

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

**MONDAY OCTOBER 15, 2018**

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

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

Members Absent:

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

General Counsel: Bert Garcia, Wynne and Smith

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I. Call to Order

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

II. Pledge of Allegiance

Board President 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 17, 2018 Meeting.

V. \* Consider and act upon approval of accrued liabilities for September 2018.

Board Member Stanley Thomas requested that Item VII in the GTUA September 17, 2018 minutes state the reason the item was tabled. David Gattis, Project Engineer, and Authority staff had anticipated that Change Order No. 4 and the close out documents would be available by the time of the meeting. However, Change Order No. 4 and the close out documents were not provided by the contractor in time for the board meeting.

Board Member Matt Brown made a motion to approve the consent agenda items with the September 17, 2018 minutes amended to state the reason Item VII was tabled. Board Member Anthony Richardson seconded the motion. Motion passed unanimously.

VI. Citizens to be Heard.

There were no citizens present requesting to speak before the Board.

VII. Review and act upon Approval of Investment Policy.

Board President Brad Morgan informed the board that there are no changes requested to be made to the Investment Policy during the required annual review. Changes were made last year as a result of the legislative session. Board Member Ken Brawley made the motion to approve the Investment Policy. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

VIII. Consider and act upon Change Order No. 4 and a Resolution by the Board of Directors of the Greater Texoma Utility Authority accepting the contract with Lynn Vessels Construction LLC for the Sherman Industrial Sewer Project as complete.

General Manager Drew Satterwhite provided the board with background information. The City of Sherman requested the Authority's assistance with financing a new wastewater collection line that would bring sewer from the Blalock Industrial Park to the City of Sherman's Wastewater Treatment Plant. The project consisted of the construction of approximately 6,000 feet of 21-inch, 3,000 linear feet of 18-inch and 800 linear feet of 15-inch PVC gravity sanitary sewer lines. The work included excavation and backfill, encased bores, aerial crossing, FRP manholes, sewer line placement, erosion control and street repair. This project crosses US Highway 75 (TxDOT), a main line railroad (NSF) and three industrial railroad spurs.

Lynn Vessels construction was awarded the contract in the amount of \$1,535,766.64 at the September 2017 meeting.

Hurricane Harvey resulted in the necessity of Change Order No. 1, the substitution of Vylon for PVC on the 21-inch pipe. The suppliers PVC supply was interrupted. Change Order No. 1 resulted in an increase of \$5,376.51 resulting in a revised contract amount of \$1,541,143.15.

Change Order No. 2 in February occurred when PVC prices for the 18 and 15-inch pipe had not stabilized and the contractor needed to proceed with purchasing the remainder of PVC in sizes 12 inch–18 inch at the increased prices. In order to avoid conflict with existing sewer field measured to be lower than shown on the plans, the contractor was authorized to change the sewer size from 15 inch to 18 inch on a revised grade to lower the bore under the railroad spurs by about 1 foot. Change Order No. 2 resulted in an increase of \$21,199.10 to the contract, resulting in a revised contract amount of \$1,562,342.25.

Change Order No. 3 consisted of increasing approximately 380' of sewer from 15" to 18". When the contractor excavated the 15" industrial sewer, it was discovered that the existing pipe was 3.75" lower than it showed on the plans. In order to maintain adequate flow capacity in this



new section of line with a reduced slope, the sewer needed to be upsized from 15" to 18". Also included in this Change Order was a 6" sewer service for Hart Lumber. Change Order No. 3 was in an increase of \$11,178.25 to the contract, resulting in a revised contract amount of \$1,573,520.50.

Change Order No. 4 is considered the final reconciliation change order which is common on a pipeline job. Change Order No. 4 was a reduction of \$37,899.64, resulting in a revised contract amount of \$1,535,620.86. This is \$146.00 less than the initial contract.

Board Member Stanley Thomas made the motion to approve Change Order No. 4 and authorize the execution of a resolution accepting the contract with Lynn Vessels Construction LLC for the City of Sherman Industrial Sewer Project as complete, contingent upon the City of Sherman Council's approval. Board Member Mark Kuneman seconded the motion. The motion passed unanimously.

IX. Consider and act upon Change Order No. 2 to the contract with Wilson Contractor Services, LLC for Lake Kiowa Special Utility District ("SUD") Water System Improvements Phase 1A and 2 Water Main Replacements Project.

General Manager Drew Satterwhite provided the board with background information. In 2014 the Lake Kiowa SUD requested the Authority proceed with the first of five proposed phases of water system improvements, authorizing the issuance of \$3,695,000 in bonds for the engineering and construction of the initial projects in the Lake Kiowa SUD Capital Improvement Program. After the first of the five was completed, approximately \$560,000 was left for the next phase of line replacements.

In June of 2016, bids for Phase 1A were solicited. Two bids were received; however, they were higher than the funds remaining. The Authority and Lake Kiowa pursued additional funding to complete Phase 1A and Phase 2. At the December 2016 meeting, the Board authorized the issuance of \$2,125,000 through the Texas Water Development Board's ("TWDB") Drinking Water State Revolving Fund ("DWSRF"). At the June 2017 meeting, the Board awarded the contract to Wilson Contractor Services in the amount of \$2,106,035.60.

At the February meeting, the Board authorized Change Order No. 1 which consisted of changing the type of taps for the service connections in order to maintain consistency throughout Lake Kiowa SUDs distribution system; however, before Lake Kiowa accepted Change Order No. 1, Lake Kiowa's staff realized that the engineering plans lacked the density of valves that they desired. The Authority staff, Lake Kiowa SUD staff, engineer and Wilson Contractors met on June 12, 2018, to discuss and negotiate quantities. Change Order No. 1 was an increase of \$42,702.25 resulting in a revised contract amount of \$2,148,737.85.

Change Order No. 2 consists of three items. The 1<sup>st</sup> item is for the contractor to buy additional 8" HDPE water line for the project. The original contract stated that Lake Kiowa SUD would provide a defined amount of the waterline that was left over from the previous project. The District was 305 feet short of the waterline necessary. The 2<sup>nd</sup> item is to furnish more valves in a section that has already been constructed. The 3<sup>rd</sup> item is to lay an additional section of waterline that was not included in the contract. The Home Owners Association (HOA) would be performing some drainage improvements and it is in Lake Kiowa SUD's best interest to get this

work done ahead of the HOA installing storm sewer. Change Order No. 2 would be an increase of \$108,882.11 resulting in a revised contract amount of \$2,257,619.96.

Board Member Scott Blackerby made the motion to authorize the execution of Change Order No. 2 for an increase of \$108,882.11 resulting in a revised contract amount of \$2,257,619.96. Board Member Ken Brawley seconded the motion. The motion passed unanimously.

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

The CGMA facilities tour was re-scheduled after the November 19, 2018 meeting due to inclement weather.

Upcoming projects are Gunter, Whitewright, Pottsboro and Bear Creek.

XVII. Adjourn

Board President Morgan declared the meeting adjourned at 1:03 p.m.

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Velma Starks  
Recording Secretary

MAK  
Secretary-Treasurer