



**GREATER TEXOMA UTILITY AUTHORITY  
BOARD MEETING  
MARCH 17, 2025**

**GTUA BOARD ROOM  
5100 AIRPORT DRIVE  
DENISON, TEXAS 75020**



**AGENDA**  
**GREATER TEXOMA UTILITY AUTHORITY**  
**BOARD OF DIRECTORS MEETING**  
**GTUA BOARD ROOM**  
**5100 AIRPORT DRIVE**  
**DENISON, TEXAS 75020**  
**Monday, March 17, 2025, 12:00 p.m.**

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Notice is hereby given that a meeting of the Board of Directors of the Greater Texoma Utility Authority will be held on the 17th day of March 2025, at 12:00 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. Administer Oath of Office.
- IV. 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.
- V. \*Consider and act upon approval of Minutes February 24, 2025, Meeting
- VI. \* Consider and act upon approval of accrued liabilities for February 2025.
- VII. \* Consider and act upon Change Order No.1 with H2O Innovations USA, Inc., for the City of Sherman WTP Expansion 1 Project.
- VIII. Citizens to be Heard.
- IX. Consider and act upon Change Order No.1 with Kiewit Water Facilities South Co., for the City of Sherman South Wastewater Treatment Plant Project.
- X. Consider and act upon the award of contract for the City of Sherman Post Oak Wastewater Treatment Plant Electrical Upgrades Project.
- XI. Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority accepting the contract with Lynn Vessels Construction, LLC. for the City of Sherman 1<sup>st</sup> Street to Rosedale Sewer Replacement Project as Complete.

- XII. Consider and act upon Water Production Agreement with Thompson Heights Development Company for water operation services for the Thompson Heights Water System.
- XIII. Receive General Manager's Report: The General Manager will update the Board on operational and other activities of the Authority.
- XIV. Adjourn.

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

<sup>2</sup>At 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.

<sup>3</sup>PERSONS 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.

**AGENDA ITEM V**



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

**MONDAY, FEBRUARY 24, 2025**

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

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Members Present: Robert Hallberg, Donald Johnston, Brad Morgan, Ken Brawley, Matt Brown, Stanley Thomas, Scott Blackerby, and Henry Koehler

Members Absent: Kristofor Spiegel

Staff: Paul Sigle, Stacy Patrick, Tasha Hamilton, Debi Atkins, Nichole Murphy and Velma Starks

General Counsel: Mike Wynne, Wynne and Smith

I. Call to Order

Board President Brad Morgan called the meeting to order at 11:59 p.m.

II. Pledge of Allegiance

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

III. Administer Oath of Office.

Kristofor Spiegel was not present at the meeting. The Oath of Office was not administered.

IV. 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 requests a specific item to be discussed and voted on separately.

V. \* Consider and act upon approval of Minutes of January 27, 2025, Meeting.

VI. \* Consider and act upon approval of accrued liabilities for January 2025.  
Discussion was held.

VII. \*Consider and act upon Change Order No. 4 with Red River Construction Company for CGMA Bloomdale Pump Station, Phase 2 Improvements, Contract A

Board Member Scott Blackerby made the motion to approve the Consent Agenda. Board Member Donald Johnston seconded the motion. Motion passed unanimously

VIII. Citizens to be Heard.

No citizens wished to be heard.

IX. Receive Quarterly Investment Report.

Debi Atkins, Finance Officer, reviewed the Quarterly Investment Report with the Board.

X. Consider and act upon the award of contract for Bear Creek Special Utility District Pump Station #1 Project.

General Manager Paul Sigle provided background information for the Board. Three bids were received. Drake General Constructors, LLC was the lowest bidder with a base bid of \$11,270,000. Board Member Scott Blackerby made the motion to award the contract to Drake General Constructors, LLC contingent upon Bear Creek SUD approving the same. Board Member Ken Brawley seconded the motion. Motion passed unanimously.

XI. Consider and act upon Change order No.1 with Viking Painting, LLC, for the City of Sherman Stephens PS & GST Facility Improvements Project.

General Manager Paul Sigle provided background information for the Board. Change Order No. 1 consists of the removal and replacement of the rafters, the replacement of the stand-off on the wall to beam ends, the remobilization and installation of flanges for the interior scaffolding, and the replacement of the interior ladder. Change Order No.1 is an increase of \$374,000.00 to the contract resulting in the new contract amount of \$1,873,200.00. This item is contingent upon City of Sherman's Council approval. Discussion was held. Board Member Stanley Thomas made a motion to approve Change Order No. 1 contingent upon City of Sherman's approval. Board Member Matt Brown seconded the motion. Motion passed unanimously.

XII. Consider and act upon Change Order No. 1 with Red River Construction Co. for the City of Sherman WTP Flocculation and Sedimentation Improvements Projects.

General Manager Paul Sigle provided background information for the Board. Change Order # 1 for the control panel replacement and relocation would increase the contracted price by \$212,440.21 for a final contracted price of \$2,035,140.21. Discussion was held. The City of Sherman approved Change Order No. 1. Board Member Ken Brawley made a motion to approve Change Order No. 1. Board Member Matt Brown seconded the motion. Motion passed unanimously.

XIII. Discussion and possible action on tours for City of Sherman's Major Projects.

The following locations were suggested:

- Lake Texoma Pump Station
- Sherman Water Treatment Plant after meeting
- Lift Station

Available dates will be emailed to the Board for selection

Board Member Matt Brown made a motion to convene into Executive Session. Board Member Ken Brawley seconded the motion. Board convened into Executive Session at 12:22 p.m.

XIV. Executive Session

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

- a. Personnel Matters
  - i. Consider evaluation, duties and employment of Authority General Manager

Board reconvened into Regular Session at 1:30 p.m. No action taken.

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

General Manager Paul Sigle informed the Board of upcoming projects.

XVI. Adjourn

Board Member Stanley Thomas made the motion to adjourn. Board Member Ken Brawley seconded the motion. Board President Brad Morgan declared the meeting adjourned at 1:33 p.m..

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\_\_\_\_\_  
Recording Secretary

\_\_\_\_\_  
Secretary-Treasurer

## **AGENDA ITEM VI**

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE  
GREATER TEXOMA UTILITY AUTHORITY AUTHORIZING  
PAYMENT OF ACCRUED LIABILITIES FOR THE MONTH OF FEBRUARY

**GENERAL:**

<u>Dues and Subscriptions</u>	
American Express - (Membership Fees)	140.00
Bank of Texas Visa (Government Finance Officers Association renewal)	460.00
<u>Fuel and Reimbursements for Mileage</u>	
Nichole Murphy (Reimbursement for mileage)	287.70
Kristi Krider (Reimbursement for mileage)	8.54
Paul Sigle (Reimbursement for Mileage)	169.19
Stacy Pactrick (Reimbursement for mileage)	133.00
Velma Starks (Reimbursement for mileage)	25.11
Valero (Monthly fuel expense Jan & Feb)	1,689.96
<u>Insurance</u>	
TWCA Risk Management (Workers' compensation insurance)	501.00
<u>Leases/Rental Fees</u>	
North Texas Regional Airport (Lease - administrative offices)	2,631.96
Wells Fargo Financial Leasing (Konica Minolta C4511 Jan-Feb, Mar 2025)	1,595.14
<u>Meetings and Conferences</u>	
Feast On This (BOD Lunch)	272.00
American Express (TWC Conference)	483.34
<u>Miscellaneous</u>	
Equipment Member City (City of Weston - heaters for WWTP)	281.31
Valley View Consulting (Investing fees)	18,750.00
<u>Postage</u>	
United States Postal Service (Meter Refill)	500.00
<u>Professional Services</u>	
Final Details (Cleaning Service)	585.00
<u>Repair &amp; Maintenance - Building &amp; Equipment</u>	
American Express (New laptop for operator (WE))	1,344.04
Diamond Computers (Set up WE new laptop. Back up data from Crashed system and moved to new system. 2 One Drive accounts. Labor.)	277.50
Flores Heating & Air Conditioning (Received and installed new fan motor for unit #6. (Paul's office))	1,013.64
Neal Plumbing (Repaired toilet in women's restroom)	157.66
<u>Repair &amp; Maintenance - Administrative and Operations Vehicles</u>	
Auto Works Service Center (Auto repairs for 2019 F150 and 2012 F150)	3,914.33
Grayson County Tax Assessor (Tags for 2012 F150)	7.50

Pro Auto Glass (Replaced cracked windsheild for 2019 F150)	365.00		
Whistlestop (Oil changes for fleet trucks for 3 month period)	593.42		
<u>Supplies</u>			
American Express (General Office Supplies)			
Bank of Texas Visa (General Office Supplies, Tax 1099, Toner, Janitorial supplies, desk chair)	1,078.89		
HACH Company (Operation Supplies, chemkeys)	292.21		
Novatech (Shipping charge for Konica Toner)	100.00		
USA BlueBook (Operation Supplies, Buffer pouches & NIST Traceable pks)	193.30		
<u>Training</u>			
Sun Coast Learning (Training for Operators DT, WE and RM)	1,125.00		
TCEQ (Water License application fee for RM)	113.75		
<u>Utilities</u>			
ATMOS Energy (Gas)	569.40		
City of Denison (Water)	333.04		
City of Sherman (Trash services)	89.00		
Shell Energy (Electric)	379.02		
Sparklight (Internet)	135.93		
Zuity Inc.(phone lines - local & long distance)	176.29		
Dave Tomlinson (Reimbursement for cell phone expenses)	25.00		
Eric Kuykendall (Reimbursement for cell phone expenses)	25.00		
Nichole Murphy (Reimbursement for cell phone expences)	25.00		
Paul Sigle (Reimbursment for cell phone expense & internet change)	8.34		
Richard McCool (Reimbursement for cell phone expense)	25.00		
Stacy Patrick (Reimbursement for cell phone expenses)	25.00		
Steve White (Reimbursement for cell phone expenses)	25.00		
Wayne Eller (Reimbursement for cell phone expenses)	25.00		
<b>TOTAL:</b>		\$ 40,955.51	\$ 62,948.96 \$ 58,631.18

**SOLID WASTE:**

<u>Fuel</u>			
Valero Fleet Plus (Fuel - operations vehicles)	160.00		
<u>Utilities</u>			
Grayson-Collin Electric	282.58		
Starr Water Supply	34.17		
<b>TOTAL:</b>		\$ 476.75	\$ 364.24 \$ 920.35

**WASTEWATER:**

<u>Construction Contracts</u>			
ANA Site Const. (Sherman 2022 - Sherman 2022 - Downtown Wastewater improvements ph 1 Pay App #5)	114,829.11		80%
Hayes (Sherman 2022 - Shepherd Dr Sewer Ext 56% completed)	354,911.45		56%
Kiewit (Sherman 2024 - WWTP MBR Pay App # 16)	15,731,580.40		69%

Kiewit (Sherman 2024 - WWTP MBR Pay App # 17)	12,753,534.14	73%
<u>Engineering Fees</u>		
Antero Group (Bells 2022 - Bells WW Engineering 95.91% complete)	15,027.95	96%
Birkhoff, Hendricks & Carter (Sherman 2022 - Engineering services for the Shepherd Dr. Sewer Ext. from 12/30/24-1/26/25)	1,742.00	
Freese & Nichols (Sherman 2021 - Eastside Lift Station & Regional Sewer engineering services through 1/31/25)	14,866.74	45%
Huitt-Zollars (Sherman 2021 - Sherman Post Oak Sanitary Sewer Improvements for period ending 2/1/25)	735.00	
LAN (Sherman 2024 - Post Oak Creek Interceptor services through 1/31/25)	230,647.66	
Kimley Horn (Whitewright 2023 - WWTP Improvements for services rendered through 8/31/24 - 12/31/24)	329,000.00	
Mead & Hunt (Sherman 2024 - Post Oak Digester & Blower Rehab for Dec 2024)	17,116.80	
Mead & Hunt (Sherman 2024 - North WWTP Design & peak Flow Expansion Study for Dec 2024)	14,122.42	
Mead & Hunt (Sherman 2017 - Post Oak WWTP Aeration & Secondary Treatment through 1/31/25. FINAL)	1,326.25	100%
Mead & Hunt (Sherman 2024 - North WWTP Design & Peak Flow Expansion Study for Jan 25)	31,796.72	
Mead & Hunt (Sherman 2022 - TPDES Permit Amendment Support for Aug 24 - Nov 24)	20,727.90	
Mead & Hunt (Sherman 2022 - TPDES Permit Amendment Support for the period of Dec 24)	6,737.50	
Mead & Hunt (Sherman 2022 - TPDES Permit Amendment Support for the period of Jan 25)	15,753.75	
Plummer (Sherman 2024 - Industrial WW Support / WWT and Water Reuse Master Plan through 12/27/24)	518,324.41	75%
Wade Trim (Sherman 2021 - Sherman US 82 Sewer Replacement project. Engineering services through 12/27/24)	28,787.95	
<u>Legal</u>		
Wynne, Smith & Young (Sherman 2020 - Lab Building project with Hawk Builders LLC, review of contract, insurance and bond documents)	375.00	
<u>Miscellaneous</u>		
BLX (Ector 2017 - Interim Arbitrage Rebate Report for period ending 9/30/24)	500.00	
BLX (Henrietta 2022 - Interim Arbitrage Rebate Report for period ending 9/30/24)	1,000.00	
BLX (Kaufman 2019 - Interim Arbitrage Rebate Report for period ending 9/30/24)	500.00	
BLX (Sadler 2016 - Interim Arbitrage Rebate Report for period ending 9/30/24)	500.00	
BLX (Valley View 2022 - Interim Arbitrage Rebate Report for period ending 9/30/24)	500.00	
<b>TOTAL:</b>	<b>\$ 30,204,943.15</b>	<b>\$ 1,497,150.19 \$ 1,690,877.13</b>

**WATER:**

<u>Construction Costs</u>		
Archer Western (Sherman 2021 - Lake Texoma Pump Station Expansion. 2% complete Pay App #3)	27,876.85	2%
Bel Air Village (Sherman 2022 - Utilities PH2 London Lane & Beach Blvd Pay App #15 Inv# 2025.01)	193,124.07	
Elliot Electric Supply (Sherman 2023 - Lake Texoma Pump Station Motor Control Center materials Pay App #1)	612,407.82	87%
Garney (Sherman 2023 - CMAR 36" NW/SW water main transmission line Pay App #19)	3,244,208.30	76%
H2O Innovations (Sherman 2022 - Expansion Pkg 1 WTP 100% complete. Pay App #5)	351,826.60	100%
Kiewit (Sherman 2024 - WWTP MBR Pay App # 16)	15,731,580.40	69%
Landmark (Van Alstyne 2021 - 750K gallon Elevated Storage Tank & Site Pay app #12. Proj is 78% complete)	106,103.60	78%
Red River Const. (Sherman 2023 - WTP - Las and Rapid Mix improvements Pay App #7)	512,458.08	26%
Red River Const. (Sherman 2023 - WTP Sedimentation & Filter Improvements Pay App #1. 3% complete)	31,350.00	3%
Red River Const. (Sherman 2023 - WTP Flocculation & Sedimentation pay app #6)	135,448.31	31%
Triad (Sherman 2023 - WTP Discharge Channel Pay App #6)	185,212.00	92%
<u>Engineering Fees</u>		
Freese & Nichols (GTUA - Raw Water Supply Master Plan & Regional Water System Feasibility Study)	43,617.75	
Freese & Nichols (Sherman 2022 - NW & SW Transmission Pipeline services through 12/27/24)	56,761.20	86%
Freese & Nichols (Sherman 2022 - Sherman 36" water line testing as of 1/31/25)	43,237.83	

Freese & Nichols (Sherman 2022 - Lead & Copper PH III 10% complete services through 12/31/24)	4,309.29	
Freese & Nichols (Sherman 2023 - Lake Texoma Pump Station Expansion Amendment #1 period through 1/31/25)	22,282.52	66%
Freese & Nichols (Sherman 2022 - Shepherd 2.0 MGD elevated Storage Tank for services through 1/31/25)	48,797.64	57%
Freese & Nichols (Sherman 2022 - Northwest & Southwest Transmission Pipeline engineering services through 1/31/2025)	70,108.94	87%
Geotex (Sherman 2023 - WTP Concentrate Discharge Channel testing for 1/31/25)	8,173.69	
Geotex (Sherman 2023 - WTP FM Discharge Channel as of 1/31/25)	2,039.75	
Garver (Sherman 2024 - Stephens Rd. Ground Storage Tank & Pump Station Rehab as of 12/27/24)	11,869.00	
Garver (Sherman 2023 - WTP Expansion project. Professional Engineering Services through 11/29/24)	10,222.54	93%
Garver (Sherman 2023 - WTP Expansion project. Professional Engineering Services through 12/27/24)	6,148.25	93%
Garver (Sherman 2024 - Stephens Rd. Ground Storage Tank & Pump Station Rehab as of 1/31/25)	5,250.39	
Hayter Engineering (Gober 2021 - Engineering fees for Water System Improvements)	1,000.00	
KSA (WW 2019 DWSRF - Water System Improvements. 70% Closeout & Record Drawings complete)	1,250.00	
Parkhill (Sherman 2021 - Sherman WTP emergency power generation for Dec 24 engineering services)	9,699.02	
<u>Groundwater</u>		
American Express (NTGCD - TWC Conference, Column 89th Leg Notice, Gainesville Daily Register 89th Leg Notice, GoDaddy)	998.90	
American Express (RRGCD - TWC Conference, GoDaddy Marketing Renewal)	611.12	
AT&T Mobility (NTGCD - W. Parkman - cell phone)	83.31	
Allen Burks (NTGCD - cell phone reimbursement)	12.50	
Allen Burks (RRGCD - cell phone reimbursement)	12.50	
Bank of Texas Visa (NTGCD - BOD Chick-Fil-A, Tax 1099, well monitoring supplies, Desk Chair)	710.36	
Bank of Texas Visa (RRGCD - Well monitoring supplies, Desk Chair, Tax 1099)	287.40	
Kenneth Elliott (NTGCD - cell phone reimbursement)	12.50	
Kenneth Elliott (RRGCD - cell phone reimbursement)	12.50	
Paul Sigle (NTGCD - cell phone reimbursement)	63.00	
Paul Sigle (RRGCD - cell phone reimbursement)	8.33	
Valero Fleet Plus (NTGCD - Fuel)	447.14	
Velma Starks (NTGCD - mileage reimbursement)	14.53	
Velma Starks (RRGCD - mileage reimbursement)	38.90	
Whistlestop Car Spa (RRGCD - Oil changes, etc.)	121.18	
Zulty, Inc. (NTGCD - 800 line, local & long distance)	176.28	
Zulty, Inc. (RRGCD - 800 line, local & long distance)	176.28	
<u>Legal</u>		
Wynne, Smith & Young (Sherman 2024 - Stephens PS & GST Improvements review contract, insurance & bonding docs for Viking Painting)	375.00	
Wynne, Smith & Young (Gober 2021 - Review contract, insurance & bonding docs for Pump Station Electrical Improvements)	375.00	
<u>Miscellaneous</u>		
BLX (CGMA 2007 - Interim Arbitrage Rebate Report for period ending 9/30/24)	1,000.00	
BLX (CGMA 2022 - Interim Arbitrage Rebate Report for period ending 9/30/24)	1,000.00	
BLX (Dorchester 2002 - Interim Arbitrage Rebate Report for period ending 9/30/24)	500.00	
BLX (Dorchester 2022 - Interim Arbitrage Rebate Report for period ending 9/30/24)	500.00	
BLX (Ector 2013 - Interim Arbitrage Rebate Report for period ending 9/30/24)	500.00	
BLX (Bear Creek 2019 - Interim Arbitrage Rebate Report for period ending 9/30/24)	1,000.00	
BLX (Tom Bean 2015 - Interim Arbitrage Rebate Report for period ending 9/30/24)	500.00	
BLX (Tom Bean 2017 - Interim Arbitrage Rebate Report for period ending 9/30/24)	500.00	
United Sates Treasury (Whitewright 2019 - Arbitrage fees)	90,502.94	
<u>Paying Agent Fees</u>		
Bank of Texas (Princeton 2018 - GTUAPRINCE18 3/1/25)	300.00	
Bank of Texas (Princeton 2019 - GTUAPRINCE19 3/1/25)	300.00	



Bank of Texas (Princeton 2022 - GTUAPRINCE22 3/1/25)	300.00		
<u>CGMA Equipment Lease</u>			
Offen Petroleum (CGMA - Annual tank monitor and Tank rental for Bloomdale Pump Station)	300.00		
<u>CGMA Repair &amp; Maintenance</u>			
Brenntag Southwest (CGMA - chemicals to disinfect water lines)	1,671.15		
Enviornmental Monitoring Lab (CGMA - Nitrate Nitrogen, Nitrite Nitrogen Water tests, multiple test sites along water lines)	900.00		
Kemp Lawn Maintenance (CGMA - Bloomdale Pump Station)	380.00		
Matheson Tri Gas (CGMA - Nitrogen bottles, profax green hose, Acetylene large bottles, High pressure regulator etc)	483.31		
Murley Plumbing (CGMA - Replaced core stops in VA and Anna)	8,875.00		
Whistlestop (CGMA - F250 oil changes)	175.20		
<u>Supplies</u>			
Bank of Texas Visa (CGMA - Shop towels, truck battery)	227.19		
HACH (CGMA - Chlorine chem keys)	534.34		
National Wholesale Supply (CGMA - misc. supplies and materials for routine maintenance, Air vac internals, 48 yellow soil probe)	1,909.09		
USA Bluebook (CGMA - Monochloramine chemkey, Warning Water Pipeline decals)	1,326.57		
<u>CGMA Utilities</u>			
A1 Little John (CGMA - Bloomdale P.S. - Portable toilet rental from	130.44		
AT & T Mobility (CGMA - Emergency back up lines)	782.48		
AT & T U-Verse (CGMA - Bloomdale Pump Station, Internet)	53.76		
North Texas Municipal Water District (Water Usage)	540,866.00		
Shell Energy (Bloomdale Pump Station)	18,010.41		
Frontier Waste - Mckinney (CGMA - Bloomdale Pump Station trash collection)	325.83		
Paul Sigle (CGMA - Mileage)	72.94		
Valero (CGMA - Fuel for 2023 F250, Jan & Feb)	390.13		
<b>TOTAL:</b>	<b>\$ 22,155,217.35</b>	<b>\$ 6,207,096.06</b>	<b>\$ 9,189,465.84</b>

**GRAND TOTAL:** \$ 52,401,592.76    \$ 7,767,559.45    \$ 10,939,894.50

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 \_\_\_\_\_, \_\_\_\_\_ 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

## **AGENDA ITEM VII**



**CONSTRUCTION CONTRACT CHANGE ORDER**




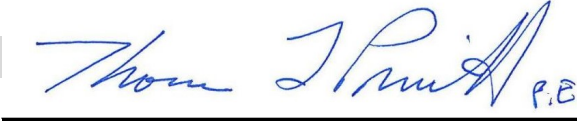

<b>PROJECT:</b>	<b>CHANGE ORDER NO.:</b>
Sherman Water Treatment Plant Expansion Package 1 Garver Project No. 21W05325 City of Sherman Public Works Project No. 1505-U	1
<b>OWNER:</b>	<b>DATE PREPARED:</b>
Greater Texoma Utility Authority on Behalf of City of Sherman, TX 220 W Mulberry St, P.O. Box 1106 Sherman, TX 75091	17-Feb-2025
	H2O Innovations USA, Inc. 8900, 109th Ave N, Suite 1000 Champlin, MN 55316

**DESCRIPTION OF CONTRACT WORK:**  
 This change order addresses unused contingency budget in Bid Item 1A - Owner's Contingency Allowance (\$170,532.02 unused), acting to "zero out" this bid item. This bid item started with a value of \$250,000; A total of \$79,467.98 was used by CMR-01 (\$53,860.00), CMR-02 (\$5,852.98), and CMR-03 (\$19,755.00). No extra days were added with any of the approved CMRs and the contract price was not increased, as the contingency item was not surpassed.

<b>CONTRACT MODIFICATION:</b>		<b>AMOUNT</b>
-	Zero Out Bid Item No. 1A - Owner's Contingency Allowance	(\$170,532.02)
<b>Total Project Contingency Cost:</b>		<b>\$ (170,532.02)</b>

<b>CONTRACT AMOUNT CHANGE:</b>		<b>CONTRACT TIME CHANGE:</b>	
Original Contract Amount:	<b>\$2,428,869.00</b>	Original Contract Start Date:	23-Nov-2022
Amount per Change Order No. 1:	(\$170,532.02)	Original Contract Time (Calendar Days):	373
<b>Revised Contract Amount:</b>	<b>\$2,258,336.98</b>	Contract Time Added per Change Order No. 1:	0
		<b>Revised Contract Substantial Completion Date:</b>	<b>1-Dec-2023</b>

**THIS AGREEMENT IS SUBJECT TO ALL ORIGINAL CONTRACT PROVISIONS AND PREVIOUS CHANGE ORDERS.**

<b>ISSUED BY ENGINEER</b>			
Engineer: Garver		Senior Project Manager	02/28/2025
	Engineer's Signature	Title	Date
<b>ACCEPTED BY CONTRACTOR</b>			
Seller: H2O Innovations USA, Inc		Director of Projects	02/28/2025
	Seller's Signature	Title	Date
<b>Recommended by Program Manager</b>			
Program: Pape-Dawson		Program Manager	3/3/25
	Program Manager's Signature	Title	Date
<b>ACCEPTED BY CITY</b>			
City: City of Sherman		Utility Engineer	3/3/2025
	City's Signature	Title	Date
<b>APPROVED BY OWNER</b>			
Owner: Greater Texoma Utility Authority		General Manager	3/3/2025
	Owner's Signature	Title	Date

**AGENDA ITEM IX**



# GREATER TEXOMA UTILITY AUTHORITY

## AGENDA COMMUNICATION

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**DATE:** March 12, 2025

**SUBJECT:** AGENDA ITEM NO. IX

**PREPARED BY:** Stacy Patrick, Project Manager

**SUBMITTED BY:** Paul Sigle, General Manager

### **CONSIDER AND ACT UPON CHANGE ORDER NO. 1 FOR THE CITY OF SHERMAN SOUTH WASTEWATER TREATMENT PLANT PROJECT.**

#### **ISSUE**

Consider and act upon authorizing Change Order No. 1 to the contract with Kiewit Water Facilities South Co., for the City of Sherman South Wastewater Treatment Plant Project.

#### **BACKGROUND**

For the South Wastewater Treatment Plant – MBR Project, several modifications to the contract have been considered, assessed, and negotiated with the Construction Manager at Risk (CMAR). The Program Team, Design Engineer, and Construction Manager have been collaborating closely with the CMAR to effectively manage these changes while construction progresses.

The items included in this change order primarily stem from the finalization of design. Most of these items were identified before the approval of the final Guaranteed Maximum Price (GMP) / Lump Sum Amendment in November 2024 and were authorized for work to proceed. Several changes are associated with unforeseen conditions and design clarifications issued by the Engineer. All modifications are justified in accordance with the contract documents. The team has agreed to continue analyzing and negotiating these changes to ensure the project remains on schedule following the issuance of the Final Amendment.

#### **CONSIDERATIONS**

The total funding request for Change Order NO. 1 is a credit of \$425,481.05. There is no change to the contract timeline associated with Change Order NO. 1. Upon approval of this amendment amount, the following adjustments to the contract will be implemented:

Original Contract Amount: \$2,865,000.00  
Amendments 1-7: \$285,266,409.55  
Proposed Change Order 1: (\$425,481.05)  
Revised Total Contract Amount: \$287,705,928.50

#### **STAFF RECOMMENDATIONS**

The Authority Staff recommend approving Change Order No. 1, a decrease of \$425,481.05 to the contract resulting in the new contract amount of \$287,705,928.50. This item is contingent upon City of Sherman's Council approval.

#### **ATTACHMENTS**

Change Order No. 1

<b>Project:</b>	South Wastewater Treatment Plant - MBR	<b>Project Number:</b>	
<b>Owner:</b>	Greater Texoma Utility Authority/City of Sherman		1513-U
<b>Contractor:</b>	Kiewit Water Facilities South Co.		105718
<b>Engineer:</b>	Plummer Associates		1422-005-02


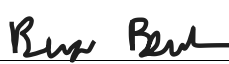
<b>Change Order No.:</b>	<u>01</u>	<b>Date:</b>	<u>03/17/2025</u>
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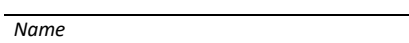
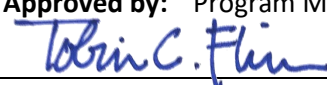
**Make the following modifications to the Contract Documents:**  
 Multiple updates based on Progression of the Design and changes in field conditions. See Attached Summary for full description of 28 individual PCOs.  
**Justification:**  
 Progression of the design during that provides for a more effective WWTP.

*This Contract Amendment modifies the Contract Documents. Should this amendment include any change in compensation, the compensation in this Contract Amendment is the full, complete, and final compensation for all costs the Contractor may incur as a result of or relating to this change whether said costs are known, unknown, foreseen, or unforeseen at this time, including without limitation, any cost for delay, extended overhead, ripple or impact cost, or any other effect on changed or unchanged Work as a result of this Contract Modification. The changes in Contract Times are the complete and final adjustments for direct impacts to the ability of the Contractor to complete the Work within the Contract Times and are the only adjustments to which the Contractor is entitled. Except as modified hereby, the Contract Documents and all of the terms and provisions thereof remain in full force and effect.*

<b>a Original Contract Price</b>	\$ 2,865,000.00
<b>b Previously Approved Amendments and Change Orders</b>	\$ 285,266,409.55
<b>c Adjusted Contract Price ( a + b )</b>	\$ 288,131,409.55
<b>d Change Order Amount</b>	(\$ 425,481.05)
<b>e Revised Contract Price ( c + d )</b>	\$ 287,705,928.50
<b>f Percent Change to Date (from GMP Amendment 07)</b>	- 0.15 %
<b>g Change in Days this Change Order</b>	0 days

Completion Dates:		Original	Previous	Current
<b>Substantial Completion</b>	<b>h</b>	<u>4/30/2025</u>	<u>8/26/2025</u>	<u>8/26/2025</u>
<b>Final Completion</b>	<b>k</b>	<u>7/26/2025</u>	<u>11/24/2025</u>	<u>11/24/2025</u>

<b>Recommended by:</b> Design Engineer	<b>Recommended by:</b> Project Construction Manager
	
<u>3-5-2025</u>	<u>3/5/25</u>
Name	Date

<b>Approved by:</b> Kiewit Water Facilities South Co.	<b>Approved by:</b> Program Manager
	
<u></u>	<u>03/04/2025</u>
Name	Date

<b>Approved by:</b> Greater Texoma Utility Authority	<b>Approved by:</b> City of Sherman
<u></u>	<u></u>
Name	Date

3/4/2025

GTUA/City of Sherman  
 220 W Mulberry St.  
 P.O. Box 1106  
 Sherman, TX 75091  
 (903) 892-7208

Re: COSK South Wastewater Treatment Plant - MBR Project  
 Change Order 001 Recommendation

Dear GTUA/City of Sherman:

For the South Wastewater Treatment Plant – MBR Project, multiple changes to the contract have been contemplated, evaluated, and negotiated with the CMAR. The Program Team, Design Engineer, and Construction Manager have been working with the CMAR continuously to manage these changes while construction continues.

The items included in this change order are primarily due to the finalization of design. The majority of items were identified prior to the final GMP/Lump Sum Amendment was approved in November 2024 and were directed for work to proceed. Several are associated with unforeseen conditions and design clarifications issued by the Engineer. All have merit in line with the contract documents. The team agreed to continue to analyze and negotiate these changes and after the Final Amendment was issued to maintain the agreed schedule. Below is a table of the changes that identifies the description, reason, and cost of each change.

PCO #	Description	Reason for Change	Cost	Expected
27	P&ID Update	Design Progression	\$0.00	Yes
35	Filtered Effluent Junction Box	Design Progression	\$530,768.27	Yes
39	MBR Support Building and Backpulse Tank	Design Progression	\$133,896.43	Yes
42	Electrical Equipment Pad at the PTU	Design Progression	\$185,828.20	Yes
43	BRB-MBR 18-in Air Pipe Supports	Design Progression	\$100,667.96	Yes
44	MEMC - 54" Influent MH Change	Design Progression	\$443,623.68	Yes
45	Instrumentation Update	Design Progression	\$0.00	Yes



46	Delete Tank Mixer CPs	Design Clarification	(\$21,723.90)	Yes
47	PW in-slab piping PVC to Copper	Design Clarification	\$3,494.98	Yes
48	Diversion Box Ammonia Sampler	Design Progression	\$136,013.35	Yes
49	Remove Heat Trace & Insulation	Design Progression	(\$51,112.75)	Yes
50	Relift PS Electrical Changes	Design Progression	\$86,416.60	Yes
52	EQ Basin Effluent Valve and Piping	Design Progression	\$8,616.08	Yes
53	Access Control - Building Security	Design Progression	\$73,258.85	Yes
54	BRB Walls at scum box	Design Progression	\$14,986.98	Yes
55	Alkalinity Storage Relocation	Design Progression	(\$317,968.36)	Yes
56	36-inch RS re-route	Owner Request	\$14,105.80	Yes
57	30" Rerouting Due to Utility Conflict	Unforeseen Conditions	\$41,953.47	No
60	EQ Basin and SST 304 SST Replacement	Design Clarification	\$151,615.01	Yes
61	COR 10 North Plant Relift DB Revised	Unforeseen Conditions	\$16,738.33	No
62	Beam Connection Detail CO3 Steel Boss	Design Clarification	\$7,450.24	Yes
63	Head of interior CIP Wall at Underside of Roof Deck	Design Clarification	\$27,109.68	Yes
64	Stair Revision at BRB	Design Progression	\$94,044.25	Yes
65	Electrical and I&C Updates from RFIs	Design Progression	\$68,236.24	Yes
66	MBR Blower Victaulic Couplings	Design Clarification	\$36,442.73	Yes
67	Site Finishes Credit	Value Engineering	(\$2,195,886.97)	Yes
69	Alterman Field Order 19	Design Clarification	\$5,178.94	Yes
72	DN Tanks 316 SS Credit	Design Clarification	(\$19,235.14)	Yes
<b>Total for Change Order 001</b>			<b>(\$425,481.05)</b>	

The total project funding request for Change Order 001 is a Credit of **(\$425,481.05)**. There is no contract time change with Change Order 001. By authorizing this amendment amount, the following contract adjustments will be made:

Original Contract Value:	\$ 2,865,000.00
Amendments1-7:	\$ 285,266,409.55
<u>Proposed CO 001</u>	<u>(\$ 425,481.05)</u>
Revised Total Contract Value:	\$ 287,705,928.50

Respectfully,



Tobin Flinn, PE  
Vice President  
Program Manager

Cc:  
Hugh Brightwell – Program Construction Manager

Attachments:  
1. 28 Potential Change Order Packages

# South WWTP – MBR Change Order 001

## Previous Contract Changes

Item	Value	Contract Value	Date Approved	Date Executed
Original Contract Value	\$2,865,000.00	\$2,865,000.00	9/25/2023	9/26/2023
Amendment 01	\$54,248,451.85	\$57,113,451.85	10/16/2023	10/18/2023
Amendment 02	\$26,249,322.43	\$83,362,774.28	11/20/2023	12/7/2023
Amendment 03	\$50,812,403.09	\$134,175,177.37	12/18/2023	12/21/2023
Amendment 04	\$89,990,731.46	\$224,165,908.83	2/5/2024	2/12/2024
Amendment 05	\$20,038,408.59	\$244,204,317.42	2/19/2024	2/28/2024
Amendment 06	\$13,945,682.58	\$258,150,000.00	4/15/2024	4/23/2024
Amendment 07 (GMP)	\$29,981,409.55	\$288,131,409.55	11/11/2024	11/18/2024

# South WWTP – MBR Change Order 001

- GMP Value approved 11/11/2024 = \$288,131,409.55
- Estimated Value of Known Design Progression Changes at GMP = \$2,300,000
- Estimated Value of Contemplated Possible Changes at GMP (Risk) = \$2,000,000
- Total Possible Change Order 001 = \$4,300,000
- Actual Value of Change Order 001 – **(\$425.481.05)**

# South WWTP – MBR Change Order 001

PCO #	Description	Reason for Change	Cost	Time	Expected
27	P&ID Update	Design Progression	\$0.00	0 days	Yes
35	Filtered Effluent Junction Box	Design Progression	\$530,768.27	0 days	Yes
39	MBR Support Building and Backpulse Tank	Design Progression	\$133,896.43	0 days	Yes
42	Electrical Equipment Pad at the PTU	Design Progression	\$185,828.20	0 days	Yes
43	BRB-MBR 18-in Air Pipe Supports	Design Progression	\$100,667.96	0 days	Yes
44	MEMC - 54" Influent MH Change	Design Progression	\$443,623.68	0 days	Yes
45	Instrumentation Update	Design Progression	\$0.00	0 days	Yes
46	Delete Tank Mixer CPs	Design Clarification	(\$21,723.90)	0 days	Yes
47	PW in-slab piping PVC to Copper	Design Clarification	\$3,494.98	0 days	Yes
48	Diversion Box Ammonia Sampler	Design Progression	\$136,013.35	0 days	Yes
49	Remove Heat Trace & Insulation	Design Progression	(\$51,112.75)	0 days	Yes
50	Relift PS Electrical Changes	Design Progression	\$86,416.60	0 days	Yes
52	EQ Basin Effluent Valve and Piping	Design Progression	\$8,616.08	0 days	Yes

# South WWTP – MBR Change Order 001

PCO #	Description	Reason for Change	Cost	Time	Expected
53	Access Control - Building Security	Design Progression	\$73,258.85	0 days	Yes
54	BRB Walls at scum box	Design Progression	\$14,986.98	0 days	Yes
55	Alkalinity Storage Relocation	Design Progression	(\$317,968.36)	0 days	Yes
56	36-inch RS re-route	Owner Request	\$14,105.80	0 days	Yes
57	30" Rerouting Due to Utility Conflict	Unforeseen Conditions	\$41,953.47	0 days	No
60	EQ Basin and SST 304 SST Replacement	Design Clarification	\$151,615.01	0 days	Yes
61	COR 10 North Plant Relift DB Revised	Unforeseen Conditions	\$16,738.33	0 days	No
62	Beam Connection Detail CO3 Steel Boss	Design Clarification	\$7,450.24	0 days	Yes
63	Head of interior CIP Wall at Underside of Roof Deck	Design Clarification	\$27,109.68	0 days	Yes
64	Stair Revision at BRB	Design Progression	\$94,044.25	0 days	Yes
65	Electrical and I&C Updates from RFIs	Design Progression	\$68,236.24	0 days	Yes
66	MBR Blower Victaulic Couplings	Design Clarification	\$36,442.73	0 days	Yes
67	Site Finishes Credit	Value Engineering	(\$2,195,886.97)	0 days	Yes

# South WWTP – MBR Change Order 001

PCO #	Description	Reason for Change	Cost	Time	Expected
69	Alterman Field Order 19	Design Clarification	\$5,178.94	0 days	Yes
72	DN Tanks 316 SS Credit	Design Clarification	(\$19,235.14)	0 days	Yes
<b>Total for Change Order 001</b>			<b>(\$425,481.05)</b>	<b>0 days</b>	

# South WWTP – MBR Change Order 001

- Where did the Cost Go?
- Total Possible Change Order 001 = \$4,300,000
  - Negotiations = \$400,000
  - Value Engineering = \$1,750,000
  - Detailed Cost Estimate Improvements = \$800,000
  - Cost Deferral to future phases = \$450,000
  - Unmaterialized Possibilities (Managed Risk) = \$900,000
- No time is added to the contract by Change Order 001



# South WWTP – MBR Change Order 001

- Program Manager Recommendation
  - Approve Change Order 001
  - **(\$425,481.05)** Credited to Contract Value
  - 0 Days Added to Contract Time
- Revised Contract Value = \$287,705,928.50

**AGENDA ITEM X**



# **GREATER TEXOMA UTILITY AUTHORITY**

## **AGENDA COMMUNICATION**

---

**DATE:** March 12, 2025

**SUBJECT:** AGENDA ITEM NO. X

**PREPARED BY:** Stacy Patrick, Project Manager

**SUBMITTED BY:** Paul Sigle, General Manager

### **CONSIDER AND ACT UPON THE AWARD OF CONTRACT FOR CITY OF SHERMAN POST OAK WASTEWATER TREATMENT PLANT ELECTRICAL UPGRADES PROJECT.**

#### **ISSUE**

Consider and act upon the award of contract for the City of Sherman Post Oak Wastewater Treatment Plant Electrical Upgrades Project.

#### **BACKGROUND**

The project was initiated in response to the ice storm and subsequent power outages experienced in February 2021. It was determined that emergency backup generators should be installed for both the water and wastewater treatment plants. Upon assessment, it became evident that the wastewater treatment plant would necessitate more extensive electrical enhancements. Additionally, projected future demands indicate the need for additional transformers, generators, and switchgear. These requirements have been integrated into the current construction contract.

#### **CONSIDERATIONS**

The City of Sherman initially accepted bids for the project on October 25, 2024, but received only one bid, which was deemed non-responsive due to an incorrect bid bond submission. The project was subsequently re-bid, with the bid opening on January 29, 2025. Three bidders submitted responses. The lowest bid was found to be non-responsive due to an incorrect Statement of Bidders Qualifications.

The second-lowest responsive bid, totaling \$12,373,077.77, was submitted by GDC Industrial Inc. The City of Sherman's engineers, Plummer, reviewed GDC Industrial's bid and found it acceptable.

#### **STAFF RECOMMENDATIONS**

The Authority Staff recommend authorizing the General Manager to award a contract to GDC in the amount of \$12,373,077.77. This item was approved at the City of Sherman's City Council Meeting on March 3, 2025.

#### **ATTACHMENTS**

Recommendation Letter  
Bid Tabulation



1422-003-01  
2/14/2025

Mr. Thomas Pruitt, PE  
Utility Engineer  
City of Sherman  
317 S Travis Street  
Sherman, Texas 75090

Re: City of Sherman  
Post Oak Water Treatment Plant  
Electrical Upgrades 2025-08  
1422-003-01

Dear Mr. Pruitt:

On Wednesday, January 29, 2025, three bids were received, opened, and publicly read aloud at the Sherman Temporary City Hall - Training Room, City of Sherman for the above referenced project. The bids were as follows:

Bidder	Bid Amount
Alterman	Base Bid: \$17,068,239.00 Alternate Bid: \$18,754,089.00
GDC Industrial, Inc.	Base Bid: \$12,373,077.77 Alternate Bid: \$14,094,775.69
Taknek, L.L.C.	Base Bid: \$11,884,865.00 Alternate Bid: \$12,884,911.00

#### Background Information and Analysis

Taknek, L.L.C. was the apparent low bidder with a Total Base Bid of \$11,884,865.00. Plummer contacted the references Taknek, L.L.C. provided in their bid documents. After our inquiry with the references, we found shortcomings and negative feedback from those of the lowest bidder Taknek, L.L.C. For example, public records for the City of Denison show the cancellation of their contract. This cancellation of the contract was not disclosed and was omitted from the Statement of Respondents of Qualifications question #11. Thus, causing the lowest bidder to not meet the characteristics of *“reputation, quality, safety, similar work, workload, familiarity, with working with the City, and economics security of the prospective bidder”* as required on the bid documents. Engineer does not recommend award to lowest bidder.

GDC Industrial, Inc. was the next lowest bidder. Plummer contacted the references GDC Industrial, Inc. provided in their bid documents. All references provided positive feedback such as; projects that were

completed on schedule and within budget; no substantial change orders; and project managers were organized and professional. We have reviewed their bid. Since it appears to be in order, we recommend awarding the project to GDC Industrial, Inc. with a total Base Bid in the amount of: \$12,373,077.77.

Please call if you have any questions. We look forward to working with you during the construction of this project.

Sincerely,

PLUMMER



Digitally signed by Marco A  
Barrera Cruz  
Contact Info:  
mbarrera@plummer.com  
Date: 2025.02.14  
14:32:58-06'00'

Marco A. Barrera, P.E.  
EI&C Team Leader  
817-806-1737

M.A.B/E.L.A.

cc: Sarah Kerr, P.E., Project Manager, Plummer

# CITY OF SHERMAN

## BID TABULATION

Project: Post Oak WWTP Electrical Upgrades

Project No: 1422-003-01

Bid Date: January 29, 2025 @ 3 PM

<b>Bidder</b>	<b>Bid Amount</b>
Alterman	Base Bid \$17,068,239.00 Alternate Bid: \$18,754,089.00
GDC Industrial, Inc.	Base Bid \$12,373,077.77 Alternate Bid: \$14,094,775.69
TAKNEK, LLC	Base Bid \$11,884,865.00 Alternate Bid: \$12,884,911.00

Bid Amount is the Basis of Bid per the Bidding Documents, as read at Bid Opening.

## **AGENDA ITEM XI**



# GREATER TEXOMA UTILITY AUTHORITY

## AGENDA COMMUNICATION

---

DATE: March 3, 2025

SUBJECT: AGENDA ITEM NO. XI

PREPARED BY: Stacy Patrick, Project Manager

SUBMITTED BY: Paul Sigle, General Manager

**CONSIDER AND ACT UPON A RESOLUTION BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY ACCEPTING THE CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC. FOR THE CITY OF SHERMAN 1<sup>ST</sup> STREET TO ROSEDALE SEWER REPLACEMENT PROJECT AS COMPLETE.**

### **ISSUE**

Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority accepting the Contract with Lynn Vessels Construction, LLC. for the City of Sherman 1<sup>st</sup> Street to Rosedale Sewer Replacement Project as complete.

### **BACKGROUND**

In 2019, the City of Sherman staff approached the Authority staff requesting financial assistance for several upcoming capital improvement projects.

In April of 2019, the Board and City of Sherman Council approved resolutions which authorized the issuance of debt through the open market to fund \$5,815,000 in projects for the City of Sherman. One of the projects earmarked for funding through this bond issuance was the 1<sup>st</sup> Street to Rosedale Sewer Replacement Project.

This portion of the City's system has a known capacity issue on the existing parallel mains which this project will resolve. The existing parallel mains will be removed and replaced with a single 21" PVC main. The City of Sherman has engaged Freeman-Millican, Inc. to design the replacement of this sewer line with an estimated cost of approximately \$1,000,000.

The City of Sherman opened bids for the 1st Street Rosedale Sewer Replacement project on January 31st, 2024. There were ten (10) bids received and the lowest, responsive bid in the amount of \$657,536.05 was submitted by Lynn Vessels Construction, LLC. This amount includes an Owner's contingency allowance of \$100,000 to cover unforeseen cost related to the project. The City of Sherman and GTUA approved the award of contract in February of 2024.

### **CONSIDERATIONS**

Lynn Vessels Construction, LLC. has completed the City of Sherman 1<sup>st</sup> Street to Rosedale Sewer Replacement Project. Accepting the project as complete will allow the Authority to process the final payment and release the retainage to Lynn Vessels Construction, LLC.

### **STAFF RECOMMENDATIONS**

The Authority Staff recommend approving the project as complete. The City of Sherman has accepted the project as complete.

### **ATTACHED**

Close out Documents



**CERTIFICATE OF PROJECT COMPLETION**

---

Project: 1st Street to Rosedale Sewer Replacement  
Date of Issuance: 2/12/2025

---

Owner: City of Sherman  
Contractor: Lynn Vessels Construction, LLC  
Engineer: Freeman-Millican Inc.

---

This Certificate of Project Completion applies to all Work under Contract Documents or to the following specified parts thereof:

All specified work

To: Greater Texoma Utility Authority/City of Sherman  
OWNER

And to Lynn Vessels Construction, LLC  
CONTRACTOR

---

The Work to which this Certificate applies has been inspected by authorized representatives of OWNER, CONTRACTOR and ENGINEER, and that Work is hereby declared to be complete in accordance with Contract Documents on

10/17/2024  
Date of Completion

From the date of Completion the responsibilities between OWNER and CONTRACTOR for security, operation, safety, maintenance, heat, utilities, insurance and warranties and guarantees shall be as follows:

RESPONSIBILITIES:

OWNER: Security, operation, safety, maintenance, heat, utilities, insurance

---

CONTRACTOR: One  
~~Two year Contractor's Guarantee (from the date of completion),~~  
Payment and Performance Bonds, Pipe Manufacturer's Warranty,

---

---

The following documents are attached to and made a part of this Certificate:

Contractor's Guarantee, Consent of Surety, Final Pay Estimate

---

This certificate does not constitute an acceptance of work not in accordance with the Contract Documents nor is it a release of CONTRACTOR'S obligations to complete the Work in accordance with the Contract Documents.

---

Executed by ENGINEER on February 27<sup>th</sup>, 2025.

  
ENGINEER

By: Travis Overdorf, P.E.

02/12/2025

Lynn Vessels Construction, LLC  
ATTN: Lynn Vessels  
PO Box 1212  
Sherman, Texas 75091

Re: Final Inspection, and Final Acceptance Letter  
1<sup>st</sup> Street to Rosedale Sewer Replacement, COS # 1436-U

Mr. Vessels:

The City of Sherman Engineering Department completed the final inspection of the improvements for the above-mentioned project on October 17<sup>th</sup>, 2024. This project appears to be in substantial compliance with the issued construction documents and compliance with City of Sherman requirements. The City accepts the infrastructure portion of the project.

This is an acceptance of the physical work and in no event shall this inspection or acceptance be deemed as a waiver by the City of Sherman, in any respect or degree, of any of the terms and provisions of the governing contract or any of the right under the contract in the event that you have failed to comply strictly with the terms and provisions thereof.

If you have any questions, please feel free to contact me at your convenience.

Sincerely,  
City of Sherman



Travis Overturf, P.E.  
Project Manager

Cc Dwight LaGrone, GIS Manager  
Jerry Pace, GIS Technician II  
Kristi Jenkins, Engineering Coordinator  
File

CONTRACTOR'S CERTIFICATION AND GUARANTEE

Date: 02/12/2025

Project: 1st Street to Rosedale Sewer Replacement

Owner: City of Sherman

Contractor: Lynn Vessels Construction, LLC

Date of Contract: 02/20/2024

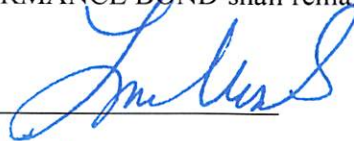
Date of Project Completion: 10/17/2024

Final Contract Amount: \$579,564.45

The CONTRACTOR certifies that (1) all payments received from OWNER on account of WORK done under the CONTRACT have been applied to discharge obligations of CONTRACTOR incurred in connection with WORK; and (2) title to all materials and equipment incorporated in said WORK will pass to OWNER at time of payment free and clear of all liens, claims, security interests and encumbrances.

The CONTRACTOR shall guarantee all materials and equipment furnished and WORK performed for a period of 1 year(s) from the date of completion as evidenced by the Engineer's Final Certificate. The CONTRACTOR warrants and guarantees for a period of 1 year(s) from the date of completion that all work under the CONTRACT is free from faulty materials in every particular and free from improper workmanship, and against injury from proper and usual wear, and agrees to replace or to re-execute without cost to the OWNER such work as may be found to be improper or imperfect and to make good all damages caused to the other work or materials, due to such required replacement or re-execution. The OWNER will give notice of observed defects with reasonable promptness. In the event that the CONTRACTOR should fail to make such repairs, adjustments, or other work that may be made necessary to such defects, the OWNER may do so and charge the CONTRACTOR the cost thereby incurred. The PERFORMANCE BOND shall remain in full force and effect through the guarantee period.

Contractor:



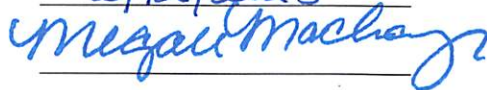
By:

LYNN VESSELS

Date:

2/12/2025

Attest:



**CONSENT OF  
SURETY COMPANY  
TO FINAL PAYMENT**

PROJECT: 1st Street to Rosedale Sewer Replacement

CONTRACT DATE: 2/20/2024

OWNER: City of Sherman

CONTRACTOR: Lynn Vessels Construction, LLC

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the (here insert name and address of Surety Company)

SureTec Insurance Company  
2103 CityWest Blvd., Suite 1300  
Houston, TX 77042

, SURETY COMPANY,

on Bond of (here insert name and address of Contractor)

Lynn Vessels Construction, LLC  
P.O. Box 1212  
Sherman, TX 75091

, CONTRACTOR,

hereby approves of the final payment to the Contractor, and agrees that final payment to the Contractor shall not relieve the Surety Company of any of its obligations to (here insert name of Owner)

City of Sherman  
220 W. Mulberry St.  
Sherman, TX 75091

, OWNER,

as set forth in the said Surety Company's Bond No. 4470702, dated \_\_\_\_\_

IN WITNESS WHEREOF,

the Surety Company has hereunto set its hand this 12th day of February, 2025,

SureTec Insurance Company  
Surety Company

  
Signature of Authorized Representative

Felix Navejar, Attorney-in-Fact  
Title

  
Attest Eric Lesch, Witness

(S E A L)





# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

Know All Men by These Presents, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Clem F. Lesch, Eric Lesch, Melissa Lesch, Felix Navejar

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for, providing the bond penalty does not exceed

Ten Million and 00/100 Dollars (\$10,000,000.00)

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

In Witness Whereof, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 8th day of August, A.D. 2024.

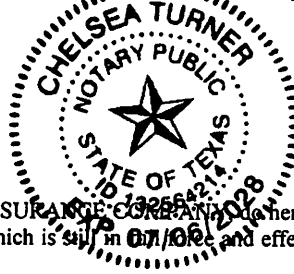
SURETEC INSURANCE COMPANY

By: Michael C. Keimig  
Michael C. Keimig, President



State of Texas                    ss:  
County of Harris

On this 8th day of August, A.D. 2024 before me personally came Michael C. Keimig, to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.

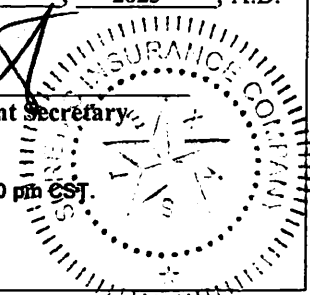


Chelsea Turner  
Chelsea Turner, Notary Public  
My commission expires July 6, 2028

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 12th day of February, 2025, A.D.

M. Brent Beaty  
M. Brent Beaty, Assistant Secretary



Any instrument issued in excess of the penalty stated above is totally void and without any validity. 4221029  
For verification of the authority of this power you may call (713) 812-0800 any business day between 8:30 am and 5:00 pm CST.

MAINTENANCE BOND

BOND NO. 4470702

STATE OF TEXAS §  
§  
COUNTY OF Grayson §

KNOW ALL PERSONS BY THESE PRESENTS:

THAT Lynn Vessels Construction, LLC (Name of Contractor) of Sherman (City) Grayson County, State of Texas, as PRINCIPAL and SureTec Insurance Company (Name of Surety) as SURETY, a corporation organized under the laws of the State of Texas as sureties, do hereby expressly acknowledge themselves to be held and bound to pay unto the City of Sherman, a municipal corporation, chartered by virtue of a special act of legislature of the State of Texas, at Sherman, Grayson County, Texas, the sum of: Five Hundred Seventy-nine Thousand Five Hundred Sixty-four----- and 45 /100 Dollars (\$ 579,564.45-----) for the payment of which sum will truly be made unto said City of Sherman, and its successors, and said principal and sureties to hereby bind themselves, their assigns and successors jointly and severally.

This obligation is conditioned, however, that whereas the said contractor has this day entered into a written contract with the said City of Sherman to build and construct 1<sup>ST</sup> STREET TO ROSEDALE SEWER REPLACEMENT (Name of Project) which contract, plans and specifications therein mentioned are hereby expressly made a part hereof as though the same were written embodied herein.

WHEREAS, under the plans, specifications, and contract, it is provided that the contractor will maintain and keep in good repair the work herein contracted to be done and performed for a period of one (1) year from the date of the acceptance of said work, and to do all necessary repairing and/or reconstructing in whole or in part of said improvements that should be occasioned by settlement of foundation, defective workmanship or materials furnished in the construction or any part thereof or any of the accessories thereto constructed by the contractor. It being understood that the purpose of this section, in part, is to cover all defective conditions arising by reason of defective material and charge the same against the said contractor and sureties on this obligation, and the said contractor sureties hereon shall be subject to the liquidation damages mentioned in said contract for each day's failure on its part to comply with the terms of said provisions of said contract. Now, therefore, if the said contractor shall keep and perform its said agreement to maintain said work and keep the same in repair for the said maintenance period of one (1) year, as provided, then these presents shall be null and void, and have no further effect, but if default shall be made by said contractor in the performance of its contract to so maintain and repair said work, then these presents shall have full force and effect, and said City of Sherman shall have and recover from the said contractor and its principal and sureties damages in the premises, as provided; and it is further agreed that this obligation shall be continuing one against the principal and sureties, hereon, and that successive recoveries may be and had hereon for successive branches until the full amount shall have been exhausted; and it is further understood that the obligation herein to maintain said work shall continue throughout said maintenance period, and the same shall not be changed, diminished or in any manner affected from any cause during said time.

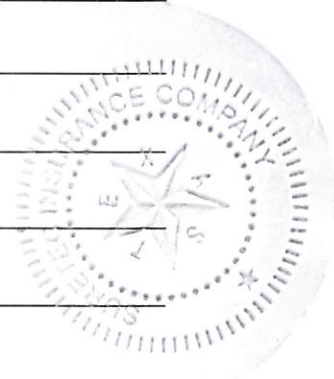
IN WITNESS WHEREOF, the said PRINCIPAL and SURETY have signed and sealed this instrument this 12th day of February 20 25.

PRINCIPAL:

Lynn Vessels Construction, LLC  
Name of Contractor  
[Signature]  
Signature  
LYNN VESSELS, OWNER/MANAGER  
Printed Name and Title  
PO Box 1212  
Address  
Sherman, TX 75091  
City, State, Zip

SURETY:

SureTec Insurance Company  
Name of Surety  
[Signature]  
Signature  
Felix Navejar, Attorney-in-Fact  
Printed Name and Title  
2103 City West Blvd., Suite 1300  
Address  
Houston, TX 77042  
City, State, Zip



The name, address and phone number of the Resident Agent of Surety is:  
Eric Lesch, P.O. Box 1306, Colleyville, TX 76034 - Phone: 972-459-4749

# SureTec Insurance Company

## IMPORTANT NOTICE Statutory Complaint Notice/Filing of Claims

To obtain information or make a complaint: You may call the Surety's toll-free telephone number for information or to make a complaint or file a claim at: 1-866-732-0099. You may also write to the Surety at:

SureTec Insurance Company  
9737 Great Hills Trail, Suite 320  
Austin, TX 78759

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at 1-800-252-3439. You may write the Texas Department of Insurance at:

PO Box 149104  
Austin, TX 78714-9104  
Fax#: 512-490-1007  
Web: <http://www.tdi.texas.gov>  
Email: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

**PREMIUM OR CLAIMS DISPUTES:** Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

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Ten Million and 00/100 Dollars (\$10,000,000.00)

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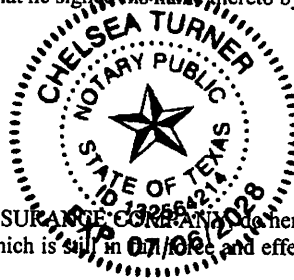
SURETEC INSURANCE COMPANY

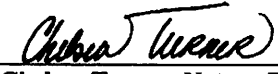
By:   
Michael C. Keimig, President



State of Texas                      ss:  
County of Harris

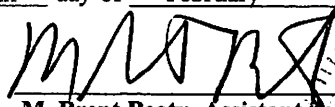
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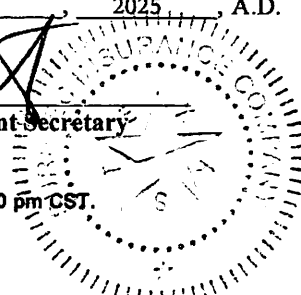
  
Chelsea Turner, Notary Public  
My commission expires July 6, 2028

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 12th day of February, 2025, A.D.

  
M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity. 4221029  
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STATE OF TEXAS

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COUNTY OF GRAYSON

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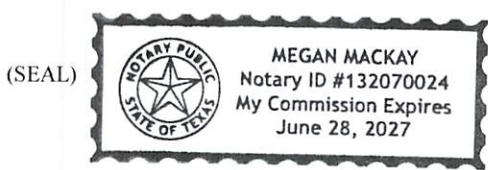
CONTRACTOR'S RELEASE OF LIENS AFFIDAVIT OF BILLS PAID

BEFORE ME, the undersigned authority, on this day personally appeared LYNN VESSELS (print Affiant's name) OWNER/MANAGER of Lynn Vessels Construction, LLC (herein after referred to as the (title) (construction company name) "Company"), who being duly sworn by me states:

- 1. That he/she is the general contractor, employed for the construction work of 1st STREET TO ROSEDALE SEWER REPLACEMENT (name of project) (hereinafter referred to as the "Project"), contracted by the CITY OF SHERMAN, and that said construction work was completed on 10/17/2024. (date)
2. That there are no claims, liens, suits or causes of action of whatsoever nature made, asserted or filed by any person, persons, firm or corporation, against either him/her, the Company or the City of Sherman, by reason of any labor, materials, or services furnished under the Project.
3. That all labor employed and all materials used, and all services rendered in said Project has been fully paid for by him/her, EXCEPT as disclosed hereunder:
4. That Affiant will pay all outstanding bills and/or claims on the above-mentioned Project, for any labor employed, materials used and/or services rendered, from funds paid by the City of Sherman, in reliance hereof.
5. That in consideration and conditioned upon City's final payment of funds, Affiant hereby waives and/or releases any and all lien rights held by Affiant emanating from performance and completion of the above-mentioned Project.
6. That no patented, registered, or copyrighted machines, materials, methods or processes were used in said Project, nor supplied as a part of the finished work or appurtenant thereto, except with the payment of any or all fees, royalties, or license charges; and that there exist no claims, liens, suits or causes of action of whatsoever nature made, asserted or filed by any person, persons, firm, or corporation by any reason of the use of any patented, registered, copyrighted machines, materials, methods or processes upon said Project.
7. That Affiant hereby offers and represents to FULLY INDEMNIFY the City of Sherman for any loss and/or expense resulting from any false or incorrect information contained herein, which Affiant knows or should have known to be incorrect, and that Affiant, by signature hereof, assumes all responsibility and is hereinafter personally liable for any loss or damage to the City of Sherman, resulting from any false or incorrect information contained herein.

WITNESS MY HAND on this 5th day of DECEMBER, 2024 Affiant's Signature

SWORN TO and SUBSCRIBED before me by LYNN VESSELS on this 5th day of DECEMBER, 2024 (print Affiant's name)



Megan Mackay Notary Public, Grayson County, Texas







Pay Request No. (6) Six Final From: 10/26/24 To: 11/20/2024  
 Name of Contractor: Lynn Vessels Construction, LLC  
 Owner's Address: PO Box 1212, Sherman, TX 75091  
 Engineer: City of Sherman  
 Engineer's Address: 220 W. Mulberry, Sherman, TX 75091  
 Project Name: 1st Street to Rosedale Sewer Replacement  
 Project Number: 1436-U  
 Contract Price (Including Change Orders): \$657,536.05

Item No.	Description of Item	Original Bid Quantity	Unit	Original Bid Unit Price	Quantity Completed This Month	Total Quantity Completed	Total Value Completed
<b>1st to Rosedale Sewer Replacement</b>							
P.1	Mobilization	1	LS	28,510.47		1	\$ 28,510.47
P.2	21" PVC Sewer by Open Cut	3,057	LF	100.03		3,057.00	\$ 305,791.71
P.3	15" PVC Sewer by Open Cut	104	LF	84.44		104	\$ 8,781.76
P.4	12" PVC Sewer by Open Cut	99	LF	72.59		99	\$ 7,186.41
P.5	10" PVC Sewer by Open Cut	23	LF	63.99		23	\$ 1,471.77
P.6	8" PVC Sewer by Open Cut	23	LF	57.33		23	\$ 1,318.59
P.7	6" PVC Sewer by Open Cut	26	LF	51.81		26	\$ 1,347.06
P.8	21" PVC Sewer w. 30" Encasement by Open Cut	43	LF	291.28		43	\$ 12,525.04
P.9	Abandon Existing Manhole	20	EA	791.00		20	\$ 15,820.00
P.10	Remove Existing Manhole	2	EA	1,073.50		2	\$ 2,147.00
P.11	4' Diameter Fiberglass Manhole (0'-10' Depth)	6	EA	8,737.12		6	\$ 52,422.72
P.12	5' Diameter Fiberglass Manhole (0'-10' Depth)	3	EA	14,974.20		3	\$ 44,922.60
P.13	PVC Splice Connection	6	EA	1,186.50		6	\$ 7,119.00
P.14	4' Diameter Fiberglass Manhole (Extra Depth)	1	VF	645.51		1	\$ 645.51
P.15	Manhole Vent	2	EA	1,870.72		2	\$ 3,741.44
P.16	Vacuum Test Manhole	9	EA	186.45		9	\$ 1,678.05
P.17	Temporary Bypass (6" or 8" Diameter Sewer)	3	EA	2,066.77		3	\$ 6,200.31
P.18	Class G Embedment	195	LF	56.22		195	\$ 10,962.90
P.19	10' of 10" PVC Sewer Plugged Stubout	5	EA	861.29		5	\$ 4,306.45
P.20	Connect to Existing Sanitary Sewer Lateral	3	EA	378.55		3	\$ 1,135.65
P.21	Revegetate	3,375	LF	4.07		3,375	\$ 13,736.25
P.22	Trench Safety	3,375	LF	1.40		3,375	\$ 4,725.00
P.23	SW3P	1	LS	6,215.00		1.00	\$ 6,215.00
P.24	Asphalt Pavement	136	SY	109.01		136	\$ 14,825.36
P.25	Contingency Allowance	1	LS	100,000.00			\$ -
CON	Add 5' Precast Dia Manhole with Raven 405	1	EA	15,528.40		1	\$ 15,528.40
CON	Remove and Repour Bleacher Pad	1	EA	6,500.00		1	\$ 6,500.00

\$ 579,564.45

Completed to Date: \$ 579,564.45  
 Stored Material: \$ -  
 Completed and Stored to Date: \$ 579,564.45  
 Less 5% Retainage:  
 Less Previous Payments: \$ 550,586.23  
 Amount Due This Application: \$ 28,978.22 ✓

Contractor certifies that to the best of its knowledge: 1) all previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with Work covered by prior Applications for Payment, 3) title of all Work materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to Owner at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to Owner indemnifying Owner against any such Liens, security interest or encumbrances), and 3) all Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Engineer Signature and Date:

*[Signature]* 12/3/24

Contractor Signature and Date:

*[Signature]* 11/25/2024



## **AGENDA ITEM XII**



# **GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION**

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**DATE:** March 12, 2025

**SUBJECT:** AGENDA ITEM NO. XII

**PREPARED AND SUBMITTED BY:** Paul Sigle, General Manager

**CONSIDER AND ACT UPON WATER PRODUCTION AGREEMENT WITH THOMPSON HEIGHTS  
DEVELOPMENT COMPANY FOR WATER OPERATION SERVICE FOR THOMPSON HEIGHTS  
WATER SYSTEM**

**ISSUE**

Consider and act upon the Water Production Agreement with Thompson Heights Development Company for water operation services for the Thompson Heights Water System.

**BACKGROUND**

Representatives from Thompson Heights Development Company contacted the Authority for operation services for the Thompson Heights Water System. The General Manager, Paul Sigle and Operator Dave Tomlinson meet with Thompson Heights to discuss operations services.

**STAFF RECOMMENDATIONS**

The Authority Staff recommend the Water Production Agreement with Thompson Heights Development Company.

**ATTACHMENTS**

Proposal  
Contract



**WATER PRODUCTION AGREEMENT**

STATE OF TEXAS

§

§

COUNTY OF GRAYSON

§

This Agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by and between the Thompson Heights Development Company in Grayson County, Texas, hereinafter called "Thompson Heights," and the Greater Texoma Utility Authority, hereinafter called "GTUA."

WITNESSETH:

WHEREAS, Thompson Heights owns a water distribution system that provides potable water for its citizens; and

WHEREAS, Thompson Heights has determined that it is in its best interest that an entity experienced and qualified in water services be engaged to assist in operating, managing and maintaining its water system in compliance with all governmental requirements; and

WHEREAS, Thompson Heights has determined that the proposal of GTUA, an entity created by an act of the legislature of the State of Texas to provide water, wastewater, and solid waste services to entities, as said proposal is modified and supplemented herein, is in the best interest of Thompson Heights and that GTUA is qualified and capable of providing the services required by Thompson Heights.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and of the terms and conditions hereinafter set forth, the parties agree as follows:

1. The Proposal. The term "proposal" as used herein refers to the proposal made and submitted by GTUA to the Thompson Heights dated March 10, 2025, as amended, modified, or supplemented herein.

The proposal is a general guideline for the commencement of operation and continued operation, maintenance and management of water distribution facilities. Such proposal is amended and superseded by specific terms of this agreement, which may be amended from time to time upon agreement of GTUA and the Thompson Heights.

2. Operation and Management. GTUA shall provide necessary support services for the operation of the water distribution system, as may be desired by Thompson Heights.

GTUA shall provide necessary management personnel to assist management, operation and maintenance of the water system effectively and efficiently, and in such a manner as to insure water quality in compliance with any and all water control orders issued by the Texas Commission on



Environmental Quality (Commission), the Environmental Protection Agency (EPA), and any orders or requirements of any governmental agency relating to this plant.

3. Ownership and Financing. The water system is now and shall continue to be owned by Thompson Heights and it shall be the responsibility of Thompson Heights to provide such facilities, operating funds, and capital expenditures, as may be necessary to accomplish the quality of water by the Commission, the EPA, and any subsequent orders or requirements of any government agency relating to this plant.

4. Charges and Payment. Monthly payments shall be made by Thompson Heights to GTUA for actual costs incurred including hourly wages and benefits of the GTUA employees, travel costs to and from Thompson Heights, and other direct costs, including fees for professional services, associated with the operation of the water system. GTUA shall invoice Thompson Heights for any such services performed hereunder during the preceding thirty (30) day period, said invoice to be presented by the 25th day of each month. Said invoice shall be provided in such a manner that Thompson Heights may determine the reasonableness of the charges submitted. Thompson Heights shall pay said amount by the tenth day of the month following receipt of any such invoice unless notice of protest or disagreement is given to GTUA within seven (7) days after receipt of said invoice. Failure of GTUA and Thompson Heights to agree upon payment of such invoice within thirty (30) days of protest shall be grounds for termination under Paragraph 6.

Other operating costs including supplies, maintenance and service, shall be paid directly by Thompson Heights and shall be the financial responsibility of Thompson Heights. All costs of defending or responding to enforcement actions brought by regulatory agencies or litigation brought by third parties concerning the water facilities covered by this contract or services rendered under this contract, shall be the financial responsibility of Thompson Heights.

Emergency expenditures not budgeted for may be incurred with the concurrence of the General Manager of the Greater Texoma Utility Authority and the President of Thompson Heights, subject to the limitations placed on each by the respective governing bodies.

5. Operating Employees. Present Thompson Heights employees, if any, assigned to the water system operations will remain in the employ of Thompson Heights, but shall be assigned for all operating purposes to GTUA personnel who have the responsibility of the water operations. Such assignments shall be made in writing by Thompson Heights, and shall clearly state from whom Thompson Heights employees are to take their operating instructions and work assignments. GTUA shall be responsible for making such work assignments and shift assignments as may be necessary to the efficient operation of the water production facilities. In the event that existing personnel are not responsive to work assignments within the water activities, Thompson Heights agrees to transfer or re-assign such personnel to other work assignments within Thompson Heights operations or terminate such employees if they fail to follow work assignments.

GTUA employees shall be responsible for reporting to the President of Thompson Heights.



6. Termination. Either Thompson Heights or GTUA may terminate this agreement for any reason upon ninety (90) days written notice of termination to the other party. In such event, upon the request of Thompson Heights, GTUA shall continue its operations for a period of up to ninety (90) additional days, upon the same terms and conditions contained herein. However, if at any time during the term of this agreement or any extension thereof, Thompson Heights refuses to provide the financial resources necessary to operate the water production facilities in accordance with the rules and regulations of the Commission and the EPA, or pay invoices submitted pursuant to Paragraph 4, GTUA may terminate the contract upon seven (7) days notice.

7. Indemnity. Neither Thompson Heights nor GTUA shall be liable to the other for loss, either direct or consequential, arising out of death or injury to persons, or out of damage to or destruction of the water facilities, the associated buildings, equipment, or contents, whether such losses are caused by negligence of either party or by an act of God, or by any of the perils which are or could be included within, or insured against by, a form of property insurance, workers' compensation insurance or liability insurance. All such claims for any and all loss, however caused, are hereby waived. Said absence of liability shall exist whether or not the damage, destruction, injury, or loss of life is caused by the negligence of either party or of any of their respective agents, servants, or employees. It is the intention and agreement of both parties that the operating budget, charges and payments described in Paragraph 4, will be fixed in contemplation that each party shall look to its respective insurance carriers for reimbursement of any such loss, and further, that the insurance carriers involved shall not be entitled to subrogation under any circumstances against any party to this agreement. Neither party shall have any interest or claim in the other's insurance policy or policies, or the proceeds thereof, unless it is specifically covered therein as an additional insured.

8. Insurance. GTUA shall obtain the following insurance coverage with insurance companies licensed in the State of Texas and shall provide a certificate of insurance as evidence of such coverage to the President of Thompson Heights:

A. Comprehensive general liability, with a minimum single limit of liability for bodily injury and property damage of \$300,000 per occurrence and annual aggregate. The coverage shall include: premises and operations, product and completed operations, independent contractors, contractual liability, and personal injury liability.

B. Automobile liability, with a minimum combined single limit of liability for bodily injury and property damage of \$100,000 each occurrence. The coverage shall include owned, hired, and non-owned autos.

C. Workers' compensation and employer's liability insurance in compliance with the laws of the State of Texas.

All certificates shall provide that the policy shall not be changed or canceled until at least ten (10) days prior written notice shall have been given to Thompson Heights.



9. Inspection. GTUA shall, during the term of this agreement, make available for inspection by any governmental agency with lawful jurisdiction, the operations and site of the water production facilities. In addition, all books and records kept by GTUA with regard to the operation of the water production facilities shall be subject to reasonable inspection of Thompson Heights.

10. Independent Contractor. GTUA is, and shall perform this agreement as, an independent contractor, and as such, shall have and maintain complete control over all of its employees, subcontractors, agents, and operations. Neither GTUA nor anyone employed by it shall be, represent, act, purport to act or be deemed to be the agent, representative, subcontractor, employee, officer or servant of Thompson Heights. No employee or agent of Thompson Heights shall be, represent, act, or purport to act or be deemed to be the agent, representative, subcontractor, employee, officer, or servant of GTUA.

11. Assignment. This Agreement shall not be assignable except at the written consent of GTUA and Thompson Heights hereto, and if so assigned, shall extend to and be binding upon the successors and assigns of GTUA and Thompson Heights thereto.

12. Notices. All notices given under this agreement shall be deemed properly served if delivered in writing personally, or sent by certified mail to Thompson Heights, addressed to the President, Thompson Heights Development Company, P.O. Box 378, Denison, Texas 75021 and to GTUA addressed to the General Manager, Greater Texoma Utility Authority, 5100 Airport Drive, Denison, TX 75020. The date of service of notice served by mail shall be the date on which such notice is deposited in a post office of the United States Postal Service.

13. GTUA's Financial Obligations. Nothing in this agreement shall be construed to require GTUA to expend funds from any source other than the revenues received hereunder. All costs required by valid rules, regulations, laws, or orders passed or promulgated by the United States of America, the State of Texas, and regulatory or judicial branches thereof having lawful jurisdiction shall be the responsibility of Thompson Heights.

14. Entire Agreement. This agreement embodies the entire understanding between GTUA and Thompson Heights hereto relative to the subject matter hereof and shall not be modified, changed or altered in any respect except in writing signed by GTUA and Thompson Heights.

15. Governing Law and Severability. This agreement shall be governed by the laws of the State of Texas. The provisions of this agreement shall be deemed to be severable and the invalidity of or inability to enforce other provisions hereof. In the event of a conflict between the terms of this agreement and any exhibit attached hereto, the terms and conditions of this agreement shall take precedence.

16. Interpretation. Although drawn by GTUA, this contract shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for

or against either party.

IN WITNESS WHEREOF, the parties hereto have caused the signatures of their legally authorized representatives to be affixed hereto, having been duly approved by the respective governing bodies.

GREATER TEXOMA UTILITY AUTHORITY

BY: \_\_\_\_\_  
President

DATE: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

THOMPSON HEIGHTS DEVELOPMENT  
COMPANY

BY: *John Munson*  
President

DATE: 3/10/25

ATTEST:

\_\_\_\_\_  
Secretary





## GREATER TEXOMA UTILITY AUTHORITY

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5100 Airport Drive  
Denison TX 75020  
Ph. (903) 786-4433  
Fax (903) 786-8211  
gtua@gtua.org

Monday, March 10, 2025

Thompson Heights Development Company  
Attn: John Munson  
P.O. Box 378  
Denison, Texas 75021

Re: Proposal for Water Production Services

Dear Mr. Munson:

The proposal outlined below is intended to provide you with what we believe to be a typical schedule of activities that would need to be performed to assist you in the operation of your water production facilities. This proposal provides for services associated with the operation of the water production facilities.

### PROPOSAL FOR SERVICES

#### GENERAL

The Authority will provide experienced and licensed personnel to perform operational assistance for the Thompson Heights Water System as required in order to meet its water production regulatory requirements.

#### WATER ACTIVITIES

The activities would include, but not necessarily be limited to:

- Assure that water production facilities are operating properly
- Maintain weekly, monthly and annual reporting requirements
- Perform other duties, as required or necessary to insure the continued and uninterrupted operation of the water production facilities in compliance with Texas Commission on Environmental Quality regulations

#### EMPLOYEE RATES FOR SERVICES

The Authority's basis for offering services is that it be reimbursed for the actual cost incurred for the provision of these services. These costs include hourly wages and benefits of Greater Texoma Utility

Authority employees, travel costs to and from the Thompson Heights Water System, and all other direct costs associated with the operations of the water production facilities. Additionally, any after-hour work would be charged at times and a half. It is the intent of the Authority to recover its actual costs from the services provided. Below are the current rates for the Authority's employees. These rates are subject to change.

<b>Title</b>	<b>Rate (\$/hour)</b>
<b>Operator (Dave Tomlinson)</b>	\$48.82

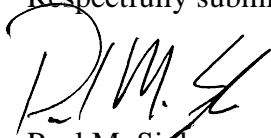
ESTIMATED ANNUAL COST

Below is the estimated annual cost based on the expected employee time.

<b>Employee</b>	<b>Estimated Time</b>	<b>Annual Cost</b>
<b>Operator</b>	3 hours per week for operation requirements	\$7,615.92
<b>Milage</b>	12 miles per week	\$436.80
<b>Total</b>		<b>\$8,052.72</b>

This estimate is our best estimate on the amount of time employees would typically be dedicated to the Thompson Heights Water System. Additional costs may occur for the first couple of months for setting up the billing system and the operator learning the system.

Respectfully submitted,



Paul M. Sigle  
General Manager

**ADJOURN**