47,227.50	
A.14	RECONNECT EXISTING SANITARY SEWER SERVICE	EA	34	\$ 2,239.60	\$ 1,500.00	\$ 51,000.00	\$ 1,948.71	\$ 66,256.14	\$ 1,500.00	\$ 51,000.00	\$ 3,500.00	\$ 119,000.00	\$ 2,828.52	\$ 96,169.68	\$ 1,800.00	\$ 54,400.00	\$ 2,800.00	\$ 95,200.00	
A.15	FURNISH & INSTALL SANITARY SEWER SERVICE	EA	5	\$ 2,867.65	\$ 2,525.00	\$													



680-LF 15" Sewer Line with Bank Stabilization

1,420-LF 18" Sewer Line with Bank Stabilization

*Sherman*  
 CLASSIC TOWN. BROAD HORIZON.

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDED A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT BETWEEN WESTERN MUNICIPAL CONSTRUCTION OF TEXAS, LLC AND THE GREATER TEXOMA UTILITY AUTHORITY BASED ON AN INVITATION TO BID FOR THE POST OAK SANITARY SEWER IMPROVEMENTS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:**

**SECTION 1.** That Western Municipal Construction of Texas, LLC of Justin, Texas, is hereby awarded the bid and the City of Sherman hereby approves the contract between said contractor and the Greater Texoma Utility Authority in the amount of Four Million One Hundred Twenty-Four Thousand Nine Hundred Forty-Five Dollars and Thirty Cents (\$4,124,945.30) for the Post Oak Sanitary Sewer Improvements; subject to all Contract Documents being properly completed and approved as to form and content.

**SECTION 2.** That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS** on this the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

**CITY OF SHERMAN, TEXAS**

**ATTEST:**

**BY:** \_\_\_\_\_  
**LINDA ASHBY, CITY CLERK**

**BY:** \_\_\_\_\_  
**DAVID PLYLER, MAYOR**

**APPROVED AS TO FORM  
AND CONTENT:  
THE LAW FIRM OF ABERNATHY,  
ROEDER, BOYD & HULLETT, P.C.**

**BY:** \_\_\_\_\_  
**NAME:** \_\_\_\_\_  
**CITY ATTORNEY**

## **AGREEMENT**

THIS AGREEMENT is by and between the GREATER TEXOMA UTILITY AUTHORITY (“GTUA”), Western Municipal Construction of Texas, LLC a corporation (the “CONTRACTOR”). GTUA and CONTRACTOR are sometimes referred to collectively as the “parties” or individually as a “party.”

GTUA and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

### **Article 1. WORK**

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents (hereinafter defined) and shall furnish all personnel, labor, equipment, supplies and all other items necessary to provide the services and deliverables as specified by the terms and conditions of the Contract Documents (collectively, the “Work”). The Work is generally described as follows:

#### **Post Oak Sanitary Sewer Improvements**

### **Article 2. ENGINEER**

The Project has been designed by Huitt-Zollars, Dallas, Texas, who is hereinafter called ENGINEER and who is to act as GTUA'S representative, assume all duties and responsibilities and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

### **Article 3. CONTRACT TIME**

- 3.1 The Work must be substantially completed and ready for final payment within 240 calendar days from the date when the Contract Time commences to run, as provided in the General Conditions.
- 3.2 Liquidated Damages. GTUA and CONTRACTOR recognize that time is of the essence of this Agreement and that GTUA will suffer financial loss and actual damages if the Work is not completed within the time specified above, plus any extensions thereof allowed in accordance with the General Conditions. The parties also recognize the delays, expense and difficulties involved in proving in a legal or arbitration proceeding the actual loss and damages suffered by GTUA if the Work is not completed on time. The exact amount of such loss and damages will be difficult to ascertain. Accordingly, instead of requiring any such proof, GTUA and CONTRACTOR agree that CONTRACTOR shall pay GTUA \$ 420.00 for each calendar day in which the Work is not completed, not as a penalty but as liquidated damages for the loss and damages that would be suffered by GTUA as a result of delay for each and every calendar day that the CONTRACTOR shall have failed to have completed the Work as required herein.

#### Article 4. **CONTRACT PRICE**

GTUA shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents in current funds as follows:

At the unit prices shown on the Unit Price Bid Schedule included in the Contract Documents.

#### Article 5. **PAYMENT PROCEDURES**

CONTRACTOR shall submit a Application for Payment in accordance with the General Conditions. Applications for Payment will be processed by GTUA, as provided in the Special Provisions.

CONTRACTOR and GTUA acknowledge and agree that the continuation of this Agreement after the close of any given fiscal year of GTUA, which fiscal year ends on September 30th of each year, shall be subject to GTUA Board approval. In the event that the GTUA Board does not approve the appropriation of funds for this Agreement, the Agreement shall terminate at the end of the fiscal year for which funds were appropriated, and the parties shall have no further obligations hereunder, except that GTUA shall be obligated to pay monies owed CONTRACTOR for Services it has provided pursuant to this Agreement through the end of that fiscal year provided that CONTRACTOR is not in breach of this Agreement.

#### Article 6. **INTEREST**

If the contract amount of this Agreement is less than \$5,000,000, no interest will be paid to the CONTRACTOR on retained money. When the contract amount exceeds \$5,000,000, no interest will be paid unless required by law.

#### Article 7. **CONTRACTOR'S REPRESENTATIONS**

In order to induce GTUA to enter into this Agreement, CONTRACTOR makes the following representations:

- 7.1 CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that, in any manner, may affect cost, progress, performance or furnishing of the Work.
- 7.2 CONTRACTOR has given ENGINEER written notice of all conflicts, errors or discrepancies that he has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.
- 7.3 CONTRACTOR has reviewed and fully agrees to the limitation of liability provisions included in the Special Provisions.
- 7.4 CONTRACTOR certifies that they are eligible to be awarded government contracts. CONTRACTOR also certifies that any agreement entered into with a subcontractor will

contain a clause stating that the subcontractor is eligible to be awarded government contracts.

## Article 8. **CONTRACT DOCUMENTS**

The “Contract Documents,” which comprise the entire agreement between GTUA and CONTRACTOR concerning the Work, consist of the following:

- 8.1 This Agreement
- 8.2 Advertisement for Bids
- 8.3 Instructions to Respondents
- 8.4 Certifications Required by Texas Law
- 8.5 Suspension and Debarment Certification
- 8.6 Bid Bond and Bid Bond POA
- 8.7 Statement of Respondent’s Qualifications
- 8.8 Insurance Requirement Affidavit
- 8.9 Bid Submittal
- 8.10 Resolution of Award
- 8.11 Form 1295, Certificate of Interested Parties
- 8.12 Certificate of Insurance
- 8.13 Performance Bond and POA
- 8.14 Payment Bond and POA
- 8.15 Notice to Proceed
- 8.16 Maintenance Bond and POA
- 8.17 Closeout Documents
- 8.18 Special Provisions
- 8.19 Technical Specification prepared or issued by the Huitt-Zollars Inc. dated 3/5/2024.
- 8.20 Drawings, consisting of sheets numbered 1 through 22, inclusive with each sheet bearing the following general title: **City of Sherman, Post Oak Sanitary Sewer Improvements.**
- 8.21 Addenda numbers 1 to 1, inclusive.
- 8.22 The following, which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto:

All written Amendments, change orders, and other documents amending, modifying, or supplementing the Contract Documents pursuant to the Special Provisions. The parties understand and agree that deviations or modifications to the scope of Work described in the Contract Documents, in the form of one or more written Contingency Change Allowance or also change orders, may be authorized from time to time by GTUA (“Change Orders”). “Extra” work, “claims” invoiced as “extra” work or “claims” which have not been issued as a duly executed, written Change Orders by the GTUA Manager or his designee will not be authorized for payment and/or shall not become part of this Agreement. A duly executed, written Change Order shall be preceded by the GTUA’s authorization for the GTUA Manager to execute said Change Order. CONTRACTOR agrees that GTUA’S project managers are authorized to issue Contingency Allowance Authorization but

GTUA'S project managers, superintendents and/or inspectors not authorized to issue verbal or written Change Orders.

There are no Contract Documents other than those listed above. The Contract Documents may only be amended, modified or supplemented, as outlined in this Agreement.

#### Article 9. INDEMNITY

**CONTRACTOR** HEREBY RELEASES AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS **GTUA**, THE CITY OF SHERMAN AND THEIR RESPECTIVE BOARD OR CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "**GTUA**" FOR PURPOSES OF THIS SECTION) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS SECTION), THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH GOODS AND/OR SERVICES PROVIDED BY **CONTRACTOR**, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM **CONTRACTOR** IS LEGALLY RESPONSIBLE (COLLECTIVELY REFERRED TO AS "**CONTRACTOR**" FOR PURPOSES OF THIS SECTION) PURSUANT TO THIS AGREEMENT AND/OR THE NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT AND/OR OMISSION OF **CONTRACTOR** IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OF **GTUA** (COLLECTIVELY, "**CLAIMS**"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "**CLAIMS**" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST **GTUA** BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN **CONTRACTOR** AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH **CONTRACTOR**, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE.

IN ITS SOLE DISCRETION, **GTUA** SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY **CONTRACTOR** IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY **GTUA**, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY **GTUA** IN WRITING. **GTUA** RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, **GTUA** IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY **GTUA** IS NOT TO



**BE CONSTRUED AS A WAIVER OF CONTRACTOR'S OBLIGATION TO DEFEND GTUA OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY GTUA PURSUANT TO THIS AGREEMENT. CONTRACTOR SHALL RETAIN GTUA-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF GTUA'S WRITTEN NOTICE THAT GTUA IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONTRACTOR FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, GTUA SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY GTUA.**

**THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.**

#### **Article 10. LIABILITY**

To the fullest extent permitted by law, CONTRACTOR shall be fully and solely responsible and liable for its own acts and omissions, including those of its officers, agents, representatives, employees, subcontractors, licensees, invitees and all other parties performing services for or on behalf of CONTRACTOR under this Agreement, and for any and all damage to CONTRACTOR's equipment and other property. GTUA and the City of Sherman assume no such responsibility or liability. GTUA and the City of Sherman shall have no such responsibility or liability to either CONTRACTOR or its officers, agents, representatives, employees, subcontractors, licensees, invitees or other persons.

#### **Article 11. TERMINATION**

GTUA or the City of Sherman is entitled to terminate this Agreement at any time for any reason or for no reason by giving CONTRACTOR at least thirty (30) days' prior written notice of the termination date.

GTUA or the City of Sherman is entitled to terminate this Agreement immediately on breach of any term or provision of the Contract Documents by CONTRACTOR. If at any time during the term of this Agreement, CONTRACTOR shall fail to commence the work in accordance with the provisions of the Contract Documents or fail to diligently perform the work in an efficient, timely and careful manner and in strict accordance with the provisions of the Contract Documents, then GTUA or the City of Sherman shall have the right to terminate this Agreement. Any such act by GTUA or the City of Sherman shall not be deemed a waiver of any other right or remedy of GTUA or the City of Sherman.

The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

#### **Article 12. MISCELLANEOUS**

12.1 Terms used in the Agreement will have the meanings indicated in the Special Provisions.

- 12.2 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically, but without limitation, monies that may become due and monies that are due, may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- 12.3 CONTRACTOR acknowledges and agrees that the existence of a prohibited interest during the term of this Agreement will render this Agreement voidable. CONTRACTOR further acknowledges and agrees that it also is aware of, and will abide by, the vendor disclosure requirements set forth in Chapter 176 of the Texas Local Government Code, as amended.
- 12.4 Each party represents and warrants to the other that it has the full power and authority to enter into and fulfill the obligations of this Agreement. The respective signatories to this Agreement, by affixing their signatures hereto, warrant and represent that they have the authority to bind their respective parties as duly authorized representatives thereof.
- 12.5 The parties acknowledge and agree that, in executing and performing this Agreement, GTUA has not waived, nor shall be deemed to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it or the City of Sherman against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.
- 12.6 In the event that a term, condition or provision of this Agreement is determined to be invalid, illegal, void, unenforceable or unlawful by a court of competent jurisdiction, then that term, condition or provision shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been included in this Agreement.
- 12.7 If either party files any action or brings any proceeding against the other arising from this Agreement, then as between GTUA and CONTRACTOR, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.
- 12.8 The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Grayson County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.
- 12.9 Waiver by either party of any breach of this Agreement, or the failure of either party to

enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.

- 12.10 CONTRACTOR covenants and agrees that CONTRACTOR is an independent contractor and not an officer, agent, servant or employee of GTUA; that CONTRACTOR shall have exclusive control of and exclusive right to control the details of the work performed hereunder and all persons performing the same; that the doctrine of respondent superior shall not apply as between GTUA and CONTRACTOR, its officers, agents, employees, contractors, subcontractors and consultants; and that nothing herein shall be construed as creating a partnership or joint enterprise between GTUA and CONTRACTOR.
- 12.11 GTUA and CONTRACTOR agree the City of Sherman is an intended third-party beneficiary of CONTRACTOR's obligations under the Contract Documents and shall be entitled to enforce such obligations as if it were a party hereto and may seek and obtain any and all available remedies against CONTRACTOR in the event CONTRACTOR breaches any term or provision of the Contract Documents, it being the intent of GTUA and CONTRACTOR to confer direct benefits on the City of Sherman under the Contract Documents. In addition, GTUA and CONTRACTOR agree that the City of Sherman is entitled to exercise all rights of GTUA under the Contract Documents. Notwithstanding any statement to the contrary in the Contract Documents, the City of Sherman has no obligations to either GTUA or CONTRACTOR under the Contract Documents.
- 12.12 This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.
- 12.13 This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.
- 12.14 GTUA and CONTRACTOR each binds itself, its partners, successors, assign, and legal representatives to the other party hereto, its partners, successors, assign and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

### Article 13. **OTHER PROVISIONS**

None.

IN WITNESS WHEREOF, GTUA and CONTRACTOR have signed this Agreement in multiple copies. One counterpart each has been delivered to GTUA, CONTRACTOR and ENGINEER. All portions of the Contract Documents have been signed or identified by GTUA and CONTRACTOR or by ENGINEER on their behalf. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement (the "Effective Date").

GTUA: \_\_\_\_\_

CONTRACTOR: \_\_\_\_\_

Greater Texoma Utility Authority

Western Municipal Construction of Texas, LLC

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

(Corporate Seal)

Attest: \_\_\_\_\_

Attest: \_\_\_\_\_

Address for giving notices:

Address for giving notices:

5100 Airport Drive

402 Gulf Ave

Denison, TX 75020

Justin, TX 76247

**AGENDA ITEM XI**



# GREATER TEXOMA UTILITY AUTHORITY

## AGENDA COMMUNICATION

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DATE: May 20, 2024

SUBJECT: AGENDA ITEM NO. XI

PREPARED BY AND SUBMITTED BY: Paul M. Sigle, General Manager

### **CONSIDER AND ACT UPON THE AWARD OF CONTRACT FOR CITY OF SHERMAN'S WTP EDR REHAB – CHAIN AND FLIGHT REPLACEMENT PROJECT.**

#### **ISSUE**

Consider and act upon the award of contract for City of Sherman's WTP EDR Rehab – Chain and Flight Replacement Project.

#### **BACKGROUND**

The City of Sherman has requested assistance in obtaining funding for improvements to the City's water and wastewater system. These improvements include engineering, design, and construction of projects including but not limited to water treatment plant expansion, water and sewer lines improvements, Lake Texoma Pump Station improvements, and wastewater treatment plant expansion. The Board will be provided with further information on the projects at the Board meeting.

The 2023A open market bond issuance for the City of Sherman include funds for rehabbing the Water Treatment Plant. The Electrodialysis Reversal (EDR) process is used to filter out dissolved minerals and salts that are not able to be removed in the conventional sand/carbon filters. The raw water source for the Water Treatment Plant comes from Lake Texoma which has a high salt content. As the raw water is treated a portion of the flow is passed through the EDRs and the filtered water is returned to the flow. The result is an overall reduction of minerals/salts and an improved potable water for drinking and industrial use. Approval will allow the replacement of the existing 96 EDR filter stacks with modern stacks and modern technology. This project is part of the overall conventional treatment rehabilitation program and supports regaining 10 MGD conventional treatment capacity.

#### **CONSIDERATIONS**

As part of the rehabilitation of the EDR Treatment Plant, the chain and flight sludge collection system in the sedimentation basin needs to be replaced. The chain and flight system collects the released sedimentation in the basins and move the sedimentation to collection systems that diverts the sedimentation to the City's sludge ponds. Since the City is replace the system with an identical system, the City has sole source the system from WWaterTech Inc. in the amount of \$1,460,000.00.

#### **STAFF RECOMMENDATIONS**

The Authority Staff recommends authorizing the General Manager to award the contract to WWaterTech Inc. in the amount of \$1,460,000.00, contingent upon the City of Sherman's City Council taking similar action.

#### **ATTACHED**

Quote  
Agreement



Water & Wastewater Technology

PROCESS EQUIPMENT

TO: **City of Sherman/GTUA**

243 Cima Road  
Sherman, TX 75092

Email: [oscarc@cityofsherman.com](mailto:oscarc@cityofsherman.com)

ATT: **Oscar Canales**

PH: 903-892-7258

FAX:

# QUOTATION

3104 Washington St.

Waller, TX 77484

P: (936) 372-5272 • F: (936) 372-9224

<b>DATE</b> 2-May-24	<b>QUOTE NO.</b> BH050224-01	<b>PAGE 1 OF 15</b>
Sherman WTP		
<b>FOR MORE INFORMATION CONTACT</b>		
Bill Hallcroft (214)-728-5539		

**Summary of Project:** Replace Chain and flight in two basins

## Scope of Supply

Prices Valid For Thirty (30) Days

Freight: F.O.B. Factory/P.P.A

Terms: Net 30 Days - No Retentions

1. If submittals are required with your order, they will be supplied according to the manufacturer's schedule.
2. Shipping schedules are based on current material availability and procurement lead times, at time of order.  
Equipment availability will be verified at the time of order and delivery dates will be adjusted accordingly, if applicable.

**THIS QUOTATION IS SUBJECT TO THE ATTACHED GENERAL TERMS AND STANDARD CONDITIONS OF SALE - TWO (2) PAGES**

ITEM	QTY	DESCRIPTION	UNIT COST	TOTAL COST
1	1	Lot Brentwood Polychem chain and flight equipment per the attached. Includes labor to install the equipment based on the best information available at the time of offering.	\$1,445,000.00	1,445,000.00
2	1	Lump sum adder for pre-installation meeting and installation oversight  Pricing does not include bonding of any type.	\$15,000.00	\$15,000.00
			<b>TOTAL PRICE</b>	<b>1,460,000.00</b>

**\*\*All Orders Are Processed in the Waller, Texas Office\*\***

Is Freight Included: (x) Yes ( ) No

**Delivery:** \* **16-20 Weeks** (after approved drawings, if applicable)

\*Subject to availability at time of order

Sales Representative Name

**Bill Hallcroft**

Signed & Accepted this \_\_\_\_\_ day of \_\_\_\_\_ 2023

**NOTES:**

1. Startup, installation or sales tax is not include in this quote.
2. Sale Tax Certificate and W9 have to be supplied with signed quote or PO.
3. First time orders are subject to verifiable credit references.
4. Unless otherwise noted above, FREIGHT is not included in quote.
5. Purchase Orders are required on orders over \$ 5,000.00.
6. If applicable, a Project Info form will be supplied and must be completed and returned before submittals and/or shipment occurs.

\_\_\_\_\_  
(Name) (Title)

\_\_\_\_\_  
(Printed Name)

**BUDGETARY PROPOSAL #WG05219\_R6****SHERMAN, TX - WTP - TWO SEDIMENTATION BASINS  
REFURBISHMENT**

April 18, 2024

Attn: Bill Hallcroft  
WWaterTech, Inc.  
3901 Airport Freeway, Suite 305  
Bedford TX 76021  
USA  
Phone: (817) 358-0551  
Fax: (817) 358-0552  
email: bhallcroft@wwatertechinc.com

Re: Sherman, TX - WTP - Two Sedimentation Basins Refurbishment  
Polychem™ Chain and Flight Sludge Collection System

**POLYCHEM SOLUTIONS PROPOSAL**

Brentwood Industries, Polychem Brand, proposes and offers to supply all materials and services as an Approved manufacturer and in general accordance with Brentwood's standard practices and specifications, clarifications, and information provided.

**TECHNICAL SPECIFICATION(S):** N/A**SECTION(S):** N/A**ADDENDA RECEIVED:** N/A**BRENTWOOD PROPOSES TO FURNISH POLYCHEM CHAIN AND FLIGHT EQUIPMENT AS FOLLOWS:**

Six ( 6 ) Longitudinal Collector Mechanisms, Approximately  
151 FT Long x 14 FT Wide x 15.8 FT AWD, 3 Shaft System  
and  
Two ( 2 ) Cross Collector Mechanisms, Approximately  
40 FT Long x 6 FT Wide x 18.8 FT AWD, 3 Shaft System

Please note this proposal is based upon the evaluation of Sedimentation Basin #1 and the corresponding Polychem Solutions field report.

This proposal has been prepared as a complete Polychem Solutions package and is optimized to address your specific needs. It incorporates project level cost savings where applicable. If line item pricing is required, please understand that additional time will be required and individual prices will result in an increased overall price to account for item specific packaging fees and freight premiums.



Brentwood Industries, Inc.  
500 Spring Ridge Dr., Reading PA 19610  
brentwoodindustries.com

Phone: 610.374.5109

Fax: 610.685.0137



BUDGETARY PROPOSAL #WG05219_R6	SHERMAN, TX - WTP - TWO SEDIMENTATION BASINS REFURBISHMENT
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**\*ITEMS INCLUDED:**

ITEM	DESCRIPTION / MATERIAL
Drive Chain	NH78, Reinforced Nylon Resin w/ GritShield 301 SS Barrel Wrap and 303 SS Pins
Collector Chain Pins and Retainer Clips	Glass Reinforced Nylon Pins w/ Acetal Retainer Clips
Collector Chain Links	NCS-720-S, Reinforced Thermoplastic Polyester Resin
Half Links	NCS-720-S, Reinforced Thermoplastic Polyester Resin, 3-inch Pitch
Flight Attachment Links	NCS-720-S, Reinforced Thermoplastic Polyester Resin, F-22-8
Flights (Longitudinal Collectors)	3"x8" nominal C-Channel w/ Integral Lip, Fiberglass Reinforced Plastic, spaced at 10 Ft ( 3.05 m ) intervals
Flights (Cross Collectors)	3"x8" nominal C-Channel w/ Integral Lip, Fiberglass Reinforced Plastic, spaced at 5 Ft ( 1.52 m ) intervals
Wear Shoes	Nylon 6-6
Hardware	316 SS
Flight Floor Squeegee Assemblies (2 Per long)	Neoprene w/FRP Backing and 316 SS Hardware
Fillerblocks	Polypropylene
Headshaft Spindles	Cast Nylon-6
Headshaft(s)	Biaxially Wrapped Fiberglass Epoxy Tube(s) w/ Internal UHMW-PE Tubular Bearings
Driven Sprocket(s)	NH78, 40T, Cast Nylon-6, w/integral teeth
Collector Sprockets for Headshaft(s)	NCS-720-S, 23T, Cast Nylon-6
Set Collars	Split, Cast Nylon-6, w/ 316 SS Clamping Band
Headshaft Keys	Glass Reinforced Nylon 6-6
Collector Sprockets for Stub Shafts	NCS-720-S, 17T, Cast Nylon-6
Idler Stub Shafts	Cast Nylon-6 w/UHMW-PE Outer Journal Bearing



BUDGETARY PROPOSAL #WG05219_R6	SHERMAN, TX - WTP - TWO SEDIMENTATION BASINS REFURBISHMENT
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**\*ITEMS INCLUDED (Continued):**

ITEM	DESCRIPTION / MATERIAL
Retainer Plate for Stub Shafts	Polycarbonate
Wall Bracket Supports for Return Track	Glass Reinforced Nylon 6-6
Run Shoe to Splice Wall Bracket to Return Track	Nylon 6-6
Return Track	3"x8" nominal C-channel, Fiberglass Reinforced Plastic
Wear Strip	UHMW-PE - 1/2" thick x 2-5/8" wide
Chain Tightener(s) for Drive Chain	Nylon 6-6 7T Sprocket w/ Cast Nylon-6 Arm and FRP Adjustable Mounting Bracket
Limit Switch	DPDT, Cutler Hammer, Zinc Die Cast, NEMA 4X, SS Arm
Torque Limiter	Ball Detent Type, 316SS
Drive Sprocket	Nylon-6
Drive Unit Output Shaft	304 SS
Drive(s) - Dual, Each Driving (2) Long Collectors	SEW Eurodrive Helical-Bevel Gear box (DIN-ISO) with integral mount SEW Motor (IEC), 1/2 HP, 3 PH, 60 Hz, 230/460 VAC
Drive(s) - Single, Each Driving (1) Collector	SEW Eurodrive Helical-Bevel Gear box (DIN-ISO) with integral mount SEW Motor (IEC), 1/2 HP, 3 PH, 60 Hz, 230/460 VAC
Base Plate for Drive Unit(s)	304 SS
Chain Guard for Drive Chain	304 SS
Pillow Block Bearing and Support (if required)	Cast Iron Bearing with Stainless Steel Support
Anchor System	316 SS
Adhesive for Anchors w/ Dispenser	Hilti
*	Above Item Descriptions/Materials may vary slightly after engineering and consultant review.



<b>BUDGETARY PROPOSAL #WG05219_R6</b>	<b>SHERMAN, TX - WTP - TWO SEDIMENTATION BASINS REFURBISHMENT</b>
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The following total estimated spare parts will be furnished for this project. After engineering, quantities may vary from quantities listed below. Spare Parts will be packaged separately and plainly identified.

SPARE PARTS INCLUDED	
QTY	DESCRIPTION
20	feet of drive chain
10%	of all collector chain furnished
10%	of all chain-to-flight attachment links furnished
5	longitudinal flights complete with wear shoes, fillerblocks, and hardware
1	replacement 11T drive sprocket (sprocket plate only)
5	Cross Collector Flights complete with wear shoes, fillerblocks, and hardware

ITEMS SPECIFICALLY <u>NOT</u> INCLUDED	
1	SmartGuard Flight and Sprocket Monitoring System
2	Rotating Scum Troughs or Helical Skimmers
3	Control Panel(s)
4	Effluent Troughs, Weirs, Baffles
5	Seismic Calculations
6	Hold Down Rail, 304 SS
7	Tank Measurements
8	PE Stamp of Submittals
9	Triple or Right Angle Drives Operating Two (2) Common Longs & Cross Collector





**BUDGETARY PROPOSAL #WG05219\_R6****SHERMAN, TX - WTP - TWO SEDIMENTATION BASINS  
REFURBISHMENT****EXISTING CONCRETE STRUCTURE (IF APPLICABLE):**

Pricing and schedule are based on limited structural information provided at the time of quotation and assume the necessary existing tank dimensions will be provided by purchaser in a timely manner to facilitate the start of submittals. In lieu of customer supplied tank dimensions, purchaser may elect to procure Brentwood's Tank Measurement services. Should the verified tank dimensions and equipment conditions differ from the information provided for quotation, and/or require special bracketry or supporting structures, Brentwood reserves the right to revise pricing and schedule accordingly. Delays associated with receipt of complete tank measurements, incomplete information from RFI's, and release and approval to manufacture may result in changes to the price and schedule.

**TANK MEASUREMENTS:**

Tank Measurements are NOT included in this price or proposal, but can be provided and billed per attached published field labor and expense rates. If measurement services are purchased, Brentwood will require the assistance of one (1) person while on site to support tank measurements, and tanks must be completely drained and cleaned before entrance. In addition, customer / contractor shall supply all necessary equipment to safely access tanks (ladders, lighting, etc.). Tank measurement services require a minimum 2 week notice and are based on technician availability.

**SUBMITTALS:**

Based upon the budgetary nature of this proposal, submittals are not included in the price. In the event that the scope of any options and delivery can be refined, lead time and pricing for any requested submittals will be included in future revisions.

**TIME AND DELIVERY:**

- 1. Brentwood will advise the current engineering lead time required to review existing structural and equipment information, design equipment layout within the tank, and develop a bill of materials after receipt of a purchase order.**
- 2. We further propose to furnish the equipment approximately fourteen (14) weeks after receipt of required dimensions and completion of engineering work which will constitute release to manufacturing.**
- 3. Final lead time will be confirmed after receipt of executed purchase order and order is fully processed.**

**FREIGHT:**

Freight allowed, best way, point of manufacture to job site. Requests for specific methods of shipment will be at requestors' expense. On-site transportation, unloading, and storage costs by others.

**WEIGHT AND VOLUME:**

Estimated weight is 37,300 Lbs. Estimated volume is Two ( 2 ) Truck(s).

**TAXES:**

Pricing does not include any States' sales tax if applicable, unless otherwise stated.



BUDGETARY PROPOSAL #WG05219\_R6

SHERMAN, TX - WTP - TWO SEDIMENTATION BASINS  
REFURBISHMENT**SCHEDULE OF VALUES & PAYMENT TERMS:**

1. 100% Net 30 Days from i) shipment of material or ii) Seller's notification to Buyer of finished materials ready for shipment & being held at Brentwood's facility beyond scheduled shipment date, whichever occurs first.
2. These terms are not contingent upon or in conjunction with any agreement purchaser has with other parties.
3. For Brentwood Water & Wastewater Standard Terms and Conditions visit:  
<https://www.brentwoodindustries.com/terms/>

**ESCALATION:**

The price(s) quoted are subject to adjustment to reflect increases in material cost(s), should these increases in price exceed 3% during the specified Schedule of Construction. Increases are based on price indexes for PVC (ChemData) and Stainless Steel (MEPS International), which can be provided upon request. It is understood and agreed that it will be Brentwood's option whether to invoke escalation, should the price exceed this amount.

**BILL AND HOLD:**

If Purchaser fails to take delivery on any scheduled delivery date based on the terms of the executed purchase Agreement, Brentwood reserves the right to reallocate any Product to other projects and reschedule production for the delayed Product. Purchaser will be required to accept any increase in price associated with the repurchase of material to fulfill the purchased Product requirements and the Product Delivery Date will be rescheduled in conjunction with current production schedules.

If the Purchaser requests that Brentwood holds Product in excess of an agreed upon delivery date and Brentwood agrees to hold the Product, Purchaser will provide written notification to Brentwood to store the Product at its facilities for a period of time prior to shipment ("Bill and Hold"). Brentwood will provide written confirmation of the Bill and Hold to Purchaser, including a Statement of Transfer of Title and invoice.

Payment for the Bill and Hold material is due in accordance with the agreed upon terms in the executed purchase Agreement except to the extent dates must be adjusted due to delivery rescheduling, in which case adjusted dates will be shown on the invoice. All payments will be made in accordance with the invoiced payment terms and instructions. For all Bill and Holds, Purchaser acknowledges that (i) they have made a fixed commitment to purchase the Product, (ii) risk of ownership for the Product passes to Purchaser upon signing Statement of Transfer, (iii) Purchaser has requested that the Product be on a Bill and Hold basis for legitimate business purposes, (iv) if no delivery date is determined at the time of invoicing and Statement of Transfer and Brentwood does not receive a request for delivery within two (2) months from the Bill and Hold invoice date, Brentwood has the right to release the shipment upon written notice to Purchaser any time following the two (2) month period from Bill and Hold invoice date. Brentwood shall be entitled to storage charges of 1 ½% per month of the purchase value of stored material beginning 30 days after Bill and Hold invoice date and continuing until the Product is picked up by Purchaser or shipped by Brentwood. Upon receipt of request from Purchaser to ship the stored Product, Brentwood shall use commercially reasonable efforts to ship the Product within two (2) to 4 (four) business weeks following confirmed receipt of such request.



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Phone: 610.374.5109

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**BUDGETARY PROPOSAL #WG05219\_R6****SHERMAN, TX - WTP - TWO SEDIMENTATION BASINS  
REFURBISHMENT****VALIDITY:**

This proposal is valid for a period not to exceed 60 days from latest date shown above unless extended by Brentwood in writing. Pricing on this project is based upon shipment schedule as shown above. Extensions to delivery timelines or requests for staged shipments may require renegotiation of pricing.

**FIELD SERVICE STARTUP AND TRAINING:**

The services of a qualified Brentwood field technician is included to assist in inspection of installed equipment, startup and field testing on each clarifier and operator training. A separate field service trip is included for installation oversight on the first clarifier. Duration limited to Three (3) trip(s) for Six (6) man-day(s) on site total. Non use of contractual field service days does not generate a credit on this project. Field service requires a minimum 2 week notice and is based on technician availability. Less notice may be accommodated with additional costs. If field service is not used within 180 days of shipment of equipment, it will be considered closed and no longer available as part of the project price.

**OPERATION AND MAINTENANCE MANUALS:**

Unless otherwise specified, one (1) digital copy of our O&M manual and installation and layout drawings will be furnished on or before shipment of equipment. Digital copy can be downloaded from our FTP site or finished on a USB Flash drive. Digital copy of O&M shall be in Adobe pdf format and be locked and uneditable.

**WARRANTY:**

Brentwood warrants material supplied on this project to be free from defects in workmanship or materials for a period of twelve (12) months from date of certification by an authorized Brentwood representative or eighteen (18) months from date of shipment, whichever shall occur first. Warranty excludes labor to install or remove parts. Chain and flight system is designed for continuous operation, and intermittent operation is not recommended due to potential for excess sludge build up. Damage resulting from intermittent operation of chain and flight equipment is not covered under this warranty.

**PAINTING AND COATINGS:**

Stainless Steel and plastic equipment shall not be painted. Unless otherwise specified, all ferrous wetted components will be provided with a surface preparation of SSPC-SP10 Near White Metal and a shop primer 1 coat of TNEMEC 91-H2O Hydro Zinc @3.0 to 3.5 Mils D.F.T. It is the responsibility of the contractor to ensure finish paint is compatible with specified primer. Any adhesion issues between coats are not the responsibility of Brentwood. The top coat must be applied within 6 months of the prime coat, otherwise the assembly surface will need to be abraded or the primer will need to be removed and surface preparation redone prior to application of the top coat, by others. OEM components above deck (drive units, bearings, actuators, etc.) shall be furnished with manufacturer's factory finish.

**AMERICAN IRON AND STEEL ACT:**

Per Implementation of American Iron and Steel provisions of P.L. 113-76, Consolidated Appropriations Act, 2014, Brentwood's Polychem brand clarifier System and accessories is considered a mechanical system and is not considered construction material or structural steel subject to AIS requirements.



**GENERAL EXCLUSIONS\*:**

1. Contractor/customer shall be responsible for field verification of all dimensions.
2. Foundations, supports for Polychem equipment (diaphragm plates) or special mounting plates.
3. Bid, performance, supply, or maintenance bonds.
4. Installation of equipment and anchor systems, concrete, sealing compounds, shim stock or grout.
5. Grouting behind idler stub shafts, head shaft spindles, & return track wall brackets is not included, but is required for these systems.
6. Tools or spare parts (unless listed elsewhere in this Proposal).
7. All reducer oil, bearing grease, or other lubricants.
8. Field paint, touch-up, finish painting, or finish coatings.
9. Unloading, hauling, erection, and storage of equipment.
10. Grease line piping (unless listed elsewhere in this Proposal) or grease guns.
11. Any electrical components or controls not shown in items included section of this Proposal.
12. All control panels (unless listed elsewhere within this Proposal), unistrut supports / mounting for control panels, electrical conduit, wires, or wiring, wire fittings, or boxes.
13. Wall Sleeves for scum troughs, weirs, baffles, overflow weirs, effluent troughs.
14. Anchor pull out testing.
15. PI&D drawings
16. Conduit sizing or drawings.
17. Detailed specific storage plans or maintenance schedules for installed equipment outside of Brentwood's standard maintenance and preventative maintenance information.
18. Factory assembly of components.
19. Any component shown or described on a drawing and not included in the Items Included section of this Proposal, or any component or service not shown in this Proposal.

*\*unless above items are listed as included elsewhere in this Proposal, they are excluded.*





BUDGETARY PROPOSAL #WG05219\_R6

SHERMAN, TX - WTP - TWO SEDIMENTATION BASINS  
REFURBISHMENT**PRICING SUMMARY:**

LUMP SUM TOTAL BASE PRICE: Per Cover

**THE FOLLOWING BASE OPTIONS\* ARE AVAILABLE FOR YEARLY PM OVERSIGHT INSPECTION CONTRACTS:**

PM EVALUATION (PER TRIP BASIS), THREE YEAR & FIVE YEAR CONTRACT OPTIONS AVAILABLE (STARTING AT TWO TRIPS PER YEAR)

EACH OPTION ABOVE INCLUDES THE FOLLOWING: ALL MEALS, HOTEL, TRAVEL COSTS, EXPENSES, INSPECTION REPORT

THE POLYCHEM SOLUTIONS TEAM WILL EVALUATE THE TANK(S) AND PROVIDE A COMPREHENSIVE TRIP REPORT ON EQUIPMENT CONDITION AND SERVICE STATUS TRIPS WILL BE SCHEDULED ACCORDING TO THE PLANT'S ROUTINE PM SCHEDULE

**\*OPTIONS ABOVE CAN BE MODIFIED TO ACCOMMODATE SPECIFIC PLANT REQUIREMENTS**

Proposal Submitted By:

*Ryan Putt*

Ryan Putt, Upgrades & Solutions Specialist  
Brentwood Industries, Polychem Brand  
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# FIELD SERVICE RATES

EFFECTIVE  
2022 - 2025



## DOMESTIC DAILY RATES PER 8 HOUR DAY

SERVICE SPECIALIST	2022	2023	2024	2025
Straight Time	\$1,890.00	\$2,003.00	\$2,123.00	\$2,250.00
OT and Saturday	\$2,827.00	\$2,996.00	\$3,175.00	\$3,365.00
Sunday and Holiday	\$3,780.00	\$4,006.00	\$4,246.00	\$4,500.00

## INTERNATIONAL DAILY RATES PER 8 HOUR DAY

SERVICE SPECIALIST	2022	2023	2024	2025
Straight Time	\$2,268.00	\$2,404.00	\$2,548.00	\$2,701.00
OT and Saturday	\$3,402.00	\$3,606.00	\$3,822.00	\$4,051.00
Sunday and Holiday	\$4,538.00	\$4,810.00	\$5,099.00	\$5,404.00

## Definition of Labor Rates

Straight time applies to first eight (8) hours worked and traveled Monday through Friday. Any time worked over 8 hours, up to four (4) hours worked and traveled past eight (8) on Monday through Friday, first twelve (12) hours worked on Saturday will be charged at overtime rate. Standby time will be charged at the applicable rate. In case of long-term assignments, Field Service personnel will be rotated at Buyer's expense.

## Expenses

Meals, lodging, and incidental expenses will be billed at cost + 15%. Employee travel expenses will be charged at cost +15% for airfare, rental vehicles, taxis and freight. Mileage rate is \$0.95 per mile. Rental of lifting or other special equipment, outside inspection services, additional sub contracted services, etc. will be cost +15%.

## Notes:

1. This rate sheet supersedes all previously issued rate sheets.
2. All prices in US dollars.
3. Any "site-specific" training required will be billed as time worked.
4. Customer to furnish water, oils, solvents and will dispose of same. Customer will also furnish power and air, parts, ladders, access to job-site, overhead crane upon request, and all necessary work permits.
5. Rates are "Portal-to-Portal". Travel time, to and from the site, will be considered hours worked and billed at the applicable rate.
6. Stand-by time will be considered hours worked and billed at the applicable rates according to the following:
  - a. Stand-by from home base – 8 hours per day.
  - b. Stand-by while mobilized and in the field – 8 hours per day.
7. A 4-hour minimum will apply to all service work.
8. Rates quoted are subject to adjustment without notice to conform to Seller's published rates in effect at the time service is performed.
9. This offer is subject to Buyer's acceptance of the Conditions above.
10. This offer and any work performed as a result are exclusively governed by our Terms and Conditions attached. Any additional or conflicting terms contained in any document or purchase order issued authorizing work are expressly objected to in advance and shall not apply, except with the express written consent from Brentwood Industries.



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## GENERAL TERMS

Terms of payment are as follows: 90 % upon shipment, and 0% for O&M Manuals, and 10% upon startup and acceptance, not to exceed ninety (90) days from shipment, or payment within thirty (30) days of invoice. 0 % discount, net thirty (30) days.

This quotation is subject to change or withdrawal without notice, and subject to acceptance within thirty (30) days by City of Sherman hereinafter called Buyer. If accepted by the Buyer, this Proposal shall become a binding contract only when approved and signed by an authorized officer of the WwaterTech, herein after called, Seller, at its office in Waller, Waller County, Texas, and may then be modified by written agreement only. No statements or understanding relating to the subject matter, other than those set forth herein, shall be binding on Seller. All "New Order" are subject to confirmed credit and bank references, sales tax and W9 forms returned before any order are released.

All orders, contracts and quotations are submitted contingent upon occurrence of strikes, accidents, fire, riots, war, and Acts of God, and any other causes beyond our control. In the event of strikes in our plants or in the plants of our supplier, we may withdraw this Proposal if, in our opinion, such strikes may result in the following:

- 1, Delay in the delivery of materials and supplies.
2. Cancellation by suppliers of materials and supplies.
3. Increase prices for materials, supplies and labor.

Quoted shipment or delivery dates are based upon current production schedules of the specified equipment, after receipt of all approved drawings, together with complete technical data necessary for proper application and "state-of-the-art" engineering, as required by the Project. **WwTI**, will deliver drawings for approval in a timely manner commensurate with the original concept of completion, as conceived by the Owners and/or Engineers. **WwTI**, will not be liable for liquidated damages or other penalties, either direct or indirect, for failure to perform within these estimated dates.

The Standard Conditions of Sale printed on the attached side of this sheet, unless expressly accepted herein, are part of this Quotation. Any provisions in the Purchase Order, which are in conflict with or in addition to the provisions provided herein, shall be come part of the contract only if affirmatively accepted in writing by Buyer and Seller.

End.

STANDARD CONDITIONS OF SALE

**1) ACCEPTANCE**

This contract is subject to credit approval by WwaterTech, Inc. (Seller) prior to acceptance. In the event of insolvency or other financial difficulty on the part of City of Sherman (Buyer), the Seller may withhold or require payment in advance or seek such other security, as it deems necessary.

**2) PAYMENT**

Buyer agrees to pay Seller interest at the highest legal rate on any amount unpaid from maturity and Buyer further agrees to pay Seller all reasonable collection or attorney's fees and court costs incurred; under no conditions will credit be extended beyond ninety (90) days without the applicable statutory and common laws liens being filed.

**3) CANCELLATION**

In the event Buyer cancels the contract or any part thereof, Buyer agrees to reimburse Seller for any costs incurred; including engineering time expended on the pre-approval and approval drawings as well as shop drawings and direct labor with overhead burden, materials and other costs incurred through the date of cancellation, plus a margin of 10% of the contract amount.

**4) TAXES**

Buyer will pay Seller, in addition to the price stated, the amount of any applicable sales, and gross receipts or other tax which may be imposed on this transaction by the Federal, State, County or Municipal government and any subdivision thereof.

**5) TITLE AND RISK OF LOSS**

Full risk of loss (including transportation, delays, damages and/or losses) shall pass to Buyer upon delivery of products to the F.O.B. point or at the time of installation, if provided for in the contract. Seller retains title, for security purposes only, to all products whether attached to realty or other property, until fully paid for in cash; and the Buyer agrees to perform all acts, which may be necessary to perfect and assure retention of title in the Seller. In the case of failure by the Buyer to make any payment when due, it is expressly understood that it shall be optional with the Seller to take exclusive possession of the products supplied wherever found and remove same without legal process, and that any payments which may have been made on account of same shall be retained by the company as liquidated damages, without prejudice to its right or recovery for further damage it may suffer from any cause.

**6) WARRANTY AND LIMITATION OF REMEDY AND LIABILITY**

- A. Seller warrants only that the products and parts manufactured by Seller, when shipped, and the work performed by Seller (including installations, construction and start-up) when performed, will meet all applicable specifications and other specific product and work requirements (including those of performance), if any, of this agreement, and will be free from defects in material and workmanship. All claims for defective or non-conforming (both hereinafter called defective) products or parts under this warranty shall be made in writing within forty-eight (48) hours of discovery, and in any event, within one (1) year from shipment of the applicable item unless Seller specifically assumes installation, construction or start-up responsibility, in all claims for defective or non-conforming work shall be made in writing forty-eight (48) hours upon discovery, and in any event, within one (1) year from completion of the applicable work by Seller, such date to be determined exclusive of instruction, start-up and inspection work done pursuant to the contract; provided, however, all claims for defective products and parts shall be made in writing no later than eighteen (18) months after shipment. Defective and non-conforming items must be held for Seller's inspection and returned to the original F.O.B. point upon request. THE FOREGOING IS EXPRESSLY IN LIEU OF OTHER WARRANTIES WHATSOEVER, EXPRESS, IMPLIED AND STATUTORY, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS.
- B. Any act of the Buyer to alter, modify, or install equipment in a manner contrary to the instructions furnished by the Seller shall serve to void the Seller's warranty on those items altered, modified or improperly installed.
- C. Upon Buyer's submission of a claim as provided herein and substantiation, Seller shall at the option either repair or replace its product, part or work at the original F.O.B. point of delivery or to refund an equitable portion of the purchase price.
- D. Notwithstanding the foregoing provisions of this WARRANTY AND LIABILITY Clause, it is specifically understood that products and parts not manufactured and work not performed by Seller are warranted to the extent and in the manner that the same are warranted to Seller by Seller's vendors, and then only to the extent is reasonably able to enforce such warranty. In enforcing such warranty, it is understood Seller shall have no obligation to initiate litigation unless Buyer undertakes to pay all costs and expenses therefor, including, but not limited to, attorney's fees, and indemnifies Seller against any liability to Seller's vendors arising out of such litigation.
- E. THE FOREGOING IS SELLER'S ONLY OBLIGATION AND BUYER'S EXCLUSIVE REMEDY FOR BREACH OF WARRANTY AND, EXCEPT FOR GROSS NEGLIGENCE AND WILLFUL MISCONDUCT. THE FOREGOING IS BUYER'S EXCLUSIVE REMEDY AGAINST SELLER FOR ALL CLAIMS ARISING HEREUNDER OR RELATING HERETO WHETHER SUCH CLAIMS ARE BASED ON BREACH OF CONTRACT, TORTS (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHER THEORIES. BUYER'S FAILURE TO SUBMIT A CLAIM AS PROVIDED ABOVE SHALL SPECIFICALLY WAIVE ALL CLAIMS FOR DAMAGES OR OTHER RELIEF, INCLUDING, BUT NOT LIMITED TO, CLAIMS BASED ON LATENT DEFECTS. IN NO EVENT SHALL BUYER BE ENTITLED TO INCIDENTAL OR CONSEQUENTIAL DAMAGES. ANY ACTION BY BUYER ARISING HEREUNDER OR RELATING HERETO, WHETHER BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHER THEORIES, MUST BE COMMENCED WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION ACCRUES OR IT SHALL BE BARRED.

**7) PATENTS**

Should the equipment proposed herein incorporate a patent or a concept that results in a patent or a patent application, title to such patent or concept resulting therefrom shall be retained in full ownership equipment manufacturer represented by WwaterTech, Inc. (WwTI) and shall be the sole property of WwTI's represented manufacturer.

**8) BACKCHARGES**

Seller will not accept any charge for modification, servicing, adjustment or for any other item without authority in the form of a written order issued from the office of WwTI, in Waller, Texas, in advance of doing the work.

**9) TERMS OF AGREEMENT**

The acceptance of this order shall be upon the terms and conditions specified herein which shall take precedence and represent the final agreement between Buyer and Seller notwithstanding any inconsistent, contradictory or other and further terms and conditions contained in Buyer's purchase order or other document furnished by Buyer in connection with this order, whether such document or documents are exchanged simultaneously with this order or prior to subsequent thereto.

END.

**AGREEMENT FOR POLYCHEM CHAIN AND FLIGHT SLUDGE COLLECTION  
SYSTEM EQUIPMENT AND SERVICES**

The **Greater Texoma Utility Authority**, a political subdivision of the State of Texas (“GTUA”), and **WWaterTech, Inc.**, a Texas corporation (“Contractor”), hereby enter into this Agreement for PolyChem Chain and Flight Sludge Collection System Replacement Materials, Installation and Services (“Agreement”). GTUA and Contractor are sometimes referred to collectively as the “parties” or individually as a “party.”

WHEREAS, GTUA contacted Contractor, seeking Polychem Chain and Flight Sludge Collection System replacement materials, installation and services for the water treatment plant operated by the City of Sherman (“City”); and

WHEREAS, Contractor provided a proposal, attached hereto as Exhibit A and incorporated herein for all purposes (“Proposal”), seeking to provide such materials and services; and

WHEREAS, based on Contractor’s representations, including those representations set forth in the Proposal, Sherman has selected Contractor to provide the materials and services as described in the Proposal under the terms and conditions of this Agreement (the “Project”); and

WHEREAS, the parties agree that the GTUA is exempt from competitive bidding requirements in connection with this Agreement and the Project pursuant to Section 252.022 of the Texas Local Government Code, including but not limited to subsections (a)(2) and (a)(7) of that statute.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Scope of Services.  
Contractor shall provide the services, equipment, supplies and deliverables that are described in the Proposal on the terms and conditions set forth in the Agreement Documents (as defined below), and shall furnish all personnel, labor, equipment, supplies and all other items necessary to provide the services and deliverables as specified by the terms and conditions of the Agreement Documents (collectively, “Services”).
2. Term.  
All Services in connection with this Project must be completed, inspected and accepted by GTUA within 252 days of GTUA issuing a written notice to proceed to the Contractor. All obligations relating to time set forth herein are material and are of the essence of this Agreement. This Agreement shall remain in full force and effect until completion of the Project to the satisfaction of GTUA and the City.
3. Compensation.  
In exchange for Contractor’s performance of the Services in accordance with the Agreement Documents, GTUA agrees to pay Contractor in accordance with the pricing

terms of the Proposal attached as Exhibit A. To the extent the terms of the Agreement Documents conflict with the Texas Prompt Payment Act, Chapter 2251 of the Texas Government Code, as amended (“Chapter 2251”) or Subchapter I of Chapter 271 of the Texas Local Government Code, as amended (“Chapter 271”), the terms of Chapter 2251, Chapter 271 and the Agreement Documents shall control in that order.

GTUA shall pay Contractor within thirty (30) days of receipt of an invoice, unless supporting receipts or other supporting documentation have been requested by GTUA, in which case GTUA shall pay the invoice as soon after receiving the supporting receipts or documentation as is reasonable; or unless a dispute arises as to any charge(s) contained in the invoice, in which case GTUA shall pay the undisputed amount of the invoice within thirty (30) days of receipt and shall pay the remaining amount, if any, of the invoice after resolution of the dispute as soon after resolution as is reasonable. Notwithstanding anything to the contrary in the Agreement Documents, GTUA shall not be required to pay any invoice submitted by Contractor if Contractor is in breach of this Agreement.

The parties agree that the continuation of this Agreement after the close of any given fiscal year of GTUA, which closes on September 30<sup>th</sup> of each calendar year, shall be subject to approval by GTUA’s governing body. In the event that GTUA’s governing body does not approve the appropriation of funds for this Agreement, the Agreement shall terminate at the end of the fiscal year for which funds were appropriated, and the parties shall have no further obligations hereunder, except that GTUA shall be obligated to pay monies owed Contractor for services it has provided pursuant to this Agreement through the end of that fiscal year provided that Contractor is not in breach of this Agreement.

4. Agreement Documents.

The “Agreement Documents,” as that term is used herein, shall mean and include the following documents, and this Agreement expressly incorporates the same herein by reference for all purposes:

- A. This Agreement;
- B. The Proposal, attached hereto as Exhibit A;
- C. GTUA’s Insurance Requirements, attached hereto as Exhibit B;
- D. Affidavit of No Prohibited Interested, attached hereto as Exhibit C; and
- E. Conflict of Interest Questionnaire, attached hereto as Exhibit D.

This Agreement shall incorporate the terms of the Agreement Documents in their entirety. To the extent that Exhibit A, Exhibit B, Exhibit C and Exhibit D are in conflict with provisions of this Agreement or each other, the provisions of this Agreement, then the provisions of Exhibit B, Exhibit C, Exhibit D and Exhibit A shall prevail in that order. Should disputes arise as to responsibilities and obligations set forth in the Agreement Documents, GTUA’s interpretation and/or decision shall be final and binding.

5. Payment, Performance and Maintenance Bonds.

Prior to commencing work under this Agreement, Contractor shall furnish to GTUA a payment bond and a performance bond, each of which shall be in an amount equal to one hundred percent (100%) of the total cost of the Project to ensure GTUA is indemnified: (i) against any claims for nonpayment of any part of the construction or work performed in connection with the Project; and (ii) for the completion of the Project in accordance with this Agreement. Prior to GTUA's final acceptance of the Project, Contractor shall furnish to GTUA a two (2) year maintenance bond in an amount equal to one hundred percent (100%) of the total cost of the Project to ensure the repair or remedy of any maintenance issues GTUA may have regarding the Project after GTUA finally accepts the same.

The bonds required by GTUA pursuant to this Section must be: (i) good and sufficient bonds; (ii) in the amounts prescribed herein; and (iii) with a reputable and solvent corporate surety in favor of GTUA.

6. Entire Agreement.

The Agreement Documents contain all representations, understandings, contracts and agreements between the parties regarding the subject matter of this Agreement. The Agreement Documents supersede all oral or written previous and contemporaneous agreements, writings, understandings, representations or contracts between the parties regarding the subject matter of this Agreement. This Agreement in no way modifies or supersedes any document executed by the parties prior to the Effective Date of this Agreement which does not concern the subject matter of this Agreement. No amendment to the Agreement Documents shall be made except on the written agreement of the parties, which shall not be construed to release either party from any obligation of the Agreement Documents except as specifically provided for in such amendment.

7. Required Insurance.

Contractor shall not start work under this Agreement until Contractor has obtained, at Contractor's expense, all of the insurance specified in, and required by, the Agreement Documents. Contractor shall procure and keep in full force and effect the types and amounts of insurance specified in GTUA's Insurance Requirements, attached hereto as Exhibit B and incorporated herein for all purposes, for and during all aspects and phases of Contractor's work throughout the term of this Agreement at no expense to GTUA. Contractor also shall comply with all other requirements set forth in Exhibit B.

8. No Prohibited Interest; Vendor Disclosure.

Contractor acknowledges and agrees that it is aware of, and will abide by, the no prohibited interest requirement of the City's City Charter. Contractor shall execute and deliver to GTUA the Affidavit of No Prohibited Interest, attached hereto as Exhibit C and incorporated herein for all purposes, no later than the Effective Date of this Agreement (hereinafter defined). Contractor acknowledges and agrees that the existence of a prohibited interest during the term of this Agreement will render this Agreement voidable. Contractor further acknowledges and agrees that it also is aware of, and will abide by, the vendor disclosure requirements set forth in Chapter 176 of the Texas Local Government

Code, as amended. In this connection, Contractor shall execute and deliver to GTUA the Conflict of Interest Questionnaire, Form CIQ, attached hereto as Exhibit D and incorporated herein for all purposes, no later than the Effective Date of this Agreement.

9. Indemnity.

CONTRACTOR HEREBY RELEASES AND SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS GTUA, THE CITY AND THEIR RESPECTIVE BOARD OR CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "GTUA" FOR PURPOSES OF THIS SECTION) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS SECTION), THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH GOODS AND/OR SERVICES PROVIDED BY CONTRACTOR, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM CONTRACTOR IS LEGALLY RESPONSIBLE (COLLECTIVELY REFERRED TO AS "CONTRACTOR" FOR PURPOSES OF THIS SECTION) PURSUANT TO THIS AGREEMENT AND/OR THE NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT AND/OR OMISSION OF CONTRACTOR IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OF GTUA (COLLECTIVELY, "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST GTUA BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONTRACTOR AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH CONTRACTOR, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE.

IN ITS SOLE DISCRETION, GTUA SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONTRACTOR IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY GTUA, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY GTUA IN WRITING. GTUA RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, GTUA IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY GTUA IS NOT TO BE CONSTRUED AS A WAIVER OF CONTRACTOR'S OBLIGATION TO DEFEND GTUA OR AS A WAIVER OF CONTRACTOR'S OBLIGATION TO INDEMNIFY GTUA PURSUANT TO THIS AGREEMENT. CONTRACTOR SHALL RETAIN GTUA-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF GTUA'S WRITTEN NOTICE THAT GTUA IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONTRACTOR FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, GTUA SHALL HAVE THE RIGHT TO RETAIN



**DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY GTUA.**

**THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.**

10. Liability.

To the fullest extent permitted by law, Contractor shall be fully and solely responsible and liable for its own acts and omissions, including those of its officers, agents, representatives, employees, subcontractors, licensees, invitees and all other parties performing services for or on behalf of Contractor under this Agreement, and for any and all damage to Contractor's equipment and other property. GTUA and the City assume no such responsibility or liability. GTUA and the City shall have no such responsibility or liability to either Contractor or its officers, agents, representatives, employees, subcontractors, licensees, invitees or other persons.

11. Compliance with Laws; Standard of Care.

Contractor shall comply with all federal, state and local laws, statutes, ordinances, regulations and policies, as they exist, may be amended or in the future arising, applicable to Contractor and its work. Contractor shall ensure that its officers, agents, representatives, employees, subcontractors, licensees, invitees and other parties performing services for or on behalf of Contractor under this Agreement comply with all applicable laws, statutes, ordinances, regulations and policies. If Contractor observes or is notified that the work under this Agreement is at variance with applicable laws, statutes, ordinances, regulations and policies, Contractor shall immediately notify GTUA in writing. Contractor shall perform the Services in accordance with the prevailing standard of care by exercising the skill and care ordinarily utilized by professionals performing the same or similar services under the same or similar circumstances in the State of Texas.

12. Termination.

GTUA or the City is entitled to terminate this Agreement at any time for any reason or for no reason by giving Contractor at least thirty (30) days' prior written notice of the termination date.

GTUA or the City is entitled to terminate this Agreement immediately on breach of any term or provision of the Agreement Documents by Contractor. If at any time during the term of this Agreement, Contractor shall fail to commence the work in accordance with the provisions of the Agreement Documents or fail to diligently perform the Services in an efficient, timely and careful manner and in strict accordance with the provisions of the Agreement Documents, then GTUA or the City shall have the right to terminate this Agreement and complete the work in any manner it deems desirable, including engaging the services of other parties, if Contractor does not cure any such default after five (5) days written notice thereof. Any such act by GTUA or the City shall not be deemed a waiver of any other right or remedy of GTUA or the City.

If after exercising any remedy provided herein, the cost to GTUA of the performance of the balance of the work under this Agreement is in excess of that part of the Contractor's

Fee which has not yet been paid to Contractor hereunder, Contractor shall be liable for and shall reimburse GTUA for such excess, without waiver of any other right or remedy of GTUA.

The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

13. Authority to Execute.

Each party represents and warrants to the other that it has the full power and authority to enter into and fulfill the obligations of this Agreement. The respective signatories to this Agreement, by affixing their signatures hereto, warrant and represent that they have the authority to bind their respective parties as duly authorized representatives thereof.

14. Assignment.

Contractor agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of GTUA and the City. Contractor further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve Contractor of its full obligations to GTUA as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Contractor, and there shall be no third-party billing.

15. No Waiver of Immunity.

The parties acknowledge and agree that, in executing and performing this Agreement, GTUA and the City have not waived, nor shall be deemed to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to them against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

16. Savings/Severability.

In the event that a term, condition or provision of this Agreement is determined to be invalid, illegal, void, unenforceable or unlawful by a court of competent jurisdiction, then that term, condition or provision shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been included in this Agreement.

17. Consideration.

This Agreement is executed by the parties without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

18. Attorneys' Fees.

If either party files any action or brings any proceeding against the other arising from this Agreement, then as between GTUA and Contractor, the prevailing party shall be entitled

to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in the TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.

19. Governing Law; Venue.

The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Grayson County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Grayson County, Texas.

20. Binding Effect.

This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors and assigns when permitted by this Agreement.

21. No Waiver.

Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.

22. Headings.

The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.

23. Indemnity.

The parties agree that the indemnity provision set forth herein is conspicuous and the parties have read and understood the same.

24. Notice.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or to any courier service that provides a return receipt showing the date of actual delivery of the same to the addressee thereof. Notice given in accordance herewith shall be effective on receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to Contractor, to: WWaterTech, Inc.

Attn: \_\_\_\_\_

\_\_\_\_\_  
Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

Commented [RP1]: Please complete.

If to GTUA, to: Greater Texoma Utility Authority  
Attn: Paul Sigle  
5100 Airport Drive  
Denison, TX 75020  
Telephone: (903) 786-4433  
Email: paul@gtua.org

If to City, to: City of Sherman  
Attn: Clint Philpott, P.E.  
220 W. Mulberry Street  
Sherman, Texas 75090  
Telephone: (903) 892-7203  
Email: [clintp@cityofsherman.com](mailto:clintp@cityofsherman.com)

With a copy to:  
Abernathy, Roeder, Boyd & Hullett, P.C.  
Attn.: Ryan D. Pittman  
1700 Redbud Blvd., Suite 300  
McKinney, Texas 75069  
Telephone: (214) 544-4000  
Email: [rpittman@abernathy-law.com](mailto:rpittman@abernathy-law.com)

25. Representations.  
Each party states that they have carefully read this Agreement, know the contents hereof, have consulted with an attorney of their choice regarding the meaning and effect hereof and is signing the same solely of their own judgment.
26. Independent Contractor.  
Contractor covenants and agrees that Contractor is an independent contractor and not an officer, agent, servant or employee of GTUA; that Contractor shall have exclusive control of and exclusive right to control the details of the work performed hereunder and all persons performing the same; that the doctrine of respondent superior shall not apply as between GTUA and Contractor, its officers, agents, employees, contractors, subcontractors and consultants; and that nothing herein shall be construed as creating a partnership or joint enterprise between GTUA and Contractor.
27. Incorporation of Recitals.  
The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement and adopted as findings of GTUA and the authorized representative of Contractor.
28. Reference to Contractor.  
When referring to "Contractor" herein, this Agreement shall refer to and be binding upon Contractor, and its officers, directors, partners, employees, representatives, contractors,

subcontractors, licensees, invitees, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Contractor is legally responsible.

29. Reference to GTUA.

When referring to “GTUA” herein, this Agreement shall refer to and be binding upon GTUA, its governing body, officers, agents, representatives, employees and/or any other authorized third parties for whom GTUA is legally responsible.

30. Third-Party Beneficiary.

GTUA and Contractor agree the City is an intended third-party beneficiary of their respective obligations under this Agreement and shall be entitled to enforce such obligations as if it were a party hereto and may seek and obtain any and all available remedies in the event a party breaches any term or provision of this Agreement, it being the intent of GTUA and Contractor to confer direct benefits on the City under this Agreement. In addition, GTUA and Contractor agree that the City is entitled to exercise all rights of GTUA under this Agreement. Notwithstanding any statement to the contrary in this Agreement, the City has no obligations to either GTUA or Contractor under this Agreement.

31. Miscellaneous Drafting Provisions.

This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

32. Certifications Required by Texas Law.

In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott Israel and will not boycott Israel during the term of any contract with GTUA, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not boycott energy companies and will not boycott energy companies during the term of any contract with GTUA, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Contractor hereby certifies that Contractor does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with GTUA, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

33. Multiple Counterparts.

This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other

party.

34. Duty to Facilitate Compliance with Public Information Act.

- (a) The obligations in this provision apply if this Agreement (1) has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by GTUA; or (2) results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by GTUA in a fiscal year of GTUA.
- (b) If this Agreement is described in subsection (a) above, Contractor shall comply with the following obligations, which are set forth in Subchapter J, Chapter 552, Texas Government Code:
  - (1) preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to GTUA for the duration of this Agreement;
  - (2) promptly provide to GTUA any contracting information related to this Agreement that is in the custody or possession of Contractor on request of GTUA; and
  - (3) on completion of this Agreement, either: (A) provide at no cost to GTUA all contracting information related to the contract that is in the custody or possession of Contractor; or (B) preserve the contracting information related to this Agreement as provided by the records retention requirements applicable to GTUA.
- (c) As used in this provision, the term “contracting information” shall have the same meaning as that term is defined in Section 552.003, Texas Government Code.
- (d) The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Agreement, and the Contractor agrees that this Agreement can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

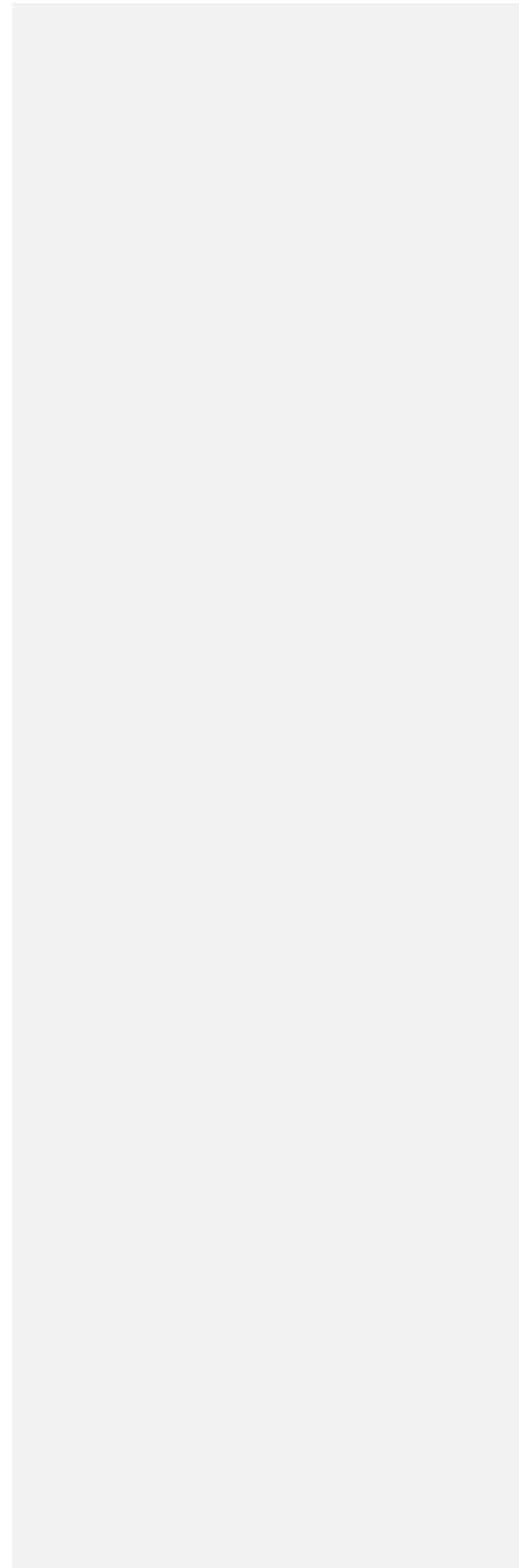
IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party’s signature below) will be deemed the effective date of this Agreement (“Effective Date”).

**GREATER TEXOMA UTILITY AUTHORITY**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

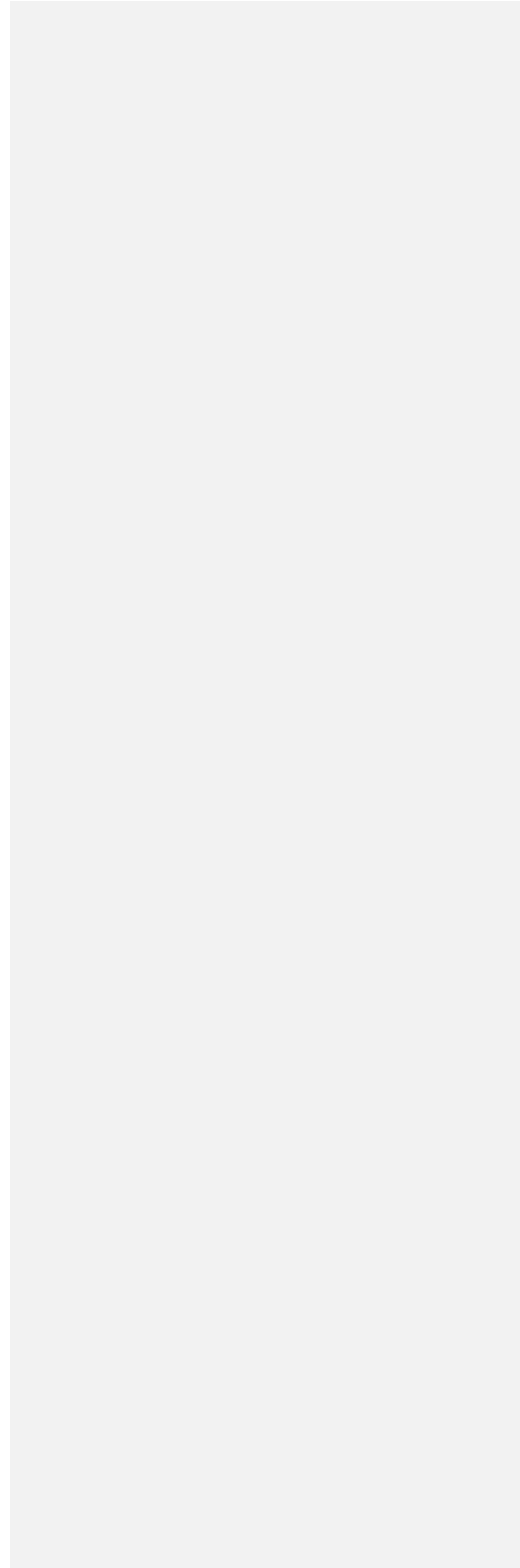
**WWATERTECH, INC.,**  
a Texas corporation

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**Exhibit A**  
**Proposal**

[\_\_pages attached hereto]





**Exhibit B**  
**City's Insurance Requirements**

I. GENERAL INSURANCE REQUIREMENTS –

- A. All policies shall name GTUA and the City of Sherman and their respective officers, agents, representatives and employees as additional insureds as to all applicable coverages with the exception of workers compensation insurance.
- B. Such policies shall require the provision of written notice to GTUA and the City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Certified Mail.
- C. Such policies shall provide for a waiver of subrogation against GTUA and the City for injuries, including death, property damage or any other loss to the extent the same is covered by the proceeds of the insurance.

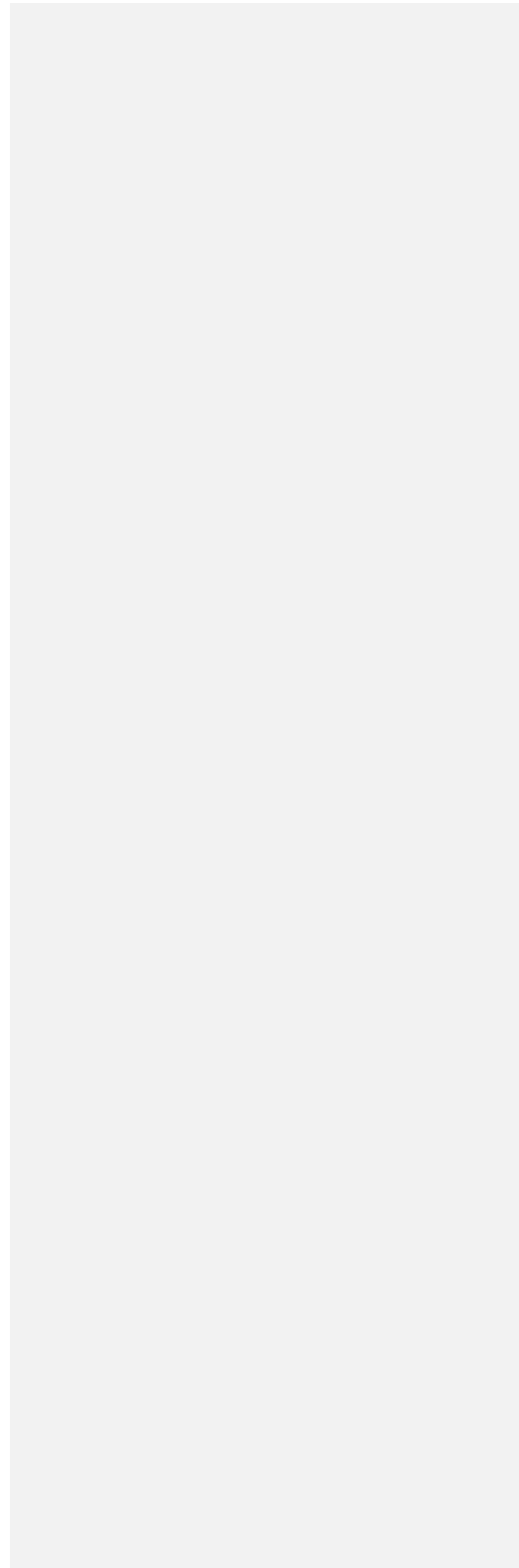
II. INSURANCE COMPANY QUALIFICATION – All insurance companies providing the required insurance shall be authorized to transact business in the State of Texas and shall have a minimum rating of “A” by A.M. Best’s Key Rating Guide, or other equivalent rating service(s).

III. CERTIFICATE OF INSURANCE – A Certificate of Insurance and all applicable endorsement(s) evidencing the required insurance shall be submitted prior to commencing work under this Agreement. If the Agreement is renewed or extended by GTUA, a Certificate of Insurance and all applicable endorsement(s) shall also be provided to GTUA prior to the date the Agreement is renewed or extended.

IV. INSURANCE CHECKLIST – “X” means that the following coverage is required for this Agreement.

Coverage Required	Limits
<u>  X  </u> 1. Worker’s Compensation & Employer’s Liability	<ul style="list-style-type: none"> <li>▪ Statutory Limits of the State of Texas</li> </ul>
<u>  X  </u> 2. General Liability	<ul style="list-style-type: none"> <li>▪ Minimum \$1,000,000.00 each occurrence;</li> <li>▪ Minimum \$2,000,000.00 in the aggregate.</li> </ul>
<u>    </u> 3. XCU Coverage	<ul style="list-style-type: none"> <li>▪ Minimum \$1,000,000.00 each occurrence;</li> <li>▪ Minimum \$2,000,000.00 in the aggregate.</li> </ul>

4. Professional Liability
- Minimum \$1,000,000.00 each claim;
  - Minimum \$2,000,000.00 in the aggregate.
- 
5. Umbrella Coverage or Excess Liability Coverage
- An amount of \$ 2,000,000.00.
- 
6. GTUA, the City and their respective officers, agents, representatives and employees named as additional insured on General Liability Policy, as provided above. This coverage is primary to all other coverage GTUA and the City may possess.
7. General Liability Insurance provides for a Waiver of Subrogation against GTUA and the City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. All insurance policies that are required to name GTUA and City as additional insureds must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance.
8. Thirty (30) days' notice of cancellation, non-renewal, or material change required. The words "endeavor to" and "but failure" (to end of sentence) are to be eliminated from the Notice of Cancellation provision on standard ACORD certificates.
9. Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).
10. The Certificate of Insurance must state the project title.
11. Other Insurance Requirements (State Below):



**Exhibit C**  
**Affidavit of No Prohibited Interest**

THE STATE OF \_\_\_\_\_ §

THE COUNTY OF \_\_\_\_\_ §

I, \_\_\_\_\_, an authorized agent of Contractor, make this affidavit and hereby under oath state the following:

I, and/or a person or persons related to me, have the following interest in a business entity that would be affected by the work or decision under this Agreement (Check all that apply):

- \_\_\_\_\_ Ownership of ten percent (10%) or more of the voting shares of the business entity.
- \_\_\_\_\_ Ownership of Twenty Five Thousand and 00/100 Dollars (\$25,000) or more of the fair market value of the business entity.
- \_\_\_\_\_ Funds received from the business entity exceed ten percent (10%) of my income for the previous year.
- \_\_\_\_\_ Real property is involved, and I have an equitable or legal ownership with a fair market value of at least Twenty Five Thousand and 00/100 Dollars (\$25,000).
- \_\_\_\_\_ A relative of mine has a substantial interest in the business entity or property that would be affected by my business decision of the public body which I am a member.
- \_\_\_\_\_ Other: \_\_\_\_\_.
- \_\_\_\_\_ None of the Above.

Upon filing this affidavit with GTUA, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573, TEX. GOV'T CODE, as amended, is a member of a public body which took action on the agreement.

Signed this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared \_\_\_\_\_, and on oath stated that the facts hereinabove stated are true to the best of his/her knowledge or belief.

Sworn to and subscribed before me on this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Notary Public in and for the State of \_\_\_\_\_  
My commission expires: \_\_\_\_\_

**Exhibit D  
Conflict of Interest Questionnaire, Form CIQ**

<p><b>CONFLICT OF INTEREST QUESTIONNAIRE</b> For vendor doing business with local governmental entity</p>	<p><b>FORM CIQ</b></p>
<p><b>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</b> This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).  By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.  A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>	<p><b>OFFICE USE ONLY</b></p>
<p><b>1</b> Name of vendor who has a business relationship with local governmental entity.</p>	<p>Date Received</p>
<p><b>2</b> <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>	
<p><b>3</b> Name of local government officer about whom the information is being disclosed.</p> <p align="center">_____</p> <p align="center">Name of Officer</p>	
<p><b>4</b> Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p align="center">A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p align="center"><input type="checkbox"/> Yes      <input type="checkbox"/> No</p> <p align="center">B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p align="center"><input type="checkbox"/> Yes      <input type="checkbox"/> No</p>	
<p><b>5</b> Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</p>	
<p><b>6</b> <input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</p>	
<p><b>7</b></p> <p align="center">_____ Signature of vendor doing business with the governmental entity</p> <p align="center">_____ Date</p>	

## **AGENDA ITEM XII**



# **GREATER TEXOMA UTILITY AUTHORITY**

## **AGENDA COMMUNICATION**

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**DATE:** May 20, 2024

**SUBJECT:** AGENDA ITEM NO. XII

**PREPARED BY:** Stacy Patrick, Project Manager  
**AND SUBMITTED BY:** Paul M. Sigle, General Manager

**CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE APPROVAL AND EXECUTION OF A WATER AND SEWER FACILITIES CONTRACT WITH THE ARLEDGE RIDGE WATER SUPPLY CORPORATION.**

**ISSUE**

Approval of a Water Supply and Sewer Service Facilities Contract with the Arledge Ridge Water Supply Corporation.

**BACKGROUND**

The Arledge Ridge WSC requested the Authority staff assist the District in obtaining funding for improvements to the District's water system. The District is seeking funding to replace two booster pumps and add pressure tanks to the system as well as upgrade meters.

The Texas Water Development Board ("TWDB") Texas Water Development Fund (DFund) was selected as the funding source for these improvements. The DFund is a state funded loan program with below market interest rates.

Due to the Authority not having an active bond issuance with Arledge Ridge WSC, 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.

**STAFF RECOMMENDATIONS**

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

**ATTACHED**

Water Supply Facilities Contract

**CONTRACT FOR WATER SUPPLY AND SEWER SERVICE  
BETWEEN GREATER TEXOMA UTILITY AUTHORITY AND  
ARLEDGE RIDGE WATER SUPPLY CORPORATION**

THE STATE OF TEXAS                   §  
  §  
THE COUNTY OF GRAYSON           §

THIS CONTRACT ("Contract") is made and entered into as of \_\_\_\_\_, 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 corporate, duly created, existing and acting by virtue of Texas Special District Local Laws Code, Chapter 8283 (the "Act"), and the ARLEDGE RIDGE WATER SUPPLY CORPORATION, a nonprofit water supply corporation in the County of Fannin, Texas (hereinafter referred to as the "Entity"), 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 sanitary sewer collection and treatment facilities for use by the Entity, and (ii) an additional supply of water to the Entity and certain water supply facilities in order to store and transport such water to the Entity ;

WHEREAS, certain revenues to be received by the Authority from the Entity under this Contract are to be pledged to the payment and security of the bonds 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 Entity, acting through their duly constituted governing bodies pursuant to authority granted by V.T.C.A., Section 791.026, Government Code, 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 Entity under this Contract and to be issued by the Authority for the purpose of providing funds to pay the necessary costs of the Project, whether in one or more series or issues, or any bonds issued to refund the same.
- (e) "Entity" shall mean the ARLEDGE RIDGE WATER SUPPLY CORPORATION.
- (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 Entity Engineer or the Authority's Engineer). The Entity 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 Entity.
- (h) "Fiscal Year" shall mean the twelve month operating period (under this Contract) commencing October 1<sup>st</sup> 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 Entity (which agreement, if made, shall be attached hereto as an exhibit).
- (i) "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.

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

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

(l) "Sewer Project" shall mean, collectively, the sanitary 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 Entity 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 Entity, 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.

(m) "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 Entity 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 Entity, 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 Entity's Representations and Agreements. In connection with its undertakings hereunder, the Entity represents to the Authority and agrees with the Authority as follows:

(a) In its capacity as a duly incorporated water supply corporation of Texas, 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. Pursuant to V.T.C.A., Section 791.026, Government Code, as amended, and to the extent required by the terms of that Section, the Entity agrees not to obtain water supply from any source other than a party to this Contract, except that this Contract expressly allows the Entity to obtain water from sources other than the Authority if the express written consent of the Authority is obtained prior to the execution of any agreement to obtain water supply, as authorized by V.T.C.A., Section 791.026(b), Government Code, as amended.

(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) That it will plan, construct, maintain, operate and finance its own utility system and set retail rates to individual customers for water and sanitary sewer service adequate to pay all

Entity obligations secured by and made payable from the revenues derived from the operation of the Entity's combined Water and Sanitary Sewer System (the "Utility System").

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

           (e) Release and Waiver of Liability and Indemnity.

1. Entity fully understands and acknowledges that:
  - i. There are certain risks associated with the Project, including but not limited to the risk of litigation with a contractor, supplier or other parties;
  - ii. The damages which could result from these risks described above, could be in the form of litigation expenses and/or the cost to satisfy an adverse judgment;
  - iii. These risks may be caused by the action, inaction or negligence or breach of contract of the participant or the action, inaction or negligence or breach of contract of others, including, but not limited to, the Releasee named below; and
  - iv. There may be other risks not known to us or are not reasonably foreseeable at this time.
2. Entity accepts and assumes all such risks and responsibility for such losses and/ or damages, however caused and whether caused in whole or in part by the breach of contract or negligence of the Releasee named below.
3. In consideration for Authority executing this contract, Entity **RELEASES, WAIVES DISCHARGES AND COVENANTS NOT TO SUE** the Releasee named below, its Board of Directors, its officers, agents, or employees (hereinafter referred to as Releasee) from any and all **liability**, claims, demands, actions and causes of action whatsoever arising out of or related to any loss, damage, or injury, sustained by us, a contractor, supplier or other third party, whether caused by the **breach of contract or negligence** of Releasee or otherwise.
4. Entity further agrees to **INDEMNIFY DEFEND AND HOLD HARMLESS** Releasee from any claim, loss, liability, damage or costs, including court costs and attorney fees, that it may incur due to any claims by us, contractors, supplier or third parties relating to the Project, whether caused by a **breach of contract or negligence** of Releasee or otherwise. Entity further agrees that this Release, Waiver of Liability, Hold Harmless and Indemnity Agreement shall be construed in accordance with the laws of the State of Texas.

5. ENTITY HAS READ THIS RELEASE AND WAIVER OF LIABILITY, HOLD HARMLESS AND INDEMNITY AGREEMENT, FULLY UNDERSTANDS ITS TERMS, UNDERSTANDS THAT IT MAY HAVE GIVEN UP SUBSTANTIAL RIGHTS BY SIGNING IT, AND HAS SIGNED IT FREELY AND VOLUNTARILY WITHOUT ANY INDUCEMENT, ASSURANCE OR GUARANTEE BEING MADE TO US AND INTEND ITS SIGNATURE TO BE A COMPLETE AND UNCONDITIONAL RELEASE OF ALL LIABILITY TO THE GREATEST EXTENT ALLOWED BY LAW.

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

(a) In its capacity as a conservation and reclamation district created by the Act, pursuant to Article XIV, 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) That it will finance all Costs of the Project not provided by the Entity 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 provide the Project. To this end, the Authority and the Entity 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 Entity.

(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 Entity.

(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 said

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 Entity 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 Entity and any grant received, for the purpose of providing all or part of the Project. It is agreed that the Entity 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 Entity 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 Entity'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 agreed that upon completion of the Project, and 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, ownership of the Project shall fully vest in the Entity. 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 Entity to the Authority under this Contract, and the Entity agrees that it will make to the Authority the following payments:

(a) Monthly amortization payment — Such amounts, payable monthly on or before the 10th 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 Entity) under the Bond Resolution 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 Entity and the Authority.

(e) The cost 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 Entity agrees to make the payments required by Section 3.01 at the times hereafter specified:

(a) Monthly Amortization Payments — the Entity 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 Entity 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 Entity shall commence making these payments on the 10th day of a 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 Resolution authorizing such additional Bonds.

(c) Administrative Payment — the Entity shall commence making the administrative payment on the 10th day of the month following the effective date of this Contract, and thereafter such payment shall be made on the 10th day of each month thereafter throughout the term of this Contract.

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

(e) Maintenance and Operating Expenses: (i) if the Entity is designated as the Operator, such expenses shall be paid by the Entity as the same become due; or (ii) if the Authority is designated as the Operator, the Entity 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 10th 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 Entity 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 Entity is the Operator under this Section, the Entity 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 Entity 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 Entity recognizes the fact that the Authority will use the payment received from the Entity 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 Entity.

SECTION 3.06: Late Payment Penalty. Should the Entity 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 - Entity to Fix Adequate Rates.

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

(b) The Entity further agrees to fix and collect such rates and charges for water and sanitary 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 Entity. The payments required to be made by the Entity 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 Entity shall be and are separate and independent covenants and the Entity 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 Entity 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 Entity 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 Entity 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 Entity and Authority agree and mutually find that the anticipated useful life of the Project equals or exceeds the period specified in the Bond Resolution(s) for the maturity of all Bonds authorized to be issued.

SECTION 4.03:        Abandonment of Use of Project. Except as provided by this Contract, the Entity 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 Entity, 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 Entity choose to discontinue the operation of all or part of the Project, the Entity 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 Entity, and any money realized from such salvage will serve as a reduction of such expense. The Entity 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 Entity to the Authority provided for by this Contract and all payments provided for by this Contract shall remain obligations of the Entity 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 Entity. 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



Entity 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 Entity 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 Entity and the Authority.

SECTION 4.05: This Contract shall be binding upon and inure to the benefit of the Authority and the Entity and their legal successors but the Contract shall not be otherwise assignable in whole or in part by either the Authority or Entity without first obtaining the written consent of the other. Consent to any proposed assignment will not be unreasonably withheld or delayed. To the extent an assignee expressly assumes an obligation of the assignor, assignor shall be fully released from performing or undertaking such obligations.

SECTION 4.06: 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 4.07: 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 4.08: Title to Water and Sewage. Title to all water and sewage put into the Project under this Contract shall be in the Entity.

SECTION 4.09: 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 Entity: P.O. Box 233  
Bailey, TX 75413  
Attention: President, Board of Directors

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 4.10: Covenant to Enforce Contractual Obligations. The Authority covenants that it will enforce the obligations of the Entity 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 4.11: Consequences of Entity Default. The Authority and the Entity 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 Entity 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 4.12:        Further Agreements of the Parties. The parties hereto specifically recognize that to the extent the Entity has heretofore issued, sold and delivered revenue bonds that were and are payable from and secured by a lien on and pledge of the net revenues of its Utility System, and to the extent such bonds so issued and delivered are outstanding, the Entity has disclosed to the Authority the existence and terms of all such bonds.

Additionally, the Entity represents to the Authority that:

- (a)     There is no provision in any ordinance of the Entity which prohibits the Entity 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 Entity and any other person. The Project is in furtherance of governmental policy, not inconsistent with the existing contractual obligations of the Entity.

SECTION 4.13:        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 Entity; that the Operator without hindrance from the Authority or the Entity, 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 said 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 4.14:        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 Entity 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 Entity 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 Entity 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 Entity 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 Entity 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 4.15: Easements. The Entity agrees that the Authority may have such easements over any easements, right of way or property held by the Entity so that the facilities herein anticipated and the placement thereof and of all required equipment may be appropriately provided.

SECTION 4.16: Bond Approval by the Entity.

(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 Entity 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 Entity 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 Entity 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 Entity 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 Entity 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 4.17: Severability. The parties hereto agree that if any of the provisions of this Contract contravene or be held invalid under the laws of the State, 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

ARLEDGE RIDGE WATER SUPPLY CORPORATION

By: \_\_\_\_\_  
President, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors

**AGENDA ITEM XIII**



# **GREATER TEXOMA UTILITY AUTHORITY**

## **AGENDA COMMUNICATION**

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**DATE:** May 20, 2024

**SUBJECT:** AGENDA ITEM NO. XIII

**PREPARED BY:** Stacy Patrick, Project Manager  
**AND SUBMITTED BY:** Paul M. Sigle, General Manager

**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 SHERMAN 10 MGD EXPANSION).**

### **ISSUE**

Consider a resolution to request an application for participation by the Texas Water Development Board (TWDB) to finance the planning, acquisition, design, and construction of the City of Sherman 10 MGD Water Treatment Plant Expansion Project.

### **BACKGROUND**

The City of Sherman has requested the Authority's assistance in funding improvements to the city's water system. These improvements include a pre-oxidation basin, chemical feed facility, reverse osmosis/ultra-filtration membrane building, clear well and high service pump station.

After discussing the project with the city of Sherman, Authority Staff has determined that funding through the Texas Water Development Board's State Water Implementation Fund for Texas (SWIFT) meets the needs and timing for the City of Sherman 10 MGD Water Treatment Plant Expansion Project utilizing TWDB's Board Participation and low interest finance options.

### **STAFF RECOMMENDATIONS**

The Authority Staff recommends that the Board authorize the submission of an application to the TWDB for funds to be used by the Authority for the City of Sherman 10 MGD Water Treatment Plant Expansion Project in the amount not to exceed \$294,540,000.

### **ATTACHMENTS**

Resolution  
Application Affidavit  
Certificate of Secretary

## Application Filing and Authorized Representative Resolution

A RESOLUTION by the \_\_\_\_\_ of the \_\_\_\_\_ requesting financial assistance from the Texas Water Development Board; authorizing the filing of an application for assistance; and making certain findings in connection therewith.

BE IT RESOLVED BY THE \_\_\_\_\_ OF THE \_\_\_\_\_:

SECTION 1: That an application is hereby approved and authorized to be filed with the Texas Water Development Board seeking financial assistance in an amount not to exceed \$ \_\_\_\_\_ to provide for the costs of \_\_\_\_\_.

SECTION 2: That \_\_\_\_\_ be and is hereby designated the authorized representative of the \_\_\_\_\_ for purposes of furnishing such information and executing such documents as may be required in connection with the preparation and filing of such application for financial assistance and the rules of the Texas Water Development Board.

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

Financial Advisor: \_\_\_\_\_  
\_\_\_\_\_

Engineer: \_\_\_\_\_  
\_\_\_\_\_

Bond Counsel: \_\_\_\_\_  
\_\_\_\_\_

PASSED AND APPROVED, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

ATTEST: \_\_\_\_\_

By: \_\_\_\_\_

(Seal)

## Application Affidavit

THE STATE OF TEXAS §

COUNTY OF \_\_\_\_\_ §

APPLICANT \_\_\_\_\_ §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared \_\_\_\_\_ as the Authorized Representative of the \_\_\_\_\_, who being by me duly sworn, upon oath says that:

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

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

3. The \_\_\_\_\_ (authority, city, county, corporation, district) has no litigation or other proceedings pending or threatened against it that would materially adversely affect its financial condition or ability to issue debt.

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

\_\_\_\_\_.

5. The \_\_\_\_\_ (authority, city, county, corporation, district) warrants compliance with the representations made in the application in the event that the TWDB provides the financial assistance.

6. The \_\_\_\_\_ (authority, city, county, corporation, district) is or will become in compliance with all of its material contracts.



7. The \_\_\_\_\_ (authority, city, county, corporation, district) will comply with all applicable federal laws, rules, and regulations as well as the laws of this state and the rules and regulations of the TWDB.

\_\_\_\_\_  
Official Representative

Title: \_\_\_\_\_

SWORN TO AND SUBSCRIBED BEFORE ME, by \_\_\_\_\_,  
on this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

(NOTARY'S SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

## Application Resolution - Certificate of Secretary

THE STATE OF TEXAS §  
COUNTY OF \_\_\_\_\_ §  
APPLICANT \_\_\_\_\_ §

I, the undersigned, Secretary of the \_\_\_\_\_ Texas,  
DO HEREBY CERTIFY as follows:

1. That on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, a regular/special meeting of the \_\_\_\_\_ was held; the duly constituted members of the \_\_\_\_\_ being as follows:

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

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

"A RESOLUTION by the \_\_\_\_\_ of the \_\_\_\_\_ requesting financial participation from the Texas Water Development Board; authorizing the filing of an application for financial participation; and making certain findings in connection therewith."

was introduced and submitted to the \_\_\_\_\_ for passage and adoption. After presentation and consideration of the resolution, and upon a motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_, the resolution was passed and adopted by the \_\_\_\_\_ by the following vote:

\_\_\_\_\_ voted "For"                      \_\_\_\_\_ voted "Against"                      \_\_\_\_\_ abstained

all as shown in the official minutes of the \_\_\_\_\_ for this meeting.

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

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

\_\_\_\_\_  
Secretary

(SEAL)

**AGENDA ITEM XIV**



# **GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION**

---

**DATE:** May 20, 2024

**SUBJECT:** AGENDA ITEM NO. XIV

**PREPARED BY AND SUBMITTED BY:** Paul M. Sigle, General Manager

**CONSIDER AND ACT UPON THE APPROVAL OF AN INTERLOCAL AGREEMENT BETWEEN  
NORTH TEXAS MUNICIPAL WATER DISTRICT, UPPER TRINITY REGIONAL WATER  
DISTRICT, AND GREATER TEXOMA UTILITY AUTHORITY FOR A JOINT WATER SUPPLY  
STUDY.**

**ISSUE**

Consider and act upon the approval of an interlocal agreement between North Texas Municipal Water District, Upper Trinity Regional Water District, and Greater Texoma Utility Authority for a joint water supply study.

**BACKGROUND**

The City of Celina and Mustang SUD has requested assistance in finding a long term solution in meeting the water supply needs as a result of the expansive growth in the region. Upper Trinity Regional Water District and North Texas Municipal Water District has offer assistance in examining possible solutions to meeting the needs of Celina, Mustang, and the Authority's member cities.

**CONSIDERATIONS**

The interlocal agreement outlines the assistance NTMWD and UTRWD will provide GTUA for the joint water supply study to examine GTUA's current water rights, demand projections with participating entities, possible water supply alternatives, and the feasibility of the regional water system.

**STAFF RECOMMENDATIONS**

The Authority Staff recommends approving the interlocal agreement with NTMWD and UTRWD.

**ATTACHED**

ILA

**INTERLOCAL AGREEMENT BETWEEN NORTH TEXAS MUNICIPAL WATER DISTRICT, UPPER TRINITY REGIONAL WATER DISTRICT, AND GREATER TEXOMA UTILITY AUTHORITY FOR A JOINT WATER SUPPLY STUDY**

THIS INTERLOCAL AGREEMENT FOR A JOINT WATER SUPPLY STUDY (the "Agreement") is made and entered into as of this the \_\_\_day of May, 2024 (the "Effective Date"), by and between the North Texas Municipal Water District, a conservation and reclamation district created and operating pursuant to Article XVI, Sec. 59 of the Texas Constitution ("NTMWD"), the Upper Trinity Regional Water District, a conservation and reclamation district created and operating pursuant to Article XVI, Sec. 59 of the Texas Constitution ("UTRWD"), and the Greater Texoma Utility Authority, a conservation and reclamation district created and operating pursuant to Article XVI, Section 59, of the Texas Constitution ("GTUA"), also each referred to as a "Party," or collectively, the "Parties."

**W I T N E S S E T H :**

WHEREAS, the Parties are authorized to enter into this Agreement pursuant to Chapter 62, Acts of the 52<sup>nd</sup> Legislature, 1951 (Article 8280-141, Vernon's Texas Civil Statutes); Chapter 1053, Acts of the 71<sup>st</sup> Legislature, 1989; Chapter 97, Acts of the 66<sup>th</sup> Legislature, 1979 (Chapter 8283 of the Texas Special District Local Laws Code); Chapter 791 of the Texas Government Code, and other applicable laws; and,

WHEREAS, GTUA, UTRWD, and NTMWD are Region C Water Plan Water Providers ("Water Providers") who provide wholesale treated and other related services to cities and utilities in Collin, Cooke, Denton, and Grayson Counties as outlined in the Region C Water Plan; and,

WHEREAS, GTUA was created to provide its member cities with assistance in financing and construction of water and wastewater facilities and may provide operations services for water and wastewater facilities upon request of its member cities and others; and,

WHEREAS, GTUA completed a study in March 2020 titled "GTUA Regional Water Utility Study" evaluating the feasibility of implementing a new regional water system for communities in northern Collin, Cooke, northern Denton, and Grayson Counties (herein the "2020 Study") and continued growth and development in Collin, Cooke, Denton, and Grayson Counties is creating a need for additional water treatment and transmission services; and

WHEREAS, cities and utilities currently served by the Parties have begun making inquiries about long-term water supply availability; and

WHEREAS, developing new water supplies to meet the future needs of these cities and utilities can be challenging and may not be completed in time to avoid a water shortage; and

WHEREAS, GTUA has plans to become a regional water provider and may be best suited to meet the increasing water supply needs of these cities and utilities, as well as potentially serve areas adjacent to GTUA's existing service area; and,

WHEREAS, UTRWD and NTMWD jointly support GTUA's efforts to update the 2020 Study to further evaluate future water needs and the development of a regional water supply, treatment and transmission system in close coordination with the cities and utilities in Collin, Cooke, Denton, and Grayson Counties (herein the "Project"); and,

WHEREAS, the Parties desire to jointly participate in the Project and to share in the costs therefore to explore the possibility of developing a new regional water treatment and transmission system to enable GTUA to serve parts of Collin, Cooke, Denton, Grayson Counties, including the City of Celina and Mustang Special Utility District.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the sufficiency of which are hereby conclusively acknowledged, and subject to the terms and conditions hereinafter set forth, NTMWD, UTRWD, and GTUA mutually undertake, promise, and agree as follows:

## **AGREEMENT**

**Section 1. PROJECT.** The Parties agree that to complete the Project, GTUA, as manager for the Project, shall be responsible for the following: (1) identifying the current water demands that GTUA can address in Collin, Cooke, Denton, and Grayson Counties to include City of Celina and Mustang Special Utility District (the "Service Area"); (2) identifying GTUA's available water supply to meet current water demands of the Service Area; (3) identifying the quantity of additional water supply needed to address future water demands (or a portion of that demand) of the Service Area; (4) identifying feasible water supply alternatives to address future water demands of the Service Area; and (5) determining the feasibility of implementing a new regional water treatment and transmission system for the Service Area.

**Section 2. PROJECT CONTRACTOR.** The Parties mutually agree that Freese and Nichols, Inc. shall be the contractor ("Contractor") for the Project. Attached as **Exhibit A** is the Contractor's scope of work for the Project (the "Project Scope"). GTUA shall manage the Project contract with Contractor and advise the Parties of any contractual disputes that may arise between GTUA and Contractor. GTUA agrees to provide periodic updates and a final report to NTMWD and UTRWD. The Project Scope may be amended or modified, but only upon the prior written agreement of the Parties.

**Section 3. TERM OF AGREEMENT.** The initial term of this Agreement shall be for two (2) years, commencing on the Effective Date, after which the Agreement shall automatically renew and extend for successive one-year terms. Following the initial two (2) year term, any Party may withdraw from this Agreement by providing written notice at least thirty (30) days prior to (i) the first renewal date of the Agreement; or (ii) the date of any subsequent one-year renewal. The withdrawing Party shall be required to pay its cost shares of the Project Scope fee as provided in Section 4, including any excess amount of cost shares agreed to as provided in Section 5, no later

than thirty (30) days from the date of such Party's written notice to the other Parties of its withdrawal from the Agreement.

**Section 4. COST SHARING.** The Parties agree to share in the cost of the total estimated fee for the Project Scope of \$807,715.00, as provided in Exhibit A. The cost shares of the Project Scope fee for which each Party is responsible is as follows:

NTMWD:	\$ 269,238.33 (33 %)
UTRWD:	\$ 269,238.33 (33 %)
GTUA:	\$ 269,238.33 (33 %)

**Section 5. FEES IN EXCESS OF COST ESTIMATE.** If the total cost of the Project exceeds the fee estimate of \$807,715.00, upon written approval of the Parties, the Parties agree that the excess amount will be divided among the Parties and paid in the proportional amounts described in Section 4.

**Section 6. PAYMENT OF INVOICES.** Contractor shall invoice GTUA as work on the Project progresses. Each Party shall remit its share of payment reflected in Section 4 to GTUA within thirty (30) calendar days of receipt of written request from GTUA and a copy of the invoice from Contractor. The obligations of the Parties to make payments to GTUA shall be absolute and unconditional and shall not be subject to diminution by set-off, counterclaim, abatement, or otherwise.

**Section 7. PAYMENT FROM CURRENT REVENUES.** The Parties agree that the payments required by this Agreement for the performance of governmental functions or services shall be made from current revenues available to each paying Party.

**Section 8. MODIFICATION.** This Agreement may be amended, changed, or modified only by written agreement of the Parties and only after having obtained approval from the governing bodies of all the Parties.

**Section 9. FORCE MAJEURE.** If by reason of force majeure any Party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement, then if such Party shall give notice and full particulars of such force majeure in writing to the other Party within a reasonable time after occurrence of the event or cause relied on, 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 Party 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, lockouts, or other industrial disturbances, acts of public enemy, orders of any kind of the Government of the United States or the State of Texas, or any civil or military authority, insurrection, riots, epidemics (including pandemics), landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply, or on account of any other causes not reasonably within the control of the Party claiming such inability.

**Section 10. REGULATORY BODIES AND LAWS.** This Agreement is subject to all applicable Federal and State Laws and any applicable permits, ordinances, rules, orders, and regulations of any local, state, or federal governmental authority having or asserting jurisdiction, but nothing contained herein shall be construed as a waiver of any right to question or contest any such law, ordinance, order, rule, or regulation in any forum, having jurisdiction.

**Section 11. NOTICES.** Unless otherwise provided herein, any notice, communication, request, reply, or advice (herein severally and collectively, for convenience, called "Notice") herein provided or permitted to be given, made, or accepted by any Party to any other Party must be in writing and may be given or be served by depositing the same in the United States mail, addressed to the Party to be notified and sent via first-class mail and by certified mail/return-receipt requested, or by delivering the same to an officer of such Party. Notice deposited in the mail in the manners hereinabove described shall be deemed to be effective, unless otherwise stated herein, from and after the expiration of three (3) days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the Party to be notified. For the purposes of Notice, the addresses of the Parties shall, until changed as hereinafter provided, be as follows:

If to NTMWD, to:

North Texas Municipal Water District  
Attn: Executive Director  
P.O. Box 2408  
Wylie, Texas 75098

If to UTRWD, to:

Upper Trinity Regional Water District  
Attn: Executive Director  
900 North Kealy Avenue  
P.O. Box 305  
Lewisville, Texas 75067

If to GTUA, to:

Greater Texoma Utility Authority  
Attn: General Manager  
5100 Airport Drive  
Denison, Texas 75020

The Parties hereto shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least fifteen (15) days written notice to the other Parties hereto.

**Section 12. SEVERABILITY.** The Parties hereto specifically agree that in case any one or more of the sections, subsections, provisions, clauses, or words of this Agreement or the application of such sections, subsections, provisions, clauses, or words to any situation or



circumstance should be, or should be held to be, for any reason, invalid or unconstitutional, under the laws or constitutions of the State of Texas or the United States of America, or in contravention of any such laws or constitutions, such invalidity, unconstitutionality, or contravention shall not affect any other sections, subsections, provisions, clauses, or words of this Agreement or the application of such sections, subsections, provisions, clauses, or words to any other situation or circumstance, and it is intended that this Agreement shall be severable and shall be construed and applied as if any such invalid or unconstitutional section, subsection, provision, clause, or word had not been included herein, and the rights and obligations of the Parties hereto shall be construed and remain in force accordingly.

**Section 13. GOVERNING LAW; VENUE.** All Parties agree that this Agreement shall be construed under the laws of the State of Texas, and obligations under the Agreement shall be performed in Collin County, Texas. In the event that any legal proceeding is brought to enforce this Agreement or any provision hereof, the same shall be brought in the State District Court of Collin County, Texas. The Parties agree to submit to the jurisdiction of said court.

**Section 14. SOLE AGREEMENT.** This Agreement constitutes the sole and only agreement of NTMWD, UTRWD, and GTUA, and supersedes any prior understanding or oral or written agreements between NTMWD, UTRWD, and GTUA with respect to the subject matter of this Agreement.

**Section 15. NO THIRD-PARTY BENEFICIARIES.** This Agreement shall inure only to the benefit of the Parties hereto and third persons not privy hereto shall not, in any form or manner, be considered a third-party beneficiary of this Agreement.

**Section 16. WAIVER.** Any waiver at any time by any Party of its rights with respect to default under this Agreement shall not be deemed a waiver of such rights with respect to any subsequent default or matter. No officer or agent of GTUA, NTMWD, or UTRWD is authorized to waive any provision of the Agreement.

**Section 17. REMEDIES.** Nothing in this Agreement shall be construed as, in any manner, to abridge, limit or deprive any Party hereunto of any means which it could otherwise have of enforcing any right or remedy either in law or in equity for breach of any of the provisions hereof.

**Section 18. RELATIONSHIP OF THE PARTIES.** This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon any of the Parties. None of the Parties shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, any of the other Parties.

**Section 19. SUCCESSION AND ASSIGNMENT.** This Agreement is binding upon and shall inure to the benefit of the Parties, their heirs, successors, and assigns. This Agreement may not be assigned by any Party hereto without the prior written notice to, and prior written approval by, the other Parties, which consent may be withheld without cause.

**Section 20. RECITALS AND EXHIBITS INCORPORATED.** The recitals contained in the preamble hereof and the exhibits hereto are hereby found to be true, and such recitals and exhibits are hereby made a part of this Agreement for all purposes.

**Section 21. AUTHORITY TO EXECUTE.** Each person signing on behalf of the Parties hereby confirms that they have the authority to execute this Agreement on behalf of the Party indicated by their signature.

**Section 22. RESPONSIBILITIES.** The Parties agree that neither Party is an agent, servant, or employee of the other Party and that each Party is responsible for its individual acts and deeds, as well as the acts and deeds of its contractors, employees, representatives, and agents. The Parties agree that the Project is not a joint venture or joint enterprise.

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

*Signatures on the following page.*

**NORTH TEXAS MUNICIPAL WATER DISTRICT**

By: Jennifer Covington Date 5/1/2024  
Jennifer P. Covington  
Executive Director

**UPPER TRINITY REGIONAL WATER DISTRICT**

By: Larry N. Patterson Date 5/2/2024  
Larry N. Patterson, P.E.  
Executive Director

**GREATER TEXOMA UTILITY AUTHORITY**

By: \_\_\_\_\_ Date \_\_\_\_\_  
Paul M. Sigle  
General Manager

**AGENDA ITEM XV**



# **GREATER TEXOMA UTILITY AUTHORITY**

## **AGENDA COMMUNICATION**

---

**DATE:** May 20, 2024

**SUBJECT:** AGENDA ITEM NO. XV

**PREPARED BY AND SUBMITTED BY:** Paul M. Sigle, General Manager

**CONSIDER AND ACT UPON THE PROFESSIONAL SERVICES AGREEMENT WITH FREESE AND NICHOLS, INC. TO PERFORM PROFESSIONAL SERVICES IN CONNECTION WITH THE JOINT WATER SUPPLY STUDY.**

**ISSUE**

Consider and act upon the professional services agreement with Freese and Nichols, Inc. to perform professional services in connection with the joint water supply study.

**BACKGROUND**

The City of Celina and Mustang SUD has requested assistance in finding a long turn solution in meeting the water supply needs as a result of the expansive growth in the region. Upper Trinity Regional Water District and North Texas Municipal Water District has offer assistance in examining possible solutions to meeting the needs of Celina, Mustang, and the Authority's member cities.

**CONSIDERATIONS**

Freese and Nichols, Inc. (FNI) has been contact to provide professional services in connection with the joint water supply study. After discussion with FNI and input from UTRWD and NTMWD, FNI has provided a scope of work and professional service agreement in the amount of \$807,715.00.

**STAFF RECOMMENDATIONS**

The Authority Staff recommends approving the professional services agreement with FNI.

**ATTACHED**

Scope of Work and Professional Services Agreement.

**PROFESSIONAL SERVICES AGREEMENT**

STATE OF TEXAS §

COUNTY OF TARRANT §

This Agreement is entered into by Greater Texoma Utility Authority (Client) and Freese and Nichols, Inc. (FNI). In consideration of FNI providing professional services for Client and Client utilizing these services, the parties hereby agree:

- I. **EMPLOYMENT OF FNI:** In accordance with the terms of this Agreement, Client agrees to employ and compensate FNI to perform professional services in connection with the Project. The Project is described as RAW WATER SUPPLY MASTER PLAN AND REGIONAL WATER SYSTEM FEASIBILITY STUDY.
- II. **SCOPE OF SERVICES:** FNI shall render professional services in connection with the Project as set forth in Attachment SC – Scope of Services and Responsibilities of Client which is attached to and made a part of this Agreement.
- III. **COMPENSATION:** Client agrees to pay FNI for all professional services rendered under this Agreement. FNI shall perform professional services under this Agreement for a not to exceed fee of \$807,715.
- IV. **TERMS AND CONDITIONS OF AGREEMENT:** The Terms and Conditions of Agreement, as set forth in Attachment TC – Terms and Conditions of Agreement, shall govern the relationship between the Client and FNI.
- V. **GOVERNING LAW; VENUE:** This Agreement shall be administered and interpreted under the laws of the State of Texas. Venue of any legal proceeding involving this Agreement shall be in Tarrant County, Texas.
- VI. **EFFECTIVE DATE:** The effective date of this Agreement is May 30, 2024.

Nothing in this Agreement shall be construed to give any rights or benefits under this Agreement to anyone other than the Client and FNI. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of the Client and FNI and not for the benefit of any other party. This Agreement constitutes the entire agreement between the Client and FNI and supersedes all prior written or oral understandings.

This Agreement is executed in two counterparts. IN TESTIMONY HEREOF, Agreement executed:

**GREATER TEXOMA UTILITY AUTHORITY**

**FREESE AND NICHOLS, INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest: \_\_\_\_\_

Attest: \_\_\_\_\_

**SCOPE OF SERVICES**  
**Greater Texoma Utility Authority (GTUA)**  
**RAW WATER SUPPLY MASTER PLAN AND REGIONAL WATER SYSTEM FEASIBILITY STUDY**  
**APRIL 12, 2024**

**PROJECT UNDERSTANDING:**

Water supply availability and reliability is essential to the growth and health of any community. Freese and Nichols, Inc. (FNI) understands that significant growth is occurring in the entities GTUA serves and that some utilities (Celina and Mustang SUD) have approached GTUA about supplying treated water. This study seeks to identify how much demand GTUA can currently meet, how much supply is currently available, how much additional supply would need to be secured to meet demand growth (or a portion of that demand), what supply options are available and cost-effective, and what is the feasibility of implementing a new regional water system. This study will build upon the GTUA regional water system study completed in 2020.

**SCOPE OF WORK:**

1. Kick-off Meeting: FNI will attend a kick-off meeting with GTUA, supporting agencies (UTRWD and NTMWD), and other stakeholders to discuss project scope, schedule, and data requirements.
2. Data Collection: FNI will develop a list of data needs and distribute to selected entities. FNI will compile the data and summarize the anticipated water needs of stakeholders. FNI will review existing master plans, regional planning and other planning documents.
3. Water Demand Projections: FNI will define a proposed service area and identify potential cities and retail water providers that could be served by the new regional water system. FNI will review existing studies to identify population and demand projections for 2025 (existing), 2030, 2040, 2050 and 2080. FNI will develop the following demand scenarios.
  - a. GTUA current members only
  - b. GTUA current members with portions of Celina, Pilot Point and Mustang SUD
  - c. GTUA current members with all of Celina, Pilot Point and Mustang SUD needs not met by other suppliers.
4. Lake Texoma Evaluation: FNI will complete a comprehensive evaluation of Lake Texoma from the Red River compact, current authorized USACE storage, and water rights in both Texas and Oklahoma. Based on this analysis, FNI will identify potential unused supplies in Lake Texoma. FNI will also evaluate the potential yield benefit of reallocation of USACE storage in Lake Texoma. FNI will calculate a combined firm yield for Lake Texoma.
5. Existing Water Supply Availability Evaluation: FNI will investigate the availability of water supply sources for the new regional water system. FNI will compare projected water demands to available water supply and assess the need for additional water supplies. Water supply will be projected for 2025 (existing), 2030, 2040, 2050 and 2080.
  - a. GTUA existing supplies: Groundwater, Texoma water rights. This will include an evaluation of current infrastructure constraints such as the Texoma Pipeline.
  - b. GTUA member existing supplies. FNI will conduct meetings with GTUA member entities (Sherman, Denison, and others) to discuss their long-term supply plans.
  - c. Unused Lake Texoma supplies

6. Raw Water Supply Evaluation: FNI will determine the need for raw water based on each demand scenario and existing water supply availability. FNI will then evaluate potential additional raw water supply alternatives to meet the demand. FNI with GTUA will identify no more than ten (10) potentially feasible raw water supply alternatives that may include groundwater, brackish groundwater, reallocation of surface water, new surface water, reuse or a combination thereof. FNI will perform a screening level analysis and provide results with recommendations to GTUA. GTUA will select the top three (3) raw water supply options for detailed analysis.
  - a. Detailed analysis will consider potential treatment alternatives (stand-alone vs. combined, new vs existing facilities), delivery options (raw vs. treated), permitting (water right and discharge).
7. Develop Conceptual Raw Water Alternatives: FNI will develop planning level cost estimates and mapping for three (3) proposed raw water projects. Prioritization, descriptions, regulatory processes, justification, and phasing of proposed projects will be identified. Projects costs will be in 2023 dollars and include allowances for contingencies and engineering.
8. Develop Conceptual Regional Water System Alternatives: FNI will develop planning level cost estimates and mapping for three (3) proposed regional water systems. Prioritization, descriptions, regulatory processes, justification, and phasing of proposed projects will be identified. Projects costs will be in 2023 dollars and include allowances for contingencies and engineering.
9. Draft Technical Report: FNI will develop a draft raw water supply master plan and regional water system feasibility study that summarizes the assumptions, methodology, and findings of the water system study. FNI will provide an electronic PDF copy of the Draft Technical Report.
10. Progress Meetings: FNI will attend up to four (4) progress meetings (in addition to the kick-off meeting) throughout the course of the project to review project progress, provide project updates, and to solicit comments on the draft report. These progress meetings will include NTMWD and UTRWD and other stakeholders.
11. Final Technical Report: FNI will review the draft report based on comments received and develop a Final Raw Water Supply and Regional Water System Feasibility Report. FNI will provide an electronic PDF copy, GIS mapping files, and fifteen (15) hard copies of the final report.
12. Presentations to City Councils / Board of Directors: FNI will conduct up to five (5) presentations to City Councils, Board of Directors, or other stakeholder groups to present the findings of the raw water master plan. This will include presentations to the NTMWD and UTRWD executive teams/boards.

**ESTIMATE FOR ENGINEERING SERVICES = \$807,715**

**ESTIMATED SCHEDULE = 9-12 months**



<u>Position</u>	<u>Hourly Rate</u>
Professional 1	152
Professional 2	181
Professional 3	205
Professional 4	237
Professional 5	274
Professional 6	314
Construction Manager 1	131
Construction Manager 2	163
Construction Manager 3	174
Construction Manager 4	218
Construction Manager 5	262
Construction Manager 6	299
Construction Representative 1	118
Construction Representative 2	131
Construction Representative 3	163
Construction Representative 4	174
CAD Technician/Designer 1	130
CAD Technician/Designer 2	167
CAD Technician/Designer 3	204
Corporate Project Support 1	124
Corporate Project Support 2	147
Corporate Project Support 3	196
Intern / Coop	77
Senior Advisor	175

**Rates for In-House Services and Equipment**

<u>Mileage</u>	<u>Bulk Printing and Reproduction</u>		<u>Equipment</u>	
Standard IRS Rates		<u>B&amp;W</u>	<u>Color</u>	Valve Crew Vehicle (hour) \$75
	Small Format (per copy)	\$0.10	\$0.25	Pressure Data Logger (each) \$200
<b><u>Technology Charge</u></b>	Large Format (per sq. ft.)			Water Quality Meter (per day) \$100
\$8.50 per hour	Bond	\$0.25	\$0.75	Microscope (each) \$150
	Glossy / Mylar	\$0.75	\$1.25	Pressure Recorder (per day) \$100
	Vinyl / Adhesive	\$1.50	\$2.00	Ultrasonic Thickness Guage (per day) \$275
	Mounting (per sq. ft.)	\$2.00		Coating Inspection Kit (per day) \$275
	Binding (per binding)	\$0.25		Flushing / Cfactor (each) \$500
				Backpack Electrofisher (each) \$1,000
				<u>Survey Grade</u> <u>Standard</u>
				Drone (per day) \$200 \$100
				GPS (per day) \$150 \$50

**OTHER DIRECT EXPENSES:**

Other direct expenses are reimbursed at actual cost times a multiplier of 1.15. They include outside printing and reproduction expense, communication expense, travel, transportation and subsistence away from the FNI office. For other miscellaneous expenses directly related to the work, including costs of laboratory analysis, test, and other work required to be done by independent persons other than staff members, these services will be billed at a cost times a multiplier of 1.15. For Resident Representative services performed by non-FNI employees and CAD services performed In-house by non-FNI employees where FNI provides workspace and equipment to perform such services, these services will be billed at cost times a multiplier of 2.0. This markup approximates the cost to FNI if an FNI employee was performing the same or similar services.

**These ranges and/or rates will be adjusted annually in February. Last updated 2024.**

## TERMS AND CONDITIONS OF AGREEMENT

1. **DEFINITIONS:** As used herein: (1) Client refers to the party named as such in the Agreement between the Client and FNI; (2) FNI refers to Freese and Nichols, Inc., its employees and agents, and its subcontractors and their employees and agents; and (3) Services refers to the professional services performed by FNI pursuant to the Agreement.
2. **INFORMATION FURNISHED BY CLIENT:** Client will assist FNI by placing at FNI's disposal all available information pertinent to the project, including previous reports and any other data relative to design or construction of the project. FNI shall have no liability for defects or negligence in the Services attributable to FNI's reliance upon or use of data, design criteria, drawings, specifications, or other information furnished by Client. To the fullest extent permitted by law, Client agrees to indemnify and hold FNI harmless from any and all claims and judgments, and all losses, costs, and expenses arising therefrom. FNI shall disclose to Client, prior to use thereof, defects or omissions in the data, design criteria, drawings, specifications, or other information furnished by Client to FNI that FNI may reasonably discover in its review and inspection thereof.
3. **STANDARD OF CARE:** FNI will perform all professional services under this Agreement with the professional skill and care ordinarily provided by competent members of the subject profession practicing under the same or similar circumstances and professional license as expeditiously as is prudent considering the ordinary professional skill and care of a competent member of the subject profession. FNI makes no warranties, express or implied, under this Agreement or otherwise, in connection with any Services performed or furnished by FNI.

4. **INSURANCE:** FNI shall provide Client with certificates of insurance with the following minimum coverage:

<u>Commercial General Liability</u>	<u>Workers' Compensation</u>
\$2,000,000 General Aggregate	As required by Statute
<u>Automobile Liability (Any Auto)</u>	<u>Professional Liability</u>
\$1,000,000 Combined Single Limit	\$3,000,000 Annual Aggregate

5. **CHANGES:** Client, without invalidating the Agreement, may order changes within the general scope of Services required by the Agreement by altering, adding, and/or deducting from the Services to be performed. If any such change under this clause causes an increase or decrease in FNI's cost or time required for the performance of any part of the Services, an equitable adjustment will be made by mutual agreement and the Agreement will be modified in writing accordingly.

FNI will make changes to the drawings, specifications, reports, documents, or other deliverables as requested by Client. However, when such changes differ from prior comments, directions, instructions, or approvals given by Client or are due to causes not solely within the control of FNI, FNI shall be entitled to additional compensation and time required for performance of such changes to the Services authorized under this Agreement.

6. **OPINION OF PROBABLE CONSTRUCTION COSTS:** No fixed limit of project construction cost shall be established as a condition of the Agreement, unless agreed upon in writing and signed by the parties hereto. If a fixed limit is established, FNI shall be permitted to include contingencies for design, bidding, and price escalation in the construction contract documents to make reasonable adjustments in the scope of the project to adjust the project construction cost to the fixed limit. Such contingencies may include bid allowances, alternate bids, or other methods that allow FNI to

determine what materials, equipment, component systems, and types of construction are to be included in the construction contract documents. Fixed limits, if any, shall be increased by the same amount as any increase in the contract price after execution of the construction contract.

FNI will furnish an opinion of probable construction or program cost based on present day pricing, but does not guarantee the accuracy of such estimates. Opinions of probable cost, financial evaluations, feasibility studies, economic analyses of alternate solutions, and utilitarian considerations of operations and maintenance costs prepared by FNI hereunder will be made on the basis of FNI's experience and qualifications and represent FNI's judgment as an experienced and qualified design professional. It is recognized, however, that FNI does not have control over the cost of labor, material, equipment, or services furnished by others or over market conditions or contractors' methods of determining prices. Accordingly, FNI cannot and does not warrant or represent that bids or cost proposals will not vary from the Client's project budget or from any estimate or opinion of probable construction or program cost prepared by or agreed to by FNI.

7. **PAYMENT:** Progress payments may be requested by FNI based on the amount of Services completed. Payment for Services shall be due and payable upon submission of a statement for Services to Client and in acceptance of Services as satisfactory by Client. Statements for Services shall not be submitted more frequently than monthly. Any applicable taxes imposed upon the Services, expenses, and charges by any governmental body after the execution of this Agreement will be added to FNI's compensation.

If Client fails to make any payment due FNI for Services, expenses, and charges within 30 days after receipt of FNI's statement for Services therefore, the amounts due FNI will be increased at the rate of 1 percent per month from said 30th day, and, in addition, FNI may, after giving 7 days' written notice to Client, suspend Services under this Agreement until FNI has been paid in full for all amounts due for Services, expenses, and charges.

If FNI's Services are delayed or suspended by Client or are extended for more than 60 days through no fault of FNI, FNI shall be entitled to equitable adjustment of rates and amounts of compensation to reflect reasonable costs incurred by FNI in connection with such delay or suspension and reactivation and the fact that the time for performance under this Agreement has been revised.

8. **OWNERSHIP OF DOCUMENTS:** All drawings, reports, data, and other project information developed in the execution of Services provided under this Agreement shall be the property of Client upon payment of FNI's fees for Services. FNI may retain copies for record purposes. Client agrees such documents are not intended or represented to be suitable for reuse by Client or others. Any reuse by Client or by those who obtained said documents from Client without written verification or adaptation by FNI, will be at the Client's sole risk and without liability or legal exposure to FNI, or to FNI's independent associates or consultants. To the fullest extent permitted by law, Client shall indemnify and hold harmless FNI and FNI's independent associates and consultants from all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle FNI to further reasonable compensation. FNI may reuse all drawings, report data, and other project information in the execution of Services provided under this Agreement in FNI's other activities. Any reuse by FNI will be at FNI's sole risk and without liability or legal exposure to Client, and FNI shall indemnify and hold harmless Client from all claims, damages, losses, and expenses including reasonable attorneys' fees arising out of or resulting therefrom.

9. **TERMINATION:** The obligation to provide Services under this Agreement may be terminated by either party upon 10 days' written notice. In the event of termination, FNI will be paid for all Services rendered and reimbursable expenses incurred to the date of termination and, in addition, all reimbursable expenses directly attributable to termination.
10. **CONSTRUCTION REPRESENTATION:** If required by the Agreement, FNI will furnish construction representation according to the defined scope for these Services. FNI will observe the progress and the quality of work to determine in general if the work is proceeding in accordance with the construction contract documents. In performing these Services, FNI will report any observed deficiencies to Client, however, it is understood that FNI does not guarantee the contractor's performance, nor is FNI responsible for the supervision of the contractor's operation and employees. FNI shall not be responsible for the contractor's means, methods, techniques, sequences, or procedures of construction or the safety precautions and programs incident to the work of the contractor. FNI shall not be responsible for the acts or omissions of any person (except its own employees or agents) at the project site or otherwise performing any of the work of the project. If Client designates a resident project representative that is not an employee or agent of FNI, the duties, responsibilities, and limitations of authority of such resident project representative will be set forth in writing and made a part of this Agreement before the construction phase of the project begins.
11. **GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT:** Client agrees to include provisions in the general conditions of the construction contract that name FNI: (1) as an additional insured and in any waiver of subrogation rights with respect to such liability insurance purchased and maintained by the contractor for the project (except workers' compensation and professional liability policies); and (2) as an indemnified party in any indemnification provisions where Client is named as an indemnified party.
12. **POLLUTANTS AND HAZARDOUS WASTES:** It is understood and agreed that FNI has neither created nor contributed to the creation or existence of any hazardous, radioactive, toxic, irritant, pollutant, or otherwise dangerous substance or condition at the project site, if any, and its compensation hereunder is in no way commensurate with the potential risk of injury or loss that may be caused by exposures to such substances or conditions. The parties agree that in performing Services required by this Agreement, FNI does not take possession or control of the subject site, but acts as an invitee in performing Services, and is not therefore responsible for the existence of any pollutant present on or migrating from the site. Further, FNI shall have no responsibility for any pollutant during clean-up, transportation, storage or disposal activities.
13. **SUBCONTRACTS:** If, for any reason and at any time during the progress of providing Services, Client determines that any subcontractor for FNI is incompetent or undesirable, Client shall notify FNI accordingly and FNI shall take immediate steps for cancellation of such subcontract. Subletting by subcontractors shall be subject to the same regulations. Nothing contained in the Agreement shall create any contractual relation between any subcontractor and Client.
14. **PURCHASE ORDERS:** If a purchase order is used to authorize FNI's Services, only the terms, conditions, and instructions typed on the face of the purchase order shall apply to this Agreement. Should there be any conflict between the purchase order and the terms of this Agreement, then this Agreement shall prevail and be determinative of the conflict.

15. **CONSEQUENTIAL DAMAGES:** In no event shall FNI be liable in contract, tort, strict liability, warranty, or otherwise for any special, indirect, incidental, or consequential damages (such as loss of product, loss of use of equipment or systems, loss of anticipated profits or revenue, non-operation or increased expense of operation), arising out of, resulting from, or in any way related to this Agreement or the project.
16. **ARBITRATION:** No arbitration, arising out of or relating to this Agreement, involving one party to this Agreement may include the other party to this Agreement without their approval.
17. **SUCCESSORS AND ASSIGNMENTS:** Client and FNI and the partners, successors, executors, administrators, and legal representatives of each are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.

Neither Client nor FNI shall assign, sublet, or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent FNI from employing such independent associates and consultants as FNI may deem appropriate to assist in the performance of Services hereunder.

**AGENDA ITEM XVI**



# **GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION**

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**DATE:** May 20, 2024

**SUBJECT:** AGENDA ITEM NO. XVI

**PREPARED BY AND SUBMITTED BY:** Paul M. Sigle, General Manager

## **CONSIDER AND ACT UPON AUTHORIZING THE GENERAL MANAGER TO ENGAGE SPECIALIZED LEGAL SERVICES FOR WATER RIGHTS.**

### **ISSUE**

Consider and act upon authorizing the General Manager to engage specialized legal services for water rights.

### **BACKGROUND**

The Authority needs the assistance of specialized legal services to assist with the Authority's water rights and related issues.

### **CONSIDERATIONS**

The Authority Staff is requesting the Board to authorize the General Manager to engage a law firm who specialize in water rights issues to assist the Authority with water rights issues.

### **STAFF RECOMMENDATIONS**

The Authority Staff recommends authorizing the General Manager to approve the engagement of a water rights law firm not to exceed \$50,000.

**AGENDA ITEM XVII**





# **GREATER TEXOMA UTILITY AUTHORITY**

## **AGENDA COMMUNICATION**

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**DATE:** May 20, 2024

**SUBJECT:** AGENDA ITEM NO. XVII

**PREPARED BY:** Nichole Murphy, Sr. Project Manager

**SUBMITTED BY:** Paul M. Sigle, General Manager

### **CONSIDER AND ACT UPON A RESOLUTION APPROVING THE GREATER TEXOMA UTILITY AUTHORITY WATER CONSERVATION PLAN AND WATER RESOURCE AND EMERGENCY MANAGEMENT PLAN**

#### **ISSUE**

Consider and act upon a resolution approving the Greater Texoma Utility Authority's Water Conservation Plan, Water Resource, and Emergency Management Plan.

#### **BACKGROUND**

The Texas Commission on Environmental Quality and the Texas Water Development Board require that the Greater Texoma Utility Authority ("Authority") update the Water Conservation Plan and Drought Contingency Plan by May 1, 2024. The contract between the North Texas Municipal Water District ("NTMWD") and the Authority requires that the Authority adopt a Water Conservation Plan and a Water Resource and Emergency Management Plan meeting criteria set out by the NTMWD.

#### **CONSIDERATIONS**

The Authority staff has drafted a Water Conservation Plan, Water Resource, and Emergency Management Plan for consideration by the Board of Directors. This Plan was drafted utilizing the model plans provided by the NTMWD, and will replace the Water Conservation, Drought Contingency, and Emergency Water Response Plan adopted April 2019. After submitting the plan adopted by the Board in April to NTMWD, NTMWD has requested numerous changes to the plan to meet their requirements. Authority Staff has made those requested changes and requesting the Board to adopt the updated plan.

#### **STAFF RECOMMENDATIONS**

Staff recommends the Board's adoption of the resolution approving the Greater Texoma Utility Authority Water Conservation Plan, Water Resource, and Emergency Management Plan

#### **ATTACHMENTS**

Resolution approving plan

Draft Water Conservation Plan, Water Resource, and Emergency Management Plan are posted on the GTUA Website under the "Agenda" tab. Hard copies will be available at the Board Meeting.

**ADJOURN**