

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

MONDAY SEPTEMBER 20, 2021

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

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

Members Absent: Donald Johnston

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

General Counsel: Mike Wynne, Wynne and Smith
Bond Counsel

Visitors: Tom Pruitt, City of Sherman

I. Call to Order

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

II. Pledge of Allegiance

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

III. Consent Agenda

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

IV. * Consider and act upon approval of Minutes of August 16, 2021 Meeting.

V. * Consider and act upon approval of accrued liabilities for August 2021.

General Manager Drew Satterwhite reviewed the liabilities with the Board.

Board Member Scott Blackerby made a motion to approve the consent agenda items. Board Member Ken Brawley seconded the motion. Motion passed unanimously.

VI. Citizens to be Heard.

There were no citizens requesting to address the Board.

VII. Consider and act upon a reduction in retainage with Patterson Professional Services, LLC for the City of Gunter Downtown Wastewater Treatment Plant replacement Project.

General Manager Drew Satterwhite provided background information for the Board. There has been a total of four change orders. Patterson Professional Services, LLC has completed all work they were contracted to perform except for two (2) items which are delayed due to issues that are beyond their control. Change Order No. 4 included 1) adding mufflers to the newly installed blowers to ease noise complaints from nearby residents, 2) reconciling quantities of sludge that were removed from old ponds. The core samples from the old ponds cannot be taken until Texas Commission on Environmental Quality (TCEQ) has approved a closure plan. This plan should have been submitted by the engineer several months ago, but it was not completed and the contractor must now wait on TCEQ to approve the submitted plan until they can perform the core sampling. In regard to the mufflers, the contractor purchased three (3) mufflers to install on the blowers which were included in Change Order No. 4. The supplier of these mufflers only has two (2) of three (3) available currently and the contractor is awaiting delivery. The final inspection with the TWDB, engineer and City was performed on September 8, 2021. Contingent upon the City of Gunter's approval, the staff recommends authorizing a partial release of retainage to the contract with Patterson Professional Services in the amount of \$108,598.14, which would result in \$26,024.04 remaining to pay upon completion of the project. Discussion was held. Board Member Stanley Thomas made the motion to a partial release of retainage to the contract with Patterson Professional Services in the amount of \$108,598.14 contingent upon the City of Gunter's approval. Board Member Matt Brown seconded the motion. Motion passed unanimously.

VIII. Consider and act upon Change Order No. 1 to the contract with Lynn Vessels Construction, LLC for City of Sherman Northwest Sewer and Force Main Project.

General Manager Drew Satterwhite provided background information for the Board. The PVC pipe manufacturing industries have experienced material instabilities and manufacturing delays due to COVID and the February 2021 freeze event. The contractor's original pipe manufacturer that quoted the project served a letter that they would not be able to provide the requested pipe for this project. Subsequently, the contractor had to find a different manufacturer at a higher price since the bid opening. This change in price is only for the material and does not include any labor. Even with the increase in material price, the contract amount is still the lowest bid received. The City of Sherman approved this Change Order at their September 7, 2021, council meeting. Discussion was held. Board Member Scott Blackerby made the motion to authorize the execution of Change Order No. 1. Board Member Ken Brawley seconded the motion. Motion passed unanimously.

IX. Consider and act upon Budget Amendment for FY 2020-2021.

General Manager Drew Satterwhite provided background information for the Board. Discussion was held regarding amending the Construction Budget, Combined Bond Budget and the CGMA Budget. Budget Committee (Stanley Thomas, Ken Brawley, Brad Morgan) reviewed budget amendment on September 14, 2021. Board Member Matt Brown made the motion to approve

the amended budget. Board Member Anthony Richardson seconded the motion. Motion passed unanimously.

X. Consider and act upon Budget for Fiscal Year October 1, 2021 – September 30, 2022.

General Manager Drew Satterwhite provided information for the Board. The Budget Committee (Stanley Thomas, Ken Brawley, Brad Morgan) went over budget at their meeting. The Budget consists of five categories: Construction Budget, General Fund Budget, Collin Grayson Municipal Alliance Budget, Solid Waste and Combined Bond Budget. An increase in the General Fund Budget is due to the proposed addition of two (2) new employees. One (1) of the new employees would be a Field Technician to serve the Groundwater Districts and the other would be an accountant to bring our accounting staff back up to three (3) employees as it was prior to this current fiscal year. Discussion was held. Board convened into Executive Session.

XI. Executive Session

Board convened into Executive Session at 1:10 p.m.

Pursuant to Government Code, Section 551,074, the Board of Directors may adjourn into closed Executive Session to discuss the following:

A. Personnel Matters

- (i) Consider evaluation and duties of Authority General Manager
- (ii) Consider evaluation and duties of administrative and operational personnel

XII. Regular Session

Board reconvened into Regular Session at 1:50 p.m. No action was taken in Executive Session. Board Member Matt Brown made the motion to adopt the budget for Fiscal Year 2021-2022. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

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

General Manager Drew Satterwhite reminded the Board no virtual meeting may be held since September 1, 2021

General Manager Drew Satterwhite provided information to the Board regarding the Red River Boundary issue between Texas and Oklahoma and how the water treatment plant landed in Oklahoma. After several years it appears that the Texas Commission and the Oklahoma Commission are working on settling the boundary issues regarding the water plant.

XIV. Adjourn

Board Member Ken Brawley made the motion to adjourn. Board Member Matt Brown seconded the motion. Motion passed unanimously. Board President Brad Morgan declared the meeting adjourned at 2:07 p.m.

#####

Velma Starks
Recording Secretary


Secretary-Treasurer