

**GREATER TEXOMA UTILITY AUTHORITY
BOARD MEETING
SEPTEMBER 16, 2019**

AGENDA
GREATER TEXOMA UTILITY AUTHORITY
BOARD OF DIRECTORS PUBLIC HEARING AND MEETING
GTUA BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020
12:30 P.M., MONDAY, SEPTEMBER 16, 2019

Notice is hereby given that a meeting of the Board of Directors of the Greater Texoma Utility Authority will be held on the 16th day of September, 2019, at 12:30 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 August 19, 2019 Meeting.
- V. * Consider and act upon approval of accrued liabilities for August 2019.
- VI. Citizens to be Heard.
- VII. Consider and act upon Budget Amendment for FY 2018-2019.
- VIII. Consider and act upon Budget for Fiscal Year October 1, 2019 – September 30, 2020.
- IX. Consider all matters incident and related to declaring expectation to reimburse expenditures with proceeds of future debt, including the adoption of a resolution pertaining thereto.
- X. Consider and act upon Change Order No. 2 to the contract with Patterson Professional Services, LLC for City of Ector Wastewater Treatment Plant Disinfection Project.
- XI. Consider and act upon award of Contract and Change Order No. 1 for the Collin Grayson Municipal Alliance Water System's North Texas Municipal Water District Point of Delivery project.
- XII. Executive Session

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

XIII. Regular Session

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

XV. Adjourn.

¹The Board may vote and/or act upon each of the items listed in this agenda.

²At 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.

³PERSONS 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.

ATTACHMENT IV

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

MONDAY AUGUST 19, 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, and Mark Kuneman
Members Absent:	Matt Brown (arrived at 1:30 p.m.)
Staff:	Drew Satterwhite, Debi Atkins, Tasha Hamilton, Nichole Sims, and Velma Starks
General Counsel:	Mike Wynne, Wynne and Smith Kristen Savant, Norton Rose Fulbright
Visitors:	David Howerton, Alan Plummer Associates Richard Todd, Herald Democrat

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 July 15, 2019 Meeting.

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

Board Member Ken Brawley made a motion to approve the consent agenda items. Board Member Anthony Richardson 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, Finance Officer, provided a review of the Quarterly Investment Report. A brief discussion was held. Debi Atkins informed the Board that the bank has lowered the fees in response to a Board request that the bank be asked to waive banking fees.

VIII. Consider and act upon an Engagement Letter for independent audit services for FY 2018-2019.

General Manager Drew Satterwhite provided background information for the Board. In 2017 the Board authorized Hankins, Eastup, Deaton, Tonn and Seay to be awarded the audit services agreement, if they agreed not to increase rates more than 2% each year. Hankins, Eastup, Deaton, Tonn and Seay agreed to hold the increase to 2% per year. The Audit Proposals were for a 5-year term and the price proposed for this upcoming Audit is \$36,200 which is 1.97% increase from last year. The Authority staff is familiar with the Hankins, Eastup, Deaton, Tonn & Seay staff, and feels their audit services are satisfactory. This is their 3rd year. 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. The Board had a brief discussion. A concern regarding the language was expressed. It was suggested that the language in the letter be verified as being similar to the language used in the prior year. Board Member Donald Johnston made the motion that the Board authorize the engagement letter with Hankins, Eastup, Deaton, Tonn & Seay to perform the Authority's audit contingent upon the verification of the language being similar language used in previous letters. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

IX. Consider and act upon award of contract for City of Gunter Water System Improvements Project B - Water Well.

General Manager Drew Satterwhite provided background information for the Board. The Authority, on behalf of the City of Gunter, was approved for funding from the Texas Water Development Board's ("TWDB") Drinking Water State Revolving Fund ("DWSRF") for a loan in the amount of \$3,415,000. The DWSRF offers a 1.35% interest rate subsidy which brought the interest rate on this 30 year bond series to 2.45%. The TWDB estimates that by utilizing this program, the City of Gunter could save approximately \$762,000 over the loan. 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 is being separated into two projects with Project A including: (1) a 250,000-gallon ground storage tank; (2) pump station; (3) disinfection facilities; (4) generator; (5) SCADA; (6) water line from the pump station to J.C. Maples Road; and (7) appurtenances. Project B includes a new water well and appurtenances. One (1) contractor submitted a bid for Project B – Water Well. The low bidder was Hall Resources, LLC dba THI Water Well of Bowie, Texas in the Base Bid amount of \$1,156,189.00 and a construction time of 180 calendar days. The City of Gunter Council approved the Authority to award contract at their June 20, 2019 meeting. It was

suggested that the awarding of the contract be contingent upon the Red River Groundwater Conservation District and TCEQ approval of the well. A brief discussion was held. Board Member Ken Brawley made the motion to award the contract contingent upon the Red River Groundwater Conservation District and TCEQ approval. Board Member Stanley Thomas seconded the motion. Motion passed unanimously.

X. Consider and act upon award of contract and Change Order No. 1 for the City of Gunter Water System Improvements Project A – High Service Pump Station, Ground Storage Tank, Pipeline.

General Manager Drew Satterwhite provided background information for the Board. As previously stated in the about item. The project is being separated into two projects with Project A including: (1) a 250,000-gallon ground storage tank; (2) pump station; (3) disinfection facilities; (4) generator; (5) SCADA; (6) water line from the pump station to J.C. Maples Road; and (7) appurtenances. Project B includes a new water well and appurtenances. Three (3) contractors submitted a bid for Project A – High Service Pump Station, Ground Storage Tank, and Pipeline. The low bid was Legion Development LLC of Georgetown, Texas in the Base Bid amount of \$2,153,329.00. The bid for was in excess of the engineer's original estimate. The bonds issued were based upon the estimate and therefore funds would not be available to construct the project without a reduction change order. Since the bid opening, the engineer began working with the low bidder to reduce the scope and cost of the project. Most of the items that were reduced were related to the shortening of the waterline tying the well into the City's system. The largest reduction came from changing the 250,000 gallon ground storage tank from a pre-stressed concrete tank to a bolted steel tank. These changes resulted in a Change Order No. 1 for \$486,967.00 reduction (23%) resulting in a revised contract amount of \$1,666,362.00. It was suggested that approval be contingent upon Red River Groundwater Conservation District and TCEQ approval of the well. A brief discussion was held. Board Member Donald Johnston made a motion to award the contract to Legion Development LLC in the Base Bid amount of \$2,153,329.00 and as a simultaneous action, authorize Change Order No. 1 to the contract for a reduction of \$486,967.00 resulting in a revised contract amount of \$1,666,362.00 contingent upon the Red River Groundwater Conservation District and TCEQ approval of the well. Board Member Mark Kuneman seconded the motion. Motion passed unanimously.

XI. Consider all matters incident and related to the issuance and sale of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2019A (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 Drew Satterwhite provided background information for the Board. The City of Sherman staff approached the Authority staff requesting financial assistance for the relocation water lines that are located in the TXDOT right-of-way along SH 1417. TXDOT has informed the City of Sherman of the need to relocate the utility lines for the widening of SH 1417. Additional Bonds in the amount of \$2,895,000 are required by the City of Sherman to provide the funding prior to the project beginning to TXDOT. A Reimbursement Resolution will be brought to the Board next board meeting. Kristen Savant, Norton Rose Fulbright, explained the parameters resolution that would delegate authority to the General Manager to execute bond documents after the bond series has been priced. The City of Sherman Council will consider this issue at

their October 7, 2019 council meeting. Board Member Stanley Thomas made the motion to approve the resolution relating to bond funds issued on behalf of the City of Sherman for relocation of utilities located in the TXDOT right-of-way along FM 1417 contingent upon the City of Sherman Council approving the same. Board Member Ken Brawley seconded the motion. Motion passed unanimously.

The Board entered into Executive Session at 1:07 p.m.

XII. EXECUTIVE SESSION

Pursuant to Government Code Section 551.071 and 551.072, the Board of Directors may adjourn into closed Executive Session to discuss the following:

Consultation with Attorney regarding authorizing the execution of all documents associated with the sale of drainage easements to the Texas Department of Transportation

Deliberation Regarding Real Property

The Board reconvened into Regular Session at 1:27 p.m.

XIII. Regular Session

Board President Brad Morgan stated that no action taken in Executive Session. Board Member Ken Brawley made motion that Mike Wynne and Drew Satterwhite have authority to approve an executed easement with TxDOT as long as easement effectively protects the integrity of the GTUA pipeline. Board Member Anthony Richardson seconded the motion. Motion passed unanimously.

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

General Manager Drew Satterwhite provided the following update:

The City of Whitewright Private Placement Bond issuance has been closed.

CGMA request for bids for the connection of the Bloomdale Pump Station to the NTMWD transmission line has been posted. Hopefully will have bids to award contract for the project at the September meeting. Project is to be funded by prior sale of seven easements in the McKinney area. This project will connect to the NTMWD system and bypass the City of McKinney system.

Budget Committee will have one meeting to discuss budget and budget amendment. The Budget Committee consists of Brad Morgan, Stanley Thomas, and Matt Brown.

XV. Adjourn

Board Member Mark Kuneman made the motion to adjourn. Board Member Ken Brawley seconded the motion. The motion passed unanimously. Board President Morgan declared the meeting adjourned at 1:34 p.m.

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Recording Secretary

Secretary-Treasurer

ATTACHMENT 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 AUGUST**

The following liabilities are hereby presented for payment:

	CURRENT	PRIOR MONTH	PRIOR YEAR
GENERAL:			
<u>Dues and Subscriptions</u>			
American Express (Engineering Licsence renewal - DS)	40.00		
Texas Comptroller Public Accounts (Co-Op annual membership renewal)	100.00		
<u>Fuel and Reimbursements for Mileage</u>			
Carolyn Bennett (Reimbursement for mileage, TWDB SRF Workshop)	113.10		
Dean Henderson (Reimbursement for fuel)	46.10		
Velma Starks (Reimbursement for mileage)	41.48		
Conoco (Fuel - operations vehicles)	536.59		
ExxonMobil (Fuel - operations vehicles)	837.49		
Drew Satterwhite (Fuel)	138.37		
<u>Insurance</u>			
Drew Satterwhite (2017 Ford F150, July)	106.94		
Drew Satterwhite (2017 Ford F150, August)	106.94		
TWCA Risk Management (Workers' compensation insurance, February)	641.00		
<u>Leases/Rental Fees</u>			
North Texas Regional Airport (Lease - administrative offices)	2,168.61		
<u>Legal Fees</u>			
Wynne & Smith, LLC (Agenda, Board Meeting)	536.75		
<u>Maintenance Agreements</u>			
Nova Tech (Konika-Minolta copier)	291.75		
<u>Meetings and Conferences</u>			
Feast on This (BOD Lunches)	235.00		
<u>Miscellaneous</u>			
Bank of Texas Visa (New Employee background check)	3.32		
Bank of Texas Visa (Interest and banking fees)	64.79		
One Medical (New employee physical)	55.00		
Valley View Consulting (Investing fees)	9,865.20		
<u>Postage</u>			
Velma Starks (BOD packets - UPS)	40.48		
<u>Professional Services</u>			
Gonzalez Landscape (Lawn Care)	204.16		
<u>Repair & Maintenance - Building & Equipment</u>			
Diamond Computers (Battery Back up and transferred files for Acct 1)	810.50		
Hutchins Plumbing & Air (Airconditioner repaired for back offices (WP, AB, PS)	477.50		
<u>Repair & Maintenance - Administrative and Operations Vehicles</u>			
Whistlestop (Truck Oil changes and 1 set of wiper blades)	206.76		
<u>Supplies</u>			
Home Depot Pro (Janitorial Supplies)	139.63		

	CURRENT	PRIOR MONTH	PRIOR YEAR
Exxon/Mobil (Field supplies - ice)	28.01		
Tasha Hamilton (Cell phone case, car charger and new phone fees (DH))	98.50		
<u>Uniforms</u>			
Dean Henderson (work boots)	211.07		
<u>Utilities</u>			
Alan Moore (Reimbursement for cell phone expenses)	25.00		
Wayne Eller (Reimbursement for cell phone expenses)	25.00		
Dave Tomlinson (Reimbursement for cell phone expenses)	25.00		
Drew Satterwhite (Reimbursement for cell phone expense, July)	25.00		
Drew Satterwhite (Reimbursement for cell phone expense, August)	25.00		
Sparklight (Internet line)	129.44		
AT & T Wireless (cell phone)	59.46		
City of Denison (Water)	129.36		
City of Sherman (Trash services)	102.00		
8x8, Inc.(phone lines - local & long distance)	183.93		
TXU Electric	618.13		
ATMOS Energy	51.90		
TOTAL:	<u>\$ 19,544.26</u>	<u>\$ 10,858.17</u>	<u>\$ 9,041.11</u>
SOLID WASTE:			
<u>Fuel</u>			
ExxonMobil (Fuel - operations vehicles)	13.05		
<u>Utilities</u>			
Grayson-Collin Electric	125.93		
Starr Water Supply	60.30		
TOTAL:	<u>\$ 199.28</u>	<u>\$ 262.38</u>	<u>\$ 349.21</u>
WASTEWATER:			
<u>Construction Contracts</u>			
Patterson Professional Ser. (Ector 2017 - WWTP disinfection improvements Pay app #4)	46,075.00		
<u>Engineering Fees</u>			
CobbFendley (Gunter 2018 - WWTP 90% Construction Phase complete)	2,854.50		
CobbFendley (Gunter 2018 - WWTP 95% Construction Phase complete)	982.50		
Freeman-Millican (Sherman 2017 - Final Design complete NW Sewer & Force Main)	4,329.89		
Freeman-Millican (Sherman 2019 - WWTP Storm Wtr. Mgmt. 90% Final Design Complete)	6,043.50		
<u>Meetings & Conferences</u>			
Carolyn Bennett (Van Alstyne 2014B - Preconstruction meeting for WWTP, mileage)	30.16		
<u>Miscellaneous</u>			
BLX Group (Krum 2012 arbitrage reports for bond series)	250.00		
BLX Group (Krum 2014 arbitrage reports for bond series)	250.00		
BLX Group (Pottsboro 2006 arbitrage reports for bond series)	250.00		
BLX Group (Pottsboro 2010 arbitrage reports for bond series)	250.00		
BLX Group (Tom Bean 2000 - arbitrage reports for bond series)	250.00		
<u>Paying Agent Fees</u>			
Bank of Texas Trust (Sherman 2013 - GTUACRBS2013 10-1-19)	300.00		
Bank of Texas Trust (Sherman 2013A - GTUACRB2013A 10-1-19)	300.00		
Bank of Texas Trust (Sherman 2014 - GRETXOM14CIB 10-1-19)	300.00		
Bank of Texas Trust (Sherman 2015A - GTUASHERM15A 10-1-19)	300.00		
<u>Postage</u>			
Federal Express (Whitewright 2019 - documents sent to Kristen Savant Norton Rose Fulbright)	33.65		
Federal Express (Whitewright 2019 - documents sent to Joy Ellis Norton Rose Fulbright)	20.28		

	CURRENT	PRIOR MONTH	PRIOR YEAR
Federal Express (Pottsboro 2019 - documents sent to Joy Ellies Norion Rose Fulbright)	28.80		
TOTAL:	\$ 62,848.28	\$ 407,784.83	\$ 241,757.86
WATER:			
<u>Advertising</u>			
Bank of Texas Visa (NTGCD - Grayson City Clrk public notice for GMA-8 meeting)	4.00		
Star Local Media (CGMA - Advertisments for construction bids to attach pipe line to new NTMWD line)	584.10		
<u>Construction Costs</u>			
American Suncraft Company (Sherman 2017 - Fairview 1 MG tank repair & paint. Final Pay App #2)	223,330.40		
Central Texas Water Well (Tom Bean 2015 - Wtr System Impr. Pay App #8)	178,862.20		
City of Sherman (Sherman 2015 - 1st Qtr 2019 Payroll Inspection Expenses)	8,996.13		
MWH (Shennan 2017 - LK Texoma WTP Expansion Pay App #28)	100,104.00		
Wilson Contractor (LK Kiowa 2017 - Wtr Sys. Improvements phase 2 bore service Pay App #13)	35,070.20		
<u>Engineering Fees</u>			
Freese & Nichols (GTUA Regional Water Study 68.87% complete services thorough 7/31/2019)	9,502.75		
Freeman-Millican (Sherman 2017A - Fairview 1MG tank repair & repaint 95% construction admin. Complete)	1,950.00		
Freeman-Millican (Sherman 2017A - 98% Final Design complete Northwest Sewer & Force Main)	4,329.89		
Freeman-Millican (Sherman 2017A - Fairview 1 MG wtr tank repair / paint.)	650.00		
Freeman-Millican (Sherman 2017A - Fairview 1 MG wtr tank repair / paint. Construction Admin. Complete)	1,950.00		
<u>Groundwater</u>			
8x8, Inc. (NTGCD - 800 line, local & long distance)	183.92		
8x8, Inc. (RRGCD - 800 lins, local & long distance)	183.92		
American Express (NTGCD - Invoiced A/R application)	50.00		
American Express (RRGCD - Invoiced A/R application)	50.00		
AT & T Mobility (NTGCD - W. Parkman - cell phone)	66.29		
Allen Burks (RRGCD - cell phone reimbursement)	25.00		
Bank of Texas Visa (RRGCD - Renewal of old server until transfer to new. Not supported by GoDaddy)	299.98		
Bank of Texas Visa (RRGCD - Renewal of new GoDaddy server 8G)	234.98		
Drew Satterwhite (NTGCD - toll fees)	13.33		
Drew Satterwhite (RRGCD - toll fees)	13.32		
Exxon/Mobil (NTGCD - Fuel, W. Parkman)	123.19		
Exxon/Mobil (RRGCD - Fuel, A. Burks)	48.32		
Paul Sigle (NTGCD - cell phone reimbursement)	12.50		
Paul Sigle (RRGCD - cell phone reimbursement.)	12.50		
Velma Starks (NTGCD - mileage reimbursement)	8.30		
Velma Starks (RRGCD - mileage reimbursement)	26.03		
Whistlestop (NTGCD - Truck oil change)	48.48		
Whistlestop (RRGCD - Truck Inspection)	7.00		
<u>Legal</u>			
Wynne & Smith (Legal services for easement issue)	1,413.75		
<u>Meetings & Conferences</u>			
American Express (NTGCD - DS Meeting)	12.94		
American Express (CGMA - DS Lunch with Mike Wynne to research fund)	37.53		
Bank of Texas Visa (NTGCD - Chick-Fil-A catering for BOD)	177.65		
Bank of Texas Visa (NTGCD - GMA-8 meeting rental Cleburne Conference Ctr.)	180.00		
Bank of Texas Visa (RRGCD - Cowboy Chicken catering for BOD)	259.96		
<u>Miscellaneous</u>			
BLX Group (Pottsboro 2007 arbitrage reports for bond series)	250.00		
BLX Group (North West Grayson 1998 - arbitrage reports for bond series)	250.00		
BLX Group (North West Grayson 2014 - arbitrage reports for bond series)	250.00		
Gonzalez Landscape (Sherman 2012 Ref - Pump Station, Corp Property - mowing)	333.36		
<u>Paying Agent Fees</u>			
Bank of Texas Trust (Sherman 2011 - GTUACRBS2011 10-1-19)	300.00		
Bank of Texas Trust (Sherman 2012 - GTUACRBCSP12 10-1-19)	300.00		
Bank of Texas Trust (Shennan 2012 - GTUACTTBS12A 10-1-19)	300.00		

	CURRENT	PRIOR MONTH	PRIOR YEAR
Bank of Texas Trust (Sherman 2015 - GTUASHERM15 10-1-19)	300.00		
Bank of Texas Trust (Sherman 2015B - GTUASHERM15B 10-1-19)	300.00		
Bank of Texas Trust (Sherman 2017 - GTUASHERM17 10-1-19)	300.00		
Bank of Texas Trust (Sherman 2017A - GTUASHERM17A 10-1-19)	300.00		
Bank of Texas Trust (Sherman 2019 - GTUASHERM19 10-1-19)	300.00		

Postage

Federal Express (Bear Creek 2019 - documents sent to Joe Koen TWDB)	20.46
Federal Express (Princeton 2018 - documents sent to Joe Koen TWDB)	71.05

CGMA Repair & Maintenance

Brenntag Southwest (CGMA - Chemicals to disinfect lines at pump station)	9,504.49
Burnside Airconditioning (Installed new compressor at pump station and maintenance contract)	5,093.00
Gonzalez Landscape (CGMA - Howe Tank Site)	141.66
Kemp Lawn Maintenance (CGMA - Bloomdale Pump Station)	380.83
Texas Excavation Safety System, Inc. (CGMA - water tests)	197.60

Supplies

Lowes (NTGCD - Field supplies, insect repellent)	8.51
Lowes (RRGCD - Field supplies, insect repellent)	8.51
Tasha Hamilton (NTGCD - cell phone case, car charger, and phone fees (WP))	98.50
Wal-Mart (air conditioner out at pump station purchased box fan)	17.88

CGMA Utilities

AT & T Mobility (CGMA emergency back up lines)	112.46
AT & T U-Verse (Bloomdale Pump Station)	82.54
City of McKinney (Pass Through Charges, June)	21,971.07
City of McKinney (Pass Through Charges, July)	36,513.22
North Texas Municipal Water District (Water Usage, June)	188,485.00
TXU Energy (Bloomdale Pump Station)	13,316.58

TOTAL:	<u>\$ 848,329.28</u>	<u>\$ 908,549.35</u>	<u>\$ 4,969,524.38</u>
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GRAND TOTAL:	<u>\$ 930,921.10</u>	<u>\$ 1,327,454.73</u>	<u>\$ 5,220,672.56</u>
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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 _____, 20____, 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

ATTACHMENT VII



GREATER TEXOMA UTILITY AUTHORITY

AGENDA COMMUNICATION

DATE: September 10, 2019

SUBJECT: AGENDA ITEM NO. VII

CONSIDER AND ACT UPON BUDGET AMENDMENT FOR FY 2018-2019

ISSUE

Amendment to budget for FY 2018-2019

BACKGROUND

In previous years, the Board of Directors has been willing to consider amendments to the Authority's annual budget during the course of the fiscal year to adjust for circumstances that impact revenue and expenses. In many cases, projects that were planned on a specific schedule may be delayed and therefore the funds may not be able to be expended as originally planned. Also, there are typically several adjustments to account for actual bond issuance amounts that we attempted to predict well in advance of a defined project scope and interest rate.

The Authority Staff is proposing to only make changes to the Construction Budget and the Combined Bond Budget.

OPTIONS/ALTERNATIVES

The Board always has the option of taking no action on an amended budget and allow the year be completed with actual expenses and revenues not being as close to Budget.

The alternative recommended by staff is to amend the budget to more accurately reflect expenditures and revenues as they occurred during the course of the year, which results in a more favorable reflection on expenses and revenues during the fiscal year.

CONSIDERATIONS

The proposed budget amendment was reviewed by the Authority's budget committee on September 9, 2019. There is a summary page on the attached budget which reflects the changes.

STAFF RECOMMENDATIONS

The staff recommends the Board consider authorizing a budget amendment for FY 2018-2019.

ATTACHMENTS

Proposed Amended Budget

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

RECOMMENDED BY:

Debi Atkins, Finance Officer

GREATER TEXOMA UTILITY AUTHORITY

AMENDED BUDGET

FISCAL YEAR 2018-2019

BUDGET ADJUSTMENT SUMMARY
2018-2019

Construction Changes

-New Money: Sherman
 Whitewright

-Existing Money: Princeton
 Bearcreek
 Ector
 Gunter
 Krum
 NWG – None Spent
 Paradise – None Spent
 Tom Bean
 Van Alstyne
 Whitewright – DWSRF did not close

Increase Remaining Funds - \$19,394,875

Combined Bond Changes – Changes are a result of getting final interest rates for anticipated bond issues and refunding/refinancing of existing debt

Administrative billings
Bond payments
Depreciation Expenses
Interest Expenses
Making Change In Net Assets a decrease of \$832,237

GREATER TEXOMA UTILITY AUTHORITY
AMENDED
CONSTRUCTION BUDGET
2018-19

	BEARCREEK BONDS	ECTOR COMBINED BONDS	GUNTER BONDS	KRUM COMBINED BONDS	LAKE KIOWA BONDS	NWG BONDS	PARADISE BONDS	POTTSSBORO BONDS	PRINCETON BONDS	SADLER BONDS	SHERMAN COMBINED BONDS	TOM BEAN BONDS	VAN ALSTYNE BONDS	WHITE- WRIGHT BONDS	TOTAL MEMO ONLY
CONSTRUCTION FUNDS															
Bag Balance	0	350,000	2,000,000	1,150,000	1,407,500	11,000	1,185,000	0	14,000,000	42,384	11,000,000	480,000	1,050,000	99,300	32,815,884
Grant Funds															
New Money	7,490,000		3,415,000					8,420,000			5,315,000			325,000	0
Total Funds Available	7,490,000	350,000	5,415,000	1,150,000	1,407,500	11,000	1,185,000	8,420,000	14,000,000	42,384	16,315,000	480,000	1,050,000	424,300	57,780,884
Outlay Costs	400,000	100,000	850,000	50,000	1,147,500	0	0	255,000	920,000	0	9,000,000	100,000	340,000	10,425	13,172,925
Remaining Funds Available	7,090,000	250,000	4,565,000	1,100,000	260,000	11,000	1,185,000	8,165,000	13,080,000	42,384	7,315,000	380,000	710,000	413,875	44,607,959

GREATER TEXOMA UTILITY AUTHORITY
AMENDED
COMBINED BOND BUDGET
2018-2019

	ANNA/MELISSA BONDS	ARGYLE WSC COMBINED BONDS	BEARCREEK SUD BONDS	BELLS BONDS	BOLIVAR WSC BONDS	CGMA BONDS	DORCHESTER BONDS	ECTOR COMBINED BONDS	GVILLE COMBINED BONDS	GOBER BONDS
OPERATING REVENUE										
Charges for Bonds	525,248	209,858	91,910	50,275	92,320	1,377,879	38,688	57,963	594,394	17,363
Charges for Reserve	0	0	40,171	0	0	0	0	0	0	0
Charges for Admin	950	650	300	797	1,536	25,000	260	1,200	2,400	325
Total Operating Revenue	526,198	210,508	132,381	51,072	93,856	1,402,879	38,948	59,163	696,794	17,688
OPERATING EXPENSES										
Operating Expenses	0	0	0	0	0	0	0	0	0	0
General And Admin	10,798	4,886	28,700	1,547	2,286	37,911	895	8,865	17,641	123
Maint & Repair	0	0	0	0	0	0	0	0	0	0
Deprec	431,157	147,574	0	53,271	79,464	564,265	23,180	16,876	580,858	30,698
Total Operating Exp	441,956	152,460	28,700	54,817	81,749	602,176	24,075	25,741	598,499	30,821
OPERATING INCOME (LOSS)	84,243	58,048		(3,746)	12,106	800,703	14,873	33,422	98,294	(13,134)
NON OPERATING REVENUES (EXPENSES)										
Invest Inc	8,000	2,975	4,500	1,250	1,400	9,000	500	550	7,500	225
Bond Prem	0	0	0	0	0	0	0	0	5,853	0
Interest Exp	(156,745)	(89,858)	(116,577)	(15,275)	(22,320)	(787,912)	(9,439)	(21,963)	(139,379)	(1,485)
Bond Insurance Costs	0	0	(261,797)	0	0	0	0	0	0	0
Amort of Loss on Early Retire of Debt	0	(3,332)	0	0	0	0	0	0	(6,807)	0
Amort Underwriters Disc	0	0	0	0	0	0	0	0	0	0
Gain (Loss) on Sale of Assets	0	0	0	0	0	0	0	0	0	0
Total Nonoperating Revenues (Expenses)	(148,745)	(90,215)	(373,874)	(14,025)	(20,920)	(778,912)	(8,939)	(21,413)	(132,834)	(1,260)
CHANGE IN NET ASSETS	(64,502)	(32,167)	(373,874)	(17,771)	(8,814)	21,791	5,934	12,009	(34,540)	(14,394)
APPROVED BUDGET										
CHANGE IN NET ASSETS	(61,704)	(28,685)	(303,851)	(14,143)	(8,814)	26,327	6,469	20,324	(34,540)	(14,394)

	<u>GUNTER COMBINED BONDS</u>	<u>HOWE COMBINED BONDS</u>	<u>KRUM COMBINED BONDS</u>	<u>LAKE KIWIA COMBINED BONDS</u>	<u>LAKE TEX COMBINED BONDS</u>	<u>MELISSA COMBINED BONDS</u>	<u>NWG BONDS</u>	<u>PARADISE COMBINED BONDS</u>	<u>POTTSBORO COMBINED BONDS</u>	<u>PRINCETON COMBINED BONDS</u>
OPERATING REVENUE										
Charges for Bonds	205,528	171,479	181,073	369,266	1,340,193	196,843	94,496	58,625	302,680	948,823
Charges for Reserve	14,210	0	0	78,574	0	0	24,243	8,731	5,363	86,881
Charges for Admin	1,200	400	1,800	1,200	8,267	1,200	650	4,301	1,100	900
Total Operating Revenue	220,938	171,879	182,873	449,041	1,348,460	198,043	119,390	71,657	309,143	1,036,604
OPERATING EXPENSES										
Operating Expenses	0	0	0	0	0	0	0	0	0	0
General And Admin	14,496	1,259	15,383	14,543	39,523	4,749	2,943	2,628	12,215	51,399
Maint & Repair	0	0	0	0	0	0	0	0	0	0
Deprec	0	119,687	165,956	118,997	0	132,519	142,461	28,136	240,012	404,085
Total Operating Exp	14,496	120,946	181,339	133,540	39,523	137,268	145,404	30,764	252,227	455,484
OPERATING INCOME (LOSS)	206,443	50,933	1,535	315,500	1,308,937	60,775	(26,014)	40,894	56,916	581,120
NON OPERATING REVENUES (EXPE										
Invest Inc	1,000	1,100	4,000	14,000	21,000	2,500	2,524	500	3,450	9,437
Bond Prem	0	(779)	0	0	0	0	2,500	0	1,013	15,349
Interest Exp	(96,338)	(18,606)	(115,859)	(108,656)	(306,484)	(74,442)	(39,494)	(24,467)	(57,761)	(509,765)
Bond Issuance Costs	(126,275)	0	0	0	0	0	0	0	(256,819)	(83,178)
Amort of Loss on Early Retire of Debt	0	(4,300)	0	0	0	0	0	0	(7,180)	(76,469)
Amort Underwriters Disc	0	0	0	0	0	0	0	0	0	1,410
Gain (Loss) on Sale of Assets	0	0	0	0	0	0	0	0	0	0
Total Nonoperating Revenues (Expens	(221,613)	(22,585)	(111,859)	(95,656)	(285,484)	(71,942)	(34,470)	(23,967)	(317,297)	(643,216)
CHANGE IN NET ASSETS	(15,171)	28,347	(110,325)	219,844	1,023,453	(11,167)	(60,484)	16,926	(260,382)	(62,097)
APPROVED BUDGET										
CHANGE IN NET ASSETS	42,587	28,347	15,589	224,844	1,034,309	(8,917)	(60,716)	15,734	(220,843)	90,742

	SADLER BONDS	SHERMAN COMBINED BONDS	SOUTH-MAYD BONDS	TOMBEAN COMBINED BONDS	VAN ALSTYNE COMBINED BONDS	WRIGHT COMBINED BONDS	TOTAL MEMO ONLY
OPERATING REVENUE							
Charges for Bonds	7,400	6,265,184	16,853	118,824	307,235	51,041	13,791,440
Charges for Reserve	1,682	0	0	0	63,556	0	323,411
Charges for Admin	724	257,000	275	4,690	1,800	850	319,775
Total Operating Revenue	9,807	6,522,184	17,128	123,513	372,591	51,891	14,434,626
OPERATING EXPENSES							
Operating Expenses	0	0	0	0	0	0	0
General And Admin	424	186,604	82	3,914	12,003	2,670	478,487
Maint & Repair	0	257,000	0	0	0	0	257,000
Deprec	15,191	2,056,951	20,412	27,909	154,000	16,479	5,570,138
Total Operating Exp	15,615	2,500,555	20,494	31,824	166,003	19,148	6,305,625
OPERATING INCOME (LOSS)	(5,808)	4,021,629	(3,367)	91,590	206,588	32,742	8,129,002
NON OPERATING REVENUES (EXPE							
Invest Inc	300	255,573	200	9,000	5,800	3,300	369,585
Bond Prem	0	(720)	0	0	0	0	23,215
Interest Exp	(2,400)	(1,498,771)	(1,853)	(31,324)	(92,235)	(16,041)	(4,356,449)
Bond Issuance Costs	0	(208,044)	0	0	0	(10,425)	(946,537)
Amort of Loss on Early Retire of Debt	0	(111,300)	0	0	0	0	(209,389)
Amort Underwriters Disc	0	(4,285)	0	0	0	0	(2,876)
Gain (Loss) on Sale of Assets	0	0	0	0	0	0	0
Total Nonoperating Revenues (Expens	(2,100)	(1,567,547)	(1,653)	(22,324)	(86,435)	(23,166)	(5,122,450)
CHANGE IN NET ASSETS	(7,908)	2,454,082	(5,019)	69,366	120,153	9,577	3,006,551
APPROVED BUDGET							
CHANGE IN NET ASSETS	(7,908)	2,919,071	(5,019)	66,646	126,360	(94,498)	3,838,788

GREATER TEXOMA UTILITY AUTHORITY

GENERAL FUND BUDGET

OCTOBER 1, 2018 - SEPTEMBER 30, 2019

	BUDGETED 2017/2018	ACTUAL 6/30	EST 9/30	BUDGETED 2018-19	% OF INCOME
<u>INCOME</u>					
DRIPPING SPRINGS POST CLOSURE	10,000.00	22,340.20	29,786.93	30,000.00	2.16%
CGMA OPERATIONS	75,000.00		75,000.00	75,000.00	
PROJECT COST ALLOC	509,251.10		501,115.12	477,678.82	34.39%
PROJECT - APPLICATION COST	30,900.00		30,900.00	30,900.00	
GROUNDWATER DISTRICTS	595,500.00	391,993.48	522,657.97	595,500.00	
OPERATION SERVICES	175,000.00	132,974.18	177,298.91	175,000.00	12.60%
INSPECTION SERVICES	10,000.00	3,403.74	4,538.32	5,000.00	0.36%
TOTAL INCOME	1,405,651.10	550,711.60	1,341,297.25	1,389,078.82	50%

EXPENDITURES

					% OF EXPENSES
AUDIT/CONSULTANT SERVICES	36,500.00	34,800.00	34,800.00	35,500.00	2.56%
BONDING & INSURANCE	10,300.00	9,285.03	11,868.16	12,300.00	0.89%
REPAIRS/MAINT	9,000.00	6,748.98	8,998.64	9,000.00	0.65%
JANITORIAL/LAWN CARE	7,000.00	5,295.80	7,061.07	8,244.00	0.59%
DUES/SUBSCRIPTIONS	2,800.00	2,084.28	2,800.00	2,800.00	0.20%
EQUIPMENT	5,180.00	690.00	1,100.00	5,000.00	0.36%
GROUNDWATER DIST	20,000.00	16,349.34	21,799.12	20,000.00	1.44%
INVESTMENT CONSULTING	50,000.00	30,111.01	60,222.02	60,000.00	4.32%
LEGAL	10,000.00	6,820.27	9,093.69	10,000.00	0.72%
MEETINGS & CONFERENCE	3,600.00	2,339.61	3,119.48	3,500.00	0.25%
OFFICE SUPPLIES	7,000.00	7,174.30	7,500.00	7,000.00	0.50%
POSTAGE	2,500.00	1,520.14	2,026.85	2,100.00	0.15%
RENT	26,100.76	18,258.84	24,345.12	24,737.16	1.78%
SALARIES - ADMINISTRATIVE	413,533.00	302,079.00	402,772.00	426,055.60	30.67%
SALARY - OPERATIONS/GWD	337,617.00	245,007.26	326,676.35	346,780.60	24.96%
SALARY - PERSONNEL COSTS	389,715.34	269,671.57	359,562.09	344,281.46	24.78%
SUPPLIES-OPS	3,000.00	3,071.69	4,095.59	4,000.00	0.29%
TRAINING	2,500.00	1,566.00	2,088.00	2,500.00	0.18%
TRANSPORTATION EXPENSE	22,500.00	15,680.93	20,907.91	21,000.00	1.51%
UNIFORMS	1,500.00	550.63	734.17	1,500.00	0.11%
TELEPHONE	5,000.00	3,896.24	5,194.99	5,000.00	0.36%
UTILITIES	13,000.00	8,501.89	11,335.85	13,000.00	0.94%
VEHICLE EXPENSE	24,305.00	5,400.00	13,581.00	21,780.00	1.57%
VEHICLE REPAIRS	3,000.00	536.36	715.15	3,000.00	0.22%
TOTAL EXPENDITURES	1,405,651.10	997,439.17	1,342,397.25	1,389,078.82	100%

NON-CASH DEPRECIATION 25,000.00

GREATER TEXOMA UTILITY AUTHORITY
DRIPPING SPRINGS POST CLOSURE

	APPROVED 2017-18	ACTUAL @ 6/30/18	Est 9/30/18	APPROVED 2018-19
<u>OPERATING REVENUE</u>				
DRIPPING SPRINGS MAINTENANCE				
City of Denison	24,094.00	14,176.92	18,902.56	23,000.00
City of Sherman	20,000.00	13,841.22	18,454.96	18,800.00
TOTAL OPERATING REVENUES	<u>44,094.00</u>	<u>28,018.14</u>	<u>37,357.52</u>	<u>41,600.00</u>
<u>OPERATING EXPENSES</u>				
OPERATING COST				
SALARIES/EMPLOYEE PERSONNEL COSTS	28,000.00	21,277.25	28,369.67	30,000.00
ENGINEERING				
GAS WELLS				
*GROUND WATER	5,094.00	5,094.00	5,094.00	0.00
OTHER EXPENSES				
ADMINISTRATIVE/ACCOUNTING	1,500.00	1,062.95	1,417.27	1,500.00
EQUIPMENT				
EQUIPMENT-TRACTOR/MOWER	9,900.00	9,900.00	9,900.00 *	0.00
EQUIPMENT REPAIR/GAS SYSTEM REPAIR	5,000.00	3,978.48	5,304.64	5,000.00
FUEL & LUBRICANTS	600.00	383.63	511.51	1,000.00
INSURANCE-LIABILITY/PROPERTY	600.00	373.11	573.28	800.00
TOOLS AND SUPPLIES (WEED KILLER, FERTILIZER)	800.00	539.16	718.88	800.00
UTILITIES	2,500.00	1,610.16	2,146.88	2,500.00
TOTAL OTHER EXPENSE	<u>20,900.00</u>	<u>3,706.08</u>	<u>20,572.45</u>	<u>11,600.00</u>
TOTAL OPERATING EXPENSES	53,994.00	30,077.33	54,036.12	41,600.00

NON-CASH DEPRECIATION 2,400.00

GREATER TEXOMA UTILITY AUTHORITY
CGMA OPERATIONS BUDGET
FISCAL YEAR 2018-19

<u>OPERATING REVENUE</u>	2017-18	6/30/18	Est 9/30/18	2018-19
4 CITIES	2,014,292.00	1,664,473.67	2,219,298.23	3,687,412.00
Easement Sale	310,718.00			264,199.00
Bill Board	2,800.00	2,800.00	2,800.00	2,800.00
TOTAL OPERATING REVENUES	2,327,810.00	1,667,273.67	2,222,098.23	3,954,411.00
 <u>OPERATING EXPENSES</u>				
Electrical	103,131.00	79,334.55	105,779.40	153,594.00
Water pass through charge	234,135.00	150,116.85	200,155.80	444,360.00
*Take or pay fees	1,577,626.00	1,051,749.95	1,402,333.27	2,869,020.00
Field Supplies		1,162.59	1,550.12	1,500.00
Insurance		2,737.00	2,737.00	2,737.00
Legal		600.00	600.00	600.00
Right-of-Way		433.00	433.00	500.00
Operations		51,248.22	68,330.96	70,000.00
Water Study-Engineers	30,000.00	25,705.00	29,080.00	35,000.00 **
O&M	98,000.00	19,899.05	26,532.07	25,000.00
Communications Line	2,400.00	1,573.11	2,097.48	2,100.00
CIP Project - NTMWD Tie-in				0.00
 TOTAL OPERATING EXPENSES	 2,045,292.00	 1,384,559.32	 1,839,629.09	 3,604,411.00

* NTMWD rate \$2.97 per 1,000 gal.
Estimated Take or Pay 966,000,000 gal

ATTACHMENT VIII



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: September 10, 2019

SUBJECT: AGENDA ITEM NO. VIII

CONSIDER AND ACT UPON BUDGET FOR FISCAL YEAR OCTOBER 1, 2019 – SEPTEMBER 30, 2020

ISSUE

Consideration of a proposed budget for Fiscal Year 2019-2020

BACKGROUND

Each year at this time the Board considers a budget for the Authority's succeeding fiscal year. The budget has been divided into five major categories to more accurately reflect the activities undertaken by the Authority and to more closely track the format in which the audit is performed each year.

The budgeted expenses can be summarized into the following categories:

I.	Construction Budget	\$ 29,336,850.00
II.	General Fund Budget	\$ 1,372,117.19
III.	Collin Grayson Municipal Alliance Budget	\$ 3,637,656.00
IV.	Solid Waste	\$ 41,800.00
V.	Combined Bond Budget	\$ 6,661,966.00
	Total	\$ 41,050,389.19

The construction budget is funded by the issuance of bonds, which are requested and authorized by the member cities and other water entities for financing construction activities. The Authority will begin the year with a beginning balance of \$25,212,884 and expects to issue \$24,210,000 in bonds during the upcoming fiscal year, producing available funds of \$49,422,884. Of that amount, the Authority expects to be able to complete the expenditure of \$29,336,850 in construction activities. The remaining funds will be used during the succeeding year(s) for construction activities not completed during the 2019-2020 fiscal year.

The second component of the budget is the General Fund budget. This budget provides for the cost of the general operations of the Authority, as well as for staffing and operations personnel of the Authority. Funding is provided by contracts for services. These include contracts for the management of the North Texas and Red River Groundwater Conservation Districts, as well as services for water and wastewater activities throughout the area. The proposed General Fund Budget for the 2019-2020 fiscal year is \$1,372,117.19. This represents a decrease of \$16, 961.63 from the current fiscal year budget.

The third component in the Authority's budget is the Collin-Grayson Municipal Alliance waterline operating budget. This is the cost for providing the delivery of water to Melissa, Anna, Van Alstyne and Howe. These costs are estimated to be \$3,637,656 during the 2019-2020 fiscal year. These costs include the take or pay amount, which must be paid for the water purchased from the North Texas Municipal Water District, pass through charges for the City of McKinney, electrical energy costs and operation and maintenance costs for providing this water. The cost of this service is paid by the four participating cities.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

The fourth component of the Authority's budget is the solid waste budget. This involves the post closure maintenance activities for which the Authority is responsible at the Dripping Springs Landfill. Those costs will be approximately \$41,800 during the 2019-2020 fiscal year. These costs include monitoring for methane gas production, mowing, sludge handling, and routine maintenance. The cost of these activities is divided equally between the Cities of Denison and Sherman with the exception of sludge handling, which is paid for by Denison.

The last component of the Authority's budget is the debt service fund. During the coming year, the Authority expects to receive \$16,108,501 in revenues from various entities making debt service payments to the Authority. Of the Operating Expenses, \$5,905,509 will be utilized for depreciation expenses and of the Non-operating expenses, \$4,766,807 will be recognized as interest expenses. It should be noted that the income and expenses in this budget do not balance because the Authority collects debt service payments in the year prior to when they become payable in order to have payments available on the principal payment date. The other factor involved in this budget that causes it not to balance is the depreciation schedule, which is not equal to the principle amounts paid.

These projections of income and expense represent our best estimate at this time of the revenue and expenses likely to be incurred for the Authority's activities in these various categories during the coming fiscal year.

CONSIDERATIONS

The proposed budget was reviewed by the Authority's budget committee on September 9, 2019.

STAFF RECOMMENDATIONS

The staff recommends the Board consider adopting the budget for Fiscal Year 2019-2020 after review and discussion.

ATTACHMENTS

Proposed budget for FY 2019-2020

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

RECOMMENDED BY:

Debi Atkins, Finance Officer

GREATER TEXOMA UTILITY AUTHORITY

PROPOSED BUDGET

FISCAL YEAR 2019-2020

GREATER TEXOMA UTILITY AUTHORITY
PROPOSED
CONSTRUCTION BUDGET
2019-20

	BEARCREEK BONDS	ECTOR COMBINED BONDS	GUNTER BONDS	KAUFMAN BONDS	KRUM COMBINED BONDS	LAKE KOWA BONDS	NWG BONDS	PARADISE BONDS	POTTSBORO BONDS	PRINCETON BONDS	SADLER BONDS	SHERMAN COMBINED BONDS	TOM BEAN BONDS	VAN ALSTYNE BONDS	WHITE- WRIGHT BONDS	TOTAL MEMO ONLY
CONSTRUCTION FUNDS																
Req Balance	7,090,000	290,000	4,585,000		1,100,000	260,000	11,000	1,185,000	8,165,000	13,080,000	42,884	7,315,000	380,000	710,000	413,000	25,212,884
Grant Funds																
New Money																
Total Funds Available	7,090,000	290,000	4,585,000	2,710,000	1,100,000	1,250,000	11,000	1,185,000	8,165,000	13,080,000	42,884	16,480,000	380,000	710,000	3,780,000	24,210,000
						1,510,000						23,805,000			4,173,000	49,422,884
Outlay Costs	2,945,000	290,000	4,585,000	80,194	1,100,000	675,000	11,000	1,000,000	680,000	8,500,000	42,884	9,622,772	380,000	710,000	725,000	28,338,850
Remaining Funds Available	4,145,000			2,619,806		835,000		185,000	7,485,000	6,580,000		14,132,228			3,448,000	20,086,034

GREATER TEXOMA UTILITY AUTHORITY
PROPOSED
COMBINED BOND BUDGET
2019-20

	ANNA/MELISSA BONDS	ARGYLE WSC COMBINED BONDS	BEARCREEK SUD BONDS	BELLS BONDS	BOLIVAR WSC BONDS	CGMA BONDS	DORCHESTER BONDS	ECTOR COMBINED BONDS	GVILLE COMBINED BONDS	GOBER BONDS	GUNTER COMBINED BONDS
OPERATING REVENUE											
Charges for Bonds	521,353	204,675	354,253	54,229	90,367	1,378,969	37,839	41,217	691,428	21,780	264,748
Charges for Reserve	0	0	68,864	0	0	0	0	0	0	0	24,360
Charges for Admin	2,031	3,598	0	850	599	25,460	357	1,050	2,400	325	1,200
Total Operating Revenue	523,385	208,273	423,118	55,079	90,966	1,404,429	38,196	42,267	693,828	22,105	290,308
OPERATING EXPENSES											
Operating Expenses	0	0	0	0	0	0	0	0	0	0	0
General And Admin	9,081	4,241	19,080	1,350	1,949	34,835	757	1,911	15,004	76	14,265
Maint & Repair	0	0	0	0	0	0	0	0	0	0	0
Deprec	431,157	147,574	0	53,271	79,464	564,265	23,180	14,343	612,990	30,698	0
Total Operating Exp	440,239	151,815	19,080	54,621	81,412	599,101	23,936	16,254	627,994	30,775	14,265
OPERATING INCOME (LOSS)	83,146	56,458	458	458	9,553	805,328	14,260	26,013	65,834	(8,670)	276,043
NON OPERATING REVENUES (EXPENSES)											
Invest Inc	8,000	2,300	20,000	1,000	2,000	10,000	800	3,300	11,500	400	20,000
Bond Prem	0	0	0	0	0	0	0	0	5,853	0	0
Interest Exp	(131,353)	(84,675)	(164,253)	(14,232)	(20,367)	(787,912)	(8,688)	(21,217)	(131,428)	(888)	(112,620)
Bond Insurance Costs	0	0	0	0	0	0	0	0	0	0	0
Amort of Loss on Early Retire of Debt	0	(3,332)	0	0	0	0	0	0	(8,807)	0	0
Amort Underwriters Disc	0	0	0	0	0	0	0	0	1,621	0	0
Gain (Loss) on Sale of Assets	0	0	0	0	0	0	0	0	0	0	0
Total Nonoperating Revenues (Expenses)	(123,353)	(85,707)	(144,253)	(13,232)	(18,367)	(777,912)	(7,888)	(17,917)	(119,261)	(488)	(92,620)
CHANGE IN NET ASSETS	(40,207)	(29,249)	(144,253)	(12,774)	(8,814)	27,417	6,371	8,096	(53,427)	(9,157)	183,423

	HOWE COMBINED BONDS	KAUFMAN BONDS	KRUM COMBINED BONDS	LAKE KIOWA COMBINED BONDS	LAKE TEX COMBINED BONDS	MELISSA COMBINED BONDS	NWG BONDS	PARADISE COMBINED BONDS	POTTSBORO COMBINED BONDS	PRINCETON BONDS
OPERATING REVENUE										
Charges for Bonds	174,535	107,745	190,485	415,946	1,352,596	197,814	116,535	44,578	378,102	848,239
Charges for Reserve	0	0	0	34,393	0	0	0	8,731	32,177	86,881
Charges for Admin	400	8,513	9,330	17,970	14,447	3,551	2,185	2,756	17,549	40,346
Total Operating Revenue	174,935	116,258	199,815	468,309	1,367,043	201,365	118,719	56,065	427,828	975,465
OPERATING EXPENSES										
Operating Expenses	0	0	0	0	0	0	0	0	0	0
General And Admin	777	8,913	13,858	26,109	34,147	4,101	2,535	2,358	24,748	46,146
Maint & Repair	0	0	0	0	0	0	0	0	0	0
Deprec	56,086	0	167,504	296,720	0	132,519	105,443	0	240,012	537,748
Total Operating Exp	56,863	8,913	181,362	322,829	34,147	136,620	107,978	2,356	284,760	583,893
OPERATING INCOME (LOSS)	118,072	107,345	18,453	145,480	1,332,896	64,745	10,742	53,708	163,068	391,572
NON OPERATING REVENUES (EXPE										
Invest Inc	2,000	1,000	6,500	10,000	20,300	1,750	1,000	200	6,700	7,000
Bond Prem	(779)	0	0	0	0	0	2,500	0	1,013	3,362
Interest Exp	(9,535)	(37,787)	(114,959)	(120,192)	(286,542)	(87,814)	(36,487)	(23,292)	(115,744)	(463,239)
Bond Issuance Costs	0	(90,194)	0	(192,653)	0	0	0	0	0	0
Amort of Loss on Early Retire of Debt	(1,084)	0	0	0	0	0	0	0	(7,180)	(139,034)
Amort Underwriters Disc	0	0	0	0	0	0	0	0	0	2,563
Gain (Loss) on Sale of Assets	0	(126,981)	0	0	0	0	0	0	0	0
Total Nonoperating Revenues (Expense)	(9,398)	(253,963)	(108,459)	(302,845)	(268,242)	(66,064)	(32,987)	(23,092)	(115,211)	(589,348)
CHANGE IN NET ASSETS	108,675	(146,618)	(90,006)	(157,365)	1,066,655	(1,319)	(22,245)	30,618	47,857	(197,776)

	SADLER BONDS	SHERMAN COMBINED BONDS	SOUTHMAYD BONDS	TOMBEAN COMBINED BONDS	VAN ALSTYNE COMBINED BONDS	WWRIGHT COMBINED BONDS	TOTAL MEMO ONLY
OPERATING REVENUE							
Charges for Bonds	7,400	7,261,815	15,930	118,126	310,173	182,704	15,363,580
Charges for Reserve	1,682	0	0	0	63,556	0	320,644
Charges for Admin	682	257,000	275	1,931	1,800	7,240	416,277
Total Operating Revenue	9,765	7,518,815	16,205	120,057	375,529	189,944	16,100,501
OPERATING EXPENSES							
Operating Expenses	0	0	0	0	0	0	0
General And Admin	382	214,911	38	3,426	10,546	11,483	499,457
Maint & Repair	0	257,000	0	0	0	0	257,000
Deprec	17,874	2,060,686	20,412	21,080	275,986	16,478	5,905,509
Total Operating Exp	18,256	2,532,607	20,450	24,506	286,542	27,962	6,661,966
OPERATING INCOME (LOSS)	(8,491)	4,986,208	(4,245)	95,551	88,987	141,982	9,438,535
NON OPERATING REVENUES (EXPENSES)							
Invest Inc	300	171,000	200	4,600	5,800	4,600	322,250
Bond Prem	0	(720)	0	0	0	0	11,228
Interest Exp	(2,400)	(1,814,216)	(930)	(28,162)	(90,173)	(77,704)	(4,766,807)
Bond Issuance Costs	0	(446,856)	0	0	0	(115,039)	(844,742)
Amort of Loss on Early Retire of Debt	0	(111,300)	0	0	0	0	(288,738)
Amort Underwriters Disc	0	(4,285)	0	0	0	0	(101)
Gain (Loss) on Sale of Assets	0	0	0	0	0	0	(126,981)
Total Nonoperating Revenues (Expenses)	(2,100)	(2,206,377)	(730)	(23,562)	(84,373)	(188,143)	(5,673,892)
CHANGE IN NET ASSETS	(10,591)	2,779,830	(4,975)	71,989	4,614	(46,160)	3,764,643

GREATER TEXOMA UTILITY AUTHORITY
PROPOSED
GENERAL FUND BUDGET

OCTOBER 1, 2019 - SEPTEMBER 30, 2020

	BUDGETED 2018-19	ACTUAL 6/30/19	EST 9/30	BUDGETED 2019-20	% OF INCOME
<u>INCOME</u>					
DRIPPING SPRINGS POST CLOSURE	30,000.00	14,554.95	19,406.60	30,000.00	2.19%
CGMA OPERATIONS	75,000.00			80,000.00	5.83%
PROJECT COST ALLOC	477,678.82	418,072.70	557,430.27	482,017.19	35.13%
PROJECT - APPLICATION COST	30,900.00			25,000.00	1.82%
GROUNDWATER DISTRICTS	595,500.00	424,537.87	566,050.49	569,100.00	41.48%
OPERATION SERVICES	175,000.00	131,716.01	175,621.35	175,000.00	12.75%
INSPECTION SERVICES	5,000.00	8,210.07	10,946.76	11,000.00	0.80%
TOTAL INCOME	1,389,078.82	997,091.60	1,329,455.47	1,372,117.19	100%

					% OF EXPENSES
<u>EXPENDITURES</u>					
AUDIT/CONSULTANT SERVICES	35,500.00	35,500.00	35,500.00	36,200.00	2.64%
BONDING & INSURANCE	12,300.00	9,219.85	12,293.13	12,475.00	0.91%
REPAIRS/MAINT	9,000.00	6,932.33	9,243.11	9,000.00	0.66%
JANITORIAL/LAWN CARE	8,244.00	6,285.80	8,381.07	8,244.00	0.60%
DUES/SUBSCRIPTIONS	2,800.00	2,652.45	2,800.00	2,800.00	0.20%
EQUIPMENT	5,000.00	4,017.37	5,000.00	5,000.00	0.36%
GROUNDWATER DIST	20,000.00	24,312.28	32,416.37	30,000.00	2.19%
INVESTMENT CONSULTING	60,000.00	27,699.88	36,933.17	45,000.00	3.28%
LEGAL	10,000.00	4,546.38	6,061.84	10,000.00	0.73%
MEETINGS & CONFERENCE	3,500.00	2,670.21	3,560.28	3,500.00	0.26%
OFFICE SUPPLIES	7,000.00	5,336.89	7,115.85	7,000.00	0.51%
POSTAGE	2,100.00	1,514.35	2,019.13	2,100.00	0.15%
RENT	24,737.16	18,552.87	24,737.16	27,191.76	1.98%
SALARIES - ADMINISTRATIVE	426,055.60	310,933.85	414,578.47	432,523.40	31.52%
SALARIES - OPERATIONS/GWD	346,780.60	250,632.24	334,176.32	347,068.60	25.29%
FRINGE BENEFITS-PERSONNEL COS1	344,281.46	249,110.73	332,147.64	334,390.43	24.37%
SUPPLIES-OPS	4,000.00	2,582.28	3,443.04	4,000.00	0.29%
TRAINING	2,500.00	1,115.00	1,486.67	2,000.00	0.15%
TRANSPORTATION EXPENSE	21,000.00	13,469.10	17,958.80	20,000.00	1.46%
UNIFORMS	1,500.00	679.64	906.19	1,500.00	0.11%
TELEPHONE	5,000.00	3,154.55	4,206.07	4,500.00	0.33%
UTILITIES	13,000.00	7,889.95	10,519.93	12,000.00	0.87%
VEHICLE EXPENSE	21,780.00	13,580.52	13,580.52	12,624.00	0.92%
VEHICLE REPAIRS	3,000.00	3,515.00	4,686.67	3,000.00	0.22%
Water Study		83,335.29	83,335.29		
TOTAL EXPENDITURES	1,389,078.82	1,005,903.52	1,323,751.43	1,372,117.19	100%

NON-CASH DEPRECIATION 25,000.00

GREATER TEXOMA UTILITY AUTHORITY
DRIPPING SPRINGS POST CLOSURE

	APPROVED 2018-19	ACTUAL @ 6/30/19	Est 9/30/19	2019-20
<u>OPERATING REVENUE</u>				
DRIPPING SPRINGS MAINTENANCE				
City of Denison	23,000.00	9,007.36	12,009.81	23,100.00
City of Sherman	18,600.00	8,314.35	11,085.80	18,700.00
TOTAL OPERATING REVENUES	<u>41,600.00</u>	<u>17,321.71</u>	<u>23,095.61</u>	<u>41,800.00</u>
<u>OPERATING EXPENSES</u>				
OPERATING COST				
SALARIES/EMPLOYEE PERSONNEL COSTS	30,000.00	13,929.84	18,573.12	30,000.00
OTHER EXPENSES				
ADMINISTRATIVE/ACCOUNTING	1,500.00	625.11	833.48	1,000.00
EQUIPMENT REPAIR/GAS SYSTEM REPAIR	5,000.00	78.46	104.61	5,000.00
FUEL & LUBRICANTS	1,000.00	711.55	948.73	1,000.00
INSURANCE-LIABILITY/PROPERTY	800.00	1,447.45	1,447.45	1,500.00
TOOLS AND SUPPLIES (WEED KILLER, HAND TOOLS, ETC)	800.00	350.00	466.67	800.00
UTILITIES	<u>2,500.00</u>	<u>1,780.86</u>	<u>2,374.48</u>	<u>2,500.00</u>
TOTAL OTHER EXPENSE	<u>11,600.00</u>	<u>18,923.27</u>	<u>6,175.42</u>	<u>11,800.00</u>
TOTAL OPERATING EXPENSES	<u>41,600.00</u>	<u>18,923.27</u>	<u>24,748.54</u>	<u>41,800.00</u>
NON-CASH DEPRECIATION	2,400.00			

GREATER TEXOMA UTILITY AUTHORITY
CGMA OPERATIONS BUDGET
FISCAL YEAR 2019-20

			Est				
OPERATING REVENUE	2018-19	6/30/19	9/30/19	2019-20	** Engineering contract	July 31, 2019 PD -6-18	
4 CITIES	3,687,412.00	2,222,942.77	2,963,923.69	3,041,267.00	Study Update	33,000.00	4,125.00
Easement Sale	264,199.00				Prelim Design	4,500.00	4,500.00
Bill Board	2,800.00	2,200.00	2,800.00	2,800.00	Final Design	22,500.00	1,125.00
TOTAL OPERATING REVENUES	3,954,411.00	2,225,142.77	2,966,723.69	3,044,067.00	Bidding	3,750.00	
					Constr	6,750.00	
					Add Svc	6,715.00	4,635.00
						77,215.00	9,885.00
OPERATING EXPENSES							25,705.00
Electrical	153,594.00	70,953.97	94,605.29	135,150.00	TXU ave \$ 159/1000		
Water pass through charge	444,360.00	185,975.48	278,963.19	268,940.00	McKinney \$.40 for 2/3rd of year + Maint charge \$.05/1000		
*Take or pay fees	2,869,020.00	1,599,718.85	2,399,578.28	2,480,380.00	NTMWD \$3.04/1000 for MTP and \$0.46/1000 for excess		
Field Supplies	1,500.00	1,275.61	1,700.81	2,000.00			
Insurance	2,737.00	2,955.96	2,955.96	2,956.00			
Legal	800.00	292.50	292.50	3,000.00			
Right-of-Way	500.00	13,662.50	13,662.50	0.00			
Operations	70,000.00	57,260.59	76,347.45	80,000.00	Operators		
Water Study-Engineers	35,000.00	4,125.00	5,500.00	29,500.00	**		
Engineering-CIP & Add'l Services	0.00	0.00	0.00	19,750.00	"12,750 remaining + 7k additional services"		
O&M	25,000.00	37,865.91	50,487.88	65,000.00	Lawn care, water tests, chemicals, parts		
Communications Line	2,100.00	733.14	977.52	1,000.00			
CIP Project - NTMWD Tie-in	0.00			550,000.00			
TOTAL OPERATING EXPENSES	3,954,411.00	1,974,819.49	2,925,071.39	3,637,656.00	CIP Project and Engineering will be funded by Reserve		

* NTMWD rate \$3.04 per 1,000 gal.
Estimated Take or Pay = 792 million gal
Estimated Take in new water year is 850 million gallons

ATTACHMENT IX



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: September 10, 2019

SUBJECT: AGENDA ITEM NO. IX

**CONSIDER ALL MATTERS INCIDENT AND RELATED TO DECLARING EXPECTATION TO REIMBURSE
EXPENDITURES WITH PROCEEDS OF FUTURE DEBT, INCLUDING THE ADOPTION OF A RESOLUTION PERTAINING
THERETO.**

ISSUE

Consider all matters incident and related to declaring expectation to reimburse expenditures with proceeds of future debt, including the adoption of a resolution pertaining thereto.

BACKGROUND

The City of Sherman staff approached the Authority staff requesting financial assistance for the relocation water lines that are located in the TXDOT right-of-way along SH 1417. TXDOT informed the City of Sherman of the need to relocate the utility lines for the widening of SH 1417. This requirement made it necessary for the Authority, on behalf of the City of Sherman, to issue additional bonds in the amount of \$2,895,000.

The relocation project will be constructed through TxDOT's contractor, but the City is required to provide the funding prior to the project beginning. TxDOT requested funding as soon as possible.

Due to the necessity to fund the project as soon as possible, the Authority staff contacted Garry Kimball with Specialized Public Finance, and determined the best source would be to issue the bonds in the open market.

At the August 19, 2019 Board Meeting adopted a parameters resolution delegated authority to the General Manager to execute bond documents after the bond series has been priced. The City of Sherman Council will consider this issue at their October 7, 2019 council meeting.

CONSIDERATIONS

Due to TxDOT needing the funds prior to bond closing, a re-imbursement resolution is required to be adopted by the Board of Directors. A reimbursement resolution is required if we have to reimburse another account with bond funds, only for hard costs (Land, construction, etc.), more than 60 days prior to bond closing.

STAFF RECOMMENDATIONS

Staff recommends approval of the reimbursement resolution relating to bond funds issued on behalf of the City of Sherman for relocation of utilities located in the TXDOT right-of-way along FM 1417.

ATTACHMENT

Reimbursement Resolution

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

A RESOLUTION declaring expectation to reimburse expenditures with proceeds of future debt.

WHEREAS, the Greater Texoma Utility Authority (the "Issuer") intends to issue debt for the construction, acquisition, and improvement of water and sewer system facilities and necessary appurtenances for use by the City of Sherman, Texas, and the payment of all costs incident and related to the acquisition and financing thereof (the "Project"); and

WHEREAS, the Issuer further intends to make certain capital expenditures with respect to the Project and currently desires and expects to reimburse the capital expenditures with proceeds of such debt; and

WHEREAS, under Treas. Reg. §1.150-2 (the "Regulation"), to fund such reimbursement with proceeds of tax-exempt obligations the Issuer must declare its expectation to make such reimbursement; and

WHEREAS, the City of Sherman, Texas, is to advance funds to the Issuer for payment of costs of the Project; and

WHEREAS, the Issuer desires to preserve its ability to reimburse the expenditures with proceeds of tax-exempt obligations;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY THAT:

SECTION 1: The Issuer reasonably expects to reimburse capital expenditures with respect to the Project from funds on hand and advanced to the Issuer by the City of Sherman, Texas, with the proceeds of debt hereafter to be issued by the Issuer, and that this resolution shall constitute a declaration of official intent under the Regulation. The maximum principal amount of obligations expected to be issued for the Project is \$2,900,000.

SECTION 2: Following the issuance of the tax-exempt obligations and reimbursement of such capital expenditures by the Issuer, the Issuer will reimburse the City of Sherman, Texas, for the advancement of funds for the payment thereof.

PASSED AND ADOPTED this, September 16, 2019.

GREATER TEXOMA UTILITY AUTHORITY

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(Authority Seal)

ATTACHMENT X



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: August 26, 2019

SUBJECT: AGENDA ITEM NO. X

CONSIDER AND ACT UPON CHANGE ORDER NO. 2 TO THE CONTRACT WITH PATTERSON PROFESSIONAL SERVICES, LLC FOR CITY OF ECTOR WASTEWATER TREATMENT PLANT DISINFECTION PROJECT

ISSUE

Consider and act upon Change Order No. 2 to the contract with Patterson Professional Services, LLC for the City of Ector Wastewater Treatment Plant Disinfection Project.

BACKGROUND

The City of Ector staff approached the Authority staff with a request for funding through the Texas Water Development Board ("TWDB") Clean Water State Revolving Fund ("CWSRF") for the disinfection upgrade required for the City's Wastewater Treatment Plant ("WWTP"). The City of Ector has had difficulty during rainfall events keeping their discharges within the Texas Commission on Environmental Quality's permitted *E.coli* parameters. Therefore, the engineer determined that a disinfection system is necessary for the City to comply with effluent parameters at the wastewater treatment plant.

In July of 2017, the Board of Directors authorized the issuance of bonds in the amount of \$550,000 through the TWDB's CWSRF for design and construction of these improvements.

The scope of the project includes the installation of a chlorine contact chamber, chlorine disinfection system which includes electrical and instrumentation. Also included in the project is the removal of the existing effluent measuring box and abandonment of the effluent pipe.

In November, the Board authorized award of contract to Patterson Professional Services, LLC in the amount of \$314,075.50 at their November 19, 2018 meeting. During the initial phases of construction, the wet weather the region was experiencing helped identify a need for the contractor to construct an all-weather access road to the chlorine facilities. The chlorine facilities are located near the back of the WWTP site will continue to be difficult to access not only for the contractor during construction, but for the City after they take the facilities over and are accepting chlorine deliveries by truck. Due to these circumstances, we requested the engineer put together a drawing and specification for the road to get a price from the contractor. Change Order No. 1 included the addition of a gravel road to access the disinfection facility at a cost of \$5,000.00

Change Order No. 2 includes changing handrail from steel to aluminum (\$2,500.00) and furnishing and installing flow meter (\$9,500.00). The handrail material change is due to a City preference as the aluminum handrail is corrosion resistant providing a safer and longer lasting solution. The flow meter change is due to the City wanting to flow-pace (or automate) their chlorination system which will dose chlorine automatically at a rate dependent on flow. Change Order No. 2 would result in an increase of \$12,000.00 resulting in a revised contract amount of \$331,075.50

CONSIDERATIONS

The City of Ector will consider this Change Order at their council meeting on September 16th. We have enough funding in the contingencies line item to fund the proposed Change Order.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

STAFF RECOMMENDATIONS

Staff recommends authorizing the execution of Change Order No. 2 to the contract with Patterson Professional Services, LLC for an increase of \$12,000.00 resulting in a revised contract amount of \$331,075.50. This action would be contingent upon the City of Ector taking similar action.

ATTACHED

Change Order No. 2

REPAIRED AND SUBMITTED BY:

A blue ink signature of Drew Satterwhite, consisting of a stylized 'D' followed by a horizontal line and a diagonal stroke.

Drew Satterwhite, P.E., General Manager

CHANGE ORDER

No. 1

PROJECT: City of Ector - Wastewater Treatment Plant Disinfection

DATE OF ISSUANCE _____

EFFECTIVE DATE _____

OWNER Greater Texoma Utility Authority - City of Ector

OWNER's Contract No. _____

CONTRACTOR Patterson Professional Services, LLC

ENGINEER _____

CobbFendley & Associates, Inc.

You are directed to make the following changes in the Contract Documents.

Description: Change handrail from steel to aluminum
 Add flow meter

Reason for Change Order: Corrosion-resistant material; flow measurement

Attachments: (List documents supporting change).

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES:
Original Contract Price \$ 314,075.50	Original Contract Times Substantial Completion: <u>180</u> Calendar Days Ready for Final Payment: <u>200</u> days or dates
Net changes from previous Change Orders No. <u>1</u> to No. <u>2</u> Change handrail from steel to aluminum: \$2,500.00 Furnish & Install flow meter: \$9,500.00	Net change from previous Change Orders No. <u> </u> to No. <u> </u> <u>0</u> Days
Contract Price prior to this Change Order \$ 319,075.50	Contract times prior to this Change Order Substantial Completion: <u>180</u> Calendar Days Ready for Final Payment: <u>200</u> days or dates
Net Increase of this Change Order \$ 12,000.00	Net Increase (decrease) of this Change Order <u>0</u> Days
Contract Price with all approved Change Orders \$ 331,075.50	Contract Times with all approved Change Orders Substantial Completion: Ready for Final Payment: <u>200 calendar days</u>

RECOMMENDED:

APPROVED:

ACCEPTED:

By: *Justin Maynor*
Engineer (Authorized Signature)

By: _____
Owner (Authorized Signature)

By: _____
Contractor (Authorized Signature)

Date: 8.26.2019

Date: _____

Date: _____

ATTACHMENT XI



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: September 10, 2019

SUBJECT: AGENDA ITEM NO. XI

CONSIDER AND ACT UPON AWARD OF CONTRACT AND CHANGE ORDER NO. 1 FOR THE COLLIN GRAYSON MUNICIPAL ALLIANCE WATER SYSTEM'S NORTH TEXAS MUNICIPAL WATER DISTRICT POINT OF DELIVERY PROJECT.

ISSUE

Consider and act upon award of Contract and Change Order No. 1 for the Collin Grayson Municipal Alliance Water system's North Texas Municipal Water District Point of Delivery project.

BACKGROUND

The North Texas Municipal Water District ("NTMWD") has recently constructed a new 84" transmission line that runs within 500' of the Authority's Collin-Grayson Municipal Alliance ("CGMA") pump station. For the past 10 years, the system has purchased water from NTMWD and has it delivered through the City of McKinney's distribution system. This arrangement has worked great for all parties, however, now that the NTMWD line is in the area, the CGMA system will finally be able to tie directly into NTMWD's transmission system and eliminate the pass through charge from McKinney.

In October of 2017 the Board authorized the execution of a contract with Freeman-Millican Engineers for the design of the new point of delivery project in addition to studying the feasibility of a north feed on the system from the City of Sherman.

At the June 2018 meeting, the Board of Directors approved an interlocal agreement to sell seven (7) easements the Authority purchased on behalf of the CGMA Cities in 2005-2006 to the NTMWD. The sale of these easements resulted in \$310,718.53 to be paid immediately and the remaining \$264,199.24 to be paid within 18-months.

On Thursday, September 5th, 2019 the Authority opened bids for the project. The bids are summarized below:

Contractor	Price
Dickerson Construction	\$ 721,005.00
Flow-Line Construction	\$ 812,851.00
Felix Construction	\$ 871,824.00
S.J. Louis Construction of Texas	\$ 911,345.50

The low bid was submitted by Dickerson Construction in the amount of 721,005.00. Dickerson is a reputable contractor in the region with the necessary experience to construct the project.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

CONSIDERATIONS

The Authority currently on has \$653,223.11 available for the construction of this project after the sale of the easements. The original design of the project included an emergency interconnect with the City of McKinney. This would have been a nice component to add to the system for redundancy purposes, but per the bid tabulation the item would cost the CGMA cities \$140,000. Due to the limited availability of funds, following the bid the Engineer met with the Contractor to discuss an alternative that would eliminate the emergency interconnect. As a result of removing the interconnect, we would have to make arrangements with the contractor to construct an additional 8" pipeline from our pump station to serve the nearby fire hydrant for the City of McKinney. The original plan was for the emergency interconnect to serve this hydrant. Based upon preliminary conversations with the contractor, the price for running the additional 8" pipeline is estimated to be \$20,000. With the subtraction of the interconnect and the addition of the 8" pipeline to serve the hydrant, the net result would reduce the contract by approximately \$120,000. At the time of drafting this memo, the contractor is drafting a cost estimate for the changes. We anticipate having a Change Order to consider prior to the Board Meeting.

A memo was drafted and sent to the CGMA Cities (Mayors, City Managers, Public Works Directors and Engineers) explaining the circumstance in detail. We requested their concurrence with awarding and removing the emergency interconnect. At the time of drafting this memo, we have heard back from two (2) of the four (4) cities expressing their concurrence with the recommendation. The above referenced memo is attached.

STAFF RECOMMENDATIONS

The Authority staff is not recommending any action at this time as we are awaiting formal proposals from the contractor, Dickerson Construction. Assuming the proposal is close to what has been verbally discussed with the Dickerson Construction, the Authority staff will likely recommend award of contract along with a simultaneous action to approve a deductive change order.

ATTACHMENTS

Bid Tabulation

Memo Sent to CGMA Cities

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager

BID TABULATION

OWNER: GTUA
PROJECT: Bloomdale Pump Station NTMWD POD
ENGINEER: FREEMAN-MILLICAN, INC.
BID DATE: September 5, 2019

Contractor
Address
City, State
Phone

Dickerson Const Co Inc
PO Box 181
Celina, TX 75009
972-382-2123

Flow-Line Construction, Inc
PO Box 60081
Dallas, TX 75360
214-390-2848

Felix Construction Co
1313 Valwood Pkwy, Suite 320
Carrollton, TX 75006
469-458-0011

S.J. Louis Const of Texas, Ltd.
520 South 6th Ave
Mansfield, TX
817-477-0320

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT
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BASE BID

P.1	Mobilization & Demobilization	1	LS	\$33,500.00	\$33,500.00	\$79,500.00	\$42,000.00	\$25,000.00	\$25,000.00
P.2	36" C303 BWP or Steel	441	LF	\$550.00	\$242,550.00	\$500.00	\$662.00	\$1,224.00	\$539,784.00
P.3	Cathodic Protection	1	LS	\$26,000.00	\$26,000.00	\$11,000.00	\$31,000.00	\$15,000.00	\$15,000.00
P.4	Connect to Existing 84"	1	LS	\$10,000.00	\$10,000.00	\$15,000.00	\$23,000.00	\$9,200.00	\$9,200.00
P.5	36" Butterfly Valve w/ Manhole	1	LS	\$66,000.00	\$66,000.00	\$80,000.00	\$99,000.00	\$53,000.00	\$53,000.00
P.6	Air Release Valve w/ Manhole	1	LS	\$23,000.00	\$23,000.00	\$20,000.00	\$19,000.00	\$14,300.00	\$14,300.00
P.7	18" Gate Valve	3	EA	\$22,000.00	\$66,000.00	\$78,000.00	\$22,000.00	\$66,000.00	\$66,000.00
P.8	4"x7" Concrete Vault	2	EA	\$16,000.00	\$32,000.00	\$39,000.00	\$39,000.00	\$15,100.00	\$30,200.00
P.9	Sta 4+29 fittings & Connections	1	LS	\$30,000.00	\$30,000.00	\$42,000.00	\$39,000.00	\$29,200.00	\$29,200.00
P.10	Fire Hydrant Assembly	1	LS	\$5,000.00	\$5,000.00	\$7,000.00	\$8,000.00	\$6,100.00	\$6,100.00
P.11	Above Ground Double Check w/ Enclosure	1	LS	\$34,000.00	\$34,000.00	\$15,000.00	\$40,000.00	\$29,400.00	\$29,400.00
P.12	Flanged Flow Conditioner	1	LS	\$23,500.00	\$23,500.00	\$33,000.00	\$27,000.00	\$24,000.00	\$24,000.00
P.13	Meter Vault Upgrade	1	LS	\$14,750.00	\$14,750.00	\$36,000.00	\$38,000.00	\$22,000.00	\$22,000.00
P.14	Electrical & SCADA	1	LS	\$47,000.00	\$47,000.00	\$47,000.00	\$47,000.00	\$47,000.00	\$47,000.00
P.15	Hydrostatic Test	1	LS	\$51,000.00	\$51,000.00	\$4,000.00	\$15,000.00	\$5,000.00	\$5,000.00
P.16	Disinfect Waterline	1	LS	\$3,000.00	\$3,000.00	\$2,000.00	\$3,000.00	\$2,000.00	\$2,000.00
P.17	Erosion Control	1	LS	\$11,500.00	\$11,500.00	\$40,000.00	\$8,000.00	\$4,000.00	\$4,000.00
P.18	Trench Safety	441	LF	\$5.00	\$2,205.00	\$11.00	\$2.00	\$1.50	\$661.50
TOTAL AMOUNT BID (P.1 - P.18)					\$721,005.00	\$812,851.00	\$871,824.00		\$911,345.50
Calendar Days (Substantial/Final)					240/270	240/270	240/270		240/270

ADDITIVE ALTERNATES

AP.1	20" DIP pipe joint	1	EA	\$2,500.00	\$2,500.00	\$1,200.00	\$2,000.00	\$1,200.00	\$1,200.00
AP.2	24" DIP pipe joint	1	EA	\$3,000.00	\$3,000.00	\$1,700.00	\$3,000.00	\$1,500.00	\$1,500.00
AP.3	20" DIP Solid Sleeve	1	EA	\$2,000.00	\$2,000.00	\$1,600.00	\$2,000.00	\$1,000.00	\$1,000.00
AP.4	24" DIP Solid Sleeve	1	EA	\$3,000.00	\$3,000.00	\$2,100.00	\$3,000.00	\$1,400.00	\$1,400.00

MEMO

TO: CGMA Cities

FROM: Drew Satterwhite and Don Paschal

RE: Award of Contract and Potential Change Order for New NTMWD Point of Delivery Project

As you all know, we have been in the process of designing and getting necessary approvals (NTMWD, McKinney and TCEQ) for the new point of delivery project that will allow us to connect directly to the NTMWD's new transmission line which runs near the Bloomdale Pump Station. On Thursday 9/5 @ 3pm, we opened bids for the proposed project which are summarized below.

Contractor	Price
Dickerson Construction	\$ 721,005.00
Flow-Line Construction	\$ 812,851.00
Felix Construction	\$ 871,824.00
S.J. Louis Construction of Texas	\$ 911,345.50

After the sale of the easements to NTMWD which was approved by the CGMA group, we currently have \$653,223.11 (approximately \$545,000 from the easement sale and \$108, 223 in the CGMA reserve fund) available in our accounts to apply towards the construction of this project which is not enough to award contract. After discussions with NTMWD, Engineer and the Contractor we can reduce the contract by approximately \$120,000 by eliminating the emergency interconnect with McKinney. We expect to have final pricing from the contractor for a potential change by tomorrow, Sept 11, but the reduction estimates have come directly from discussions with the contractor; the documentation tomorrow will validate the reduced contract award.

After extensive discussion of the information available from all sources, Don Paschal and I are recommending that we delay the emergency interconnect with McKinney at this time thus reducing the project award by approximately \$120,000 to \$601,005; we will verify this amount tomorrow when the low bidder provides the final, reduced bid amount. The GTUA Board meets on Monday 9/16 and an affirmative recommendation from the CGMA Board is required for the GTUA Board to act. We are hoping to be able to award the contract on Monday with a supplemental change order to get the costs down. If possible, please let us know by close of business (5:00 PM) on 9/12, Thursday, if you are okay with us proceeding with the project. Construction time is lengthy due pipe delivery timeframes making award as soon as possible highly desirable; we are hoping that the proposed removal of the emergency interconnect will have a positive impact on construction time.

As you may recall, we are currently studying other redundancy options such as the feasibility of a north feed to the CGMA system from the City of Sherman as well as costs associated with getting backup power generation at the Bloomdale Pump Station. We will still be able to construct this emergency interconnection at a future date as more funding becomes available if the CGMA decides that this

connection would be in the best interest of the system. We will have more information available from which to make a decision by knowing the approximate costs of the other options to add redundancy to the system. In the meantime, we will be working with the City of McKinney Fire Department to ensure that our revised plan meets their requirements for assuring a working fire hydrant can operate with at least 1,500 GPM for 3 hours. Our anticipated alternate plan with the contractor will incorporate such assurance. Based upon previous meetings with them during design, we don't believe they will have issue with the proposed change in construction scope.

We require a minimum of three voting members of the CGMA Board (currently the four Mayors) to concur and send us an email by 5:00 PM Thursday afternoon, September 12 approving the proposed revised award (absent the emergency interconnect, and including the fire hydrant connection) for an amount not to exceed the contractors reduced cost proposal (expected to be \$602,000). Each Mayor and City Manager are encouraged to discuss this matter and advise your City position regarding the recommendation.

We are prepared to discuss this as needed with any of your and your staff including having a conference call as soon as Thursday morning. We had advised the CGMA Board and assembled staffs at the last CGMA Board meeting that an email vote might be required for this matter as we did not expect to be able to pull together a Board meeting in time to address this issue at the meeting. Certainly, we will follow up on this matter with personal discussion and verification or adjustment to the details at the upcoming Board meeting. **Receiving a majority of three cities (by CGMA Board members) by Thursday morning will enable us to have this matter on the GTUA Board agenda for award on Monday, Sept 16.**

DKS:DP

ADJOURN