

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

MONDAY, AUGUST 17, 2020

AT THE ADMINISTRATIVE OFFICES
5100 AIRPORT DRIVE
DENISON TX 75020

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

Members Absent:

Staff: Drew Satterwhite, Debi Atkins, Carolyn Bennett, Tasha Hamilton, Nichole Sims, and Velma Starks,

General Counsel: Mike Wynne, Wynne and Smith

Visitors:

I. Call to Order

Board President Brad Morgan called the meeting to order at 12:32 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 July 20, 2020 Meeting.

V. * Consider and act upon approval of accrued liabilities for July 2020.

General Manager Drew Satterwhite reviewed the liabilities with Board. Additional construction payouts and a large engineering payment to Bear Creek account for higher payments for the month.

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

VI. Citizens to be Heard.

There were no citizens requesting to address the Board.

VII. Receive Quarterly Investment Report.

Debi Atkins reviewed the Quarterly Investment Report with the Board.

VIII. Consider and act upon an Engagement Letter for independent audit services for FY 2019-2020.

General Manager Drew Satterwhite provided background information for the Board. The Authority is required by its enabling legislation and the bond holders of securities issued by the Authority to provide an annual independent audit of its operations. In 2017, Hankins, Eastup, Deaton, Tonn and Seay was awarded the audit services agreement for 5 years under the condition that they did not increase rates more than 2% each year. The price proposed for the upcoming Audit is \$36,900 which is within the 2% agreement. Board Member Donald Johnston made the motion to authorize the engagement letter with Hankins, Eastup, Deaton, Tonn & Seay to perform the Authority's FY 2019-2020 Audit. Board Member Matt Brown seconded the motion. Motion passed unanimously.

IX. Consider and act upon Change Order No. 2 to the contract with Patterson Professional Services for the City of Gunter Downtown Wastewater Treatment Plant Replacement Project.

General Manager Drew Satterwhite provided background information for the Board. At the February 2018 meeting, the Board of Directors authorized the issuance of \$2,300,000 through the TWDB's CWSRF program. At the July 2018 meeting, the Board authorized award of contract to Patterson Professional Services, LLC in the amount of \$1,814,097.50. Change Order No. 1 included the addition of a crushed stone access drive and parking area along with the addition of manual double swing gates at a cost of \$14,000.00. Change Order No. 1 resulted in a revised contract amount of \$1,828,097.50. Change Order No. 2 would result in an increase of \$48,600 and consists of 1) moving the main electric service from over the generator as this does not meet code., 2) adding a valve for the sludge pump to allow for easier maintenance in the future, 3) relocating the fence per the Cities' request, and 4) increasing the size of the blower cover to shelter all blowers and the sludge pump. Change Order 2 has been discussed with the City of Gunter. Board Member Matt Brown made the motion to approve Change Order No. 2 to the contract with Patterson Professional Services contingent upon the City of Gunter's approval. Board Member Ken Brawley seconded the motion. Motion passed unanimously.

X. Consider and act upon Contingency Allowance Draw No. 1 to the contract with Legion Development LLC for the City of Gunter Water System Improvements.

General Manager Drew Satterwhite provided background information for the Board. The City currently has two wells in their system with one being substantially larger than the other. The City needs to have another well in their system to provide redundancy if/when the large well goes down, which has happened twice since the City approached the authority for funding. The City is also less than 60 homes away from meeting the Texas Commission on Environmental Quality's ("TCEQ") 0.6 gallons per minute of source water per connection rule. The project was

