



**GREATER TEXOMA UTILITY AUTHORITY  
BOARD MEETING  
JULY 15, 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, July 15, 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 15th day of July 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 June 17, 2024, Meeting.
- V. \* Consider and act upon approval of accrued liabilities for June 2024.
- VI. \* Consider and act upon Change Order No. 1 with Red River Construction for City of Sherman Post Oak Wastewater Treatment Plant Primary Clarifier No. 1 Equipment Replacement and Sludge Transfer Station Rehab.
- VII. \* Consider and act upon Change Order No. 6 with Underwood Inc. for City of Whitewright Water Distribution System Improvements Project.
- VIII. Citizens to be Heard.
- IX. Consider and act upon appointments to the Budget and Finance Committee for fiscal year 2024-2025.
- X. Consider and act upon the corrected award of contract for City of Sherman WTP EDR Rehab Chain and Flight Replacement Project.
- XI. Consider and act upon the award of contract for City of Sherman Water Treatment Plant Force Main Project.

- XII. Consider and act upon the award of contract for City of Sherman Water Treatment Plant Discharge Channel Project.
- XIII. Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority accepting the contract with Red River Construction Company Inc. for the City of Sherman Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements Project as complete.
- XIV. Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority accepting the contract with W. Brown Enterprises for the City of Sherman Westside Sanitary Sewer Replacement Project as complete.
- XV. Consider and act upon the amended Contract for Water Supply and Sewer Services for Arledge Ridge WSC.
- XVI. Consider all matters incident and related to the issuance and sale of “Greater Texoma Utility Authority Contract Revenue Bonds, Taxable Series 2024 (Arledge Ridge Water Supply Corporation Project)”, including the adoption of a resolution approving the issuance of such bonds.
- XVII. Update and possible action on the Water Supply and Sewer Service Contract for City of Sherman.
- XVIII. Discussion and possible action on health insurance plan for employees.
- XIX. Receive General Manager’s Report: The General Manager will update the Board on operational and other activities of the Authority.
- XX. 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, JUNE 17, 2024**

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

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

Members Absent: Henry Koehler, and Robert Hallberg

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

General Counsel: Mike Wynne, Wynne and Smith

Bond Counsel: Kristen Savant

I. Call to Order

Board President Brad Morgan called the meeting to order at 12:00 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 May 20, 2024, Meeting.

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

VI. \* Consider and act upon Change Order No. 2 on A&B Construction, LLC contract for the Lake Kiowa SUD Phase 4 Project.

VII. \* Consider and act upon Change Order No. 1 on Urban Intraconstruction, LLC contract for the City of Bells Wastewater Treatment Plant Improvement Project.

Board Member Donald Johnston made the motion to approve the Consent Agenda. Board Member Kristofor Speigel seconded the motion. Motion passed unanimously.

VIII. Citizens to be Heard.

No citizens wished to be heard.

Board Member Ken Brawley made the motion to go into Executive Session at this time. Board Member Matt Brown seconded the motion. Motion passed unanimously. Board convened into Executive Session at 12:02 p.m.

Board reconvened into Regular Session at 12:47 p.m.

IX. Consider and act upon the award of contract for City of Sherman's Post Oak Sanitary Sewer Improvements.

General Manager Paul Sigle provided background information for the Board. The City of Sherman received six bids with Western Municipal Construction of Texas LLC being the lowest bid. Board Member Donald Johnston made the motion to approve the contract contingent upon the resolution of the contract between the City of Sherman and GTUA for water supply and sewer service and on the City of Sherman's approval of award of contract. Board Member Matt Brown seconded the motion. Motion passed unanimously.

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

General Manager Paul Sigle provided background information for the Board. The chain and flight system collects the released sedimentation in the basins and moves the sedimentation to collection systems that diverts the sedimentation to the City's sludge ponds. Board Member Stanley Thomas made the motion to approve the award of contract contingent upon the resolution of the contract between the City of Sherman and GTUA for water supply and sewer service and on the City of Sherman's approval of award of contract. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

XI. Consider and act upon the award of contract for City of Sherman WTP Flocculation and Sedimentation Improvements.

General Manager Paul Sigle provided background information for the Board. The City of Sherman received only one bid from Red River Construction Company. Board Member Scott Blackerby made the motion to approve the award of the contract contingent upon the resolution of the contract between the City of Sherman and GTUA for water supply and sewer service and on the City of Sherman's approval of award of contract. Board Member Ken Brawley seconded the motion.

XII. Consider all matters incident and related to the Greater Texoma Utility Authority Contract Revenue Bonds, Taxable Series 2024 (Arledge Ridge Water Supply Corporation Project), including the adoption of a resolution approving the execution of a Contract of Indemnification with the Arledge Ridge Water Supply Corporation and approving the execution of a Financing Agreement with the Texas Water Development Board in connection therewith.

General Manager Paul Sigle provided background information for the Board. Kristen Savant, Bond Counsel, provided details for the Financial Agreement and Indemnification contract. Discussion was held. Board Member Donald Johnston made the motion to authorize the execution of the Contract of Indemnification and Financing Agreement contingent upon the Arledge Ridge Water Supply Corporation approving and executing the Contract of Indemnification. Board Member Kristofor Speigel seconded the motion. Motion passed unanimously.

- XIII. Consider all matters incident and related to the issuance, sale and delivery of “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2024A (City of Sherman Project)”, including the adoption of a resolution authorizing the issuance of such bonds, establishing parameters for the sale and issuance of such bonds and delegating certain matters to authorized officials of the Authority.

General Manager Paul Sigle provided background information for the Board. Kristen Savant, Bond Counsel, provided details. Discussion was held. Board Member Scott Blackerby made the motion to adopt the resolution contingent upon the resolution of the contract between the City of Sherman and GTUA for water supply and sewer service. Board Member Matt Brown seconded the motion. Motion passed unanimously.

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

General Manager Paul Sigle provided background information for the Board. Changes requested by NTMWD were made. Board Member Donald Johnston made the motion to approve the resolution approving the Water Conservation Plan, Water Resource, and Emergency Management Plan. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

- XV. Consider and act upon engagement letter with Terrill and Waldrop for legal service related to water rights.

General Manager Paul Sigle provided background information for the Board. Howard Slobodin with Terrill and Waldrop was selected to assist the Authority with water rights. Discussion was held. Board Member Stanley Thomas made the motion to approve Terrill and Waldrop for legal service related to water rights. Board Member Matt Brown seconded the motion. Motion passed unanimously.

- XVI. Consider and act upon the approval of a water storage agreement with the United States Department of the Army.

General Manager Paul Sigle provided background information for the Board. Discussion was held. Board Member Matt Brown made the motion to approve the agreement with the United States Department of the Army. Board Member Kristofor Spiegel seconded the motion. Motion passed unanimously.

- XVII. Executive Session was moved to be held before Item IX and reconvened before Item IX.

Pursuant to Government Code, Sections 551.129 the Board of Directors may adjourn into closed Executive Session to discuss the following:

- a. Consultations Between Governmental Body and Its Attorney
  - i. Consider GTUA contract negotiations

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

General Manager Paul Sigle updated the Board on the following items.

- The issue with the State Line involving the Texoma Pump Station is expected to be resolved by the end of the year.

- Bear Creek SUD and a group of SUDs and WSC has recently approach the Authority for assistance in funding water projects.
- Expecting a new long-term lease for the Authority's office space with no increase in rent.

XIX. Adjourn

Board Member Ken Brawley made the motion to adjourn. Board Member Matt Brown seconded the motion. Board President Brad Morgan declared the meeting adjourned at 1:25 p.m.

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Recording Secretary

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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 JUNE

The following liabilities are hereby presented for payment:	CURRENT	PRIOR MONTH	PRIOR YEAR
<b>GENERAL:</b>			
<u>Fuel and Reimbursements for Mileage</u>			
Nichole Murphy (Reimbursement for mileage)	25.00		
Bank of Texas Visa (Fuel for Operations. Vendor glitch could not use fuel card)	47.87		
Paul Sigle (Reimbursement for Mileage)	29.55		
Stacy Pactrick (Reimbursement for mileage)	10.52		
Velma Starks (Reimbursement for mileage)	43.01		
Valero Fleet Plus (Fuel - Operations Vehicles)	1,725.15		
<u>Insurance</u>			
TWCA Risk Management (Liability insurance July 24-25)	15,342.15		
TWCA Risk Management (Workers' compensation insurance)			
American Express - (Employee life insurance for TH)	330.96		
<u>Leases/Rental Fees</u>			
Pitney-Bowes (Mailing system)	105.00		
North Texas Regional Airport (Lease - administrative offices)	2,494.64		
<u>Legal Fees</u>			
Wynne & Smith, LLC (Agenda, Board Meeting)	2,653.75		
<u>Maintenance Agreements</u>			
Novatech (Konika-Minolta copier, June, July)	1,374.71		
<u>Meetings and Conferences</u>			
Feast On This (BOD Lunch)	285.00		
<u>Professional Services</u>			
Final Details (Cleaning Service)	585.00		
Gonzalez Landscape (Lawn Care)	580.00		
<u>Repair &amp; Maintenance - Building &amp; Equipment</u>			
Diamond Computers (Computer work on Ops laptop (DT) it crashed)	325.00		
<u>Repair &amp; Maintenance - Administrative and Operations Vehicles</u>			
Auto Works (2016 Ford F150 (DT) Repaired transmission leak, brakes, shocks etc.)	4,225.70		
Discount Tires (4 new tires for Ranger 2022)	1,456.00		
Discount Tires (Replaced tire with warranty for 2019 Ford F150 (WE))	38.46		
<u>Supplies</u>			
Advantage Office Supplies (General Office Supplies)			
American Express (General Office Supplies, GoDaddy, Laptop (DT), janitorial supplies)	2,220.93		
Bank of Texas Visa (General Office Supplies, Go/Log Me In, Fox it Software)	325.52		
Hillerby Printing (Business cards and envelopes)	349.93		
Office Depot (General Office Supplies)	52.94		
Pitney Bowes Inc. (EZ seal bottles)	29.04		
<u>Utilities</u>			
ATMOS Energy (Gas)	136.22		
City of Sherman (Trash services)	85.00		
Shell Energy (Electric)	386.07		
Sparklight (Internet)	81.25		
Zuity Inc.(phone lines - local & long distance)	177.38		
Dave Tomlinson (Reimbursement for cell phone expenses)	25.00		
Eric Kyukendall (Reimbursement for cell phone expenses)	25.00		
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)	25.00		
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>\$ 35,705.09</b>	<b>\$ 35,915.99</b>	<b>\$ 9,303.84</b>
<b>SOLID WASTE:</b>			
<u>Fuel</u>			
Valero Fleet Plus (Fuel - operations vehicles)	52.96		
<u>Insurance</u>			
TWCA Risk Management Fund (General Liabilities)	751.37		
<u>Utilities</u>			
Grayson-Collin Electric	278.95		
Starr Water Supply	55.84		
<b>TOTAL:</b>	<b>\$ 1,139.12</b>	<b>\$ 195.00</b>	<b>\$ 465.45</b>

	CURRENT	PRIOR MONTH	PRIOR YEAR
<b>WASTEWATER:</b>			
<u>Advertising</u>			
American Express (Sherman 2019 - Ad for Sherman Lab Bldg Addition & Remodel in McKinney Gazette)	1,431.11		
<u>Construction Contracts</u>			
Archer Western (Pottsboro 2019 - WWTP Expansion & Rehab for .65 MGD flow rate. Pay App #14)	212,586.29		
BELT Construction (Sherman 2023 - South Side Industrial Sanitary sewer PH1 Pay App #7)	104,564.58		
BELT Construction (Sherman 2023 - South Side Industrial Sanitary sewer PH1 Pay App #8)	126,375.87		
BELT Construction (Sherman 2023 - South Side Industrial Sanitary sewer PH1 Pay App #9 Final)	280,142.76		
Lynn Vessels (Sherman 2019 - Sherman 1st street to Rosedale Sewer Replacement. 41% complete)	241,010.70		
Urban Infracnstruction (Bells 2022 - WWTP Rehabilitation Pay App #4)	161,319.38		
W. Brown Enterprise Inc. (Sherman 2021 - Westside Sanitary Sewer Replacement Pay App #2)	286,097.94		
W. Brown Enterprise Inc. (Sherman 2021 - Westside Sanitary Sewer Replacement 91% complete Pay App #3)	193,412.83		
<u>Engineering Fees</u>			
Antero Group (Bells 2022 - Wastewater Engineering services. Reviewed shop drawings and RFIs. 71.56% complete)	3,722.65		
Plummer (Sherman 2023 - Industrial WW Support / WWTP and Water Reuse Master Plan through 4/26/24)	1,004,775.46		
Plummer (Sherman 2023 - Industrial WW Support / WWTP and Water Reuse Master Plan through 5/24/24)	1,247,896.31		
Plummer (Pottsboro 2019 - WWTP PH2 II RPR Services through May 2024)	12,075.00		
Plummer (Pottsboro 2019 - WWTP PH2 Construction phase. 78% Complete. Services through May 2024)	10,336.50		
Plummer (Pottsboro 2019 - WWTP PH2 II RPR Services through March 2024)	5,635.00		
Plummer (Pottsboro 2019 - WWTP PH2 Construction phase. 75% Complete. Services through April 2024)	17,227.50		
Plummer (Pottsboro 2019 - WWTP PH2 Construction phase. 70% Complete. Services through 3/29/24)	10,336.50		
Geotex (Sherman 2021 - West Side Sanitary Sewer Taylor & West Side for May 2024)	1,307.88		
Geotex (Sherman 2019 - Work performed for 1st. Street to Rosedale Sewer project for the period of 5/21/24-5/31/24)	1,706.88		
Huitt-Zollars (Sherman 2021 - Post Oak Sanitary sewer Improvements. Engineering services through 4/27/24)	3,754.00		
Huitt-Zollars (Sherman 2021 - Post Oak Sanitary sewer Improvements. Engineering services through 5/25/24)	2,850.00		
Mead & Hunt (Sherman 2017- Post Oak WWTP Aeration & Secondary Treatment services for May 2024)	2,652.50		
Mead & Hunt (Sherman 2017- Sherman Post Oak WWTP Equilization Basin Improvements for May 2024)	1,006.62		
<u>Insurance</u>			
TWCA Risk Management (Henrietta 2022 -7/1/24-7/1/25 Auto Liability, General Liability Excess Liability, Errors & Omissions, Commercial Property)	1,739.87		
TWCA Risk Management (Pottsboro 2019 - 7/1/24-7/1/25 Auto Liability, General Liability Excess Liability, Errors & Omissions, Commercial Property)	1,353.23		
TWCA Risk Management (Whitewright 2023 - 7/1/24-7/1/25 Auto Liability, General Liability Excess Liability, Errors & Omissions, Commercial Property)	1,159.91		
<u>Miscellaneous</u>			
Chapin Title (William Keller White Plaineview Rd. Purchase of Property for Brine Line)	193,404.00		
<b>TOTAL:</b>	<b>\$ 4,129,881.27</b>	<b>\$ 8,882,745.15</b>	<b>\$ 2,068,331.23</b>
<b>WATER:</b>			
<u>Advertising</u>			
American Express (Gober 2021 Ad in Gainesville Daily Register for Pump Station Electrical Improvements bid)	1,199.60		
American Express (Sherman 2024 - Ad in Gainesville Daily Register for Lake Texoma Pump Station Expansion bid)	1,625.60		
American Express (Sherman 2024 - Column Ad for Lake Texoma Pump Station Expansion bid in McKinney Gazette)	1,277.57		
American Express (Gober 2021 - Column Ad for Gober Pump Station Electrical Improvements bid McKinney Gazette)	1,376.85		
American Express (Sherman 2024 - Ad for Lake Texoma Pump Station Expansion bid in Herald Democrat)	297.66		
American Express (Gober 2021 - Ad for Gober Pump Station Electrical Improvements in Herald Democrat)	304.92		
American Express (Bells 2022 - Ad for Bells Waterline Improvements bid in McKinney Gazette)	1,583.41		
American Express (Bells 2022 - Ad for Bells Waterline Improvements bid in Herald Democrat)	324.28		
<u>Construction Costs</u>			
ABB Inc. (Sherman 2023 - City of Sherman Flow Meter)	32,358.32		
Archer Western (Sherman 2022 - WTP Expansion Pkg #1, Pay app #16. Job 93% complete)	473,453.90		
Bel Air Village (Sherman 2023 - Sherman Bel Air Village Utilities Project #9)	507,941.56		
Branch Energy Partners (Sherman 2023 - Concentrate Discharge Project, Gas Main Crossing LONO requirement)	40,116.00		
Landmark Structures (Van Alstyne 2021 - 750K gallon Elevated Storage Tank & Site improvements at Well Site #5. Pay App #3)	743,508.00		
Landmark Structures (Van Alstyne 2021 - 750K gallon Elevated Storage Tank & Site improvements at Well Site #5. Pay App #4)	507,462.49		
Patterson (Bells 2022 - Meter Install Final last part of Retainage released)	1,611.00		
Red River Construction (CGMA - Bloomdale Pump Station Improvements Pay App #7)	712,507.39		
<u>Engineering Fees</u>			
Antero Group (Bells 2024 - Water Priorities - due diligence, map updates priority confirmation for July 2023)	2,535.00		
Antero Group (Bells 2024 - Bells Water Priorities Due Diligence, Driller coordination, Tech Memo development cost Estimates & Exhibits for Sept 2023)	8,652.50		
Antero Group (Bells 2024 - Bells Water Priorities EDF update & Submission. Cost Estimates & feasibility analysis for Aug 2023)	7,247.50		
Antero Group (Bells 2024 - Bells Water Priorities Task 1, 2, & 3 Memos, Well 1 upgrades memo, and Pressure Plan 2 memo for October 2023)	6,500.00		
Antero Group (Bells 2024 - Water Priorities for January 2023)	353.92		
Antero Group (Bells 2024 - Bells Water Priorities Memo and Review with City for November 2023)	860.00		
Antero Group (Bells 2024 - Water Priorities for June 2023 Plan set submission TWDB & TCEQ Coordination)	1,101.08		
Cohn & Gregory Supply (Sherman 2023 - WTP equipment and materials. Order #1422478)	761.01		
Cohn & Gregory Supply (Sherman 2023 - WTP equipment and materials. Order #1422478)	427.35		
Cohn & Gregory Supply (Sherman 2023 - WTP equipment and materials. Order #1422478)	108.00		
Cohn & Gregory Supply (Sherman 2023 - WTP equipment and materials. Order #1422478)	864.20		
Geotex (Sherman 2022 - Materials, Equipment etc for 36" West Sherman Water Main for March 2024)	15,545.00		
Geotex (Sherman 2022 - Materials, Equipment etc for 36" West Sherman Water Main for May 2024)	35,556.99		
Geotex (Sherman 2023 - WTP Concentrate Discharge System Project management for May 2024)	518.18		
Freese & Nichols (Sherman 2023 - Lake Texoma Pump Station Expansion period through 5/31/24)	57,448.17		
Freese & Nichols (Sherman 2022 - Northwest & Southwest Transmission Pipeline engineering services through 5/31/24)	85,663.11		
Freese & Nichols (Sherman 2022 - Shepherd 2.0 MG elevated Storage Tank for services through 5/24/24)	5,920.01		
McManus & Johnson (Van Alstyne 2021 - Elevated Storage Tank 53% Construction services complete)	8,400.00		
McManus & Johnson (Van Alstyne 2021 - Elevated Storage Tank 10% Construction complete & 100% Bid Phase services complete)	15,500.00		
McManus & Johnson (Van Alstyne 2021 - Elevated Storage Tank 25% Construction services complete)	9,500.00		
McManus & Johnson (Van Alstyne 2021 - Elevated Storage Tank 45% Construction services complete)	21,000.00		
Parkhill (Sherman 2021 - Sherman emergency power generation for May 2024 engineering services)	1,500.00		
Pape-Dawson (Sherman 2023 - WTP Concentrate Discharge & Outfall Design services through 5/24/24)	69,548.00		

	CURRENT	PRIOR MONTH	PRIOR YEAR
Pape-Dawson (Sherman 2022 - Sherman Program Management services through 5/24/24. TI infrastructure improvements program)	313,399.74		
<u>Groundwater</u>			
American Express (NTGCD - BOD Chick-fil-A, GoDaddy website builder, TWCA)	794.33		
American Express (RRGCD - TWCA)	288.20		
AT&T Mobility (NTGCD - W. Parkman - cell phone)	86.35		
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)	285.98		
Kenneth Elliott (NTGCD - cell phone reimbursement, well monitoring supplies)	63.23		
Kenneth Elliott (RRGCD - cell phone reimbursement, well monitoring supplies)	59.72		
Paul Sigle (NTGCD - cell phone reimbursement)	43.77		
Paul Sigle (RRGCD - cell phone reimbursement)	43.77		
Valero Fleet Plus (NTGCD - Fuel)	267.47		
Valero Fleet Plus (RRGCD - Fuel)	55.26		
Velma Starks (NTGCD - mileage reimbursement)	22.42		
Velma Starks (RRGCD - mileage reimbursement)	40.27		
Zully, Inc. (NTGCD - 800 line, local & long distance)	177.39		
Zully, Inc. (RRGCD - 800 line, local & long distance)	177.39		
<u>Insurance</u>			
TWCA Risk Management (Bells 2022 - 7/1/24-7/1/25 Auto Liability, General Liability excess Liability, Errors & Omissions, Commercial Property)	676.62		
TWCA Risk Management (CGMA - 7/1/24-7/1/25 Auto Liability, General Liability Excess Liability, Errors & Omissions, Commer. Property)	7,852.65		
TWCA Risk Management (CGMA - Bloomdale Pump Station, 7/1/24-7/1/25 Auto Liability, General Liability Excess Liability, Errors & Omissions, Commer. Property)	1,353.22		
TWCA Risk Management (Sherman 2022 - 7/1/24-7/1/25 7/1/24-7/1/25 Auto Liability, General Liability Excess Liability, Errors & Omissions, Commer. Property)	20.90		
TWCA Risk Management (Gainesville 2022 - 7/1/24-7/1/25 Auto Liability, General Liability excess Liability, Errors & Omissions, Commercial Property)	773.27		
TWCA Risk Management (NWG WCID 2022 - 7/1/24-7/1/25 Auto Liability, General Liability excess Liability, Errors & Omissions, Commercial Property)	386.64		
TWCA Risk Management (Princeton 2022 - 7/1/24-7/1/25 Auto Liability, General Liability excess Liability, Errors & Omissions, Commercial Property)	579.96		
TWCA Risk Management (Van Alstyne 2021 - 7/1/24-7/1/25 Auto Liability, General Liability Excess Liability, Errors & Omissions, Commercial Property)	966.59		
TWCA Risk Management (Whiteshed WSC - 7/1/24-7/1/25 Auto Liability, General Liability Excess Liability, Errors & Omissions, Commercial Property)	676.62		
<u>Miscellaneous</u>			
BLX Group (NWG 2014 - Arbitrage Interim Report for period ending 3/18/24 with 4 extra report fees)	2,500.00		
BLX Group (Princeton 19 REF - Arbitrage report for the period of 4/2/24)	500.00		
Gonzalez Landscape (Sherman 2012 - Pump Station mowing)	800.00		
<u>CGMA Equipment</u>			
Stewart & Stevenson (CGMA - Bloomdale emergency generator lease)	6,489.00		
Nationwide Wholesale Supply (CGMA - 9.5FT Black Adj valve wrench combo T-Handle w/3 attachments. Milwaukee M12 Red Lithium battery)	368.25		
<u>CGMA Repair &amp; Maintenance</u>			
Donnie Burnside & Sons (CGMA - HVAC repair old unit)	204.60		
Environmental Monitoring Lab (CGMA - Nitrate Nitrogen, Nitrite Nitrogen Water tests, multiple test sites along water lines)	1,104.00		
Integrity Control Services (CGMA - Repair Soft Start dropping issues and SCADA relay issues)	1,628.00		
Murley Plumbing (CGMA - Repaired flooded vault by Anna Middle School. Labor and parts)	2,773.20		
Kemp Lawn Maintenance (CGMA - Bloomdale Pump Station)	380.00		
Texas Excavation Safety System, Inc. (CGMA - Message Fees)	177.10		
<u>Supplies</u>			
Bank of Texas Visa - (CGMA - Go To / Log me in for Scada)	367.49		
Lowes (CGMA - misc. supplies and materials for routine maintenance)	461.41		
HD Supply (CGMA - Clorox Bleach concentrated)	14.03		
National Wholesale Supply (CGMA - Pipe wrench, Gas Ball Valve, 2 brass Nipples, reducer)	131.58		
Tractor Supply (CGMA - Bug remover, round-up, trash bags, Ortho ground clear)	433.56		
United AG & Turf (CGMA - Pole Saw chains)	62.79		
USA Bluebook (CGMA - Chlorine Gas Detector, ammonia chemkey, adapter, etc)	10,096.14		
<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)	112.96		
AT & T U-Verse (CGMA - Bloomdale Pump Station, Internet)	53.76		
North Texas Municipal Water District (Water Usage, June)	509,134.00		
Paul Sigle (CGMA - Mileage)	35.92		
Shell Energy (Bloomdale Pump Station)	15,048.67		
Waste Connections Lone Star (CGMA - Bloomdale Pump Station trash collection)	97.22		
Valero (CGMA - Fuel for 2023 F250)	418.78		
<b>TOTAL:</b>	<b>\$ 4,265,098.23</b>	<b>\$ 6,876,254.77</b>	<b>\$ 454,736.03</b>
<b>GRAND TOTAL:</b>	<b>\$ 8,431,823.71</b>	<b>\$ 15,795,110.91</b>	<b>\$ 705,702.77</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 VI**

# Change Order

Date of Issuance: June 17, 2024

No. 1

Project: Sher. WW PC 1 Equip Replace & Sludge PS Rehab	Project No.:
Owner: City of Sherman	Date of Contract: May 1, 2023
Contractor: Red River Construction Company	

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

**Description:**

Replace two deteriorated cleanout wall pipes being held together by corrosion

	1 each	6" Wall pipes	266.58	\$266.58
	1 each	6" MJ Sleeves	424.54	\$424.54
	1 each	6" MJ Megalug Sets	268.99	\$268.99
	1 each	Backhoe	425.00	\$425.00
	1 each	Air Compressor w/ Air Tools	135.00	\$135.00
	1 ls	Misc. Tools and accessories		\$396.00
	32 hrs	Labor	35.00	\$1,120.00
		Equipment	40.00	\$640.00
	16 hrs	Operator/Foreman		
	4 hrs	Supervision	55.00	\$220.00
48%		Labor Burden		\$950.40
		<b>Subtotal:</b>		<b>\$4,846.51</b>
		Contractor's Fee		\$726.98
		Bonds and Insurance		\$83.60
		<b>Sutotal for one:</b>		<b>\$5,657.09</b>
		<b>less Sandblasting (item 19a):</b>		<b>-\$400.00</b>
		<b>Total for one:</b>		<b>\$5,257.09</b>
		<b>Change Order for Two (2) Locations:</b>		<b>\$10,514.18</b>

**Justification:**

Make existing cleanout operable.

**CHANGE IN CONTRACT PRICE:**

Original Contract Price:  
\$1,998,700.00

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

\$0.00

**CHANGE IN CONTRACT TIMES:**

Original Contract Times:  
Substantial completion days: 395  
Substantial completion date: 4-30-24

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

Substantial completion days: 0  
Substantial completion date: 4-30-24

Contract Price prior to this Change Order:

\$1,998,700.00

[Increase] of this Change Order:

\$\$10,514.18

Contract Price incorporating this Change Order:

\$2,009,214.18

Contract Times prior to this Change Order:

Substantial completion days: 395

Substantial completion date: 4-30-24

[Increase] [Decrease] of this Change Order:

Substantial completion days: 0

Substantial completion date: 4-30-24

Contract Times with all approved Change Orders:

Substantial completion days: 395

Substantial completion date: 4-30-24

RECOMMENDED:

By: David E. Dattis

Engineer (Authorized Signature)

Date: 6-17-24

ACCEPTED

By: [Signature]

GTUA

Date: 6/19/2024

ACCEPTED:

By: [Signature]

Owner (Authorized Signature)

Date: 6/18/2024

ACCEPTED:

By: [Signature]

Contractor (Authorized Signature)

Date: 6/17/2024

**AGENDA ITEM VII**

Date of Issuance:	Effective Date:
Owner: GTUA obo City of Whitewright	Owner's Contract No.: WTW007.002
Contractor: Underwood, Inc.	Contractor's Project No.: WTW007.002
Engineer: KSA engineers, Inc.	Engineer's Project No.: WTW007.002
Project: TWDB Water Distribution System Improvements	Contract Name: 62831 CID 02

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

Description: Item #1.02 Qty -224 Amount -\$9,632.00  
 Item #1.07 Qty -3 Amount -\$3,975.00  
 Item #1.16 Qty +3 Amount +\$10,200.00  
 Item # 1.32 Qty -1 Amount -\$7,000.00

Attachments:

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: \$ <u>752,421.75</u>	Original Contract Times: Substantial Completion: <u>270 (10/16/2022)</u> Ready for Final Payment: <u>300 (11/15/2022)</u> days or dates
[Increase] [Decrease] from previously approved Change Orders No. <u>1</u> to No. <u>5</u> : \$ <u>27,525.00</u>	[Increase] [Decrease] from previously approved Change Orders No. _____ to No. _____ : Substantial Completion: _____ Ready for Final Payment: _____ days
Contract Price prior to this Change Order: _____ \$ <u>779,946.75</u>	Contract Times prior to this Change Order: _____ Substantial Completion: _____ Ready for Final Payment: _____ days or dates
[Increase] [Decrease] of this Change Order: _____ \$ <u>-10,407.00</u>	[Increase] [Decrease] of this Change Order: _____ Substantial Completion: _____ Ready for Final Payment: _____ days or dates
Contract Price incorporating this Change Order: _____ \$ <u>769,539.75</u>	Contract Times with all approved Change Orders: _____ Substantial Completion: _____ Ready for Final Payment: _____ days or dates

RECOMMENDED:  
By: [Signature]  
Engineer (if required)  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ACCEPTED:  
By: [Signature]  
Owner (Authorized Signature)  
Title: Public Works Director  
Date: 7/10/2024

ACCEPTED:  
By: [Signature]  
Contractor (Authorized Signature)  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Approved by Funding Agency (if applicable)

By: \_\_\_\_\_  
GTUA General Manager  
Date: \_\_\_\_\_

**AGENDA ITEM X**



# **GREATER TEXOMA UTILITY AUTHORITY**

## **AGENDA COMMUNICATION**

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**DATE:** June 13, 2024

**SUBJECT:** AGENDA ITEM NO. X

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

### **CONSIDER AND ACT UPON THE CORRECTED AWARD OF CONTRACT FOR CITY OF SHERMAN 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. The Board approved an award of contract in the amount of \$1,460,000 at the June Board meeting. Since that award, Sherman requested a new quote, removing installation by WWaterTech, Inc. The corrected quote for the purchase of the equipment is \$1,238,000.00.

The last sentence in section 30 that concerned the Board has been removed from the agreement.

#### **STAFF RECOMMENDATIONS**

The Authority Staff recommends authorizing the General Manager to award the contract to WWaterTech Inc. in the amount of \$1,238,000.00.

#### **ATTACHED**

Quote  
Agreement





# QUOTATION

3104 Washington St.  
Waller, TX 77484

P: (936) 372-5272 ♦ F: (936) 372-9224

**TO: City of Sherman/GTUA**  
243 Cima Road  
Sherman, TX 75092  
Email: [jjmccross@cityofsherman.com](mailto:jjmccross@cityofsherman.com)  
  
**ATT: Jim Cross**  
PH: 903-892-7258  
FAX:

<b>DATE</b> 7-Jun-24	<b>QUOTE NO.</b> BH060624-01	<b>PAGE</b> 1 <b>OF</b> 15
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/F.F.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.	\$1,223,000.00	1,223,000.00
2	1	Lump sum adder for pre-installation meeting and installation oversight	\$15,000.00	\$15,000.00
			<b>TOTAL PRICE</b>	<b>1,238,000.00</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 \_\_\_\_\_ 2024

**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)

## **GENERAL TERMS**

Terms of payment are as follows: 90% upon shipment, 5 % upon receipt of approved final O&M manuals, and 5% upon start-up, not to exceed ninety (90) days from shipment, for payment within thirty (30) days of invoice, -- % discount, net thirty (30) days.

This quotation is subject to change or withdrawal without notice, and subject to acceptance within thirty (30) days by Buyer. If accepted by the Buyer, this Proposal shall become a binding contract only when approved and signed by an authorized officer of the 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 WwaterTech, Inc. (**WTI**).

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. **WTI**, will deliver drawings for approval in a timely manner commensurate with the original concept of completion, as conceived by the Owners and/or Engineers. **WTI**, 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 the Seller (WwaterTech, Inc.) prior to acceptance. In the event of insolvency or other financial difficulty on the part of the 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 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 pay 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 immediately upon 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 immediately 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 by WwaterTech, Inc. (WTI) and shall be the sole property of WTI.

**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 WTI, 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.

**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.



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

Phone: 610.374.5109

Fax: 610.685.0137

**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.



**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  
email: [ryan.putt@brentwoodindustries.com](mailto:ryan.putt@brentwoodindustries.com)



Brentwood Industries, Inc.  
500 Spring Ridge Dr., Reading PA 19610  
[brentwoodindustries.com](http://brentwoodindustries.com)

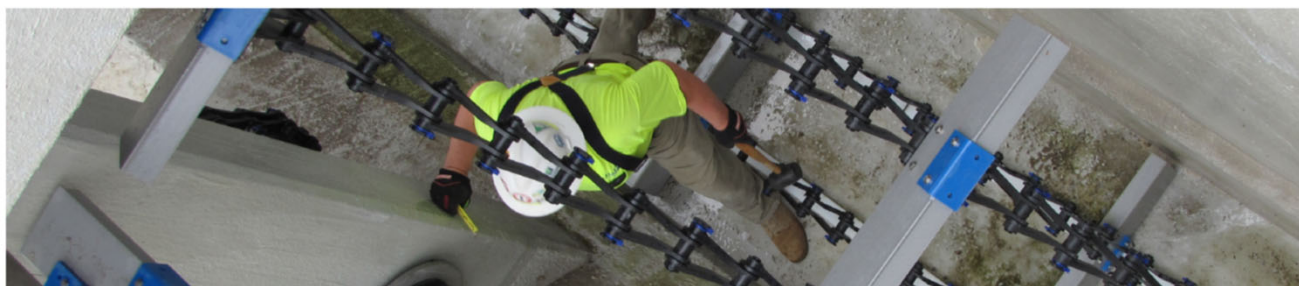
Phone: 610.374.5109

Fax: 610.685.0137



## 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.



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

Phone: 610.374.5109

Fax: 610.685.0137

## **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: \_\_\_\_\_

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.

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>
___      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.
- 
- X 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.
- X 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.
- X 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.
- X 9. Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).
- X 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 align="center"><b>CONFLICT OF INTEREST QUESTIONNAIRE</b></p> <p align="center"><b>For vendor doing business with local governmental entity</b></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></p> <p>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).</p> <p>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.</p> <p>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>Date Received</p>
<p><b>1 Name of vendor who has a business relationship with local governmental entity.</b></p>	
<p><b>2</b> <input type="checkbox"/> <b>Check this box if you are filing an update to a previously filed questionnaire.</b> (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 Name of local government officer about whom the information is being disclosed.</b></p> <p align="center">_____</p> <p align="center">Name of Officer</p>	
<p><b>4 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.</b></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 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.</b></p>	
<p><b>6</b> <input type="checkbox"/> <b>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).</b></p>	
<p><b>7</b></p> <p align="center">_____ Signature of vendor doing business with the governmental entity</p> <p align="right">_____ Date</p>	

## **AGENDA ITEM XI**





# **GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION**

---

**DATE:** July 11, 2024

**SUBJECT:** AGENDA ITEM NO. XI

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

## **CONSIDER AND ACT UPON THE AWARD OF CONTRACT FOR CITY OF SHERMAN WATER TREATMENT PLANT FORCE MAIN PROJECT.**

### **ISSUE**

Consider and act upon the award of contract for City of Sherman Water Treatment Plant Force Main Project.

### **BACKGROUND**

The City of Sherman is executing a major infrastructure improvements program to meet the fast-growing needs of the city including industrial, commercial, and residential users. The city needs to complete certain key infrastructure projects to meet the planned industrial expansion needs of significant industrial users before 2025. At this time, this includes water treatment plant expansion, pump station, transmission pipeline, elevated storage tank, and wastewater treatment plant expansion.

The City of Sherman is construction of the concentrate discharge system to dispose of the concentrate from the water treatment back to Lake Texoma. The concentrate is currently discharge to Sherman's Post Oak Wastewater Treatment Plant and the project would reduce the load on Post Oak.

As part of the project, Sherman needs to construct a force main and a discharge channel as part of the requirement from the TCEQ discharge permit. Sherman has sperate the project into two separate projects.

### **CONSIDERATIONS**

The City of Sherman received three bids for the construction of the force main for the concentrate discharge system on June 28, 2024. Triad Service Group, LLC. is the lowest responsive bidder with a base bid of \$1,362,980.00. The City's engineers have reviewed the bid and have found the bid as acceptable.

### **STAFF RECOMMENDATIONS**

The Authority Staff recommends authorizing the General Manager to award a contract to Triad Service Group, LLC. in the amount \$1,362,980.00. This item is contingent upon the City of Sherman approval.

### **ATTACHMENTS**

Recommendation Letter

July 9, 2024

Mr. Tom Pruitt  
Utility Engineer  
City of Sherman  
220 West Mulberry Street  
Sherman, TX 75090

Re: Recommendation to Award  
Sherman Water Treatment Plant – Force Main  
Pape-Dawson Project No. 70386-02

Dear Mr. Pruitt:

Sealed Bids, addressed to **City of Sherman**, were received at Sherman City Hall on Friday, June 28, 2024 for the above referenced project. After tabulation and review of the bids received, it is our recommendation that the project be awarded to the lowest qualified bidder, Triad Service Group, LLC, in the amount of \$1,362,980.00 (base bid, no alternates).

**We have checked references provided by Triad Service Group, LLC, and these have been found good. We recommend awarding the project to Triad Service Group, LLC in the bid amount of \$1,362,980.00.**

Sincerely,  
Pape-Dawson Consulting Engineers, LLC



Santosh Gunavante, P.E.  
Design Leader

cc: Derrick Gage, Triad Service Group, LLC

**Bid Tabulation**

**Project:** Sherman Water Treatment Plant - Concentrate Discharge System Force Main & Discharge Channel

**Owner:** City of Sherman

**Number:** 2024-02

**CIP Project # 1521-U1 and 1521-U2; Bid Numbers 2023-2024-02 (FM) and 2024-06 (DC)**

**FORCE MAIN**

**Date:** 6/28/2024

Item	Description	Estimated Quantity		Triad Service Group, LLC.		Urban Infraconstruction, LLC		Timco Blasting and Coatings		Unit Price	Total Price
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price		
1	Mobilization	1	LS	50,000.00	\$50,000.00	110,000.00	\$110,000.00	150,000.00	\$150,000.00		\$0.00
2	Site Preparation including small tree / brush removal, existing fence removal / restoration, gravel driveway, etc. complete	3	Ac	8,400.00	\$25,200.00	25,000.00	\$75,000.00	50,000.00	\$150,000.00		\$0.00
3	Remove and Relocate 12" and larger Caliper Protected Tree	4	EA	1,700.00	\$6,800.00	5,000.00	\$20,000.00	15,000.00	\$60,000.00		\$0.00
4	24-inch DR 13.5 HDPE Force Main Pipe Including Pipe Fittings, Installation, and Embedment, tested and complete	2,600	LF	300.00	\$780,000.00	285.00	\$741,000.00	780.00	\$2,028,000.00		\$0.00
5	36-inch Steel Encasement Pipe (0.531" Minimum Wall Thickness)	240	LF	800.00	\$192,000.00	1,500.00	\$360,000.00	1,200.00	\$288,000.00		\$0.00
6	12" Stone Rip Rap, Dry	70	SY	250.00	\$17,500.00	100.00	\$7,000.00	215.00	\$15,050.00		\$0.00
7	2-inch Air Release Valve & Vault	1	EA	20,000.00	\$20,000.00	5,000.00	\$5,000.00	46,500.00	\$46,500.00		\$0.00
8	20-foot Swing Gate with Gate Posts	1	LS	2,000.00	\$2,000.00	5,000.00	\$5,000.00	5,000.00	\$5,000.00		\$0.00
9	Post -CCTV Inspection	2,600	LF	7.50	\$19,500.00	2.00	\$5,200.00	5.00	\$13,000.00		\$0.00
10	Trench Safety	2,360	LF	3.00	\$7,080.00	5.00	\$11,800.00	35.00	\$82,600.00		\$0.00
11	Stabilized Construction Entrance	2	EA	5,000.00	\$10,000.00	6,500.00	\$13,000.00	7,500.00	\$15,000.00		\$0.00
12	Erosion Control	2,400	LF	3.50	\$8,400.00	12.00	\$28,800.00	2.00	\$4,800.00		\$0.00
13	Rock Check Dam	1	EA	2,500.00	\$2,500.00	15,000.00	\$15,000.00	2,500.00	\$2,500.00		\$0.00
14	SWPPP Duration of Project	5	MO	1,500.00	\$7,500.00	800.00	\$4,000.00	5,000.00	\$25,000.00		\$0.00
15	Earthwork at Outlet Structure	1	LS	25,000.00	\$25,000.00	90,000.00	\$90,000.00	20,000.00	\$20,000.00		\$0.00
16	Foundation Slab	15	CY	3,200.00	\$48,000.00	5,500.00	\$82,500.00	2,500.00	\$37,500.00		\$0.00



## **AGENDA ITEM XII**



# GREATER TEXOMA UTILITY AUTHORITY

## AGENDA COMMUNICATION

---

**DATE:** July 11, 2024

**SUBJECT:** AGENDA ITEM NO. XII

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

**CONSIDER AND ACT UPON THE AWARD OF CONTRACT FOR CITY OF SHERMAN WATER TREATMENT PLANT DISCHARGE CHANNEL PROJECT.**

**ISSUE**

Consider and act upon the award of contract for City of Sherman Water Treatment Plant Discharge Channel Project.

**BACKGROUND**

The City of Sherman is executing a major infrastructure improvements program to meet the fast-growing needs of the city including industrial, commercial, and residential users. The city needs to complete certain key infrastructure projects to meet the planned industrial expansion needs of significant industrial users before 2025. At this time, this includes water treatment plant expansion, pump station, transmission pipeline, elevated storage tank, and wastewater treatment plant expansion.

The City of Sherman is construction of the concentrate discharge system to dispose of the concentrate from the water treatment back to Lake Texoma. The concentrate is currently discharge to Sherman's Post Oak Wastewater Treatment Plant and the project would reduce the load on Post Oak.

As part of the project, Sherman needs to construct a force main and a discharge channel as part of the requirement from the TCEQ discharge permit. Sherman has sperate the project into two separate projects.

**CONSIDERATIONS**

The City of Sherman received two bids for the construction of the discharge channel for the concentrate discharge system on June 28, 2024. Triad Service Group, LLC. is the lowest responsive bidder with a base bid of \$2,155,700.00. The City's engineers have reviewed the bid and have found the bid as acceptable.

**STAFF RECOMMENDATIONS**

The Authority Staff recommends authorizing the General Manager to award a contract to Triad Service Group, LLC. in the amount \$2,155,700.00. This item is contingent upon the City of Sherman approval.

**ATTACHMENTS**

Recommendation Letter

July 9, 2024

Mr. Tom Pruitt  
Utility Engineer  
City of Sherman  
220 West Mulberry Street  
Sherman, TX 75090

Re: Recommendation to Award  
Sherman Water Treatment Plant – Discharge Channel  
Pape-Dawson Project No. 70386-02

Dear Mr. Pruitt:

Sealed Bids, addressed to **City of Sherman**, were received at Sherman City Hall on Friday, June 28, 2024 for the above referenced project. After tabulation and review of the bids received, it is our recommendation that the project be awarded to the lowest qualified bidder, Triad Service Group, LLC, in the amount of \$1,687,300.00 (base bid, no alternates).

**We have checked references provided by Triad Service Group, LLC, and these have been found good. We recommend awarding the project to Triad Service Group, LLC in the bid amount of \$1,687,300.00.**

Sincerely,  
Pape-Dawson Consulting Engineers, LLC



Santosh Gunavante, P.E.  
Design Leader

cc: Derrick Gage, Triad Service Group, LLC

**Bid Tabulation**

**Project:** Sherman Water Treatment Plant - Concentrate Discharge System Force Main & Discharge Channel

**Owner:** City of Sherman

**Number:** 2024-06

**CIP Project # 1521-U1 and 1521-U2; Bid Numbers 2023-2024-02 (FM) and 2024-06 (DC)**

**DISCHARGE CHANNEL**

**Date:** 6/28/2024

				Triad Services Group, LLC		Urban Infraconstruction, LLC					
Item	Description	Estimated Quantity		Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	Mobilization	1	LS	48,000.00	\$48,000.00	179,000.00	\$179,000.00		\$0.00		\$0.00
2	Unclassified Channel Excavation including backfill, top soil, seeding, etc., complete in place	7,200	CY	40.00	\$288,000.00	50.00	\$360,000.00		\$0.00		\$0.00
3	Site Preparation including small tree/brush removal, existing fence removal/restoration, gravel driveway, etc., complete in place	6	AC	7,200.00	\$43,200.00	25,000.00	\$150,000.00		\$0.00		\$0.00
4	Remove and Relocate 12" and Larger Caliper Protected Tree	5	EA	1,700.00	\$8,500.00	35,000.00	\$175,000.00		\$0.00		\$0.00
5	Relocation of Utility Pole and Guy Wire	2	EA	7,500.00	\$15,000.00	10,000.00	\$20,000.00		\$0.00		\$0.00
6	Turf Reinforcement Mat including installation, topsoil, seeding, etc., complete in place	9,000	SY	34.00	\$306,000.00	9.00	\$81,000.00		\$0.00		\$0.00
7	12" Thickness Grouted Rock Rip-Rap	700	SY	350.00	\$245,000.00	150.00	\$105,000.00		\$0.00		\$0.00
8	18" Thickness Grouted Rock Rip-Rap	580	SY	475.00	\$275,500.00	200.00	\$116,000.00		\$0.00		\$0.00
9	6'x2' Box Culvert	60	LF	2,050.00	\$123,000.00	3,000.00	\$180,000.00		\$0.00		\$0.00
10	4' Parallel Headwall	180	LF	400.00	\$72,000.00	2,000.00	\$360,000.00		\$0.00		\$0.00
11	6' Parallel Headwall	120	LF	650.00	\$78,000.00	2,500.00	\$300,000.00		\$0.00		\$0.00
12	Metal Beam Guard Fence	160	LF	500.00	\$80,000.00	200.00	\$32,000.00		\$0.00		\$0.00
13	Stabilized Construction Entrance	1	EA	5,000.00	\$5,000.00	6,500.00	\$6,500.00		\$0.00		\$0.00
14	Silt Fence - installation, etc., complete in place	3,600	LF	3.50	\$12,600.00	2.00	\$7,200.00		\$0.00		\$0.00
15	SWPPP Maintenance for Duration of Construction	5	MO	1,500.00	\$7,500.00	800.00	\$4,000.00		\$0.00		\$0.00
16	Contingency Allowance	1	LS	80,000.00	\$80,000.00	80,000.00	\$80,000.00	80,000.00	\$80,000.00	80,000.00	\$80,000.00





**AGENDA ITEM XIII**



# GREATER TEXOMA UTILITY AUTHORITY

## AGENDA COMMUNICATION

---

DATE: July 11, 2024

SUBJECT: AGENDA ITEM NO. XIII

PREPARED: Stacy Patrick, Project Manager  
SUBMITTED BY: Paul Sigle, General Manager

**CONSIDER AND ACT UPON A RESOLUTION BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY ACCEPTING THE CONTRACT WITH RED RIVER CONSTRUCTION CO. FOR THE CITY OF SHERMAN POST OAK WASTEWATER TREATMENT PLANT AERATION AND OTHER SECONDARY IMPROVEMENTS PROJECT AS COMPLETE.**

### **ISSUE**

Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority accepting the Contract with Red River Construction Co. for the City of Sherman Wastewater Treatment (“WWTP”) Plant Aeration and Other Secondary Improvements Project as complete.

### **BACKGROUND**

The City of Sherman staff approached the Authority staff requesting financial assistance for several upcoming capital improvement projects. After several meetings with the City staff, we identified the projects that we believe are ideal candidates to take advantage of the below market interest rate savings through the Texas Water Development Board’s (“TWDB”) Clean Water State Revolving Fund (“CWSRF”). Projects requested to be funded through the CWSRF include 1) Aeration Basin and Other Secondary Improvements, Phase II; 2) Biological Clarifier Rehabilitation; 3) WWTP Control Building Expansion; 4) Brine Line Project (engineering, bores, rights-of-way, construction); and 5) WWTP Storm water Lift Station. These improvements are all identified in the City of Sherman’s 5-year Capital Improvements Plan that they develop annually.

In January 2020, the Board and City of Sherman Council approved the Bond Resolution which authorized the issuance of \$13,595,000 through the TWDB’s CWSRF program. The Authority was able to procure a special class of CWSRF funds called the Equivalency Funds, which offers below market interest rates. The interest rate received for this issuance was 0.29% for a 20-year term. The TWDB estimates that the City of Sherman could save approximately \$2.1 million over the life of the loan by using the CWSRF.

This project consists of a new Electrical Building of CMU construction; replacement of three multistage centrifugal blowers; façade, HVAC and lighting improvements at existing Blower Building; replacement of aeration diffusers and grids, air valves, and air flow meter at Aeration Basins; replacement of 14 gates at the Aeration Basin, three gates and three telescoping valves at the Clarifier Control Station; replacement of existing screw lift pump with immersible pump, four gates, FRP Parshall flume liner, miscellaneous valves at Aeration Basin Lift Station; and replacement of mechanism, control panel, effluent weirs, troughs, box, at three Bio-Clarifiers.

### **CONSIDERATIONS**

Red River Construction Co. has completed the City of Sherman Wastewater Treatment (“WWTP”) Plant Aeration and Other Secondary Improvements Project. Accepting the project as complete will allow the Authority to process the final payment and release the retainage to Red River Construction Co.



# **GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION**

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**PAGE 2**

## **STAFF RECOMMENDATIONS**

The Authority Staff recommends approving the project as complete.

## **ATTACHED**

Closeout Documents

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

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY ACCEPTING THE CONTRACT WITH RED RIVER CONSTRUCTION COMPANY, INC. AS COMPLETE FOR CITY OF SHERMAN POST OAK WASTEWATER TREATMENT PLAN AERATION AND OTHER SECONDARY TREATMENT IMPROVEMENTS PROJECT.

WHEREAS, the Greater Texoma Utility Authority has entered into a Contract for Water Supply and Sewer Service with the City of Sherman Post Oak Wastewater Treatment Plan Aeration and Other Secondary Treatment Improvements Project; and

WHEREAS, the Greater Texoma Utility Authority has entered into a contract with Red River Construction Company, Inc. for the City of Sherman Post Oak Wastewater Treatment Plan Aeration and Other Secondary Treatment Improvements Project; and

WHEREAS, representatives of the City of Sherman and the project engineer have inspected the Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements Project and found it to be complete.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY that the Authority hereby formally accepts the contract with Red River Construction Company, Inc. as complete.

Upon motion by \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing Resolution was passed and approved on this \_\_\_\_\_ day of \_\_\_\_\_ 2024 by the following vote:

AYE:

NAY:

ABSTAIN:

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

\_\_\_\_\_  
President

ATTEST:

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

**RESOLUTION NO. 7330**

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH RED RIVER CONSTRUCTION COMPANY, INC. FOR THE POST OAK WASTEWATER TREATMENT PLANT AERATION AND OTHER SECONDARY TREATMENT IMPROVEMENTS AS COMPLETE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

**WHEREAS**, the City of Sherman, Texas, has entered into a Contract for Water Supply and Sewer Service with the Greater Texoma Utility Authority; and

**WHEREAS**, the Greater Texoma Utility Authority has entered into a contract with Red River Construction Company, Inc. for the construction of the Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements for the City of Sherman, Texas; and

**WHEREAS**, representatives of the City of Sherman, the Greater Texoma Utility Authority, and the project engineer have inspected the Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements and found it to be complete;

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

**SECTION 1.** That the City Council of the City of Sherman, Texas, hereby formally accepts the contract with Red River Construction Company, Inc. for construction of the Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements as complete.

**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 1<sup>st</sup> day of June 2024.

**CITY OF SHERMAN, TEXAS**

BY:   
**DAVID RZYLER, MAYOR**

ATTEST:

BY: Linda Ashby  
LINDA ASHBY, CITY CLERK

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

BY: Ryan D. Pittman  
RYAN D. PITTMAN, CITY ATTORNEY





Biological Clarifiers

Aeration Basins

*Sherman*  
CLASSIC TOWN. BROAD HORIZON.



0 300 600 1,200 Feet



Final

**PERIODIC ESTIMATE**

**TWDB No. 73846**

Sheet 1 of 9 Sheets

ESTIMATE NO: **28**

PROJECT DESCRIPTION: **Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements**

OWNER: **Greater Texoma Utility Authority for the City of Sherman**

ADDRESS: **5100 Airport Drive  
Denison, Texas 75020**

CONTRACTOR: **RED RIVER CONSTRUCTION COMPANY, INC.**

ADDRESS: **2804 Capital Street  
Wylie, TX 75098**

Original Contract Amount	\$5,644,800.00
Total Additions	(\$11,730.93)
Total Deductions	\$0.00
Contract as Revised to Date	\$5,633,069.07
Total Amount of Work Done to Date	\$5,633,069.07
Materials on Hand	\$0.00
Total Work and Materials	\$5,633,069.07
Amount Retained (0) Percent	\$0.00
Balance	\$5,633,069.07
Less Previous Payments	\$5,340,589.63
Amount Due This Application	\$292,479.44

Notice to Proceed Time Commencement	June 1, 2021
Days Allowed in Contract	550
Date of Substantial Completion	November 3, 2022
Date of Final Completion	December 3, 2022

**Contractor's Certification:**

I, Dean Porter, the undersigned upon oath do depose and say that I have full knowledge of the above and foregoing account, that the said account is just, correct, due, and according to law and that the amount claimed after allowing all just credits, is now due and wholly unpaid, and that I am authorized to make this affidavit.

**CLAIMANT : RED RIVER CONSTRUCTION CO.**

By: [Signature]  
**Dean Porter, President**

Subscribed and sworn to before me on: September 25, 2023

My commission expires: May 17, 2026

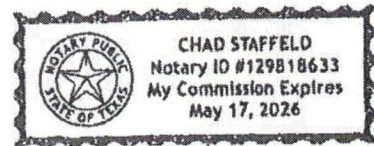
Notary Public: [Signature]

**ENGINEER's Recommendation:**

This application (with accompanying documentation) meets the requirements of the Contract Documents and payment of the above AMOUNT DUE THIS APPLICATION is recommended.

6/17/2024  
Date

Charlotte D. Smith  
Perkins Engineering Consultants, Inc.



6/19/24  
Date

By: [Signature]  
GTUA

6/18/24  
Date

[Signature]  
INSPECTOR



**Breakdown of Contractor's Application for Payment**

Contractor: Red River Construction Company, Inc.  
2804 Capital Street  
Wylie, TX 75098

Project: Post Oak Wastewater Treatment Plant Aeration  
and Other Secondary Treatment Improvements  
Owner: Greater Texoma Utility Authority for the City of Sherman

Application # 28  
Period from: 9/1/2023  
to: 9/30/2023

DESCRIPTION	QTY	UNIT	TOTAL	PREVIOUS	THIS MONTH	TOTAL	%	Balance
<b>Blow Building below items</b>								
<b>Administrative Costs</b>								
1.001 Bonds	1	lt	68,900.00=	100%	\$68,900.00	\$0.00	100%	\$0.00
1.002 Insurance	1	lt	32,500.00=	100%	\$32,500.00	\$0.00	100%	\$0.00
1.003 Move-In	1	lt	50,000.00=	100%	\$50,000.00	\$0.00	100%	\$0.00
1.004 Move-Out	1	lt	25,000.00=	100%	\$25,000.00	\$0.00	100%	\$0.00
<b>Electrical Building</b>								
1.005 Grade Electrical Building	1	lt	4,500.00=	1	\$4,500.00	\$0.00	100%	\$0.00
1.006 Excavate Forms for Elec Building	1	lt	3,500.00=	1	\$3,500.00	\$0.00	100%	\$0.00
1.007 Replace MH cover w/FRP Lid	1	ea	2,200.00=	1	\$2,200.00	\$0.00	100%	\$0.00
1.008 8" Footing Void Forms	155	lf	40.00=	155	\$6,200.00	\$0.00	100%	\$0.00
1.009 8" Void Box Forms	840	sf	15.00=	840	\$9,600.00	\$0.00	100%	\$0.00
1.010 Main Slab	1	ea	18,500.00=	1	\$18,500.00	\$0.00	100%	\$0.00
1.011 MCC Pads	2	ea	900.00=	2	\$1,800.00	\$0.00	100%	\$0.00
1.012 Maintenance Pad	1	ea	1,200.00=	1	\$1,200.00	\$0.00	100%	\$0.00
1.013 Drywall Framing	1	lt	32,000.00=	100%	\$32,000.00	\$0.00	100%	\$0.00
1.014 Roof Structure	1	lt	68,700.00=	100%	\$68,700.00	\$0.00	100%	\$0.00
1.015 Decking 1.5B	1,190	sf	8.00=	100%	\$9,520.00	\$0.00	100%	\$0.00
1.016 Install Exterior Gyp Bd Sheathing	2,178	sf	5.00=	100%	\$10,890.00	\$0.00	100%	\$0.00
1.017 Fluid Applied Air & Moisture Barrier	2,178	sf	2.60=	100%	\$5,440.00	\$0.00	100%	\$0.00
1.018 4" CMU Veneer	1,845	sf	24.00=	100%	\$44,280.00	\$0.00	100%	\$0.00
1.019 6" Kraft faced Fiberglass Insulation	2,178	sf	2.00=	100%	\$4,352.00	\$0.00	100%	\$0.00
1.020 Wood Nailers	140	bf	6.00=	100%	\$840.00	\$0.00	100%	\$0.00
1.021 Install Interior Gyp Board	2,178	sf	4.00=	100%	\$8,704.00	\$0.00	100%	\$0.00
1.022 23/32" T&G Plywood Liner	864	sf	3.00=	100%	\$2,592.00	\$0.00	100%	\$0.00
1.023 Paint electrical building	1	lt	28,700.00=	1	\$28,700.00	\$0.00	100%	\$0.00
1.024 Dbl FRP Doors 6-5x9-4 w/FRP Panel	2	ea	13,250.00=	2	\$26,500.00	\$0.00	100%	\$0.00
1.025 Caulking	1	lt	1,500.00=	1	\$1,500.00	\$0.00	100%	\$0.00
1.026 Standing Seam Roof with Insulation	1,190	sf	30.00=	100%	\$35,700.00	\$0.00	100%	\$0.00
1.027 Soffit Panels	441	sf	25.00=	100%	\$11,025.00	\$0.00	100%	\$0.00
1.028 Gutters & downspouts	58	lf	60.00=	100%	\$3,480.00	\$0.00	100%	\$0.00
1.029 Grade Sidewalk	1	lt	900.00=	1	\$900.00	\$0.00	100%	\$0.00
1.030 Electrical sidewalks & porches	1	lt	4,800.00=	1	\$4,800.00	\$0.00	100%	\$0.00
1.031 HVAC Pad	1	ea	750.00=	1	\$750.00	\$0.00	100%	\$0.00
1.032 Split system 5 ton A/C unit	1	ea	60,000.00=	1	\$60,000.00	\$0.00	100%	\$0.00
1.033 Ductwork	1	lt	18,000.00=	1	\$18,000.00	\$0.00	100%	\$0.00
1.034 Grade Drive	80	sy	30.00=	80	\$2,400.00	\$0.00	100%	\$0.00
1.035 Drive	1	ea	9,500.00=	1	\$9,500.00	\$0.00	100%	\$0.00
1.036 Splash Blocks	4	ea	160.00=	4	\$600.00	\$0.00	100%	\$0.00
<b>Blower Building</b>								
1.037 Demo overhead door @blower bldg	1	ea	1,500.00=	1	\$1,500.00	\$0.00	100%	\$0.00
1.038 Demo metal panels & framing	1	lt	4,500.00=	1	\$4,500.00	\$0.00	100%	\$0.00
1.039 Power wash blower area	1	lt	1,500.00=	1.00	\$1,500.00	\$0.00	100%	\$0.00
1.040 Install new columns	3	ea	2,000.00=	3	\$6,000.00	\$0.00	100%	\$0.00
1.041 HSS 14"x4"x1/4" w/PL - Header	1	ea	9,600.00=	1	\$9,500.00	\$0.00	100%	\$0.00
1.042 3'x7' FRP door w/ 2'x4' FRP frame	1	ea	5,500.00=	1	\$5,500.00	\$0.00	100%	\$0.00
1.043 3'-6'5'-4" perforated 7.2 panel	1	ea	2,200.00=	1	\$2,200.00	\$0.00	100%	\$0.00
1.044 Overhead Door	1	ea	30,000.00=	1	\$30,000.00	\$0.00	100%	\$0.00
1.045 HDG PL Closures	8	ea	2,000.00=	100%	\$12,000.00	\$0.00	100%	\$0.00
1.046 Roof exhaust fan	2	ea	5,000.00=	2	\$10,000.00	\$0.00	100%	\$0.00
1.047 Remove multistage centrifugal blower	3	ea	1,750.00=	3	\$5,250.00	\$0.00	100%	\$0.00
1.048 Blower pad	3	ea	2,000.00=	3	\$6,000.00	\$0.00	100%	\$0.00
1.049 Multistage centrifugal blowers	3	ea	85,000.00=	3	\$255,000.00	\$0.00	100%	\$0.00
1.050 Install new blowers	3	ea	2,500.00=	3	\$7,500.00	\$0.00	100%	\$0.00
1.051 Blower Piping	3	ea	14,500.00=	3	\$43,500.00	\$0.00	100%	\$0.00
1.052 12" wafer butterfly valve w/ stem and actuator	3	ea	7,000.00=	3	\$21,000.00	\$0.00	100%	\$0.00
1.053 Concrete stoop	1	ea	1,100.00=	1	\$1,100.00	\$0.00	100%	\$0.00
1.054 Touchup blower building	1	lt	7,500.00=	1.00	\$7,500.00	\$0.00	100%	\$0.00

**Breakdown of Contractor's Application for Payment**

Contractor: Red River Construction Company, Inc.  
2804 Capital Street  
Wylie, TX 75098

Project: Post Oak Wastewater Treatment Plant Aeration  
and Other Secondary Treatment Improvements  
Owner: Greater Texoma Utility Authority for the City of Sherman

Application # 28  
Period from: 8/1/2023  
to: 9/30/2023

DESCRIPTION	QTY	UNIT	TOTAL	PREVIOUS	THIS MONTH	TOTAL	%	Balance		
<b>Aeration Basins</b>										
1.055 Remove & replace 5'-0" x7'-8" grating	1	ea	5,000.00=	\$5,000.00	1	\$5,000.00	\$0.00	\$5,000.00	100%	\$0.00
1.056 Install Temp Bulkheads	4	ea	2,500.00=	\$10,000.00	4	\$10,000.00	\$0.00	\$10,000.00	100%	\$0.00
1.057 Demo 60"x80" slide gate SDG5	1	ea	3,000.00=	\$3,000.00	1	\$3,000.00	\$0.00	\$3,000.00	100%	\$0.00
1.058 60"x80" slide gate w/self contained SDG5	1	ea	13,500.00=	\$13,500.00	1	\$13,500.00	\$0.00	\$13,500.00	100%	\$0.00
1.059 Shutdowns of Aeration Basin to replace gates	4	ea	5,000.00=	\$20,000.00	4	\$20,000.00	\$0.00	\$20,000.00	100%	\$0.00
1.060 Demo 48"x72" slide gate WRG4	1	ea	3,600.00=	\$3,600.00	1	\$3,600.00	\$0.00	\$3,600.00	100%	\$0.00
1.061 48"x72" weir gate w/non-self contained WRG4	1	ea	13,600.00=	\$13,600.00	1	\$13,600.00	\$0.00	\$13,600.00	100%	\$0.00
1.062 Demo 54"x72" slide gate WRG6	1	ea	3,600.00=	\$3,600.00	1	\$3,600.00	\$0.00	\$3,600.00	100%	\$0.00
1.063 66"x72" weir gate w/non-self contained WRG6	1	ea	17,900.00=	\$17,900.00	1	\$17,900.00	\$0.00	\$17,900.00	100%	\$0.00
1.064 Demo 48"x48" slide gate SLG1	1	ea	2,350.00=	\$2,350.00	1	\$2,350.00	\$0.00	\$2,350.00	100%	\$0.00
1.065 54"x48" slide gate w/self-contained SLG1	1	ea	10,200.00=	\$10,200.00	1	\$10,200.00	\$0.00	\$10,200.00	100%	\$0.00
1.066 Demo 48"x48" slide gate SLG2	1	ea	2,350.00=	\$2,350.00	1	\$2,350.00	\$0.00	\$2,350.00	100%	\$0.00
1.067 54"x48" slide gate w/self-contained SLG2	1	ea	10,200.00=	\$10,200.00	1	\$10,200.00	\$0.00	\$10,200.00	100%	\$0.00
1.068 Demo 54"x72" slide gate WRG8	1	ea	3,600.00=	\$3,600.00	1	\$3,600.00	\$0.00	\$3,600.00	100%	\$0.00
1.069 54"x72" weir gate w/self-contained WRG8	1	ea	15,200.00=	\$15,200.00	1	\$15,200.00	\$0.00	\$15,200.00	100%	\$0.00
1.070 Demo 60"x24" slide gate WRG10	1	ea	3,000.00=	\$3,000.00	1	\$3,000.00	\$0.00	\$3,000.00	100%	\$0.00
1.071 60"x24" weir gate w/self-contained WRG10	1	ea	8,600.00=	\$8,600.00	1	\$8,600.00	\$0.00	\$8,600.00	100%	\$0.00
1.072 Demo 48"x72" slide gate WRG11	1	ea	3,500.00=	\$3,500.00	1	\$3,500.00	\$0.00	\$3,500.00	100%	\$0.00
1.073 48"x72" weir gate w/self-contained WRG11	1	ea	13,600.00=	\$13,600.00	1	\$13,600.00	\$0.00	\$13,600.00	100%	\$0.00
1.074 Demo 54"x72" slide gate WRG12	1	ea	3,600.00=	\$3,600.00	1	\$3,600.00	\$0.00	\$3,600.00	100%	\$0.00
1.075 54"x72" weir gate w/self-contained WRG12	1	ea	15,200.00=	\$15,200.00	1	\$15,200.00	\$0.00	\$15,200.00	100%	\$0.00
1.076 Demo 60"x72" slide gate WRG5	1	ea	8,300.00=	\$8,300.00	1	\$8,300.00	\$0.00	\$8,300.00	100%	\$0.00
1.077 66"x72" weir gate w/non-self contained WRG5	1	ea	17,800.00=	\$17,800.00	1	\$17,800.00	\$0.00	\$17,800.00	100%	\$0.00
1.078 Demo 60"x72" slide gate WRG7	1	ea	8,300.00=	\$8,300.00	1	\$8,300.00	\$0.00	\$8,300.00	100%	\$0.00
1.079 72"x72" weir gate w/self-contained WRG7	1	ea	20,000.00=	\$20,000.00	1	\$20,000.00	\$0.00	\$20,000.00	100%	\$0.00
1.080 Demo 60"x72" slide gate WRG9	1	ea	8,300.00=	\$8,300.00	1	\$8,300.00	\$0.00	\$8,300.00	100%	\$0.00
1.081 72"x72" weir gate w/self-contained WRG9	1	ea	20,000.00=	\$20,000.00	1	\$20,000.00	\$0.00	\$20,000.00	100%	\$0.00
1.082 Demo 48"x48" slide gate SDG8	1	ea	2,700.00=	\$2,700.00	1	\$2,700.00	\$0.00	\$2,700.00	100%	\$0.00
1.083 66"x48" slide gate w/self-contained SDG8	1	ea	11,700.00=	\$11,700.00	1	\$11,700.00	\$0.00	\$11,700.00	100%	\$0.00
1.084 Demo 60"x72" slide gate WRG13	1	ea	3,600.00=	\$3,600.00	1	\$3,600.00	\$0.00	\$3,600.00	100%	\$0.00
1.085 72"x72" weir gate w/self-contained WRG13	1	ea	20,000.00=	\$20,000.00	1	\$20,000.00	\$0.00	\$20,000.00	100%	\$0.00
1.086 Demo 30" valve	1	ea	1,200.00=	\$1,200.00	1	\$1,200.00	\$0.00	\$1,200.00	100%	\$0.00
1.087 30"x2'-0" Flg/Fig DIP	1	ea	7,600.00=	\$7,600.00	1	\$7,600.00	\$0.00	\$7,600.00	100%	\$0.00
1.088 Pump sludge to next basin	2	ea	6,000.00=	\$12,000.00	2	\$12,000.00	\$0.00	\$12,000.00	100%	\$0.00
1.089 Washdown Sludge in Aeration Basin	3	ea	7,500.00=	\$22,500.00	3	\$22,500.00	\$0.00	\$22,500.00	100%	\$0.00
1.090 Remove air diffuser grids	3	ea	8,000.00=	\$27,000.00	3	\$27,000.00	\$0.00	\$27,000.00	100%	\$0.00
1.091 Remove sludge left in third basin (West Basin)	1	lt	35,000.00=	\$35,000.00	1	\$35,000.00	\$0.00	\$35,000.00	100%	\$0.00
1.092 Replace pressure relief valves @Aeration basins	12	ea	1,000.00=	\$12,000.00	12	\$12,000.00	\$0.00	\$12,000.00	100%	\$0.00
1.093 Replace 8" wafer butterfly air valve w/ actuator	6	ea	6,200.00=	\$37,200.00	6	\$37,200.00	\$0.00	\$37,200.00	100%	\$0.00
1.094 Remove air flow meter & equipment	1	ea	600.00=	\$600.00	1	\$600.00	\$0.00	\$600.00	100%	\$0.00
1.095 Replace 12" butterfly valve w/stem and actuator	1	ea	7,000.00=	\$7,000.00	1	\$7,000.00	\$0.00	\$7,000.00	100%	\$0.00
1.096 Replace 6" wafer butterfly air valve w/actuators	6	ea	4,800.00=	\$28,800.00	6	\$28,800.00	\$0.00	\$28,800.00	100%	\$0.00
1.097 Replace 4" wafer butterfly air valve w/ actuator	7	ea	3,800.00=	\$26,600.00	7	\$26,600.00	\$0.00	\$26,600.00	100%	\$0.00
1.098 4" Diffuser headers	6,300	lf	6.00=	\$37,800.00	6,300	\$37,800.00	\$0.00	\$37,800.00	100%	\$0.00
1.099 Aeration header supports	840	ea	40.00=	\$33,600.00	840	\$33,600.00	\$0.00	\$33,600.00	100%	\$0.00
1.100 Flexible membrane aeration diffusers	4,784	ea	35.00=	\$167,790.00	4,784	\$167,790.00	\$0.00	\$167,790.00	100%	\$0.00
1.101 10" aeration droplegs	8	ea	3,500.00=	\$21,000.00	8	\$21,000.00	\$0.00	\$21,000.00	100%	\$0.00
1.102 Purge Systems	6	ea	1,200.00=	\$7,200.00	6	\$7,200.00	\$0.00	\$7,200.00	100%	\$0.00
1.103 Touchup paint 30" Pipe Spool	1	lt	6,000.00=	\$6,000.00	1	\$6,000.00	\$0.00	\$6,000.00	100%	\$0.00



**Breakdown of Contractor's Application for Payment**

Contractor: Red River Construction Company, Inc.  
2804 Capital Street  
Wylie, TX 75098

Project: Post Oak Wastewater Treatment Plant Aeration  
and Other Secondary Treatment Improvements  
Owner: Greater Tarrant County Utility Authority for the City of Sherman

Application # 28  
Period from: 9/1/2023  
to: 9/30/2023

DESCRIPTION	QTY	UNIT	TOTAL	PREVIOUS	THIS MONTH	TOTAL	%	Balance
<b>ABLS Area</b>								
1.104 Remove screw lift pump	1 ea	3,500.00=	\$3,500.00	1	\$3,500.00	\$0.00	100%	\$0.00
1.105 Remove hoist and trolley	1 ea	800.00=	\$800.00	1	\$800.00	\$0.00	100%	\$0.00
1.108 Demo top monorail structure	1 lt	4,500.00=	\$4,500.00	1	\$4,500.00	\$0.00	100%	\$0.00
1.107 W12x28x2'-0" Column Extensions	12 ea	800.00=	\$9,600.00	12	\$9,600.00	\$0.00	100%	\$0.00
1.108 W12x40x6'-0" monorail beam extension	1 ea	3,000.00=	\$3,000.00	1	\$3,000.00	\$0.00	100%	\$0.00
1.109 Reinstall top monorail structure	1 lt	4,500.00=	\$4,500.00	1	\$4,500.00	\$0.00	100%	\$0.00
1.110 5 ton motorized hoist and trolley	1 ea	31,000.00=	\$31,000.00	1	\$31,000.00	\$0.00	100%	\$0.00
1.111 Festoon Flat Cable	52 lf	50.00=	\$2,600.00	52	\$2,600.00	\$0.00	100%	\$0.00
1.112 72"x80" slide gate w/operator - SDG 1 - 4	4 ea	16,800.00=	\$67,600.00	4	\$67,600.00	\$0.00	100%	\$0.00
1.113 Demo wetwell slab	1 lt	2,800.00=	\$2,800.00	1	\$2,800.00	\$0.00	100%	\$0.00
1.114 3" PVC drain pipe extension	1 lt	800.00=	\$800.00	1	\$800.00	\$0.00	100%	\$0.00
1.115 Modify subgrade of slab	1 lt	3,250.00=	\$3,250.00	1	\$3,250.00	\$0.00	100%	\$0.00
1.116 Replace slab	1 ea	4,000.00=	\$4,000.00	1	\$4,000.00	\$0.00	100%	\$0.00
1.117 Install 20" Immersible pump	1 ea	8,000.00=	\$8,000.00	1	\$8,000.00	\$0.00	100%	\$0.00
1.118 20" discharge piping	1 lt	22,000.00=	\$22,000.00	1	\$22,000.00	\$0.00	100%	\$0.00
1.119 ABLs Pump discharge handrail & grating	1 lt	2,500.00=	\$2,500.00	100%	\$2,500.00	\$0.00	100%	\$0.00
1.120 Bypass pumping of RAS	1 ea	35,000.00=	\$35,000.00	0.942	\$32,973.30	0.058 \$2,026.70	100%	\$0.00
1.121 Remove pivot gates	3 ea	3,100.00=	\$9,300.00	100%	\$9,300.00	\$0.00	100%	\$0.00
1.122 Remove 24" parshall flume FRP liner	1 ea	3,500.00=	\$3,500.00	1	\$3,500.00	\$0.00	100%	\$0.00
1.123 24" Parshall flume	1 ea	8,800.00=	\$8,800.00	1	\$8,800.00	\$0.00	100%	\$0.00
1.124 Grout in FRP Parshall Flume	1 ea	2,500.00=	\$2,500.00	1	\$2,500.00	\$0.00	100%	\$0.00
1.125 Relocate level instrument	1 ea	747.00=	\$747.00	1	\$747.00	\$0.00	100%	\$0.00
1.126 Replace handrail @ flume	1 lt	1,500.00=	\$1,500.00	1	\$1,500.00	\$0.00	100%	\$0.00
1.127 Replace 6" flap valve	1 ea	2,400.00=	\$2,400.00	1	\$2,400.00	\$0.00	100%	\$0.00
1.128 Replace 3" plug valve	4 ea	1,400.00=	\$5,600.00	4	\$5,600.00	\$0.00	100%	\$0.00
1.129 Paint MISC.	1 lt	8,000.00=	\$8,000.00	1	\$8,000.00	\$0.00	100%	\$0.00
1.130 Paint new 20" piping	1 lt	4,500.00=	\$4,500.00	1	\$4,500.00	\$0.00	100%	\$0.00
<b>Clarifiers</b>								
1.131 Set up Domes to be removed	3 lt	14,600.00=	\$43,500.00	3	\$43,500.00	\$0.00	100%	\$0.00
1.132 Lift off Dome	3 lt	12,600.00=	\$37,500.00	3	\$37,500.00	\$0.00	100%	\$0.00
1.133 Move Dome back to Clarifier	3 lt	10,600.00=	\$31,500.00	3	\$31,500.00	\$0.00	100%	\$0.00
1.134 Reinstall Dome and Louvers	3 lt	20,000.00=	\$60,000.00	3	\$60,000.00	\$0.00	100%	\$0.00
1.135 Cleaning of the Clarifier Walls and Floor	3 ea	4,500.00=	\$13,500.00	3	\$13,500.00	\$0.00	100%	\$0.00
1.136 Remove Spray Water System	3 ea	1,500.00=	\$4,500.00	3	\$4,500.00	\$0.00	100%	\$0.00
1.137 Demo Clarifiers	3 ea	20,000.00=	\$60,000.00	3	\$60,000.00	\$0.00	100%	\$0.00
1.138 Demo weirs and baffles	3 ea	7,200.00=	\$21,600.00	3	\$21,600.00	\$0.00	100%	\$0.00
1.139 Remove Gas Equipment	3 ea	500.00=	\$1,500.00	3	\$1,500.00	\$0.00	100%	\$0.00
1.140 Remove Access Ladder	3 ea	200.00=	\$600.00	3	\$600.00	\$0.00	100%	\$0.00
1.141 Secondary Clarifier Equipment	3 lt	488,000.00=	\$1,398,000.00	3	\$1,398,000.00	\$0.00	100%	\$0.00
1.142 FRP Weirs, Troughs, & Baffles	3 set	118,000.00=	\$354,000.00	3	\$354,000.00	\$0.00	100%	\$0.00
1.143 Adjust 4" pressure relief valve	3 ea	1,000.00=	\$3,000.00	3	\$3,000.00	\$0.00	100%	\$0.00
1.144 Reinstall Spray Water System	3 ea	2,500.00=	\$7,500.00	3	\$7,500.00	\$0.00	100%	\$0.00
1.145 Replace Caution sign @clarifier doors	3 ea	200.00=	\$600.00	3	\$600.00	\$0.00	100%	\$0.00
<b>Clarifier Control Structure</b>								
1.146 Shutdowns to replace gates @clarifier control	2 ea	4,000.00=	\$8,000.00	2	\$8,000.00	\$0.00	100%	\$0.00
1.147 Remove 20" TSV and stem support	3 ea	1,200.00=	\$3,600.00	3	\$3,600.00	\$0.00	100%	\$0.00
1.148 Remove 38"x38" sluice gate	3 ea	1,800.00=	\$5,400.00	3	\$5,400.00	\$0.00	100%	\$0.00
1.149 42"x38" slide gate w/floor stand	3 ea	6,500.00=	\$19,500.00	3	\$19,500.00	\$0.00	100%	\$0.00
1.150 Telescoping Valve	1 ea	14,200.00=	\$14,200.00	1	\$14,200.00	\$0.00	100%	\$0.00
1.151 Modify grating @clarifier control station	3 ea	600.00=	\$1,800.00	3	\$1,800.00	\$0.00	100%	\$0.00
<b>BH#1 Base Bid less below items</b>			<b>\$4,170,700.00</b>		<b>\$4,168,673.30</b>	<b>\$2,026.70</b>	<b>100%</b>	<b>\$0.00</b>
<b>BH#2 Allowance for Flygt Pumps</b>								
2.001 Allowance for Flygt Immersible Pumps	1 ea	131,000.00=	\$131,000.00	1	\$131,000.00	\$0.00	100%	\$0.00
<b>BH#2 Allowance for Flygt Pumps</b>			<b>\$131,000.00</b>		<b>\$131,000.00</b>	<b>\$0.00</b>	<b>100%</b>	<b>\$0.00</b>

Breakdown of Contractor's Application for Payment										
Contractor: Red River Construction Company, Inc. 2804 Capital Street Wylie, TX 75098			Project: Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements Owner: Greater Texoma Utility Authority for the City of Sherman				Application # 28 Period from: 8/1/2023 to: 9/30/2023			
DESCRIPTION	QTY	UNIT	TOTAL	PREVIOUS	THIS MONTH	TOTAL	%	Balance		
<b>BI#3 Instrumentation and Control System</b>										
3.001 Instrumentation Submittals	1	lt	43,500.00=	\$43,500.00	100%	\$43,500.00	\$0.00	\$43,500.00	100%	\$0.00
3.002 RTU-1	1	lt	52,300.00=	\$52,300.00	100%	\$52,300.00	\$0.00	\$52,300.00	100%	\$0.00
3.003 RTU-2	1	lt	27,300.00=	\$27,300.00	100%	\$27,300.00	\$0.00	\$27,300.00	100%	\$0.00
3.004 Antenna 1	1	lt	4,800.00=	\$4,800.00	100%	\$4,800.00	\$0.00	\$4,800.00	100%	\$0.00
3.005 Antenna 2	1	lt	8,180.00=	\$8,180.00	100%	\$8,180.00	\$0.00	\$8,180.00	100%	\$0.00
3.006 Level Transmitter	1	lt	8,600.00=	\$8,600.00	100%	\$8,600.00	\$0.00	\$8,600.00	100%	\$0.00
3.007 FAT Test	1	lt	12,500.00=	\$12,500.00	100%	\$12,500.00	\$0.00	\$12,500.00	100%	\$0.00
3.008 Start-up & Training	1	lt	8,600.00=	\$8,600.00	50%	\$3,300.00	\$3,300.00	\$8,600.00	100%	\$0.00
3.009 Programming	1	lt	8,000.00=	\$8,000.00	100%	\$8,000.00	\$0.00	\$8,000.00	100%	\$0.00
<b>BI#3 Instrumentation and Control System</b>			<b>\$167,780.00</b>	<b>\$164,480.00</b>		<b>\$3,300.00</b>	<b>\$167,780.00</b>	<b>100%</b>	<b>\$0.00</b>	
<b>BI#4 Electrical and Instrumentation not in BI#3</b>										
4.001 Electrical Submittals	1	lt	18,500.00=	\$18,500.00	100%	\$18,500.00	\$0.00	\$18,500.00	100%	\$0.00
Aeration Basin:	1	lt								
4.002 Lighting	1	lt	19,800.00=	\$19,800.00	100%	\$19,800.00	\$0.00	\$19,800.00	100%	\$0.00
4.003 Mass Flow Meter	1	lt	18,600.00=	\$18,600.00	100%	\$18,600.00	\$0.00	\$18,600.00	100%	\$0.00
Clarifiers:	1	lt								
4.004 Duct Bank	1	lt	35,300.00=	\$35,300.00	100%	\$35,300.00	\$0.00	\$35,300.00	100%	\$0.00
4.005 Exposed Conduits	1	lt	24,300.00=	\$24,300.00	100%	\$24,300.00	\$0.00	\$24,300.00	100%	\$0.00
4.006 Demo Electrical	1	lt	10,000.00=	\$10,000.00	100%	\$10,000.00	\$0.00	\$10,000.00	100%	\$0.00
4.007 Wire & Cable	1	lt	20,400.00=	\$20,400.00	100%	\$20,400.00	\$0.00	\$20,400.00	100%	\$0.00
4.008 Lighting	1	lt	21,000.00=	\$21,000.00	100%	\$21,000.00	\$0.00	\$21,000.00	100%	\$0.00
4.009 Electrical Enclosures	1	lt	5,000.00=	\$5,000.00	100%	\$5,000.00	\$0.00	\$5,000.00	100%	\$0.00
4.010 Grounding	1	lt	4,400.00=	\$4,400.00	100%	\$4,400.00	\$0.00	\$4,400.00	100%	\$0.00
4.011 Racks	1	lt	5,000.00=	\$5,000.00	100%	\$5,000.00	\$0.00	\$5,000.00	100%	\$0.00
4.012 Electrical Distribution Equipment	1	lt	30,300.00=	\$30,300.00	100%	\$30,300.00	\$0.00	\$30,300.00	100%	\$0.00
AB LIR Pumps:	1	lt								
4.013 VFD	1	lt	19,900.00=	\$19,900.00	100%	\$19,900.00	\$0.00	\$19,900.00	100%	\$0.00
4.014 AA Controls	1	lt	20,400.00=	\$20,400.00	100%	\$20,400.00	\$0.00	\$20,400.00	100%	\$0.00
4.015 Exposed Conduits	1	lt	33,000.00=	\$33,000.00	100%	\$33,000.00	\$0.00	\$33,000.00	100%	\$0.00
4.016 Terminal Boxes	1	lt	9,400.00=	\$9,400.00	100%	\$9,400.00	\$0.00	\$9,400.00	100%	\$0.00
4.017 Wire & Cable	1	lt	18,200.00=	\$18,200.00	100%	\$18,200.00	\$0.00	\$18,200.00	100%	\$0.00
4.018 Misc. Fittings	1	lt	17,600.00=	\$17,600.00	100%	\$17,600.00	\$0.00	\$17,600.00	100%	\$0.00
4.019 Crane Work	1	lt	2,800.00=	\$2,800.00	100%	\$2,800.00	\$0.00	\$2,800.00	100%	\$0.00
Electrical Building & Blower Building	1	lt								
4.020 Conduits	1	lt	52,900.00=	\$52,900.00	100%	\$52,900.00	\$0.00	\$52,900.00	100%	\$0.00
4.021 Cable Tray	1	lt	80,600.00=	\$80,600.00	100%	\$80,600.00	\$0.00	\$80,600.00	100%	\$0.00
4.022 Wire & Cable	1	lt	197,900.00=	\$197,900.00	100%	\$197,900.00	\$0.00	\$197,900.00	100%	\$0.00
4.023 Motor Control Center	1	lt	308,000.00=	\$308,000.00	100%	\$308,000.00	\$0.00	\$308,000.00	100%	\$0.00
4.024 Light Fixtures	1	lt	70,500.00=	\$70,500.00	100%	\$70,500.00	\$0.00	\$70,500.00	100%	\$0.00
4.025 Special Enclosures	1	lt	27,600.00=	\$27,600.00	100%	\$27,600.00	\$0.00	\$27,600.00	100%	\$0.00
4.026 Lightning Protection	1	lt	7,200.00=	\$7,200.00	100%	\$7,200.00	\$0.00	\$7,200.00	100%	\$0.00
4.027 Grounding	1	lt	9,400.00=	\$9,400.00	100%	\$9,400.00	\$0.00	\$9,400.00	100%	\$0.00
4.028 Wireways	1	lt	19,800.00=	\$19,800.00	100%	\$19,800.00	\$0.00	\$19,800.00	100%	\$0.00
4.029 Demo Electrical	1	lt	11,000.00=	\$11,000.00	100%	\$11,000.00	\$0.00	\$11,000.00	100%	\$0.00
4.030 Modifications to Main Gear	1	lt	5,300.00=	\$5,300.00	100%	\$5,300.00	\$0.00	\$5,300.00	100%	\$0.00
<b>BI#4 Electrical and Instrumentation not in BI#3</b>			<b>\$1,100,000.00</b>	<b>\$1,100,000.00</b>		<b>\$0.00</b>	<b>\$1,100,000.00</b>	<b>100%</b>	<b>\$0.00</b>	
<b>BI#5 Drilled Piers</b>										
5.001 30" Drilled Piers 15' min. w/80" Bell	5	ea	2,040.00=	\$10,200.00	5	\$10,200.00	\$0.00	\$10,200.00	100%	\$0.00
5.002 24" Drilled Piers 15' min. w/48" Bell	4	ea	1,320.00=	\$5,280.00	4	\$5,280.00	\$0.00	\$5,280.00	100%	\$0.00
5.003 18" Drilled Piers 15' min.	3	ea	1,050.00=	\$3,240.00	3	\$3,240.00	\$0.00	\$3,240.00	100%	\$0.00
<b>BI#5 Drilled Piers</b>			<b>\$18,720.00</b>	<b>\$18,720.00</b>		<b>\$0.00</b>	<b>\$18,720.00</b>	<b>100%</b>	<b>\$0.00</b>	



Breakdown of Contractor's Application for Payment										
Contractor: Red River Construction Company, Inc. 2804 Capital Street Wylie, TX 75098			Project: Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements Owner: Greater TExoma Utility Authority for the City of Sherman				Application # 28 Period from: 01/1/2023 to: 03/30/2023			page 6 of 8
DESCRIPTION	QTY	UNIT	TOTAL	PREVIOUS	THIS MONTH	TOTAL	%	Balance		
<b>BI#6 Additional Sidewalk not show</b>										
6.001 Grade Additional Sidewalk	200 sf	3.00=	\$600.00	\$0.00	200	\$600.00	100%	\$0.00		
6.002 Sidewalk	200 sf	11.00=	\$2,200.00	\$0.00	200	\$2,200.00	100%	\$0.00		
<b>BI#8 Additional Sidewalk not show</b>			\$2,800.00	\$0.00	\$2,800.00	\$2,800.00	100%	\$0.00		
<b>BI#7 Additional Concrete Paving</b>										
7.001 Grade Additional Paving	1,000 sf	3.00=	\$3,000.00	\$0.00	1,000	\$3,000.00	100%	\$0.00		
7.002 Paving	1,000 sf	12.00=	\$12,000.00	\$0.00	1,000	\$12,000.00	100%	\$0.00		
<b>BI#7 Additional Concrete Paving</b>			\$15,000.00	\$0.00	\$15,000.00	\$15,000.00	100%	\$0.00		
<b>AA#1 Switchboard Shelter on 08-S-01</b>										
A1.01 Switchboard shelter structure	1 ea	9,312.00=	\$9,312.00	100%	\$9,312.00	\$9,312.00	100%	\$0.00		
A1.02 Galvanized Metal Roofing	336 sf	8.00=	\$2,688.00	100%	\$2,688.00	\$2,688.00	100%	\$0.00		
<b>AA#1 Switchboard Shelter on 08-S-01</b>			\$12,000.00	\$12,000.00	\$0.00	\$12,000.00	100%	\$0.00		
<b>AA#2 Hard piping air line to Alum Tanks</b>										
A2.01 1/2" Aluminum Air Piping	160 lf	31.25=	\$5,000.00	100%	\$5,000.00	\$5,000.00	100%	\$0.00		
<b>AA#2 Hard piping air line to Alum Tanks</b>			\$5,000.00	\$5,000.00	\$0.00	\$5,000.00	100%	\$0.00		
<b>AA#3 Fall Protection Fixed Bases</b>										
A3.01 Wall Mounted Fixed Base for Clarifiers	3	1,300.00=	\$3,900.00	3	\$3,900.00	\$3,900.00	100%	\$0.00		
A3.02 Floor Mntd Fixed Base @Clarifier Control Str.	1	1,400.00=	\$1,400.00	1	\$1,400.00	\$1,400.00	100%	\$0.00		
A3.03 Wall Mntd Fixed Base @Clarifier Control Str.	3	1,400.00=	\$4,200.00	3	\$4,200.00	\$4,200.00	100%	\$0.00		
A3.04 Floor Mounted Fixed Base @Aeration	3	1,400.00=	\$4,200.00	3	\$4,200.00	\$4,200.00	100%	\$0.00		
A3.05 Wall Mounted Fixed Base @Aeration	3	1,500.00=	\$4,500.00	3	\$4,500.00	\$4,500.00	100%	\$0.00		
A3.06 Removable Handrail at bases	6	600.00=	\$3,600.00	6	\$3,600.00	\$3,600.00	100%	\$0.00		
<b>AA#3 Fall Protection Fixed Bases</b>			\$21,800.00	\$21,800.00	\$0.00	\$21,800.00	100%	\$0.00		
<b>TOTAL BID:</b>			\$5,844,800.00	\$8,821,873.30	\$23,128.70	\$5,844,800.00	100%	\$0.00		

Breakdown of Contractor's Application for Payment										
Contractor: Red River Construction Company, Inc. 2804 Capital Street Wylie, TX 75099			Project: Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements Owner: Greater TExoma Utility Authority for the City of Sherman				Application # 28 Period from: 8/1/2023 to: 8/30/2023			
DESCRIPTION	QTY	UNIT	TOTAL	PREVIOUS	THIS MONTH	TOTAL	%	Balance		
<b>CHANGE ORDER #1:</b>										
CMR001 5 ton Hoist	1	ls	5,250.89=	\$5,250.89	\$0.00	100%	\$5,250.89	\$5,250.89	100%	\$0.00
CMR005 Additional Grating at ABL5	1	ls	14,947.28=	\$14,947.28	\$0.00	100%	\$14,947.28	\$14,947.28	100%	\$0.00
CMR005 Additional 4" Air Valve	1	ls	4,944.82=	\$4,944.82	\$0.00	100%	\$4,944.82	\$4,944.82	100%	\$0.00
CMR007 East Aeration Basin Cleanout	1	ls	10,318.21=	\$10,318.21	\$0.00	100%	\$10,318.21	\$10,318.21	100%	\$0.00
CMR008 Repair Air Leaks on Existing Air Piping	1	ls	8,095.77=	\$8,095.77	\$0.00	100%	\$8,095.77	\$8,095.77	100%	\$0.00
CMR008 Ovivio FRP Trough Credit	1	ls	-15,000.00=	(\$15,000.00)	\$0.00	100%	(\$15,000.00)	(\$15,000.00)	100%	\$0.00
Extended Plant Shutdown in lieu of pumping	1	ls	-22,488.00=	(\$22,488.00)	\$0.00	100%	(\$22,488.00)	(\$22,488.00)	100%	\$0.00
BI#6 Unused Additional Sidewalk	1	ls	-2,800.00=	(\$2,800.00)	\$0.00	100%	(\$2,800.00)	(\$2,800.00)	100%	\$0.00
BI#7 Unused Addition Concrete Paving	1	ls	-15,000.00=	(\$15,000.00)	\$0.00	100%	(\$15,000.00)	(\$15,000.00)	100%	\$0.00
<b>SUBTOTAL CHANGE ORDER #1:</b>			<b>(\$11,730.93)</b>	<b>\$0.00</b>	<b>(\$11,730.93)</b>	<b>(\$11,730.93)</b>	<b>100%</b>	<b>\$0.00</b>		
<b>CHANGE ORDER #2:</b>										
2.1	1	ls	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$0.00		
2.2	1	ls	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$0.00		
<b>SUBTOTAL CHANGE ORDER #2:</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0%</b>	<b>\$0.00</b>		
<b>CHANGE ORDER #3:</b>										
3.1	1	ls	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$0.00		
<b>SUBTOTAL CHANGE ORDER #3:</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0%</b>	<b>\$0.00</b>		
<b>CHANGE ORDER #4:</b>										
4.1	1	ls	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$0.00		
<b>SUBTOTAL CHANGE ORDER #4:</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0%</b>	<b>\$0.00</b>		
<b>TOTAL CHANGE ORDERS:</b>			<b>(\$11,730.93)</b>	<b>\$0.00</b>	<b>(\$11,730.93)</b>	<b>(\$11,730.93)</b>		<b>\$0.00</b>		
<b>Total Amount of Work Done to Date</b>			<b>\$5,633,088.07</b>	<b>\$5,621,673.30</b>	<b>\$11,395.77</b>	<b>\$5,633,089.07</b>		<b>\$0.00</b>		







PROJECT BUDGET		GTUA/City of Sherman CID03 Areation Basin									
Uses	TWDB Funds Series 1	Budget Change	Total TWDB Cost	Local Cash Contribution	Other Funds	Total Cost	CID03 CO	Contract amount correction	Total		
<b>Construction</b>											
Construction	\$1,995,451.26		\$1,995,451.26			\$1,995,451.26	11,730.93	9,016.24	\$2,016,198.43		
CID01-Operations Building	\$1,267,121.30		\$1,267,121.30			\$1,267,121.30		(3,765.24)	\$1,263,356.06		
CID02-Stormwater Management	\$933,334.79		\$933,334.79			\$933,334.79			\$933,334.79		
CID03-Aeration Basin	\$5,650,051.00		\$5,650,051.00			\$5,650,051.00	(11,730.93)	(5,251.00)	\$5,633,069.07		
CID04 - Laboratory Upgrade									\$0.00		
CID05-WWTP EQ Basin	\$722,871.78		\$722,871.78	\$114,628.22		\$837,500.00			\$837,500.00		
CID06-Primary Clarifier	\$1,998,300.00		\$1,998,300.00			\$1,998,300.00			\$1,998,300.00		
			\$0.00			\$0.00					
<b>Subtotal Construction</b>	<b>\$12,567,130.13</b>	<b>\$0.00</b>	<b>\$12,567,130.13</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$12,681,758.35</b>					
<b>Basic Engineering Fees</b>											
Planning +	\$89,160.00		\$89,160.00			\$89,160.00		(46,160.00)	\$43,000.00		
Design	\$252,763.00		\$252,763.00			\$252,763.00		(92,640.20)	\$160,122.80		
Construction Engineering	\$78,899.00		\$78,899.00			\$78,899.00		(37,430.00)	\$41,469.00		
<b>Basic Engineering Other **</b>			\$0.00			\$0.00					
<b>Subtotal Basic Engineering Fees</b>	<b>\$420,822.00</b>	<b>\$0.00</b>	<b>\$420,822.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$420,822.00</b>					
<b>Special Services</b>											
Application	\$10,000.00		\$10,000.00			\$10,000.00			\$10,000.00		
Environmental	\$12,000.00		\$12,000.00			\$12,000.00			\$12,000.00		
Surveying	\$10,000.00		\$10,000.00			\$10,000.00		(9,500.00)	\$500.00		
Testing	\$22,000.00		\$22,000.00			\$22,000.00		(22,000.00)	\$0.00		
<b>Special Services Other **Seeding</b>	\$777.00		\$777.00			\$777.00			\$777.00		
<b>Subtotal Special Services</b>	<b>\$54,777.00</b>	<b>\$0.00</b>	<b>\$54,777.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$54,777.00</b>					
<b>Other</b>											
Administration/Closing	\$16,812.00		\$16,812.00			\$16,812.00			\$16,812.00		
Land/Easements Acquisition	\$100,000.00		\$100,000.00			\$100,000.00		(100,000.00)	\$0.00		
<b>Other **</b>			\$0.00			\$0.00					
<b>Subtotal Other Services</b>	<b>\$116,812.00</b>	<b>\$0.00</b>	<b>\$116,812.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$116,812.00</b>					
<b>Fiscal Services</b>											
Financial Advisor	\$53,260.00		\$53,260.00			\$53,260.00			\$53,260.00		
Bond Counsel	\$86,725.00		\$86,725.00			\$86,725.00			\$86,725.00		
Issuance Cost/Proj Legal/Paying Agent	\$7,171.25		\$7,171.25			\$7,171.25			\$7,171.25		
Fiscal/Legal	\$9,500.00		\$9,500.00			\$9,500.00			\$9,500.00		
Bond Reserve Fund	\$44,981.62		\$44,981.62			\$44,981.62			\$44,981.62		
Loan Origination Fee	\$233,821.00		\$233,821.00			\$233,821.00			\$233,821.00		
<b>Other **</b>			\$0.00			\$0.00			\$0.00		
<b>Subtotal Fiscal Services</b>	<b>\$435,458.87</b>	<b>\$0.00</b>	<b>\$435,458.87</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$435,458.87</b>					
<b>Contingency</b>											
Contingency	\$0.00		\$0.00			\$0.00		307,730.20	\$307,730.20		
<b>Subtotal Contingency</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>					
<b>TOTAL COSTS</b>	<b>\$13,595,000.00</b>	<b>\$0.00</b>	<b>\$13,595,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$13,709,628.22</b>	\$0.00	\$0.00	\$13,709,628.22		
<b>Other ** description must be entered</b>											
<b>+ For Applications under the EDAP Program with Planning costs, please break down below the Planning costs per the Instructions page:</b>											
Category A			0			0					
Category B			0			0					
Category C			0			0					
Category D			0			0					
<b>Total Planning Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>					

**CHANGE ORDER (CO)**

<b>OWNER</b>	Greater Texoma Utility Authority on behalf of City of Sherman	<b>Project No.</b>
<b>PROJECT</b>	Post Oak WWTP Aeration and Other Secondary Improvements	6718
<b>CONTRACTOR</b>	Red River Construction Co.	352
<b>ENGINEER</b>	Perkins Engineering Consultants, Inc.	SHE 18-002

Texas Water Development Board (TWDB) Project No. 73846

<b>CO No.</b>	01	<b>RE:</b>	CMR-001 4-ton to 5-ton hoist at Aeration Basin Lift Station CMR-005 Additional Aluminum Grating CMR-006 Additional 4-inch Air Valve CMR-007 East Aeration Basin Cleanout CMR-008 Repair of Existing Leaking Air Piping at Flanges Ovivo Providing Standard vs Specified FRP Clarifier Troughs Plant Extended Shutdown to Avoid Bypass Pumping (Line 1.120) Additional Sidewalk (not shown) (Line BI #6) Additional Concrete Paving (not shown) (Line BI #7)
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**CHANGE IN CONTRACT PRICE:**

Original Contract Amount.....\$5,644,800.00  
 Change Order No. 1 (Decrease).....\$(11,730.93)  
 Revised Contract Amount.....\$5,633,069.07

**CHANGE IN CONTRACT TIMES:**

Original Contract Times in Calendar Days.....550 Days  
 Change Order No. 1 (Increase).....93 Days  
 Date of Substantial Completion..... February 4, 2023  
 Date of Final Completion.....March 6, 2023

**DESCRIPTION OF CHANGE ORDER:**

CMR-001 4-ton to 5-ton hoist at Aeration Basin Lift Station  
 \$5,250.89  
 Description – Replacement hoist at Aeration Basin Lift Station (ABLS) specified at 4 tons. Due to weights of immersible pumps approaching 4 tons and corrosive nature of environment, increasing hoist capacity to 5 tons is recommended.  
 No additional days requested.

CMR-005 Additional Grating at ABLS, Approximately 4'-9" by 42'-6"  
 \$14,947.28  
 Description – Replacement of additional area of corroded grating at Aeration Basin Lift Station not included in original construction project.  
 Request 2 additional days.

CMR-006 Additional 4-inch Air Valve

\$4,944.92

Description – Count of 4-inch Air Valves at Aeration Basin Inlet and Outlet Channels undercounted during design by one. One additional valve needed to replace all air valves at three Aeration Basins.

Request 1 additional days.

CMR-007 East Aeration Basin Cleanout

\$10,318.21

Description – Removal of sludge from one Aeration Basin included in contract. Contractor removed sludge from West Aeration Basin due to drain valve being inoperable. City paid for removal of sludge from Middle Aeration Basin directly.

Request 5 additional days.

CMR-008 Repair of Existing Leaking Air Piping at Flanges

\$8,095.77

Description – Welding repair of leaking existing air at three locations at gasketed flanges. Air leaks in stainless steel piping identified through the hissing sounds at each leak.

Request 3 additional days.

Ovivo Providing Standard vs Specified FRP Clarifier Troughs

Credit of \$15,000

Listed supplier of FRP Effluent Troughs at Secondary Clarifiers, MFG, constructed first set of troughs using standard design parameters versus specified. Deflections and other parameters determined to not impact plant operations. Materials difference for change in trough design determined by MFG to be \$5,000 per clarifier, \$15,000 total.

Plant Extended Shutdown to Avoid Bypass Pumping (Line 1.120)

Credit of \$22,488

To avoid extended plant shutdown, bypass pumping of RAS was included in project during replacement of RAS Parshall flume. Plant was able to shutdown for extended timeframe using Equalization Basin and in plant storage to allow Contractor to avoid expense of bypass pumping.

BI #6 Additional Sidewalk (not shown)

Unused amount of \$2,800.00

BI #7 Additional Concrete Paving (not shown)

Unused amount of \$15,000.00

81 weather delay days documented on Payment Applications through the start of the project to June 2023. 12 additional days requested through CMRs for a total of 93 days.

RECOMMENDED BY:  
Perkins Engineering Consultants, Inc.

By: Mark Perkins Digitally signed by Mark Perkins  
DN: CN=Mark Perkins  
Date: 2023.10.20 12:33:45-05'00'  
Title: President  
Date: 10/20/2023

APPROVED BY:

City of Sherman  
By: *Tom J. Pruitt* Digitally signed by Tom  
Pruitt  
Date: 2023.10.20  
10:43:46-05'00'  
Title: Utility Engineer  
Date: 10/20/2023

ACCEPTED BY:  
Red River Construction Co.

By: *[Signature]*  
Title: Dean Porter, President  
Date: 10/18/2023

Greater Texoma Utility Authority  
By: *[Signature]*  
Title: General Manager  
Date: 10/20/2023



# GREATER TEXOMA UTILITY AUTHORITY

---

5100 Airport Drive  
Denison TX 75020  
Ph. (903) 786-4433  
Fax (903) 786-8211  
gtua@gtua.org

Please check one of the following:

1. As per COA item 1.11 of the Texas Water Development Board.

Please check all that apply.

- A. All previous change orders have been previously approved by TWDB and there are no more change orders for this project   X  .
- B. There is a final change order for this project         .

2. As per COA item 2.02 of the Texas Water Development Board.

The complete set of "As Built Drawings" was received on   April 23, 2024  .

Charlotte D. Smith

Engineer Signature

May 29, 2024

Date



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

**TWDB Project No.** 73846  
**Loan/Grant No.** L1001059

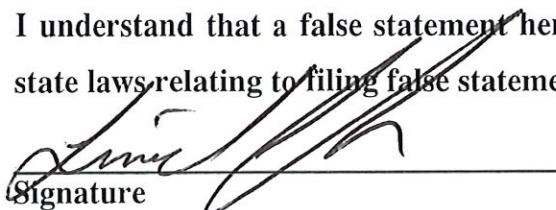
**This executed certificate must be submitted with each Outlay report for labor included within construction contracts. This Certificate applies only for LOANS CLOSED AFTER 10/30/2009.**

I, Tim Cline, Engineering Inspector of  
(Name) (Title)  
City of Sherman hereby certify that periodic reviews of a  
(Name of entity)

representative sample of the weekly payroll data, and contractor weekly payroll certifications such as OMB No. 1215-0149, have been performed to verify that contractors and subcontractors are paying the appropriate wage rate for compliance with the DAVIS BACON ACT, 40 U.S.C. §§3141 *et seq.* as amended and in conformance with the U.S.

Department of Labor regulations at 29 CFR Part 5, (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction) and 29 CFR Part 3 (Contractors and Subcontractors on Public Work Financed in Whole or in Part by Loans or Grants from the United States).

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

  
Signature

6/18/24  
Date

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

TWDB Project No. 73846 CID03  
Loan/Grant No. L1001059

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

I, Debi Atkins, Finance Officer of  
(Name) (Title)  
Greater Texoma Utility Authority hereby certify that periodic reviews of a  
(Name of entity)

representative sample of the weekly payroll data, and contractor weekly payroll certifications such as OMB No. 1215-0149, have been performed to verify that contractors and subcontractors are paying the appropriate wage rate for compliance with the DAVIS BACON ACT, 40 U.S.C. §§3141 *et seq.* as amended and in conformance with the U.S.

Department of Labor regulations at 29 CFR Part 5, (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction) and 29 CFR Part 3 (Contractors and Subcontractors on Public Work Financed in Whole or in Part by Loans or Grants from the United States).

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

Debi Atkins  
Signature

6/19/24  
Date



**Final American Iron and Steel Certification**

**Compliance Submittal by Owner (Sub-Recipient)**

TWDB Project No. 73846 CID03

Loan No. L/001059

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

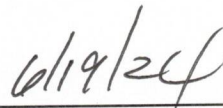
I, Debi Atkins, Finance Officer of  
(Name) (Title)  
Greater Texoma Utility Authority

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

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



Signature



Date

**Final American Iron and Steel Certification**

**Compliance Submittal by Owner (Sub-Recipient)**

TWDB Project No. 73846  
Loan No. L1001059

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

I, Timothy Cline, Engineering Inspector of  
(Name) (Title)  
City of Sherman

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

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

  
Signature

1/23/24  
Date

CONTRACTOR'S CERTIFICATION AND GUARANTEE

Date: June 18, 2024

Project: Aeration and Other Secondary Treatment Improvements  
Post Oak Wastewater Treatment Plant  
Owner: Greater Texoma Utility Authority on behalf of the City of Sherman

Contractor: Red River Construction Co.

Date of Contract: April 21, 2021

Date of Project Completion: TBD

Final Contract Amount: \$5,633,069.07

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

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

Contractor: RED RIVER CONSTRUCTION CO.

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


Date: \_\_\_\_\_  
11.7.2023

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


**CONSENT OF  
SURETY COMPANY  
TO FINAL PAYMENT**

PROJECT: Aeration and Other Secondary Treatment Improvements- Post Oak Wastewater  
Treatment Plant

CONTRACT DATE:

OWNER: Greater Texoma Utility Authority on behalf of the City of Sherman

CONTRACTOR: Red River Construction Co.

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

Colonial American Casualty and Surety Company  
and Fidelity and Deposit Company of Maryland  
1299 Zurich Way, 5th Floor  
Schaumburg, IL 60196

, SURETY COMPANY,

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

Red River Construction Co.  
2804 Capital Street  
Wylie, TX 75098

, CONTRACTOR,

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

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

, OWNER,

as set forth in the said Surety Company's Bond No. PRF9350927, dated 4.21.21

IN WITNESS WHEREOF,  
the Surety Company has hereunto set its hand this 12th day of October, 2023,

Colonial American Casualty and Surety Company and  
Fidelity and Deposit Company of Maryland  
Surety Company



Signature of Authorized Representative

Bennett Brown, Attorney-in-Fact  
Title

Attest

(S E A L)



**ZURICH AMERICAN INSURANCE COMPANY  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by Robert D. Murray, Vice President, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint, Tracy TUCKER, W. Lawrence BROWN, Kevin J. DUNN, Steven TUCKER, Robert H. ERB and Bennett BROWN, all of Ft. Worth, Texas, EACH, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: any and all bonds and undertakings, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 5th day of November, A.D. 2019.



ATTEST:  
ZURICH AMERICAN INSURANCE COMPANY  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND

By: Robert D. Murray  
Vice President

By: Dawn E. Brown  
Secretary

State of Maryland  
County of Baltimore

On this 5th day of November, A.D. 2019, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, Robert D. Murray, Vice President and Dawn E. Brown, Secretary of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



Constance A. Dunn, Notary Public  
My Commission Expires: July 9, 2023

EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this 12 day of October, 2023.



Brian M. Hodges

**TO REPORT A CLAIM WITH REGARD TO A SURETY BOND, PLEASE SUBMIT A COMPLETE DESCRIPTION OF THE CLAIM INCLUDING THE PRINCIPAL ON THE BOND, THE BOND NUMBER, AND YOUR CONTACT INFORMATION TO:**

Zurich Surety Claims  
1299 Zurich Way  
Schaumburg, IL 60196-1056  
[www.reportsclaims@zurichna.com](mailto:www.reportsclaims@zurichna.com)  
800-626-4577



# Fidelity and Deposit Company of Maryland

Home Office: P.O. Box 1227, Baltimore, MD 21203-1227

## IMPORTANT NOTICE

To obtain information or make a complaint:

You may call the Fidelity and Deposit Company of Maryland or Colonial American Casualty and Surety Company's toll-free telephone number for information or to make a complaint at:

**1-800-654-5155**

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights, or complaints at:

**1-800-252-3439**

You may write the Texas Department of Insurance:

**P.O. Box 149104  
Austin, TX 78714-9104  
FAX # (512) 475-1771**

**PREMIUM OR CLAIM DISPUTES:** Should you have a dispute concerning the premium or about a claim, you should first contact Fidelity and Deposit Company of Maryland or Colonial American Casualty and Surety Company. If the dispute is not resolved, you may contact the Texas Department of Insurance.

**ATTACH THIS NOTICE TO YOUR POLICY:** This notice is for information only and does not become a part or condition of the attached document.

# City of Sherman

## Post Oak WWTP

Pre-Construction

Aeration and Other Secondary Treatment Improvements



MEETING DATE AND TIME: May 26, 2021 @ 10:00 am

MEETING TYPE: Pre-Construction Meeting

DATE OF MINUTES: May 27, 2021

1. Meeting sign in sheet, minutes, and construction logs as of May 25, 2021 are attached.
2. See attached meeting minutes for contact information for Perkins Engineering Consultants (Engineer), City of Sherman (Owner) and Red River Construction Co. (Contractor).
3. City of Sherman to only be copied on selected submittals, such as the Schedule of Values and Construction Schedule.
4. Charlotte will incorporate the signed agreement and finalize Volume 1 of the specifications.
5. Submittals to be emailed if file size allows. Charlotte proposed using Dropbox to transfer larger files.
6. Notice to Proceed (NTP) to be issued for 06/01/2021 (the Tuesday after Memorial Day).
7. Add a signature line on the payment applications for City Inspector.
8. Payment applications to be signed and approved by every party involved by the 10th of each month.
9. GTUA will notify TWDB of the NTP date.
10. City of Sherman will give the contractor a code for the front gate. City and contractor will coordinate for staging area, PECl will assist both parties as needed.
11. TWDB no longer provides project signs. Contractor to provide them according to Section 01 50 00.
12. TWDB requires project number 73846 to be added in any communication with them. Project number to also be included on the payment applications.
13. Piazza Construction to also be onsite for building rehabilitation. This project might be delayed due to steel delivery estimated for January 2022.
14. The first construction progress meeting was not scheduled, but City of Sherman requested meetings ahead of any shutdowns.
15. Red River noted the first couple of months will be mostly for mobilization and submittal.
16. If the Contractor has an employee that is not eligible for Davis-Bacon rates, send the case to Drew Satterwhite with GTUA.





## MEETING RECORD OF ATTENDANCE

PROJECT: Aeration and Other Secondary Improvements

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DATE OF MEETING: May 26, 2021

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OWNER/CLIENT: Greater Texoma Utility Authority on behalf of the City of Sherman

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MEETING TYPE: Pre-Construction Meeting

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MEETING LOCATION: Sherman Wastewater Treatment Plant Conference Room

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MEETING TIME: 10:00 am

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NAME	REPRESENTING	EMAIL	PHONE	INITIALS
Charlotte Smith	Perkins Engineering Consultants	<a href="mailto:csmith@perkinsconsultants.com">csmith@perkinsconsultants.com</a>	817-723-3307	CS
Cesar Moran	Perkins Engineering Consultants	<a href="mailto:cmoran@perkinsconsultants.com">cmoran@perkinsconsultants.com</a>	361-355-5288	CM
David Gattis	Freeman-Millican	<a href="mailto:dgattis@fmi-dallas.com">dgattis@fmi-dallas.com</a>	903-815-1850	TDG
Tim Cline	City of Sherman	<a href="mailto:timc@cityofsherman.com">timc@cityofsherman.com</a>	903-892-7211	TC
Jeff Rigdon	City of Sherman	<a href="mailto:jeffr@cityofsherman.com">jeffr@cityofsherman.com</a>	903-868-2846	JR
Nathan Whiddon	City of Sherman	<a href="mailto:nathanw@cityofsherman.com">nathanw@cityofsherman.com</a>	903-892-7286	NW
Tom Pruitt	City of Sherman	<a href="mailto:tomp@cityofsherman.com">tomp@cityofsherman.com</a>	903-892-7212	T.P.
Heath Staffeld	Red River Construction Company	<a href="mailto:Heath.Staffeld@reddriverconstruction.com">Heath.Staffeld@reddriverconstruction.com</a>	214-886-8857	H/S
Bobby Garcia	Red River Construction Company	<a href="mailto:bobby.garcia@reddriverconstruction.com">bobby.garcia@reddriverconstruction.com</a>	214-886-8859	BG
Jim Sunnenberg	Red River Construction Company	<a href="mailto:jim.sunnenberg@reddriverconstruction.com">jim.sunnenberg@reddriverconstruction.com</a>	214-794-9833	
Dean Porter	Red River Construction Company	<a href="mailto:dean.porter@reddriverconstruction.com">dean.porter@reddriverconstruction.com</a>	972-578-0127	DP
Terry Clement	H&H Electrical	<a href="mailto:terrytpcelec@aol.com">terrytpcelec@aol.com</a>	214-729-7977	TPC
Drew Satterwhite	Greater Texoma Utility Authority	<a href="mailto:drews@gtua.org">drews@gtua.org</a>	903-786-4433	DS
Dennis Newman	Texas Water Development Board	<a href="mailto:Dennis.Newman@twdb.texas.gov">Dennis.Newman@twdb.texas.gov</a>	972-289-9908	
<i>ERIK HARALDSEN</i>	<i>CITY OF SHERMAN</i>	<i>erikh@CityofSherman.com</i>		<i>EH</i>
<i>Jim Sunnenberg</i>	<i>RRC</i>	<i>Jim.Sunnenberg@RedRiverConstruction.com</i>	<i>214 794-9833</i>	
<i>Tony Tillman</i>	<i>TEK</i>	<i>TEKAutomation@AOL.com</i>	<i>903-624-4300</i>	<i>HTM</i>

**GTUA and City of Sherman  
Post Oak WWTP  
Aeration and Other Secondary Improvements**



PROJECT NOS.:           PECI: SHE 18-002  
                                  City of Sherman: 6718  
                                  Red River Construction Co.: 352  
DATE OF MEETING:     May 26, 2021 at 10 am  
MEETING TYPE:         Pre-Construction Meeting  
LOCATION:                 Post Oak WWTP

1. Introductions / Sign in Sheet
2. Engineer's Key Personnel
  - a. Submittals shall be transmitted via email or file sharing software to:

Charlotte Smith  
Project Manager  
[csmith@perkinsconsultants.com](mailto:csmith@perkinsconsultants.com)  
Direct 817.330.0489  
Cell 817.723.3307

(Carbon copied to) Cesar Moran  
Project Engineer  
[cmoran@perkinsconsultants.com](mailto:cmoran@perkinsconsultants.com)  
Direct 817.330.0161  
Cell 361.355.5288

- b. Other Personnel:  
Mark Perkins  
President  
[mperkins@perkinsconsultants.com](mailto:mperkins@perkinsconsultants.com)  
Direct 817.330.0481  
Cell 817.690.2747

3. Contractor's Key Personnel
  - a. Project Manager:  
Heath Staffeld  
[Heath.Staffeld@redriverconstruction.com](mailto:Heath.Staffeld@redriverconstruction.com)  
214-886-8857
  - b. Superintendent:  
Bobby Garcia  
[bobby.garcia@redriverconstruction.com](mailto:bobby.garcia@redriverconstruction.com)



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214-886-8859

- c. Other Personnel:
  - Dean Porter  
President  
[dean.porter@redriverconstruction.com](mailto:dean.porter@redriverconstruction.com)  
972-578-0127
  
- 4. Owner's Key Personnel
  - a. Wastewater Plant Supervisor:
    - Jeff Rigdon  
[jeffr@cityofsherman.com](mailto:jeffr@cityofsherman.com)  
903-868-2846
  
  - b. Construction Inspector:
    - Tim Cline  
[timc@cityofsherman.com](mailto:timc@cityofsherman.com)  
903-892-7211
  
- 5. Executed and Conformed Documents
  - Digital copies of the conformed documents available upon request.
  
- 6. Status of Notice to Proceed
  
- 7. Payment Procedures
  - a. Retainage at 5-percent per Contract Documents
  
  - b. Coordination of Payment Requests
    - i. Contractor to coordinate with Owner Inspection personnel (Jeff Rigdon and Tim Cline) to review accomplished tasks on each request
    - ii. Engineer will then review payment requests and agree to listed quantities
    - iii. Payment requests then routed to Owner Engineering personnel (Tom Pruitt) for forwarding to GTUA
  
  - c. Payment requests must be submitted before the last working day of the month
  
- 8. Texas Water Development Board
  - a. American Iron & Steel
  - b. Davis Bacon Wages
  - c. Certified Payroll Reports and Outlays for Payment (procedures & due dates)
  
- 9. Submittal Procedures

- a. Standard Forms
- b. Contractors Certifications

Per the contract documents, each submittal must bear a stamp stating that the submittal is in compliance with the contract documents and has been reviewed by the Contractor. Submittals without this stamp will be returned without review.

10. Extra Work and Change Orders

- a. The Owner and Engineer MUST be notified as soon as the Contractor becomes aware of a potential change in contract time or contract cost. An email is sufficient for this notification.
- b. No changes in cost or time will be accepted or approved “after the fact”.
- c. No changes in cost or time will be accepted or approved unless a written change order is issued in advance of the work. Proceeding on the basis of verbal or written authorization other than a change order is at the Contractor’s risk.
- d. PCM/CMR/Change Orders

11. Contractor Staging Area

Contractor to coordinate storage areas with Owner

12. Construction Milestones

See Construction Sequence

13. Record Drawings

Record drawings shall be submitted to Engineer and Owner at completion of the project.

14. Construction Photographs

Contractor shall take photographs of the project site prior to construction, monthly during the construction of the Project and after completion of the Project.

15. Open Discussion

16. Date for first Construction Progress Meeting



May 29, 2024

Paul M. Sigle  
General Manager  
Greater Texoma Utility Authority  
5100 Airport Drive  
Denison, Texas 75020

RE: Post Oak Wastewater Treatment Plant  
Aeration and Other Secondary Improvements  
Texas Water Development Board No. 73846  
Project Close Out – Record Drawings

Dear Mr. Sigle,

This letter is to formally state when record drawing markups were received by the Engineer from the Contractor for the Aeration and Other Secondary Improvements project.

Red River Construction provided record drawing red-lines on April 23, 2024.

As will be noted on the record drawings, Perkins Engineering Consultants, Inc. was acquired by Mead & Hunt, Inc. in August 2021.

Please contact me if you have any questions.

Sincerely,

MEAD & HUNT, Inc.

A handwritten signature in black ink that reads "Charlotte G. Smith".

Charlotte G. Smith, P.E.  
Senior Project Manager

**SHOP DRAWING SUBMITTAL LOG  
CITY OF SHERMAN  
POST OAK WASTEWATER TREATMENT PLANT  
AERATION AND OTHER SECONDARY IMPROVEMENTS PROJECT**

PRINTED ON: 5/27/2021

ITEM #	SUBMITTAL #	RECEIVED ON	TRANSMITTED TO SUBCONSULTANT ON	RECEIVED FROM SUBCONSULTANT ON	TRANSMITTED TO CONTRACTOR / OWNER ON	DAYS OUTSTANDING	DUE DATE	ACTION	DESCRIPTION	REMARKS	BALL IN COURT
1	001-05 31 23	5/10/21	5/10/21			17	5/31/2021		Steel Roof Decking-Blower Building		Structural (FMI)
2	002-43 25 00	5/10/21	5/10/21			17	5/31/2021		Variable Speed Immersible Centrifugal Pump (RAS)		Mechanical (PECI)/ Electrical (FMI)
3	003-03 32 00	5/10/21	5/10/21	5/24/21	5/24/21	17	5/31/2021	FC	Concrete Reinforcing		Structural (FMI)
4	004-40 05 71	5/11/21	NA			16	6/1/2021		Telescoping Valves		Mechanical (PECI)
5	005-08 16 13, 08 71 00	5/11/21	5/11/21			16	6/1/2021		FRP Doors, Frames, & Hardware		Architecture (FMI)
6	006-03 30 00	5/11/21	5/11/21			16	6/1/2021		Cast in Place Concrete-Electrical Ductbank		Structural (FMI)
7	007-25 06 30	5/11/21	5/11/21			16	6/1/2021		Air Mass Flowmeter		Mechanical (PECI)/ Electrical (FMI)
8	008-26 05 26	5/11/21	5/11/21	5/25/21	5/26/21	16	6/1/2021	REV	Grounding and Bonding System		Electrical (FMI)
9	009-26 05 36	5/11/21	5/11/21	5/25/21	5/26/21	16	6/1/2021	FC	Cable Tray for Electrical Systems		Electrical (FMI)
10	010-26 06 00	5/11/21	5/11/21	5/25/21	5/26/21	16	6/1/2021	REV	Schedules for Electrical		Electrical (FMI)
11	011-26 29 23	5/11/21	5/11/21	5/25/21	5/26/21	16	6/1/2021	REV	Passive Harmonic Filters		Electrical (FMI)
12	012-26 29 86	5/11/21	5/11/21	5/25/21	5/26/21	16	6/1/2021	REV	Electrical Control Panels		Electrical (FMI)
13	013-26 29 86	5/11/21	5/11/21	5/25/21	5/26/21	16	6/1/2021	REV	Pump Control Panel		Electrical (FMI)
14	014-26 41 13	5/11/21	5/11/21	5/25/21	5/26/21	16	6/1/2021	REV	Lightning Protection System		Electrical (FMI)
15	015-26 51 13	5/11/21	5/11/21			16	6/1/2021		Lightning System		Electrical (FMI)
16	016-04 05 13; 04 22 00; 07 27 26	5/11/21	5/11/21			16	6/1/2021		Masonry		Architecture (FMI)
17	017-23 82 39	5/14/21	5/14/21			13	6/4/2021		Unit Heater		HVAC (FMI)
18	018-23 31 00	5/14/21	5/14/21			13	6/4/2021		Metal Ductwork and Casings		HVAC (FMI)
19	019-26 29 23	5/17/21	5/17/21			10	6/7/2021		Variable Frequency Drive		Electrical (FMI)
20	020-09 91 00; 09 90 00	5/17/21	5/17/21			10	6/7/2021		Coatings		Mechanical (PECI)/ Architecture (FMI)
21	021-03 30 00	5/17/21	5/17/21			10	6/7/2021		Concrete Mix Design		Structural (FMI)
22	022-08 33 23	5/19/21	5/19/21			8	6/9/2021		Overhead Coiling Doors		Architecture (FMI)
23	023-40 05 50	5/20/21	NA			7	6/10/2021		Hydraulic Gates		Mechanical (PECI)
24	024-01 29 00	5/20/21	NA			7	6/10/2021		Schedule of Values		Mechanical (PECI)
25	025 01 32 16	5/20/21	NA			7	6/10/2021		Construction Progress Schedule		Mechanical (PECI)
26	026 05 50 00	5/24/21	5/24/21			3	6/14/2021		Metal Fabrications		Structural (FMI)
27	027 09 90 00	5/24/21	5/24/21			3	6/14/2021		Painting and Coating-Architecture-Electrical Building		Architecture (FMI)
28	028 05 40 00	5/24/21	5/24/21			3	6/14/2021		Cold Formed Metal Framing-Electrical Building		Structural (FMI)
29	029 07 21 16	5/24/21	5/24/21			3	6/14/2021		Blanket Insulation-Electrical Building		Architecture (FMI)
30	030 09 28 16	5/24/21	5/24/21			3	6/14/2021		Fiberglass-Mat Faced Gypsum-Electrical Building		Architecture (FMI)
31	031 07 27 26	5/24/21	5/24/21			3	6/14/2021		Vapor Permeable Air Barrier-Electrical Building		Architecture (FMI)
32	032 09 29 00	5/24/21	5/24/21			3	6/14/2021		Gypsum Board-Electrical Building		Architecture (FMI)

REV - REVIEWED  
 FC - FURNISH AS CORRECTED  
 RR - REVISE AND RESUBMIT  
 REJ - REJECTED  
 RD - RECORD DATA  
 WR - WRITTEN RESPONSE REQUIRED  
 RR - CONTRACTOR ACTION REQUIRED (RED RIVER)  
 PECI - PERKINS ACTION REQUIRED  
 FMI - FREEMAN-MILLICAN ACTION REQUIRED

**REQUEST FOR INFORMATION LOG  
CITY OF SHERMAN  
POST OAK WASTEWATER TREATMENT PLANT  
AERATION AND OTHER SECONDARY IMPROVEMENTS PROJECT**

PRINTED ON: 5/27/2021

ITEM #	RFI #	RECEIVED ON	TRANSMITTED TO SUBCONSULTANT ON	RECEIVED FROM SUBCONSULTANT ON	TRANSMITTED TO CONTRACTOR / OWNER ON	DAYS OUTSTANDING	DUE DATE	INFORMATION REQUESTED	RESPONSE PROVIDED
1	001	05/13/21	05/13/21	05/21/21	05/21/21	14	5/20/2021	IBC edition to be used and requirements for wind speed, wind exposure, enclosure classification and risk category	2018 IBC, Design wind speed 112 MPH, Wind exposure C, Exposure classification Partially Open Building, Risk category III
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									

## State Revolving Fund Project Public Awareness Certification

This executed certification covering project public awareness is required of all recipients of Clean Water State Revolving Fund (CWSRF) equivalency and Drinking Water State Revolving Fund financial assistance. The requirement for this certification applies to all effected applications received on or after August 26, 2015.

Name of Entity: \_\_\_\_\_

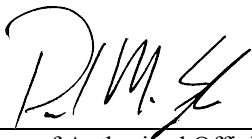
TWDB Project Number: \_\_\_\_\_

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

- Method of Implementation: (see guidance)
- Online signage via website or social media
  - Press release
  - Posters or wall signage
  - Newspaper or periodical advertisement
  - Standard signage

The undersigned hereby certifies that the project referenced above meets the requirements listed in TWDB SRF Public Awareness Guidance, Form 1109A that can be found at the following link.

<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-1109.pdf>



\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Authorized Official

\_\_\_\_\_  
Title of Authorized Official



Place holder for GTUA Resoulution

**RESOLUTION NO. 7330**

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ACCEPTING THE CONTRACT WITH RED RIVER CONSTRUCTION COMPANY, INC. FOR THE POST OAK WASTEWATER TREATMENT PLANT AERATION AND OTHER SECONDARY TREATMENT IMPROVEMENTS AS COMPLETE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

**WHEREAS**, the City of Sherman, Texas, has entered into a Contract for Water Supply and Sewer Service with the Greater Texoma Utility Authority; and

**WHEREAS**, the Greater Texoma Utility Authority has entered into a contract with Red River Construction Company, Inc. for the construction of the Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements for the City of Sherman, Texas; and

**WHEREAS**, representatives of the City of Sherman, the Greater Texoma Utility Authority, and the project engineer have inspected the Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements and found it to be complete;

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

**SECTION 1.** That the City Council of the City of Sherman, Texas, hereby formally accepts the contract with Red River Construction Company, Inc. for construction of the Post Oak Wastewater Treatment Plant Aeration and Other Secondary Treatment Improvements as complete.

**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 1<sup>st</sup> day of June 2024.

**CITY OF SHERMAN, TEXAS**

BY:   
**DAVID RZYLER, MAYOR**

ATTEST:

BY: Linda Ashby  
LINDA ASHBY, CITY CLERK

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

BY: Ryan D. Pittman  
RYAN D. PITTMAN, CITY ATTORNEY





Biological Clarifiers

Aeration Basins

*Sherman*  
CLASSIC TOWN. BROAD HORIZON.





Place holder for certificate of Contract Completion

Place holder for Engineer's project acceptance letter including the language "the project has been completed according to the approved plans and specifications"



## Stacy Patrick

---

**From:** Charlotte Smith <Charlotte.Smith@meadhunt.com>  
**Sent:** Wednesday, June 19, 2024 4:35 PM  
**To:** Stacy Patrick  
**Subject:** RE: City of Sherman Post Oak WWTP - Aeration and EQ Basin Projects - Remaining E&I Items  
**Attachments:** Sign In Sheet Scanned\_TWDB Inspection.pdf

Stacy,

Thanks for your help with getting this project paperwork completed! I can help with this without delay.

Sign in sheet from the 1/30/2024 walkthrough with TWDB for the Aeration and Other Secondary Improvements project attached.

Thanks again and take care, Charlotte

### Charlotte Smith, PE

Direct: 817-330-0489 | Cell: 817-723-3307 | Transfer Files  
meadhunt.com | Experience Exceptional

---

**From:** Stacy Patrick <stacyp@gtua.org>  
**Sent:** Wednesday, June 19, 2024 3:41 PM  
**To:** Charlotte Smith <Charlotte.Smith@meadhunt.com>  
**Subject:** RE: City of Sherman Post Oak WWTP - Aeration and EQ Basin Projects - Remaining E&I Items

Good afternoon, Charlotte,

I hope this message finds you well. Could you please provide me with an email confirming the date of the final walkthrough conducted by TWDB for the Aeration Project? There was a previous email thread sent to Tasha on 1/24/24 discussing a potential final inspection date of 1/30/24, but this date was not officially confirmed (please refer to the discussion at the bottom of the email chain). See attached email.

Thank you,

*Stacy Patrick*

*Project Manager*

*Greater Texoma Utility Authority*

*(903) 786-4433*

[stacyp@gtua.org](mailto:stacyp@gtua.org)





**AGENDA ITEM XIV**



# GREATER TEXOMA UTILITY AUTHORITY

## AGENDA COMMUNICATION

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DATE: July 11, 2024

SUBJECT: AGENDA ITEM NO. XIV

PREPARED: Stacy Patrick, Project Manager  
SUBMITTED BY: Paul Sigle, General Manager

**CONSIDER AND ACT UPON A RESOLUTION BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY ACCEPTING THE CONTRACT WITH W. BROWN ENTERPRISES, INC. FOR THE CITY OF SHERMAN WESTSIDE SEWER REPLACEMENT PROJECT AS COMPLETE.**

**ISSUE**

Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority accepting the Contract with W. Brown Enterprises, Inc. for the City of Sherman Westside Sewer Replacement Project as complete.

**BACKGROUND**

Through the 2021 GTUA (City of Sherman) Open Market Bonds, the City of Sherman has requested assistance in financing multiple projects including the Westside Sewer Replacement Project. This project consisted of approximately 1,385 linear feet of 8 and 10-inch sanitary sewer lines, 10 manholes, including abandonment of existing sanitary lines, and other sewer related construction along Westside Drive.

**CONSIDERATIONS**

W. Brown Enterprises, Inc. has completed the City of Sherman Westside Sewer Replacement Project. Accepting the project as complete will allow the Authority to process the final payment and release the retainage to W. Brown Enterprises, Inc.

**STAFF RECOMMENDATIONS**

The Authority Staff recommend approving the project as complete.

**ATTACHED**

Closeout Documents

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

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY ACCEPTING THE CONTRACT WITH W. BROWN ENTERPRISES, INC. AS COMPLETE FOR THE GTUA ON BELHALF OF THE CITY OF SHERMAN-WESTSIDE SANITARY SEWER REPLACEMENT PROJECT.

WHEREAS, the Greater Texoma Utility Authority has entered into a Contract for Water Supply and Sewer Service with the City of Sherman and

WHEREAS, the Greater Texoma Utility Authority has entered into a contract with W. Brown Enterprises, Inc. for the City of Sherman Westside Sanitary Sewer Replacement Project, and

WHEREAS, representatives of the City of Sherman and the project engineer have inspected the City of Sherman Westside Sanitary Sewer Replacement Project and found it to be complete.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY that the Authority hereby formally accepts the contract with W. Brown Enterprises, Inc. as complete.

Upon motion by \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing Resolution was passed and approved on this \_\_\_\_\_ day of \_\_\_\_\_ 2024 by the following vote:

AYE:

NAY:

ABSTAIN:

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

\_\_\_\_\_  
President

ATTEST:

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

June 28, 2024

W. Brown Enterprises  
ATTN: W. Scott Brown  
2905 N. 1<sup>st</sup> Avenue  
Durant, TX 74701

Re: Final Inspection, and Final Acceptance Letter  
Westside Sanitary Sewer Replacement, COS # 1518-U; GTUA#24-032; Bid No. 2023-20

Mr. Brown

The City of Sherman Engineering Department completed the final inspection of the improvements for the above-mentioned development on June 28, 2024. This project appears to be in substantial compliance with the issued construction documents and compliance with City of Sherman requirements. The City accepts the infrastructure portion of the project.

This is an acceptance of the physical work and in no event shall this inspection or acceptance be deemed as a waiver by the City of Sherman, in any respect or degree, of any of the terms and provisions of the governing contract or any of the right under the contract in the event that you have failed to comply strictly with the terms and provisions thereof.

If you have any questions, please feel free to contact me at your convenience.

Sincerely,  
City of Sherman



Project Manager  
Title

Cc Dwight LaGrone, GIS Manager  
Jerry Pace, GIS Technician II  
Kristi Jenkins, Engineering Coordinator  
File

# W. Brown Enterprises Inc.

Utility and Telecommunication Construction



## Warranty

Project Name: Sherman Westside Sanitary Sewer Replacement

Project Number: 2023-20; CoS#1518-U

Owner: City of Sherman

Substantial Completion Date: July 1st, 2024

Subcontractor hereby states that all work for the above referenced project, has been completed in strict accordance with the drawings and specifications. In addition, W. Brown Enterprises Inc. guarantees all materials and/or workmanship against defects for a period of one (1) year, from substantial completion.

Signature: *W. Scott Brown*

Title: President/Owner

Date: 7/1/2024

Notary:

State of Oklahoma  
County of Bryan

Subscribed and sworn to before me this 1st day of July, 2024.

*Delaine Brown*  
Notary Public

October 5<sup>th</sup>, 2027  
My Commission Expires

2905 N. 1<sup>st</sup> Avenue  
Durant, OK 74701  
580-282-0282



**CONSENT OF SURETY TO FINAL PAYMENT**

AIA Document G707

Bond No. 022238490

OWNER	<input checked="" type="checkbox"/>
ARCHITECT	<input checked="" type="checkbox"/>
CONTRACTOR	<input checked="" type="checkbox"/>
SURETY	<input checked="" type="checkbox"/>
OTHER	<input type="checkbox"/>

TO OWNER:

*(Name and address)*

City of Sherman, Texas  
220 W Mulberry Street  
Sherman, TX 75090

ARCHITECT'S PROJECT NO.:

CONTRACT FOR: Westside Sanitary Sewer Replacement

PROJECT:

*(Name and address)*

City of Sherman - Westside Sanitary Sewer Replacement  
Engineering #1518-U, Bid Number 2023-20

CONTRACT DATED: February 5, 2024

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

The Ohio Casualty Insurance Company  
175 Berkeley Street  
Boston, MA 02116

, SURETY,

on bond of

*(Insert name and address of Contractor)*

W. Brown Enterprises, Inc.  
2905 N. First Ave.  
Durant, OK 74701

, CONTRACTOR,

hereby approves of the final payment to the Contractor, and agrees that final payment to the Contractor shall not relieve the Surety of any of its obligations to

*(Insert name and address of Owner)*

City of Sherman, Texas  
220 W Mulberry Street  
Sherman, TX 75090

, OWNER,

as set forth in said Surety's bond.

IN WITNESS WHEREOF, the Surety has hereunto set its hand on this date: July 3, 2024

*(Insert in writing the month followed by the numeric date and year.)*

The Ohio Casualty Insurance Company

*(Surety)*

*Neira Hernandez*

*(Signature of authorized representative)*

Neira Hernandez, Attorney-in-Fact

*(Printed name and title)*

Attest:  
(Seal):

*Debra Robinson*

Debra Robinson



**CAUTION: You should sign an original AIA document that has this caution printed in red. An original assures that changes will not be obscured as may occur when documents are reproduced. See Instruction Sheet for Limited License for Reproduction of this document.**







This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

Certificate No: 8211760 - 022006

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Brady K. Cox, Brent Baldwin, Brock Baldwin, Cynthia Alford, John A. Aboumrak, Kristi Meek, Michael B. Hill, Neira Hernandez, Russ Frenzel, William D. Baldwin, Yamillec Ramos

all of the city of Plano state of TX each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 25th day of April, 2024.



Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

By: David M. Carey

David M. Carey, Assistant Secretary

State of PENNSYLVANIA
County of MONTGOMERY

On this 25th day of April, 2024 before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Commonwealth of Pennsylvania - Notary Seal
Teresa Pastella, Notary Public
Montgomery County
My commission expires March 28, 2025
Commission number 1126044
Member, Pennsylvania Association of Notaries

By: Teresa Pastella
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 3rd day of July, 2024.



By: Renee C. Llewellyn

Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

For bond and/or Power of Attorney (POA) verification inquiries, please call 610-832-8240 or email HOSUR@libertymutual.com.



STATE OF TEXAS

§

COUNTY OF GRAYSON

§

### CONTRACTOR'S RELEASE OF LIENS AFFIDAVIT OF BILLS PAID

BEFORE ME, the undersigned authority, on this day personally appeared W. Scott Brown,  
 President of W. Brown Enterprises Inc (print Affiant's name)  
 (title) (construction company name) (herein after referred to as the  
 "Company"), who being duly sworn by me states:

1. That he/she is the general contractor, employed for the construction work of Sherman Westside Sanitary Sewer Replacement  
 (name of project)  
 (hereinafter referred to as the "Project"), contracted by the CITY OF SHERMAN, and that said  
 construction work was completed on 7 / 1 / 2024  
 (date)
2. That there are no claims, liens, suits or causes of action of whatsoever nature made, asserted or filed by any person, persons, firm  
 or corporation, against either him/her, the Company or the City of Sherman, by reason of any labor, materials, or services furnished  
 under the Project.
3. That all labor employed and all materials used, and all services rendered in said Project has been fully paid for by him/her,  
**EXCEPT** as disclosed hereunder:  
 \_\_\_\_\_  
 \_\_\_\_\_
4. That Affiant will pay all outstanding bills and/or claims on the above-mentioned Project, for any labor employed, materials used  
 and/or services rendered, from funds paid by the City of Sherman, in reliance hereof.
5. That in consideration and conditioned upon City's final payment of funds, Affiant hereby waives and/or releases any and all lien  
 rights held by Affiant emanating from performance and completion of the above-mentioned Project.
6. That no patented, registered, or copyrighted machines, materials, methods or processes were used in said Project, nor supplied  
 as a part of the finished work or appurtenant thereto, except with the payment of any or all fees, royalties, or license charges; and  
 that there exist no claims, liens, suits or causes of action of whatsoever nature made, asserted or filed by any person, persons,  
 firm, or corporation by any reason of the use of any patented, registered, copyrighted machines, materials, methods or processes  
 upon said Project.
7. That Affiant hereby offers and represents to FULLY INDEMNIFY the City of Sherman for any loss and/or expense resulting  
 from any false or incorrect information contained herein, which Affiant knows or should have known to be incorrect, and that  
 Affiant, by signature hereof, assumes all responsibility and is hereinafter personally liable for any loss or damage to the City of  
 Sherman, resulting from any false or incorrect information contained herein.

WITNESS MY HAND on this 1st day of July, 2024

W. Scott Brown  
 Affiant's Signature

SWORN TO and SUBSCRIBED before me by W. Scott Brown on this 1st day of July, 2024  
 (print Affiant's name)



Julie Lindsey  
 Notary Public, ~~Grayson~~ Bryan County, ~~Texas~~ Oklahoma





**Progress Estimate - Unit Price Work**

**Contractor's Application**

For (Contract):		Sherman Westside Sanitary Sewer Replacement								Application Number:	4		
Application Period:		05/26/2024 - 06/25/2024								Application Date:	7/2/2024		
A		B		Work Completed				E		F			G
Item		Contract Information				Previous		This Period		Materials Presently Stored (not in C)	Total Completed and Stored to Date (C+D+E)	% (F / B)	Balance to Finish (B - F)
Bid Item No.	Description	Item Quantity	Units	Unit Price	Total Value of Item (\$)	Quantity Installed	Value of Work	Quantity Installed	Value of Work				
1	Mobilization/Demobilization	1	Sum	\$62,106.00	\$ 62,106.00	1.00	\$ 62,106.00		\$ -	\$ -	\$ 62,106.00	100%	\$ -
2	Abandon Existing Manhole	9	Each	\$884.37	\$ 7,959.33	9.00	\$ 7,959.33		\$ -	\$ -	\$ 7,959.33	100%	\$ -
3	Abandon, Plug, Remove Existing SS Aerial Crossing	1	Each	\$8,847.99	\$ 8,847.99	1.00	\$ 8,847.99		\$ -	\$ -	\$ 8,847.99	100%	\$ -
4	10" SDR-35 PVC Pipe - 0' - 13' Depth	452	Feet	\$160.72	\$ 72,645.44	452.00	\$ 72,645.44		\$ -	\$ -	\$ 72,645.44	100%	\$ -
5	10" SDR-26 PVC Pipe - 14' - 20' Depth	266	Feet	\$213.87	\$ 56,889.42	266.00	\$ 56,889.42		\$ -	\$ -	\$ 56,889.42	100%	\$ -
6	10" PVC SDR-26 PVC Pipe - 0' - 13' Depth		Feet	\$204.59	\$ -		\$ -		\$ -	\$ -	\$ -		\$ -
7	8" SDR-35 PVC Pipe	667	Feet	\$154.32	\$ 102,931.44	667.00	\$ 102,931.44		\$ -	\$ -	\$ 102,931.44	100%	\$ -
8	6" SDR-35 PVC Pipe	6	Feet	\$501.87	\$ 3,011.22	6.00	\$ 3,011.22		\$ -	\$ -	\$ 3,011.22	100%	\$ -
9	5' Concrete Drop Manhole	2	Each	\$14,107.66	\$ 28,215.32	2.00	\$ 28,215.32		\$ -	\$ -	\$ 28,215.32	100%	\$ -
10	5' Concrete Drop Manhole - Type S	1	Each	\$14,772.38	\$ 14,772.38	1.00	\$ 14,772.38		\$ -	\$ -	\$ 14,772.38	100%	\$ -
11	5' Concrete Manhole - Type S	1	Each	\$17,301.55	\$ 17,301.55	1.00	\$ 17,301.55		\$ -	\$ -	\$ 17,301.55	100%	\$ -
12	5' Manhole Extra Depth	10	Feet	\$950.48	\$ 9,504.80	10.00	\$ 9,504.80		\$ -	\$ -	\$ 9,504.80	100%	\$ -
13	4' Concrete Manhole	5	Each	\$7,638.33	\$ 38,191.65	5.00	\$ 38,191.65		\$ -	\$ -	\$ 38,191.65	100%	\$ -
14	4' Concrete Manhole - Type S	1	Each	\$7,589.04	\$ 7,589.04	1.00	\$ 7,589.04		\$ -	\$ -	\$ 7,589.04	100%	\$ -
15	Manhole Vacuum Test	10	Each	\$486.83	\$ 4,868.30	10.00	\$ 4,868.30		\$ -	\$ -	\$ 4,868.30	100%	\$ -
16	Connect Existing Sewer To Proposed Manhole	5	Each	\$1,371.63	\$ 6,858.15	5.00	\$ 6,858.15		\$ -	\$ -	\$ 6,858.15	100%	\$ -
17	Flowlines & Adjustment	18	Each	\$695.48	\$ 12,518.64	18.00	\$ 12,518.64		\$ -	\$ -	\$ 12,518.64	100%	\$ -
18	Reconnect Services	18	Each	\$2,931.66	\$ 52,769.88	18.00	\$ 52,769.88		\$ -	\$ -	\$ 52,769.88	100%	\$ -
19	Flowable Fill	20	Feet	\$367.06	\$ 7,341.20	20.00	\$ 7,341.20		\$ -	\$ -	\$ 7,341.20	100%	\$ -
20	R&R Concrete Curb	9	Feet	\$609.61	\$ 5,486.49	9.00	\$ 5,486.49		\$ -	\$ -	\$ 5,486.49	100%	\$ -
21	R&R Concrete Flumes	17	SY	\$395.46	\$ 6,722.82	17.00	\$ 6,722.82		\$ -	\$ -	\$ 6,722.82	100%	\$ -
22	R&R Asphalt Pavement	948	SY	\$101.16	\$ 95,899.68	948.00	\$ 95,899.68		\$ -	\$ -	\$ 95,899.68	100%	\$ -
23	R&R Concrete Driveways	76	SY	\$241.47	\$ 18,351.72	76.00	\$ 18,351.72		\$ -	\$ -	\$ 18,351.72	100%	\$ -
24	Seed & Reestablish Grass	50	Feet	\$112.82	\$ 5,641.00	50.00	\$ 5,641.00		\$ -	\$ -	\$ 5,641.00	100%	\$ -
25	Sod	183	SY	\$37.15	\$ 6,798.45	183.00	\$ 6,798.45		\$ -	\$ -	\$ 6,798.45	100%	\$ -
26	Trench Safety	1,391	Feet	\$3.50	\$ 4,868.50	1,391.00	\$ 4,868.50		\$ -	\$ -	\$ 4,868.50	100%	\$ -
27	Post Construction CCTV	1,391	Feet	\$4.27	\$ 5,939.57	1,391.00	\$ 5,939.57		\$ -	\$ -	\$ 5,939.57	100%	\$ -
28	Discharge Storm Water	1	Sum	\$3,300.00	\$ 3,300.00	1.00	\$ 3,300.00		\$ -	\$ -	\$ 3,300.00	100%	\$ -
29	Erosion Control	1	Sum	\$3,300.00	\$ 3,300.00	1.00	\$ 3,300.00		\$ -	\$ -	\$ 3,300.00	100%	\$ -
30	Traffic Control	1	Sum	\$6,600.00	\$ 6,600.00	1.00	\$ 6,600.00		\$ -	\$ -	\$ 6,600.00	100%	\$ -
31	Construction Contingency Allowance	1	Sum	\$10,600.00	\$ 10,600.00	1.00	\$ 10,600.00		\$ -	\$ -	\$ 10,600.00	100%	\$ -
<b>Totals</b>					<b>\$ 687,829.98</b>		<b>\$ 687,829.98</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 687,829.98</b>	<b>100.0%</b>	<b>\$ -</b>

# Stored Material Summary

# Contractor's Application

For (Contract):		Sherman Westside Sanitary Sewer Replacement						Application Number:		4			
Application Period:		05/26/2024 - 06/25/2024								7/2/2024			
A		B	C			D		E	Subtotal Amount Completed and Stored to Date (D + E)	F		G	Percent of Materials Used
Bid Item No.	Supplier Invoice No.	Submittal No. (with Specification Section No.)	Storage Location	Description of Materials or Equipment Stored	Stored Previously		Amount Stored this Month (\$)	Incorporated in Work		Materials Remaining in Storage (\$) (D + E - F)			
					Date Placed into Storage (Month/Year)	Amount (\$)		Date (Month/Year)	Amount (\$)				
1				Mobilization/Demobilization			\$ -	\$ -		\$ -	100.00%		
2				Abandon Existing Manhole			\$ -	\$ -		\$ -	100.00%		
3				Abandon, Plug, Remove Existing SS Aerial Crossing			\$ -	\$ -		\$ -	100.00%		
4	009599 01			10" SDR-35 PVC Pipe - 0' - 13' Depth			\$ 8,069.88	\$ 8,069.88		\$ 8,069.88	\$ -	100.00%	
5	010121 01 /009599 01			10" SDR-26 PVC Pipe - 14' - 20' Depth			\$ 5,493.60	\$ 5,493.60		\$ 5,493.60	\$ -	100.00%	
6				10" PVC SDR-26 PVC Pipe				\$ -			\$ -	#DIV/0!	
7	009599 01			8" SDR-35 PVC Pipe, 6" SS Clamps, 10" SS Clamps, 10" 45's, 10"x4" WYE's, 10" Recilner Drop Bowl, 6" Recliner Bowl, Detector Tape			\$ 8,883.40	\$ 8,883.40		\$ 8,883.40	\$ -	100.00%	
8				6" SDR-35 PVC Pipe			\$ 146.72	\$ 146.72		\$ 146.72	\$ -	100.00%	
9	009803 02 & 04			5' Concrete Drop Manhole, Ring & Cover			\$ 9,273.31	\$ 9,273.31		\$ 9,273.31	\$ -	100.00%	
10	009803 02 /			5' Concrete Drop Manhole - Type S, Ring & Cover			\$ 7,246.62	\$ 7,246.62		\$ 7,246.62	\$ -	100.00%	
11	09599 01 / 09599 02			5' Concrete Manhole - Type S, Ring & Cover			\$ 7,514.12	\$ 7,514.12		\$ 7,514.12	\$ -	100.00%	
12				5' Manhole Extra Depth			\$ -	\$ -		\$ -	\$ -	100.00%	
13	009803 02 & 04			4' Concrete Manhole, Ring & Cover			\$ 11,434.73	\$ 11,434.73		\$ 11,434.73	\$ -	100.00%	
14	009803 02			4' Concrete Manhole - Type S, Ring & Cover			\$ 1,171.47	\$ 1,171.47		\$ 1,171.47	\$ -	100.00%	
15				Manhole Vacuum Test			\$ -	\$ -		\$ -	\$ -	100.00%	
16				Connect Existing Sewer To Proposed Manhole			\$ -	\$ -		\$ -	\$ -	100.00%	
17				Flowlines & Adjustment			\$ -	\$ -		\$ -	\$ -	100.00%	
18	009599 01			Reconnect Services, 4' SDR PVC Pipe, 4" 45's 4" WYEs'			\$ 5,678.51	\$ 5,678.51		\$ 5,678.51	\$ -	100.00%	
19				Flowable Fill			\$ -	\$ -		\$ -	\$ -	100.00%	
20				R&R Concrete Curb			\$ -	\$ -		\$ -	\$ -	100.00%	
21				R&R Concrete Flumes			\$ -	\$ -		\$ -	\$ -	100.00%	
22				R&R Asphalt Pavement			\$ -	\$ -		\$ -	\$ -	100.00%	
23				R&R Concrete Driveways			\$ -	\$ -		\$ -	\$ -	100.00%	
24				Seed & Reestablish Grass			\$ -	\$ -		\$ -	\$ -	100.00%	
25				Sod			\$ -	\$ -		\$ -	\$ -	100.00%	
26				Trench Safety			\$ -	\$ -		\$ -	\$ -	100.00%	
27				Post Construction CCTV			\$ -	\$ -		\$ -	\$ -	100.00%	

# Stored Material Summary

# Contractor's Application

For (Contract):		Sherman Westside Sanitary Sewer Replacement						Application Number:		4			
Application Period:		05/26/2024 - 06/25/2024								7/2/2024			
A		B	C			D		E	Subtotal Amount Completed and Stored to Date (D + E)	F		G	Percent of Materials Used
Bid Item No.	Supplier Invoice No.	Submittal No. (with Specification Section No.)	Storage Location	Description of Materials or Equipment Stored			Stored Previously			Amount Stored this Month (\$)	Date (Month/Year)	Amount (\$)	
28				Discharge Storm Water					\$ -		\$ -		\$ -
29				Erosion Control					\$ -	\$ -		\$ -	100.00%
30				Traffic Control					\$ -	\$ -		\$ -	100.00%
31				Construction Contingency Allowance					\$ -	\$ -		\$ -	#DIV/0!
									\$ -	\$ -		\$ -	
				<b>Totals</b>					<b>\$ 64,912.36</b>	<b>\$ 64,912.36</b>		<b>\$ 64,912.36</b>	<b>\$ -</b>

**AGENDA ITEM XV**



# **GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION**

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**DATE:** JULY 11, 2024

**SUBJECT:** AGENDA ITEM NO. XV

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

## **CONSIDER AND ACT UPON THE AMENDED CONTRACT FOR WATER SUPPLY AND SEWER SERVICES FOR ARLEDGE RIDGE WSC**

### **ISSUE**

Approval of the amended 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. This contract was approved by GTUA in May, but Arledge Ridge WSC attorney requested minor changes to the contract reference government code that doesn't apply to a WSC.

### **STAFF RECOMMENDATIONS**

Staff recommends the Board approve the amended Water Supply Facilities Contract.

### **ATTACHED**

Redline Amended 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 XVI**





# GREATER TEXOMA UTILITY AUTHORITY

## AGENDA COMMUNICATION

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DATE: July 11, 2024

SUBJECT: AGENDA ITEM NO. XVI

PREPARED BY: Nichole Murphy, Senior Project Manager  
AND SUBMITTED BY: Paul M. Sigle, General Manager

**CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF  
“GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, TAXABLE  
SERIES 2024 (ARLEDGE RIDGE WATER SUPPLY CORPORATION PROJECT)”,  
INCLUDING THE ADOPTION OF A RESOLUTION APPROVING THE ISSUANCE OF  
SUCH BONDS**

### **ISSUE**

Consider and act upon issuance of bonds with Texas Water Development Board (“TWDB”) for Arledge Ridge Water Supply Corporation.

### **BACKGROUND**

The Arledge Ridge WSC requested the Authority staff assist in obtaining funding for improvements to the water system. Arledge 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.

### **CONSIDERATIONS**

To proceed with the Bond issuance, the Authority, and Arledge Ridge WSC need to adopt a resolution authorizing the issuance. Arledge Ridge WSC will adopt the resolution on June 27, 2024. The interest rate we received was 6.05% for the \$2,880,000 on a 30-year term and the bonds are scheduled to close on August 23, 2024. This issuance is a taxable issuance due to Arledge Ridge Water Supply Corporation is a non-profit corporation.

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

### **STAFF RECOMMENDATIONS**

The Authority Staff recommends that the Board of Directors approve the Greater Texoma Utility Authority Contract Revenue Bonds, Series 2024 (Arledge Ridge Water Supply Corporation Project).

### **ATTACHMENTS**

Debt Schedule  
Bond Resolution

**BOND RESOLUTION**

**\$2,880,000**  
**GREATER TEXOMA UTILITY AUTHORITY**  
**CONTRACT REVENUE BONDS**  
**TAXABLE SERIES 2024**  
**(ARLEDGE RIDGE WATER SUPPLY CORPORATION PROJECT)**

**Adopted: July 15, 2024**

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A RESOLUTION by the Board of Directors of the Greater Texoma Utility Authority authorizing the issuance of “Greater Texoma Utility Authority Contract Revenue Bonds, Taxable Series 2024 (Arledge Ridge Water Supply Corporation Project)” for the construction, acquisition and improvement of water system facilities and necessary appurtenances for use by the Arledge Ridge Water Supply Corporation and the payment of all costs incident and related to the construction and financing thereof; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of said bonds; including the pledge of certain revenues to pay the principal of and interest on such bonds; and resolving provisions incident and related to the subject and purpose of this resolution.

WHEREAS, the Board of Directors of the Greater Texoma Utility Authority (the “Authority”) has determined that \$2,880,000 in principal amount of bonds should be issued at this time to provide funding for the Series 2024 Project more fully described in **Exhibit A** attached hereto and incorporated herein by this reference as though set out in full; now, therefore:

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

SECTION 1: Authorization - Designation - Principal Amount - Purpose. Revenue bonds of the Authority shall be and are hereby authorized to be issued as a series in the aggregate principal amount of \$2,880,000 to be designated and bear the title “Greater Texoma Utility Authority Contract Revenue Bonds, Taxable Series 2024 (Arledge Ridge Water Supply Corporation Project),” (hereinafter referred to as the “Bonds”), for the construction, acquisition and improvement of water system facilities and necessary appurtenances for use by the Arledge Ridge Water Supply Corporation (the “Corporation”) as described in **Exhibit A** attached hereto and the payment of all costs incident and related to the construction and financing thereof, pursuant to authority conferred by and in conformity with the Constitution and the laws of the State of Texas, including Texas Special District Local Laws Code, Chapter 8283.

SECTION 2: Fully Registered Obligations - Bond Date - Authorized Denominations - Stated Maturities - Interest Rates. The Bonds shall be issued as fully registered obligations only, shall be dated August 23, 2024 (the “Bond Date”), shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, and shall become due and payable on October 1 in each of the years and in principal amounts (the “Stated Maturities”) and bear interest at per annum rates in accordance with the following schedule:

<u>STATED MATURITY</u>	<u>PRINCIPAL AMOUNT (\$)</u>	<u>INTEREST RATE (%)</u>
2025	35,000	5.440%
2026	35,000	5.440%
2027	40,000	5.450%
2028	40,000	5.470%
2029	45,000	5.470%
2030	50,000	5.470%
2031	50,000	5.490%
2032	55,000	5.490%
2033	55,000	5.520%
2034	60,000	5.570%
2035	65,000	5.670%

2036	70,000	5.720%
2037	75,000	5.770%
2038	75,000	5.820%
2039	80,000	5.850%
2040	85,000	5.870%
2041	90,000	5.990%
2042	100,000	5.990%
2043	105,000	5.990%
2044	110,000	5.990%
2045	115,000	6.140%
2046	125,000	6.140%
2047	130,000	6.140%
2048	140,000	6.140%
2049	150,000	6.140%
2050	160,000	6.140%
2051	170,000	6.140%
2052	180,000	6.140%
2053	190,000	6.140%
2054	200,000	6.140%

The Bonds shall bear interest on the unpaid principal amount thereof from their date of delivery to the initial Holders (which date shall be the registration date noted on the Bonds in the “Registration Certificate of Paying Agent/Registrar” to appear thereon) at the per annum rates described above (computed on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable semiannually on April 1 and October 1 in each year, commencing April 1, 2025.

**SECTION 3: Terms of Payment - Paying Agent/Registrar.** The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the “Holders”) appearing on the registration and transfer books (the “Security Register”) maintained by the Paying Agent/Registrar and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders. A copy of the Security Register shall be maintained within the State of Texas at all times.

The selection and appointment of BOKF, NA, Houston, Texas, as Paying Agent/Registrar for the Bonds is hereby approved and confirmed, and the Authority agrees and covenants to cause to be kept and maintained at the principal office of the Paying Agent/Registrar books and records (the “Security Register”) for the registration, payment and transfer of the Bonds, all as provided herein, in accordance with the terms and provisions of a “Paying Agent/Registrar Agreement,” substantially in the form attached hereto as Exhibit B, and such reasonable rules and regulations as the Paying Agent/Registrar and Authority may prescribe; and the President, Secretary, and/or Assistant Secretary of the Board are authorized to execute and deliver such Agreement in connection with the delivery of the Bonds. The Authority covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the Authority agrees to promptly cause a written notice thereof to be sent to each Holder by United States mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Bonds shall be payable at the Stated Maturities or the redemption thereof, only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its principal office in Kansas City, Missouri, or such other office as shall be designated from time to time by the Paying Agent/Registrar, or its successors (the "Designated Payment/Transfer Office"). Interest on each Bond shall be paid to the Holder whose name appears in the Security Register at the close of business on the Record Date (the fifteenth (15th) day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by federal funds wire transfer to a bank account to be designated by the Holder, such wire transfer to be at the expense of the Authority or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. Provided, however, while the Texas Water Development Board (the "Board") is the registered owner of the Bonds, payments on the Bonds shall be made by wire transfer without expense to the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day that is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/ Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

#### SECTION 4: Redemption.

(a) Optional Redemption. The Bonds having Stated Maturities on and after October 1, 2035, shall be subject to redemption prior to maturity, at the option of the Authority, in whole or in part, in inverse order of maturity if less than all, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected by lot by the Paying Agent/Registrar), on October 1, 2034 or on any date thereafter at the redemption price of par plus accrued interest to the date of redemption.

(b) Exercise of Redemption Option. At least forty-five (45) days prior to a redemption date for the Bonds (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the Authority shall notify the Paying Agent/Registrar of the decision to redeem Bonds, the principal amount of each Stated Maturity to be redeemed, and the date of redemption therefor. The decision of the Authority to exercise the right to redeem Bonds shall be entered in the minutes of the governing body of the Authority.

(c) Selection of Bonds for Redemption. If less than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall treat such Bonds as representing the number of Bonds Outstanding which is obtained by dividing the principal amount of such Bonds by \$5,000 and shall select the Bonds to be redeemed within such Stated Maturity by lot.



(d) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States mail, first class postage prepaid, in the name of the Authority and at the Authority's expense, to each Holder of a Bond to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Bonds, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Bonds, or the principal amount thereof to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder. If a Bond is subject by its terms to prior redemption and has been called for redemption and notice of redemption thereof has been duly given as hereinabove provided, such Bond (or the principal amount thereof to be redeemed) shall become due and payable and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys sufficient for the payment of such Bond (or of the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the Authority at the Designated Payment/Transfer Office of the Paying Agent/Registrar, as provided herein and in accordance with rules and regulations as the Paying Agent/Registrar and the Authority may prescribe. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every owner of the Bonds issued under and pursuant to the provisions of this Resolution, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Bond (other than the Initial Bond(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) authorized in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds to the Holder requesting the exchange.

All Bonds issued in any transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States mail, first class, postage prepaid to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the Authority, evidencing the same obligation to pay, and entitled to the same benefits under this Resolution, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 29 hereof and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the Authority nor the Paying Agent/Registrar shall be required to issue or transfer to an assignee of a Holder any Bond called for redemption, in whole or in part, within 45 days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in this Resolution relating to the payment and transfer/exchange of the Bonds, the Authority hereby approves and authorizes the use of the "Book-Entry Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the operational arrangements referenced in a Blanket Issuer Letter of Representations by and between the Authority and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general, the Authority covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 3, 4 and 5 hereof.

The Authority agrees it will not discontinue its use of the DTC Book-Entry-Only System with respect to the Bonds without prior notice to and consent from the Board while the Board is the Holder of any of the Bonds.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the Authority by the President of the Board of Directors under its seal reproduced or impressed thereon and attested by the Secretary or Assistant Secretary of the Board of Directors. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the Authority on the date of the adoption of this Resolution shall be deemed to be duly executed on behalf of the Authority, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial Holders and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Texas Government Code, Chapter 1201, as amended.

No Bond shall be entitled to any right or benefit under this Resolution, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate upon any Bond duly signed shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered and delivered.

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered Bond in the total principal amount of \$2,880,000 with principal installments to become due and payable as provided in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered Bonds, being one bond for each year of maturity in the applicable principal amount and numbered consecutively from T-1 and upward (hereafter called the "Initial Bond") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial Purchaser, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas to appear on the Initial Bond(s), the Registration Certificate of Paying Agent/Registrar to appear on the definitive Bonds, and the form of Assignment to appear on each of the Bonds shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Resolution, and the Bonds may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association if available,

and otherwise the reference to CUSIP NO. in the form of Bond may be omitted from the Bonds) and such legends and endorsements (including insurance legends in the event the Bonds are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the Authority or determined by the officers executing such Bonds as evidenced by their execution. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds, and the Initial Bond(s), shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Bond.

REGISTERED  
NO. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

United States of America  
State of Texas  
Counties of Cooke, Fannin, Grayson and Collin  
Greater Texoma Utility Authority  
Contract Revenue Bonds, Taxable Series 2024  
(Arledge Ridge Water Supply Corporation Project)

Bond Date: August 23, 2024      Interest Rate: \_\_\_\_\_ %      Stated Maturity: October 1, 20\_\_      CUSIP No.: \_\_\_\_\_

Registered Owner:

Principal Amount:

The Greater Texoma Utility Authority (hereinafter referred to as the "Authority"), for value received, hereby promises to pay to the Registered Owner named above (the "Holder") or the registered assigns thereof, solely from the revenues hereinafter identified, on the Stated Maturity date specified above, the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is the delivery date of this Bond (or its Predecessor Bond) to the initial Holder, in which case it shall bear interest from such date of delivery to the initial Holder) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on April 1 and October 1 of each year, commencing April 1, 2025. Principal of this Bond is payable at its Stated Maturity or redemption to the Holder hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of BOKF, NA, Kansas City, Missouri, the Paying Agent/Registrar, or its successor. Interest is payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the fifteenth day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar (i) by federal funds wire transfer to a bank account to be designated by the Holder, such wire transfer to be at the expense of the Authority or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the

Holder. Provided, however, while the Board is the registered owner of the Bonds, payments on the Bonds shall be made by wire transfer without expense to the Holder. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

If the date for payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$2,880,000 (herein referred to as the "Bonds") pursuant to a Resolution adopted by the governing body of the Authority (herein referred to as the "Resolution"), for the construction, acquisition and improvement of water system facilities and necessary appurtenances for use by the Arledge Ridge Water Supply Corporation and the payment of all costs incident and related to the construction and financing thereof, under and in strict conformity with the Constitution and laws of the State of Texas.

The Bonds maturing on and after October 1, 2035, may be redeemed prior to their Stated Maturities, at the option of the Authority, in whole or in part, in inverse order of maturity if less than all, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected by lot by the Paying Agent/Registrar) on October 1, 2034, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption and upon thirty (30) days prior written notice being sent by United States mail, first class postage prepaid, to the Holders of the Bonds to be redeemed and subject to the terms and provisions relating thereto contained in the Resolution. If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if moneys for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed.

In the event of a partial redemption of the principal amount of this Bond, payment of the redemption price of such principal amount shall be made to the Holder only upon presentation and surrender of this Bond to the Paying Agent/Registrar at the Designated Payment/Transfer Office and there shall be issued, without charge therefor to the Holder hereof, a new Bond or

Bonds of like maturity and interest rate in any authorized denominations provided by the Resolution for the then unredeemed balance of the principal sum hereof. If this Bond is selected for redemption, in whole or in part, the Authority and the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Holder within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

The Bonds constitute special obligations of the Authority, and, together with any Additional Bonds (defined in the Resolution), if issued, are payable as to principal and interest and equally secured by a first lien on the Pledged Revenue of the Authority (identified and defined in the Resolution, including revenues to be received under and pursuant to a Contract for Water Supply and Sewer Service between the Authority and the Arledge Ridge Water Supply Corporation dated as of June 27, 2024, together with all amendments thereto). Reference is hereby made to the Resolution, copies of which are on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the revenues pledged for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the Authority and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity or redemption, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the same meanings assigned in the Resolution.

The Authority expressly reserves the right to issue further and additional revenue bond obligations in all things on a parity with the Bonds, payable solely from and equally secured by a first lien on the Pledged Revenue described above; provided, however, that any and all such additional bonds may be so issued only in accordance with and subject to the covenants, conditions, limitations and restrictions relating thereto which are set out and contained in the Resolution, to which reference is hereby made for more complete and full particulars.

The Holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

This Bond, subject to certain limitations contained in the Resolution, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the Holder hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The Authority and the Paying Agent/Registrar, and any agent of either, shall treat the Holder whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the Authority nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to or in the issuance of this Bond in order to render the same a legal, valid and binding obligation of the Authority have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that the issuance of the Bonds does not exceed any constitutional or statutory limitation. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Resolution shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Board of Directors of the Authority has caused this Bond to be duly executed under the official seal of the Authority as of the Bond Date.

GREATER TEXOMA UTILITY AUTHORITY

\_\_\_\_\_  
President, Board of Directors

ATTEST:

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

(SEAL)



(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER (   
OF PUBLIC ACCOUNTS (   
THE STATE OF TEXAS ( REGISTER NO. \_\_\_\_\_ )

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar.

CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued under the provisions of the within-mentioned Resolution; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The principal office of the Paying Agent/Register in Kansas City, Missouri is the "Designated Payment/Transfer Office" for this Bond.

BOKF, NA, Houston, Texas  
as Paying Agent/Registrar

Registration Date:

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto  
(Print or typewrite name, address, and zip code of transferee): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
(Social Security or other identifying number: \_\_\_\_\_) the within Bond and all rights  
thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_

\_\_\_\_\_  
attorney to transfer the within Bond on the books kept for registration thereof, with full power of  
substitution in the premises.

DATED: \_\_\_\_\_

Signature Guaranteed:  
  
\_\_\_\_\_

\_\_\_\_\_  
NOTICE: The signature on this  
assignment must correspond with the  
name of the registered owner as it  
appears on the face of the within Bond in  
every particular

(f) The Initial Bond(s) shall be in the form set forth in paragraph (b) of this Section,  
except that the form of a single fully registered Initial Bond shall be modified as follows:

Heading and paragraph one shall be amended to read as follows

REGISTERED  
NO. T-1

REGISTERED  
\$2,880,000

United States of America  
State of Texas  
Counties of Cooke, Fannin, Grayson, and Collin  
Greater Texoma Utility Authority  
Contract Revenue Bonds, Taxable Series 2024  
(Arledge Ridge Water Supply Corporation Project)

Bond Date: August 23, 2024

Registered Owner: Texas Water Development Board

Principal Amount: TWO MILLION EIGHT HUNDRED EIGHTY THOUSAND DOLLARS

The Greater Texoma Utility Authority (hereinafter referred to as the "Authority"), for value received, hereby promises to pay to the Registered Owner named above (the "Holder") or the registered assigns thereof, solely from the revenues hereinafter identified, on October 1 in each of the years and in principal amounts in accordance with the following schedule:

STATED MATURITY      PRINCIPAL AMOUNT (\$)      INTEREST RATE (%)

(Information to be inserted from schedule in Section 2 hereof.)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is the delivery date of this Bond (or its Predecessor Bond) to the initial Holder, in which case it shall bear interest from such date of delivery to the initial Holder) at the per annum rate of interest specified above computed upon the basis of a 360-day year consisting of twelve (12) 30-day months; such interest being payable on April 1, 2025 and on each October 1 and April 1 thereafter until maturity or prior redemption. Principal of and premium, if any, on this Bond shall be payable at the Stated Maturities or the date(s) of redemption thereof by BOKF, NA, Houston, Texas (the "Paying Agent/Registrar"), only upon presentation and surrender of this Bond to its designated offices in Kansas City, Missouri (the "Designated Payment/Transfer Office"), or its successor. Interest is payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the 15<sup>th</sup> day of the month next preceding each Interest Payment Date, and interest and principal due shall be paid by the Paying Agent/Registrar (i) by federal funds wire transfer to a bank account to be designated by the Holder, such wire transfer to be at the expense of the Authority or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. Provided, however, while the Board is the registered owner of the Bonds, payments on the Bonds shall be made by wire transfer without expense to the Holder. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Certain Definitions. In addition to terms defined elsewhere in this Resolution, for all purposes of this Resolution and in particular for clarity with respect to the issuance of the Bonds and the pledge and appropriation of the Pledged Revenue therefor, the following definitions are provided:

(a) The term "Additional Bonds" shall mean parity revenue bonds issued in accordance with the terms and conditions prescribed in Section 19 hereof.

(b) The term "Authorized Investments" shall mean the obligations identified in the "Public Funds Investment Act" (Texas Government Code, Chapter 2256), as amended.

(c) The term "Bonds Similarly Secured" shall mean the Bonds and Additional Bonds.

(d) The term "Contract" or "Contract for Water Supply and Sewer Service" shall mean that certain contract, dated as of the 27<sup>th</sup> day of June, 2024, by and between the Authority and the Arledge Ridge Water Supply Corporation together with amendments and supplements thereto (which by the term of such instrument is designated as a supplement to such Contract), a conformed copy of such Contract being attached hereto as Exhibit C for the purposes of identification.

(e) The term "Cost of the Project" shall have the meaning assigned such term in Section 1.01 of the Contract.

(f) The term “Fiscal Year” shall mean the twelve month operational period of the Authority commencing October 1 of each year; provided, however, the Authority may change the fiscal year to another period of not less than twelve (12) calendar months but in no event may the fiscal year be changed more than one time in any three calendar year period.

(g) The term “Government Obligations” as used herein means (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the Authority, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the Authority, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other authorized securities or obligations under applicable laws of the State of Texas that may be used to defease obligations such as the Bonds.

(h) The term “Maintenance and Operation Expense of the Project” shall have the meaning assigned such term in Section 1.01 of the Contract.

(i) The term “Outstanding” shall mean when used in this Resolution with respect to Bonds or Bonds Similarly Secured, as of the date of determination, all Bonds theretofore issued and delivered, except:

(1) those Bonds or Bonds Similarly Secured canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds or Bonds Similarly Secured paid or deemed to be paid in accordance with the provisions of Section 33 hereof, or substantially similar provisions with respect to Bonds Similarly Secured, by the irrevocable deposit with the Paying Agent/Registrar, or an authorized escrow agent, of money or Government Obligations, or both, in the amount necessary to fully pay the principal of, premium, if any, and interest thereon to maturity or redemption, as the case may be, provided that, if such Bonds or Bonds Similarly Secured are to be redeemed, notice of redemption thereof shall have been duly given in accordance with the provisions therefor or irrevocably provided to be given to the satisfaction of the Paying Agent/Registrar, or waived; and

(3) those Bonds or Bonds Similarly Secured that have been mutilated, destroyed, lost, or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 29 hereof or similar provisions with respect to Bonds Similarly Secured.

(j) The term “Pledged Revenue” shall mean (i) the amount received by the Authority as monthly amortization payments by reason of Section 3.01(a) of the Contract, less the fees and charges of the Paying Agent/Registrar with respect to Bonds Similarly Secured, plus (ii) the amounts deposited into the Bond Fund referenced by Section 12(b) of this Resolution, and the Reserve Fund referenced by Section 12(c) of this Resolution; plus (iii) any amounts on deposit in the Construction Fund, created and established by Section 26 of this Resolution, pending the application of such money for the payment of the Cost of the Project.

(k) The term "Project" shall mean, with respect to the Bonds, the Series 2024 Project, and, with respect to the Bonds Similarly Secured, collectively, the Projects described as such in the exhibits attached to the resolutions of the Corporation that have from time to time approved the issuance of Bonds Similarly Secured by the Authority for the financing of such Projects.

(l) The term "System" shall mean the water system properties and facilities and necessary appurtenances, together with future improvements, extensions, enlargements, and additions thereto, for use by the Arledge Ridge Water Supply Corporation (the "Corporation") as described in Exhibit A attached hereto to be funded with proceeds of the Bonds and Additional Bonds, if issued.

SECTION 11: Pledge. The Authority hereby covenants and agrees that all of the Pledged Revenue is hereby irrevocably pledged for the payment of the Bonds Similarly Secured, and the interest thereon, and it is hereby declared and resolved that the Bonds Similarly Secured and the interest thereon shall constitute a first lien upon said Pledged Revenue.

Chapter 1208, Texas Government Code, as amended, applies to the issuance of the Bonds and the pledge of the revenues granted by the Authority under this Section of this Resolution, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are Outstanding and unpaid such that the pledge of the revenues granted by the Authority under this Section of this Resolution is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the Holders of the Bonds the perfection of the security interest in said pledge, the Authority agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 12: Fund Designations. The Authority hereby covenants and agrees with the Holders of the Bonds Similarly Secured that all income, receipts and revenues derived from the operation and ownership of the Project shall be kept separate from other funds or accounts of the Authority. To that end the following special Funds (herein so called) are established and shall exist and govern the application of the Pledged Revenue while the Bonds Similarly Secured are Outstanding, to wit:

- (a) Greater Texoma Utility Authority Revenue Fund, hereinafter called the "Revenue Fund." This Fund shall be kept in the Authority's depository bank.
- (b) Greater Texoma Utility Authority Bond Interest and Sinking Fund, hereinafter called the "Bond Fund." This Fund shall be deposited with the depository bank of the Authority as trustee of the Pledged Revenue, and moneys deposited therein shall be used to pay principal of and interest on Bonds Similarly Secured when and as the same shall become due and payable.
- (c) Greater Texoma Utility Authority Bond Reserve Fund, hereinafter called the "Reserve Fund." This Fund shall be deposited with the depository bank of the Authority and money deposited therein shall be used to pay the principal of and interest on Bonds Similarly Secured falling due at any time where there is insufficient money available in the Bond Fund.

SECTION 13: Revenue Fund. All revenues and income of any kind or character received by the Authority by reason of (i) its ownership of all or a part of the Project, (ii) the operation of the Project, or (iii) the Contract, shall be deposited in the Revenue Fund.

In the event money is deposited in the Revenue Fund from sources other than those specified in Section 3.01 of the Contract, then such money may be invested or reinvested or placed on time deposit in the same manner as the Reserve Fund pending its application to the reduction of payments that would otherwise be required to be made by the Arledge Ridge Water Supply Corporation under Section 3.01 of the Contract. Investment income and profits from the investment of the Revenue Fund shall be retained therein until used as provided in this Section 13.

Money in the Revenue Fund shall be used in the following order of priority:

- (a) Payments into the Bond Fund, as provided by Section 14;
- (b) Payments into the Reserve Fund, as provided by Section 15;
- (c) The curing of any deficiencies, as provided by Section 16;
- (d) The payment of other costs of the Project including maintenance and operation expenses not paid by the Authority and those purposes for which provision is made by Section 3.01(c) through 3.01(e) of the Contract; and
- (e) Applied as provided in Section 17.

SECTION 14: Bond Fund. The Authority hereby covenants and agrees to deposit into the Bond Fund amounts sufficient to pay the principal of and interest on the Outstanding Bonds Similarly Secured as the same becomes due. There shall be deposited in the Bond Fund, by reason of the issuance of the Bonds, the following amounts:

From the Pledged Revenue on deposit in the Revenue Fund there shall be deposited in the Bond Fund (i) beginning on or before the twenty-fifth (25th) day of the month next following delivery of the Bonds and on or before the twenty-fifth (25th) day of each following month until and including the first interest payment date, an amount equal to not less than the fractional amount required in order to have the amount of the first installment of interest on deposit by the twenty-fifth (25th) day of the month next preceding the first interest payment date, and thereafter on the twenty-fifth (25th) day of each following month, an amount equal to not less than one-sixth (1/6) of the next installment of interest; (ii) beginning on or before the twenty-fifth (25th) day of the month next following delivery of the Bonds, and on or before the twenty-fifth (25th) day of each following month until and including the first principal payment date, an amount equal to not less than the fractional amount required in order to have the amount of the first installment of principal on deposit by the twenty-fifth (25th) day of the month preceding the first principal payment date, and thereafter on or before the twenty-fifth (25th) day of each month, an amount equal to one-twelfth (1/12) of the next annual principal payment to become due on the Bonds.

No bond proceeds will be deposited to the Bond Fund.

The monthly deposits to the Bond Fund for the payment of principal and interest on the Bonds shall continue to be made as hereinabove provided until such time as (i) the total amount

on deposit in the Bond Fund is equal to the amount required to pay all Outstanding Bonds Similarly Secured (principal and interest) for which said Fund was created and established or (ii) the Bonds Similarly Secured payable therefrom are no longer Outstanding.

Moneys on deposit in the Bond Fund may be invested, to the extent such investments are Authorized Investments, in United States Treasury bills, similar direct obligations of the United States of America or in certificates of deposit of any bank which is a member of the Federal Deposit Insurance Corporation (which are fully secured by a pledge of direct obligations of, or obligations of which the principal and interest are guaranteed by the United States of America to the extent such certificates are not insured) maturing at such dates and in such manner as will provide cash to discharge interest and/or principal payments on Bonds Similarly Secured when and as the same becomes due.

Investment income and profits realized from the investment of the Bond Fund shall be retained therein until used as provided in this Section 14.

**SECTION 15: Reserve Fund.** The Authority hereby covenants and agrees with the Holders of the Bonds Similarly Secured that it will provide for the accumulation of, and when accumulated, will thereafter continuously maintain in the Reserve Fund an amount equal to the average annual principal and interest requirement of all Bonds Similarly Secured (the "Required Reserve Fund Amount"). The average annual requirement shall be calculated on a Fiscal Year basis on the Outstanding Bonds Similarly Secured on the date of the last series of Bonds Similarly Secured (after giving effect to the issuance of such last series); provided, however, the average annual requirement shall also be calculated at the end of each Fiscal Year or upon the redemption or defeasance of any Bonds Similarly Secured. If any Bonds Similarly Secured are subject to mandatory redemption, the amount required to be redeemed in any Fiscal Year shall be treated as if it matured in that Fiscal Year. Any amounts on deposit in the Reserve Fund in excess of such requirement shall be transferred to the Revenue Fund.

By reason of the issuance of the Bonds, the Required Reserve Fund Amount is hereby determined to be \$\_\_\_\_\_, and, beginning on or before the twenty-fifth (25th) day of the first month following the delivery the issuance of the Bonds, and on or before the twenty-fifth (25th) day of each month thereafter, there shall be deposited in the Reserve Fund an amount equal to not less than one-sixtieth (1/60) of the Required Reserve Fund Amount, and such monthly deposits shall take into account the amounts already on deposit in said Reserve Fund.

When the Required Reserve Fund Amount has been fully accumulated, said monthly payments to said Fund may be terminated; provided, however, should the amount in such fund be reduced, after the Required Reserve Fund Amount has been accumulated, monthly deposits shall be resumed and continued to be made in an amount not less than one-twelfth (1/12) of the amount of the deficiency, on or before the twenty-fifth (25th) day of each month until the Required Reserve Fund Amount has been fully restored.

Money in the Reserve Fund may be, at the option of the Authority, invested or reinvested from time to time in Government Obligations or of direct obligations the principal and interest of which are guaranteed by the United States of America or invested in direct obligations of or participation certificates guaranteed by the Federal Intermediate Credit Banks, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Banks, Banks for Cooperative, and in certificates of deposit of any bank which is a member of the Federal Deposit Insurance Corporation and such certificates of deposit are fully insured and/or secured by a pledge of the securities of any of the kind hereinabove specified, such obligations or securities to mature in not more than ten years from the date of such investment or not later than the final



maturity of the Bonds Similarly Secured Outstanding for which the Reserve Fund is established, whichever is shorter. Any obligations in which money is so invested shall be kept in escrow with the custodian of said Fund, and shall be promptly sold when notified by the Authority that moneys on deposit in the Bond Fund are insufficient to make a current interest and/or principal payment on Bonds Similarly Secured, and the proceeds of sale of such investments and/or moneys on deposit in the Reserve Fund in an amount sufficient to meet the deficiency in the Bond Fund shall be immediately transferred to the Bond Fund, without further notice or authorization. The Authority shall direct the investment or moneys on deposit in the Reserve Fund.

Investment income and profits realized from the investment of the Reserve Fund shall be retained therein as may be necessary to fully fund or restore the Required Reserve Fund Amount and thereafter shall be transferred to the Revenue Fund.

SECTION 16: Deficiencies in Funds. If in any month the Authority shall, for any reason, fail to pay into the Bond Fund and Reserve Fund the full amounts above stipulated, amounts equivalent to such deficiencies shall be set apart and paid into said Funds from the first available and un-allocated Pledged Revenue of the following month or months and such payments shall be in addition to the amount hereinabove provided to be otherwise paid into said Funds during such month or months.

SECTION 17: Remainder of Revenues. Money remaining in the Revenue Fund, after making the payments required in items (a) through (d) of the last paragraph of Section 13, shall be transferred to any other fund created by this Resolution and used as a credit to the amount that would otherwise be required to be paid by the Arledge Ridge Water Supply Corporation under Section 3.01 of the Contract.

SECTION 18: Security of Funds and Their Transfer. All money on deposit in the funds for which this Resolution makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of Texas for the security of public funds (including as required by and in accordance with the Texas Public Funds Collateral Act, codified at Chapter 2257, as amended, Texas Government Code and the Public Funds Investment Act, Government Code, Chapter 2256), and money on deposit in such funds shall be used only for the purposes permitted by this Resolution.

While any of the Bonds are Outstanding, the Board of Directors shall cause to be transferred to the Paying Agent/Registrar therefor, from funds on deposit in the Bond Fund and, if necessary, in the Reserve Fund, amounts sufficient to fully pay and discharge promptly as each installment of interest and principal of the Bonds accrues or matures or comes due by reason of redemption prior to maturity, such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds at the close of the business day next preceding the date of payment for the Bonds.

SECTION 19: Issuance of Additional Parity Bonds. In addition to the right to issue bonds of inferior lien as authorized by the laws of this State, the Authority reserves the right hereafter to issue Additional Bonds. The Additional Bonds, when issued, shall be payable from and secured by a first lien on and pledge of the Pledged Revenue in the same manner and to the same extent as are the Bonds, and the Bonds and Additional Bonds shall in all respects be of equal dignity. The Additional Bonds may be issued in one or more installments provided, however, that no Additional Bonds, shall be issued unless and until the following conditions have been met:

(a) The Authority is not then in default as to any covenant, condition or obligation prescribed in a resolution authorizing the issuance of the Outstanding Bonds Similarly Secured or the Contract (including any amendment or supplement thereto).

(b) A consulting engineer certifies to the Authority the need for an estimated amount of additional financing required for completion, expansion, enlargement or improvement of the Project.

(c) The Arledge Ridge Water Supply Corporation shall have approved the resolution(s) authorizing the issuance of the Additional Bonds as to form and content and acknowledged that the payment of principal of and interest on such Additional Bonds is payable, in whole or in part, from payments to be made by the Arledge Ridge Water Supply Corporation under and pursuant to the Contract.

(d) The Additional Bonds are made to mature on April 1 or October 1 or both in each of the years in which they are scheduled to mature.

(e) The resolution authorizing the issuance of the Additional Bonds provides for deposits to be made to the Bond Fund in amounts sufficient to pay the principal of and interest on such Additional Bonds as the same become due.

(f) The resolution authorizing the issuance of the Additional Bonds provides that the amount to be accumulated and maintained in the Reserve Fund shall be in an amount equal to not less than the average annual requirement (calculated on a Fiscal Year basis on the Outstanding Bonds Similarly Secured as of the date of the last series of Bonds Similarly Secured after giving effect to the issuance of the Additional Bonds) for the payment of principal of and interest on all obligations to be secured by a first lien on and pledge of the Pledged Revenue, and provides that any additional amount to be maintained in the Reserve Fund shall be accumulated within not more than sixty months from the date of the passage of the resolution authorizing the issuance of the proposed Additional Bonds.

(g) The Authority will demonstrate to the Executive Administrator of the Board that the Pledged Revenue will be sufficient to pay the Bonds and the proposed Additional Bonds.

Bonds Similarly Secured may be refunded (pursuant to any law then available) upon such terms and conditions as the governing body of the Authority may deem to the best interest of the Authority, and if less than all such Outstanding Bonds Similarly Secured are refunded the proposed refunding bonds shall be considered as "Additional Bonds" under the provisions of this section but the certificate required in subdivision (b) shall not be required or be applicable to the issuance of such refunding bonds.

SECTION 20: Insurance. The Authority covenants that it will at all times keep insured such of its plants, structures, buildings, stations, machinery, equipment, apparatus, distribution pipelines and equipment, as are usually insured by corporations operating like properties, with a responsible insurance company or companies, against risks, accidents or casualties against which and to the extent insurance is usually carried by corporations operating like properties, and will also at all times maintain worker's compensation insurance and insurance against public liability and property damages to the extent permitted by law, in a reasonable amount with a responsible insurance company or companies; provided, however, that any time while any contractor engaged in construction work shall be fully responsible therefor, or the Authority has assumed such responsibility, the Authority shall not be required to carry such insurance.

SECTION 21: Records - Accounts - Accounting Reports. The Authority hereby covenants and agrees that so long as any of the Bonds Similarly Secured or any interest thereon remain Outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts on a Fiscal Year basis pertaining to the operation of the Project separate and apart from all other records and accounts of the Authority in accordance with accepted accounting practices and complete and correct entries shall be made of all transactions relating to said Project. The Holder or Holders of any Bonds Similarly Secured, or any duly authorized agent or agents of such Holders, shall have the right at all reasonable times to inspect all such records, accounts and data relating thereto and to inspect the Project and all properties comprising same. The Authority further agrees that within ninety (90) days following the close of each Fiscal Year, or as soon thereafter as possible, it will cause an audit of such books and accounts to be made by an independent firm of Certified Public Accountants or Licensed Public Accountants. Each such audit, in addition to whatever other matters may be thought proper by the Accountant shall particularly include the following:

- (a) A detailed statement of the receipts and disbursements from the Revenue Fund.
- (b) A balance sheet as of the end of such Fiscal Year.
- (c) The Accountant's comments regarding the manner in which the Authority and the Corporation have complied with the covenants and requirements of this Resolution and the Contract and his recommendations for any changes or improvements in the operation, records and accounts of the Authority.
- (d) A list of the insurance policies in force (if obtained by the Authority) at the end of the Fiscal Year on the Project properties, setting out as to each policy the amount thereof, the risk covered, the name of the insurer, and the policy's expiration date.
- (e) A list of the securities which have been on deposit as security for money in the Bond Fund and Reserve Fund throughout the Fiscal Year, a list of the securities, if any, in which money in the Bond Fund and Reserve Fund has been invested, and a statement of the manner in which money in the Revenue Fund has been secured in such Fiscal Year.

Expenses incurred in making the audits above referred to are to be regarded as Maintenance and Operating Expenses of the Project and paid as such. Copies of the aforesaid annual audit shall be immediately furnished to the Executive Administrator of the Municipal Advisory Council of Texas at his office in Austin, Texas, the Texas Water Development Board, Attention: Development Fund Manager, and, upon written request, to the initial Holder and any subsequent Holder of the Bonds Similarly Secured.

By its approval of this Resolution, the Corporation agrees (a) to provide the Board with annual audit reports, to be submitted without charge, within one-hundred twenty (120) days of the close of each fiscal year, (b) in order to secure the Corporation's obligations under the Contract, the Corporation will maintain rates and charges for its waterworks system sufficient to pay all its obligations secured by and made payable from the revenues derived from the operation of its waterworks system, and (c) implement any water conservation program required by the Board until all financial obligations to the Board have been discharged.

SECTION 22: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the Authority covenants and agrees particularly that in the event the Authority (a) defaults in payments to be made to the Bond Fund or Reserve Fund as required by this Resolution, or (b) defaults in the observance or performance of any

other of the covenants, conditions or obligations set forth in this Resolution any Holder shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the Board of Directors and other officers of the Authority to observe and perform any covenant, condition or obligation prescribed in this Resolution.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right or power may be exercised from time to time and as often as may be deemed expedient. The specific remedy herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 23: Special Covenants. The Authority hereby further covenants as follows:

(a) That it has the lawful power to pledge the revenues supporting this issue of Bonds and has lawfully exercised said power under the Constitution and laws of the State of Texas; that the Bonds and the Additional Bonds, when issued, shall be ratably secured under said pledge of the Pledged Revenue in such manner that one bond shall have no preference over any other bond of said issues.

(b) That other than for the Bonds, the Pledged Revenue has in no manner been committed or pledged to the payment of any debt or obligation of the Authority.

(c) That, so long as any of the Bonds or any interest thereon remain Outstanding, the Authority will not sell or encumber the Project or any substantial part thereof; provided, however, this covenant shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the Project, and, also, with the exception of the Additional Bonds expressly permitted by this Resolution to be issued, it will not encumber the Pledged Revenue unless such encumbrance is made junior and subordinate to all of the provisions of this Resolution.

(d) The Authority will maintain rates and charges to the Corporation sufficient to meet the debt service requirements on the outstanding obligations of the Authority that are supported by such revenues.

None of the special covenants herein appearing shall be construed in any manner which would deprive the Authority of its right to pledge any revenues produced by modification of the Contract and specifically designated to meet obligations incurred in providing the Authority with enlarged or additional facilities; further, that none of said covenants shall be construed in any manner which would deprive the Authority of its right to pledge that part of any revenue or income derived by it from other future contracts with other cities, towns or villages or the Authority or others and required to satisfy conditions for payment of other bonds or obligations issued by the Authority and such right is especially reserved.

SECTION 24: Bonds are Special Obligations. The Bonds are special obligations of the Authority payable from the Pledged Revenue and the Holders thereof shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

SECTION 25: Bonds are Negotiable Instruments. Each of the Bonds herein authorized shall be deemed and construed to be a "Security" and as such a negotiable instrument, within the meaning of Chapter 8 of the Texas Business and Commerce Code.

SECTION 26: Construction Fund. The Authority hereby creates a construction fund account in the Authority's depository bank, which is known as the "Construction Fund," into which shall be deposited all remaining proceeds derived from the sale of the Bonds in accordance with Section 32 of this Resolution and this Section. To the extent of conflict between this Section and Section 32, Section 32 controls. In this Section when the term "Cost(s) of the Project" is used, the reference is to the Series 2024 Project.

Moneys on deposit in the Construction Fund shall be disbursed only for payment of the respective Costs of the Project financed. All expenditures for construction, labor and materials shall be disbursed only upon receipt of a certificate of the engineer (as defined in the Contract) based upon estimates of work and material furnished as approved by them and submitted to the Authority and the Corporation's Engineer for approval prior to payment. The Authority shall keep records of the nature and amount of all Construction Fund expenditures and make the same available to the Corporation and the engineers at all reasonable times. Should there be any balance in the Construction Fund after all such Costs of the Project have been paid, such balance shall be placed in the Bond Fund.

Moneys in the Construction Fund may be invested, to the extent such investments are Authorized Investments, in one or more of the following (a) Government Obligations, (b) certificates of deposit of any bank or trust company which are fully secured by a pledge of direct obligations of, or obligations of which the principal and interest are guaranteed by, the United States of America to the extent such certificates are not insured, which obligations shall mature on dates which coincide as closely as practicable to the dates when money will be needed to pay construction costs as such dates are estimated in schedules prepared by the engineer and furnished the Authority. All earnings realized from these investments shall be retained in the Construction Fund until completion of the Series 2024 Project and shall be treated in the same manner as other moneys in the Construction Fund are treated as pursuant to this Resolution.

SECTION 27: Notices to Holders-Waiver. Wherever this Resolution provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first class postage prepaid, to the address of each Holder as it appears in the Security Register.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Resolution provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 28: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the Authority, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The Authority may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the Authority may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be destroyed as directed by the Authority.

SECTION 29: Mutilated - Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only upon the approval of the Authority and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the Authority and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Resolution equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 30: Sale of the Bonds. The sale of the Bonds to the Texas Water Development Board (herein referred to as the "Purchaser" and the "initial Holder") pursuant to a loan commitment received from said Board, at the price of par, is hereby confirmed and declared to be in the best interests of the Authority. Delivery of the Bonds to said Purchaser shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale.

SECTION 31: Control and Custody of Bonds. The President of the Board of Directors of the Authority shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bonds pending approval by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchaser.

Furthermore, the President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, are hereby authorized and directed to furnish and execute such documents relating to the Authority and its financial affairs as may be necessary for the issuance of the Bonds, the approval of the Attorney General and their registration by the Comptroller of Public Accounts and, together with the Authority's financial advisor, bond counsel and the Paying Agent/Registrar, make the necessary arrangements for printing of the definitive Bonds and the delivery of the Initial Bond(s) to the initial Purchaser(s) and the exchange thereof for definitive Bonds.

SECTION 32: Rules and Regulations of Texas Water Development Board. That in compliance with the published rules and regulations of the Board, the Authority agrees and covenants that upon completion of the project to be financed with the proceeds of the Bonds, the proper officials of the Authority shall cause to be prepared and submitted to the Board (i) a final accounting of the total costs of the project and the expenditure of funds therefor and (ii) a copy of the construction plans for the project as built and completed. In addition to other information required by the Board, said final accounting shall identify (i) all funds utilized or

represented to be available in the Authority's application, from whatever source derived and (ii) all project costs contained and approved in the Authority's application to the Board, or approved in subsequent change orders. If the total cost of the project is less than the amount of the project funds available, then, upon completion of the final accounting, the Authority shall use any surplus loan proceeds from the sale of the Bonds in a manner as approved by the Executive Administrator of the Board. Execution and delivery of a Construction Escrow Agreement, substantially in the form attached hereto as Exhibit D, by the President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority is hereby approved. The Construction Fund shall be held subject to the Construction Escrow Agreement. The Authority further covenants and agrees (i) that certain proceeds of sale of the Bonds shall be deposited in the Construction Fund created by Section 26 of this Resolution and established with the Authority's depository bank and (ii) all funds deposited in such Fund shall be disbursed only for the project the Bonds are being issued to finance and, as is appropriate, in accordance with the provisions of Chapter 15 or 17 of the Texas Water Code.

(a) The Authority further agrees and covenants as follows:

(1) to comply with all applicable laws of the State of Texas and all applicable rules and policies of the Board with respect to the acquisition and construction of the Series 2024 Project and the loan of funds to the Authority by the Board evidenced by the Bonds.

(2) the Board may exercise all remedies available to it in law or equity, and any provision of the Bonds that restricts or limits the Board's full exercise of these remedies shall be of no force and effect.

(3) no bond proceeds will be used for sampling, testing, removing or disposing of contaminated soils and/or media at the project site and, to the extent permitted by law, to indemnify, hold harmless and protect the Board from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the Authority, its contractors, consultants, agents, officials and employees as a result of activities relating to the project.

(4) to maintain and enforce the Contract so that revenues paid to the Authority by the Corporation are sufficient to meet the revenue requirements of the Bonds and Bonds Similarly Secured.

(5) the Authority will abide by all applicable construction contract requirements related to the use of iron and steel products produced in the United States, as required by Texas Government Code, Chapter 2252, Subchapter F and Texas Water Code § 17.183.

(6) to not encumber, pledge or otherwise impair the revenues of the System in any manner with respect to the payment of the Bonds and Bonds Similarly Secured, except for the payment of the (1) maintenance and operating expenses payable for the current fiscal year; and (2) Additional Bonds; and to not in any way encumber, pledge or otherwise impair its title to the land used by or for the system or any interests therein, including improvements to the facilities of the system, without prior approval of the Board.



(7) To immediately notify the Board, in writing, of any suit against it by the Attorney General of Texas under Texas Penal Code § 1.10(f).

(8) to maintain and enforce the Contract so that the revenues paid to the Authority by the Corporation are sufficient to meet the revenue requirements of the Authority's obligations arising from the operation of the system.

SECTION 33: Satisfaction of Obligation of Authority. If the Authority shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Resolution, then the pledge of the Pledged Revenue under this Resolution and all other obligations of the Authority to the Holders shall thereupon cease, terminate, and become void and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Obligations shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Obligations shall mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. In the event of a defeasance of the Bonds, the Authority shall deliver a certificate from its financial advisor, the Paying Agent/Registrar, an independent certified public accountant, or another qualified third party concerning the sufficiency of the deposit of cash and/or Government Obligations to pay, when due, the principal of, redemption premium (if any), and interest due on any defeased Bonds.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Obligations held in trust by the Paying Agent/Registrar or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the Authority or deposited as directed by the Authority. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall, upon the request of the Authority, be remitted to the Authority against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the Authority shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 34: Legal Opinion. The Purchaser's obligation to accept delivery of the Bonds is subject to its being furnished a final opinion of Norton Rose Fulbright US LLP ("Bond Counsel") approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds by the initial purchasers. A true and correct reproduction of said opinion is hereby authorized to be printed on the definitive Bonds or an executed counterpart thereof shall accompany the global Bonds deposited with the Depository

Trust Company. The Board of Directors confirms the prior engagement of Norton Rose Fulbright US LLP as the Authority's Bond Counsel.

SECTION 35: CUSIP Numbers. CUSIP numbers may be printed or typed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the Authority nor attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the Bonds.

SECTION 36: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 37: Resolution a Contract - Amendments. This Resolution shall constitute a contract with the Holders from time to time, be binding on the Authority, and shall not be amended or repealed by the Authority so long as any Bond remains Outstanding except as permitted in this Section and in Section 38. The Authority, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Resolution in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein.

(a) In addition, the Authority may, with the written consent of Holders of Bonds Similarly Secured aggregating in principal amount 51% of the aggregate principal amount of then Outstanding Bonds Similarly Secured from time to time approve any amendment to this Resolution which may be deemed necessary or desirable by the Authority, provided, however, that nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions of this Resolution or in the Bonds or Bonds Similarly Secured so as to:

- (1) Make any change in the maturity of the Outstanding Bonds;
- (2) Reduce the rate of interest borne by any of the Outstanding Bonds;
- (3) Reduce the amount of the principal payable on the Outstanding Bonds;
- (4) Modify the terms of payment of principal of or interest on the Outstanding Bonds;
- (5) Affect the rights of the Holders of less than all of the Bonds then Outstanding; or
- (6) Change the minimum percentage of the principal amount of Bonds Similarly Secured necessary for consent to such amendment.

(b) If at any time the Authority shall desire to amend this Resolution under this Section, the Authority shall cause notice of the proposed amendment (i) to be published in a financial newspaper or journal published in the State of Texas, and in a newspaper of general circulation in the Authority once during each calendar week for at least two successive calendar weeks and (ii) sent by United States mail, first class postage prepaid, to the Holders of Bonds at the address appearing in the Security Register. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Paying Agent/Registrar for inspection by all Holders of Bonds Similarly Secured.

(c) Whenever at any time the Authority shall receive an instrument or instruments executed by the Holders of at least 51% in aggregate principal amount of all Bonds Similarly Secured then Outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file with the Paying Agent/Registrar, the governing body of the Authority may pass an amendatory resolution in substantially the same form.

(d) Upon the passage of any amendatory resolution pursuant to the provisions of this Section, this Resolution shall be deemed to be amended in accordance with such amendatory resolution, and the respective rights, duties and obligations under this Resolution of the Authority and the Holders of then Outstanding Bonds Similarly Secured shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such amendments.

(e) Any consent given by the Holder of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice provided for in this Section or the date of such consent, whichever is later, and shall be conclusive and binding upon all future Holders of the same Bond during such period. After the applicable period of time a consent is irrevocable has expired, the Holder who gave consent, or a successor in title, may revoke such consent by filing notice thereof with the Paying Agent/Registrar and the Authority, but such revocation shall not be effective if the Holders of 51% in aggregate principal amount of the then Outstanding Bonds Similarly Secured have, prior to the attempted revocation, consented to and approved the amendment.

(f) For the purpose of this Section, the fact of the holding of Bonds by any Holder and the amount and numbers of such bonds and the date of their holding same, may be proved by the Security Register maintained by the Paying Agent/Registrar or by affidavit of the person claiming to be such Holder, or by a certificate executed by any trust company, bank, banker or any other depository wherever situated showing that at the date therein mentioned such person had on deposit with such trust company, bank, banker or other depository, the Bonds described in such certificate. The Authority may conclusively assume that such ownership continues until written notice to the contrary is served upon the Authority.

#### SECTION 38: Continuing Disclosure Undertaking.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

“SEC” means the United States Securities and Exchange Commission.

(a) Annual Reports. The Authority shall provide annually to the MSRB (1) within six (6) months after the end of each respective Fiscal Year, financial information and operating data

of the general type described in **Exhibit E** hereto and (2) if not provided as part of such financial information and operating data, audited financial statements of the Authority and the Corporation when and if available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in **Exhibit E** hereto, or such other accounting principles as the Authority or the Corporation, as applicable, may be required to employ from time to time pursuant to state law or regulation, and audited, if the Authority or the Corporation, as applicable, commission an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available by the required time, the Authority will provide unaudited financial information of the type included in the final Application for Financial Assistance and described in **Exhibit E** by the required time and audited financial statements when and if such audited financial statements become available.

If the Authority changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Authority otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(b) Notice of Certain Events. The Authority shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar event of the Authority, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Authority, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Authority in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority, and (b) the Authority intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The Authority shall notify the MSRB, in a timely manner, of any failure by the Authority to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by this Section.

(c) Filings with the MSRB. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(d) Limitations, Disclaimers, and Amendments. The Authority shall be obligated to observe and perform the covenants specified in this Section with respect to the Authority and the Bonds while, but only while, the Authority remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Authority in any event will give notice required by subsection (c) hereof of any Bond calls and defeasance that cause the Authority to be no longer such an “obligated person”.

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Authority undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the financial results, condition, or prospects of the Authority or the State of Texas or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Authority does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE AUTHORITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF

ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Authority in observing or performing its obligations under this Section shall constitute a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Authority under federal and state securities laws.

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the Authority from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Authority, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the Authority (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the Authority if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the Authority's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the Authority so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 39: Contract. The Contract is reapproved and shall be and remain in full force as the agreement of the parties.

SECTION 40: Benefits of Resolution. Nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon any person other than the Authority, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Resolution or any provision hereof, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the Authority, the Paying Agent/Registrar and the Holders.

SECTION 41: Inconsistent Provisions. All orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict and the provisions of this Resolution shall be and remain controlling as to the matters contained herein.

SECTION 42: Governing Law. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 43: Severability. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the

application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 44: Public Meeting. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 45: Effective Date. This Resolution shall be in force and effect from and after its passage on the date shown below.

*[remainder of page left blank intentionally]*



PASSED AND ADOPTED, this July 15, 2024.

GREATER TEXOMA UTILITY AUTHORITY

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President, Board of Directors

ATTEST:

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Secretary, Board of Directors

(Seal)

## **EXHIBIT A**

### Description of the Series 2024 Project

The construction, acquisition and improvement of water system facilities and necessary appurtenances for use by the Arledge Ridge Water Supply Corporation, including Pump stations #1 & #3 will each receive two new 500 gpm pumps, a new 6,000 gallon pressure tank to be installed. There will be replacement/addition of approximately 28,465 LF of 6" water distribution line to the system. The Corporation will begin replacement of current meters with new radio read meters.

**EXHIBIT B**

Paying Agent Registrar Agreement

## **PAYING AGENT/REGISTRAR AGREEMENT**

THIS AGREEMENT is entered into as of July 15, 2024 (this "Agreement"), by and between BOKF, NA, Houston, Texas, a banking association duly organized and existing under the laws of the United States of America, or its successors (the "Bank") and the Greater Texoma Utility Authority (the "Issuer"),

### **RECITALS**

WHEREAS, the Issuer has duly authorized and provided for the issuance of its \$2,880,000 "Greater Texoma Utility Authority Contract Revenue Bonds, Taxable Series 2024 (Arledge Ridge Water Supply Corporation Project)" (the "Securities"), dated August 23, 2024, such Securities scheduled to be delivered to the initial purchasers thereof on or about August 23, 2024; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

### **ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR**

**Section 1.01 Appointment.** The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment and agrees to serve as the Paying Agent and Registrar for the Securities.

**Section 1.02 Compensation.** As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Sections 2271.002(a)(2), 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

## **ARTICLE TWO DEFINITIONS**

**Section 2.01 Definitions.** For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

“Acceleration Date” on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

“Authorizing Document” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

“Bank Office” means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Holder” and “Security Holder” each means the Person in whose name a Security is registered in the Security Register.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

“Predecessor Securities” of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

“Responsible Officer”, when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily

performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Security Register” means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

“Stated Maturity” means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

**Section 2.02 Other Definitions.** The terms "Bank", "Issuer", and "Securities (Security)" have the meanings assigned to them in the recital paragraphs of this Agreement.

The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

### **ARTICLE THREE PAYING AGENT**

**Section 3.01 Duties of Paying Agent.** As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

BOKF, NA  
Corporate Trust Services  
2405 Grand Blvd., Suite 840  
Kansas City, MO 64108

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

**Section 3.02 Payment Dates.** The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

### **ARTICLE FOUR REGISTRAR**

**Section 4.01 Security Register - Transfers and Exchanges.** The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the “Security Register”) for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the

payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

**Section 4.02 Certificates.** The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

**Section 4.03 Form of Security Register.** The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

**Section 4.04 List of Security Holders.** The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

**Section 4.05 Return of Canceled Certificates.** The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

**Section 4.06 Mutilated, Destroyed, Lost, or Stolen Securities.** The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

**Section 4.07 Transaction Information to Issuer.** The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

## **ARTICLE FIVE THE BANK**

**Section 5.01 Duties of Bank.** The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

**Section 5.02 Reliance upon Documents, Etc.**

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and



to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, Issuer's financial advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

**Section 5.03 Recitals of Issuer.** The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

**Section 5.04 May Hold Securities.** The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

**Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization.** A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

**Section 5.06 Indemnification.** To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

**Section 5.07 Interpleader.** The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

**Section 5.08 DTC Services.** It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls

**Section 5.09 Tax Reporting.** It shall be the duty of the Bank, on behalf of the Issuer, to report to the Holders and the Internal Revenue Service, to the extent required by the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, (i) the amount of "reportable payments," if any, subject to backup withholding during each year and the amount of tax withheld, if any, with respect to payments of the Securities and (ii) the amount of interest or amount treated as interest on the Securities and required to be included in gross income of the Holder.

## ARTICLE SIX MISCELLANEOUS PROVISIONS

**Section 6.01 Amendment.** This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

**Section 6.02 Assignment.** This Agreement may not be assigned by either party without the prior written consent of the other.

**Section 6.03 Notices.** Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or

the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

**Section 6.04 Effect of Headings.** The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

**Section 6.05 Successors and Assigns.** All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

**Section 6.06 Severability.** In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 6.07 Merger, Conversion, Consolidation, or Succession.** Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

**Section 6.08 Benefits of Agreement.** Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

**Section 6.09 Entire Agreement.** This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

**Section 6.10 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

**Section 6.11 Termination.** This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

**Section 6.12 Iran, Sudan or Foreign Terrorists Organizations.** The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

Notwithstanding anything contained herein, the representation contained in this Section shall survive termination of this Agreement until the statute of limitations has run.

**Section 6.13 Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

*[The remainder of this page intentionally left blank.]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BOKF, NA, Houston, Texas

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

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

Address: 1401 McKinney, Suite 1000  
Houston, Texas 77010

GREATER TEXOMA UTILITY AUTHORITY

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

President, Board of Directors

Address: 5100 Airport Drive  
Denison, Texas 75020

ATTEST:

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

## ANNEX A

**EXHIBIT C**

Contract For Water Supply and Sewer Service



**EXHIBIT D**  
Escrow Agreement

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated as of July 15, 2024, made by and between the Greater Texoma Utility Authority, a political subdivision of the State of Texas in Collin, Cooke, Fannin and Grayson Counties (the "*Authority*"), acting by and through the President and Secretary of the Board of Directors and BOKF, NA, Houston, Texas, a banking association duly organized and existing under the laws of the United States of America, or its successors (the "*Bank*"), as Escrow Agent (the "*Escrow Agent*") together with any successor in such capacity:

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

WHEREAS, pursuant to a resolution (the "*Resolution*") finally adopted on July 15, 2024, the Authority authorized the issuance of \$2,880,000 "Greater Texoma Utility Authority Contract Revenue Bonds, Taxable Series 2024 (Arledge Ridge Water Supply Corporation Project)" (the "*Bonds*") for the planning, design, construction, acquisition, rehabilitation and improvement of water system facilities and necessary appurtenances for use by the Arledge Ridge Water Supply Corporation, as further described in the Resolution (the "*Project*"); and

WHEREAS, such Resolution also confirmed the sale of the Bonds to the Texas Water Development Board (the "*TWDB*"); and

WHEREAS, the Escrow Agent is a bank located in the State of Texas that is an insured depository institution with the Federal Deposit Insurance Corporation (the "*FDIC*") that has been designated a state depository institution by the Texas Office of the Comptroller and is otherwise qualified and empowered to enter into this Escrow Agreement, and hereby acknowledges its acceptance of the terms and provisions hereof; and

WHEREAS, a condition to the issuance of the Bonds by the TWDB is the deposit of the proceeds of sale of the Bonds (less amounts to pay costs of issuance) (the "*Proceeds*") in escrow subject to being withdrawn only with the approval of the Executive Administrator of the TWDB or another designated representative; provided, however, the Proceeds can be transferred to different investments so long as all parties hereto consent to such transfer;

NOW, THEREFORE, in consideration of the mutual agreements herein contained and in consideration of the amount to be paid by the Authority to the Escrow Agent, as set forth on Exhibit A, the receipt of which is hereby acknowledged, and in order to secure the delivery of the Bonds, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives and successors, as follows:

**SECTION 1: ESCROW ACCOUNT.** Upon the delivery of the Bonds described above, the Proceeds identified under TWDB Commitment No. L1001767 shall be deposited to the credit of a special escrow account(s) or escrow subaccount(s) (the "*Escrow Account*") maintained at the Bank on behalf of the Authority and the TWDB and shall not be commingled with any other accounts or with any other proceeds or funds. The Proceeds received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the Authority, and the Escrow Agent shall have no right to title with respect thereto except as Escrow Agent under the terms of this Agreement.

The Escrow Account shall be entitled "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, TAXABLE SERIES 2024 (ARLEDGE RIDGE WATER SUPPLY CORPORATION PROJECT) TEXAS WATER DEVELOPMENT BOARD L1001767 ESCROW

ACCOUNT" and shall not be subject to warrants, drafts or checks drawn by the Authority but shall be disbursed or withdrawn to pay the costs of the project for which the Bonds were issued or other purposes in accordance with the Resolution and solely upon written authorization from the Executive Administrator, or his/her designated representative. The Bank shall distribute to the Authority and to the Executive Administrator's staff of the TWDB the Escrow Account's bank statements on a monthly basis.

**SECTION 2: COLLATERAL.** All cash deposited to the credit of such Escrow Account and any accrued interest in excess of the amounts insured by the FDIC and remaining uninvested under the terms of this Agreement shall be continuously secured by a valid pledge of direct obligations of the United States of America or other collateral meeting the requirements of the Public Funds Collateral Act, Chapter 2257, TEX. GOV'T CODE ANN., as amended.

**SECTION 3: INVESTMENTS.** While the Proceeds are held in escrow, the Bank shall only invest Proceeds in investments that are authorized by the Public Funds Investment Act, Chapter 2256, TEX. GOV'T CODE ANN., as amended. It is the Authority's responsibility to direct the Escrow Agent to invest all public funds in a manner that is consistent not only with the Public Funds Investment Act but also with its own written investment policy.

**SECTION 4: DISBURSEMENTS.** The Bank shall not honor any disbursement from the Escrow Account, or any portion thereof, unless and until it has been supplied with written approval and consent by the Executive Administrator of the TWDB or another designated TWDB representative. However, no written approval and consent by the Executive Administrator shall be required if the disbursement involves transferring Proceeds from one investment to another provided that all such investments are consistent with the requirements of the Public Funds Investment Act.

**SECTION 5: UNEXPENDED FUNDS.** Any Proceeds remaining unexpended in the Escrow Account after completion of the Project and after the final accounting has been submitted to and approved by the TWDB shall be disposed of pursuant to the provisions of the Resolution. The Authority shall deliver a copy of such approval of the final accounting by the TWDB to the Escrow Agent together with instructions concerning the disbursement of unexpended Proceeds hereunder. The Escrow Agent shall have no obligation to ensure that such unexpended Proceeds are used as required by the provisions of the Resolution, that being the sole obligation of the Authority.

**SECTION 6: CERTIFICATIONS.** The Bank shall be authorized to accept and rely upon the certifications and documents furnished to the Bank by the Authority and shall not be liable for the payment of any funds made in reliance in good faith upon such certifications or other documents or approvals, as herein recited.

**SECTION 7: LIABILITY OF ESCROW AGENT.** To the extent permitted by law, the Escrow Agent shall not be liable for any act done or step taken or omitted by it or any mistake of fact or law, except for its negligence or default or failure in the performance of any obligation imposed upon it hereunder. The Escrow Agent shall not be responsible in any manner for any proceedings in connection with the Bonds or any recitation contained in the Bonds.

**SECTION 8: RECORDS.** The Escrow Agent will keep complete and correct books of record and account relating to the receipts, disbursements, allocations and application of the money deposited to the Escrow Account, and investments of the Escrow Account and all

proceeds thereof. The records shall be available for inspection at reasonable hours and under reasonable conditions by the Authority and the TWDB.

**SECTION 9: MERGER/CONSOLIDATION.** In the event that the Escrow Agent merges or consolidates with another bank or sells or transfers substantially all of its assets or corporate trust business, then the successor bank shall be the successor Escrow Agent without the necessity of further action as long as the successor bank is a state or national bank as well as an FDIC-insured depository institution. The Escrow Agent must provide the TWDB with written notification within 30 days of acceptance of the merger, consolidation, or transfer. If the merger, consolidation or other transfer has occurred between state banks, the newly-created entity shall forward the certificate of merger or exchange issued by the Texas Department of Banking as well as the statement filed with the pertinent chartering authority, if applicable, to the TWDB within a reasonable time of such merger, consolidation or exchange.

**SECTION 10: AMENDMENTS.** This Agreement may be amended from time to time as necessary with the written consent of the Authority and the TWDB, but no such amendments shall increase the liabilities or responsibilities or diminish the rights of the Bank without its consent.

**SECTION 11: TERMINATION.** In the event that this Agreement is terminated by either the Authority or by the Bank, the Escrow Agent must report said termination in writing to the TWDB within 5 business days of such termination. The Authority is responsible for ensuring that the following criteria are satisfied in selecting the successor escrow agent and notifying the TWDB of the change in escrow agents: (a) the successor escrow agent must be an FDIC-insured state or national bank designated by the Texas Comptroller as a state depository; (b) the successor escrow agent must be retained prior to or at the time of the termination; (c) an escrow agreement must be executed by and between the Authority and the successor escrow agent and must contain the same or substantially similar terms and conditions as are present in this Agreement; and (d) the Authority must forward a copy of the executed escrow agreement with the successor escrow agent within 5 business days of said termination. No funds shall be released by the TWDB until it has received, reviewed and approved the escrow agreement with the successor escrow agent. If the Authority has not appointed a successor escrow agent within thirty (30) days of the notice of termination, the Escrow Agent may petition any court of competent jurisdiction in Texas for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon the Authority. Whether appointed by the Authority or a court, the successor escrow agent and escrow agreement must be approved by the TWDB for the appointment to be effective. The Escrow Agent is responsible for performance under this Escrow Agreement until a successor has been approved by the TWDB and has signed an acceptable escrow agreement.

**SECTION 12: EXPIRATION.** This Agreement shall expire upon final transfer of the funds in the Escrow Account to the Authority.

**SECTION 13: POINT OF CONTACT.** The points of contact for the Escrow Agent and the TWDB are as follows:

BOKF, NA  
1401 McKinney, Suite 1000  
Houston, Texas 77010  
Attention: Rachel Roy

Bryan McMath  
Interim Executive Administrator  
Texas Water Development Board  
1700 North Congress Avenue  
Austin, Texas 78701

SECTION 14: **CHOICE OF LAW.** This Agreement shall be governed exclusively by the applicable laws of the State of Texas. Venue for disputes shall be in the District Court of Travis County, Texas.

SECTION 15: **ASSIGNABILITY.** This Agreement shall not be assignable by the parties hereto, in whole or in part, and any attempted assignment shall be void and of no force and effect.

SECTION 16: **ENTIRE AGREEMENT.** This Agreement evidences the entire Escrow Agreement between the Escrow Agent and the Authority and supersedes any other agreements, whether oral or written, between the parties regarding the Proceeds or the Escrow Account. No modification or amendment of this Agreement shall be valid unless the same is in writing and is signed by the Authority and consented to by the Escrow Agent and the TWDB.

SECTION 17: **VALIDITY OF PROVISIONS.** If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

SECTION 18: **COMPENSATION FOR ESCROW SERVICES.** The Escrow Agent shall be entitled to compensation for its services as stated in Exhibit A, which compensation shall be paid by the Authority but may not be paid directly from the Escrow Account; provided however, notwithstanding anything herein or in Exhibit A to the contrary, the aggregate value of this Agreement shall not exceed the dollar limitation set forth in Section 2271.002(a)(2) and Section 2274.002(a)(2) of the Texas Government Code, as amended.

SECTION 19: **IRAN, SUDAN AND FOREIGN TERRORISTS ORGANIZATIONS.** The Escrow Agent represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

*[remainder of page left blank intentionally]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

GREATER TEXOMA UTILITY AUTHORITY

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

Address: 5100 Airport Drive  
Denison, Texas 75020

(Authority Seal)

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

BOKF, NA, Houston, Texas, as Escrow Agent

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

Address: 1401 McKinney, Suite 1000  
Houston, Texas 77010

**EXHIBIT A**  
**BANK FEES**



## **EXHIBIT E**

### **DESCRIPTION OF ANNUAL FINANCIAL INFORMATION**

The following information is referred to in Section 39 of this Resolution.

#### **Annual Financial Statements and Operating Data**

The financial information and operating data with respect to the Authority and the Corporation to be provided annually in accordance with such Section are the financial statements of the Authority and the Corporation.

#### **Accounting Principles**

The accounting principles referred to in such Section are generally those described in the Application for Financial Assistance, as such principles may be changed from time to time to comply with state law or regulation.

**ADJOURN**