

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

MONDAY OCTOBER 21, 2019

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

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

Members Absent: None

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

General Counsel: Mike Wynne, Wynne and Smith

Visitors: David Howerton, Plummer

I. Call to Order

Board President Morgan called the meeting to order at 12:30 p.m.

II. Pledge of Allegiance

Board President Brad Morgan led the group in the Pledge of Allegiance.

III. Consent Agenda

Items marked with an asterisk () are considered routine by the Board of Directors and are enacted in one motion without discussion unless a Board Member or a Citizen request a specific item to be discussed and voted on separately.

IV. * Consider and act upon approval of Minutes of September 16, 2019 Meeting.

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

VI. *Receive Monthly Financial Information.

Board Member Stanley Thomas made a motion to approve the consent agenda items. Board Member Anthony Richardson seconded the motion. Motion passed unanimously.

VII. Citizens to be Heard.

There were no citizens requesting to address the Board.

VIII. Review and act upon Approval of Investment Policy.

General Manager Drew Satterwhite informed the Board that the Public Funds Investment Act requires the Authority to have an investment policy in place and that the Board review the policy annually. The policy provides a framework and guidance document for the investment officers to manage the Authority's funds. This year, the legislative session did not produce any changes to the Public Funds Investment Act that would impact the Authority's current investment policy. The Authority's Financial Advisor, Valley View Consulting, has reviewed the policy and recommended approving the policy as-is. The Board had a brief discussion and suggested that the Authority have an internal review every five years. Board Member Matt Brown made the motion to approve the policy as-is. Board Member Mark Kuneman seconded the motion. Motion passed unanimously.

IX. Consider and act upon award of contract for Bear Creek SUD S.H. 78 16" and 12" Water Lines.

General Manager Drew Satterwhite provided background information for the Board. In 2018, the Bear Creek SUD approached the Authority to discuss the process of utilizing the Authority for financing water infrastructure projects. The Bear Creek SUD is planning to construct 1) a new ground storage tank and pump station to replace the existing facilities which are outdated and undersized, and 2) 6,974' and 1,537' of 12" and 16" pipeline to connect the new pump station to the system. This contract was bid for the for the installation of 6,974 LF of 12-inch water line, and 1, 1,537 LF of 16-inch water line, and all associated appurtenances and connections to existing water line along S.H. 78 in Lavon, TX. The limits of the project are from the existing pump station located on Geren Drive to the intersection of H 78 and Bently Drive. The DWSRF offered a 1.35% interest rate subsidy which brought the interest rate on this 30 year bond series to 2.39%. The TWDB estimates that by utilizing this program, the Bear Creek SUD would save approximately \$1,802,000 over the life of the loan. The GTUA Board authorized the issuance of the bonds on behalf of the Bear Creek SUD in the amount of \$7,490,000.

Twelve bids were received. Western Municipal Construction of Texas, LLC, the lowest bidder (\$994,870.00), is a new contractor to Texas. Kimley-Horn and Associates, Inc. reviewed Western Municipal Construction's qualifications and verified that the Contractor is licensed to perform work in the State of Texas. Kimley-Horn recommends award of the construction contract to Western Municipal Construction of Texas, LLC based on the bids received. Bear Creek SUD approved award of the contract at their October 15th Board Meeting. Board Member Stanley Thomas made the motion to award the contract to Western Municipal Construction of Texas, LLC. Board Member Ken Brawley seconded the motion. Motion passed unanimously.

X. Consider and act upon authorizing execution of the Third Amendment to GTUA City of McKinney Potable Water Pass Through & Pumping Agreement.

General Manager Drew Satterwhite provided background information for the Board. The Collin Grayson Municipal Alliance pipeline was constructed in 2007 to serve water to the Cities of Howe, Van Alstyne, Anna and Melissa ("Cities"). The Authority financed the construction of this 20+ mile pipeline and ultimately signed contracts with the Cities, North Texas Municipal Water District ("NTMWD") and the City of McKinney to become the operator of the pipeline. During the planning phases of the project, the Authority reached an agreement with the NTMWD to

