

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

MONDAY, OCTOBER 15, 2007

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

Members Present: Donald Skelton, Bill Johnson, George Rowland, Everett Grantham, Paul Kirley, Duane Hayes, Joe Henderson, and Ray Nichols

Members Absent: Mark Kuneman

Staff: Jerry Chapman, Carolyn Bennett, Alan Moore, and Carmen Catterson

Visitors: David Gattis, Freeman-Millican, Inc
David Howerton, City of Denison

I. Call to Order

President Skelton called the meeting to order at 12:32 p.m.

II. Consent Agenda

The items marked with an asterisk (*) are considered routine by the Board of Directors and will be enacted in one motion with the consent agenda. President Skelton asked the Board if there were any items they wished to have removed from the consent agenda for discussion. There were no items requested by the Board of Directors to be removed from the consent agenda for discussion. Board Member Henderson made a motion to approve the consent agenda. The motion was seconded by Vice President Johnson and passed unanimously.

III. * Consider and act upon approval of Minutes of September 17, 2007 Meeting

IV. * Consider and act upon approval of accrued liabilities for September 2007: In response to Board Member Henderson's question concerning the \$559.93 expense under General Equipment Administrative Assistant Carolyn Bennett explained this expenditure was to purchase a Label Printer and scanning software for digital archiving purposes.

V. Citizens to be Heard

No citizen comments were heard.

VI. Wastewater Activities

Receive reports on wastewater activities: General Manager Chapman had nothing further to add to the Wastewater Report.

Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority requesting financial assistance from the Texas Water Development Board, authorizing the filing of an application for financial participation, and making certain findings in connection herewith (\$3,710,000 wastewater treatment plant and major sewer rehabilitation): Each year the Sherman City Council creates the Capital Improvement Budget to decide which projects the Authority will construct. An Intended Use Plan has been submitted to the Texas Water Development Board (TWDB) requesting the Authority's name be added to the list of projects to be funded on behalf of the City of Sherman. A reservation of \$3.710 million has been requested from the TWDB. Approximately \$1 million will be spent to rehabilitate the digester system at the wastewater treatment plant, which needs routine maintenance. An additional \$1,800,000 will be used to fund sewer inputs. General Manager Chapman will speak to the Sherman City Council tonight to keep them informed of activities. If submission of the application is approved, the application will be forwarded to the TWDB to be placed on the December or January agenda.

Vice President Johnson motioned for approval of a Resolution authorizing filing of an application for financial assistance from the Texas Water Development Board for \$3,710,000 for wastewater treatment plant and major sewer rehabilitation (City of Sherman). The motion was seconded by Board Member Grantham and passed unanimously.

Consider and act upon an On-Site Sewage Facilities Program Agreement between the Greater Texoma Utility Authority and Grayson County: Last month, the Board granted the Authority staff permission to submit a proposal to Grayson County to provide services for the On-Site Sewage Facilities (OSSF) program. Grayson County has been performing this service for approximately twenty (20) years, but now has decided to outsource the program. The County received three proposals, including the Authority's. Out of the three proposals, the County selected the Authority to provide the OSSF services. Inspections will be performed by Authority employees, but initially a contract employee will provide the inspections. The Authority will not be responsible for events that occurred prior to the contract date and will only provide inspection services. If any problems or complaints arise, the Authority would inspect and report to the County, but would not be responsible for repairs or enforcement. Costs for the program will be reviewed on an annual basis. Grayson County requested that the proposal be included as part of the contract. Copies of permits and documentation will be kept at the Authority office, as well as at the County. Secretary Carmen Catterson will be taking courses in San Antonio in October for the ESRI mapping program to be used in conjunction with the County 911 information.

Board Member Grantham motioned to authorize the General Manager to sign an On-Site Sewage Facilities Program Agreement between the Authority and Grayson County pending Grayson County's approval. The motion was seconded by Secretary/Treasurer Rowland and passed unanimously.

VII. Water Activities

Receive reports on water activities: Last week, General Manager Chapman attended a meeting with the TCEQ on two separate issues. The first issue was a contested hearing between Northwest Grayson WCID and Double Diamond, a developer that bought 1,750 acres in Northwest Grayson's service area. Double Diamond filed a request to be removed from Northwest Grayson's CCN area. The state commissioner's court heard the case last week and ruled in favor of Northwest Grayson. While this is good, Double Diamond will probably re-file an application in the future.

The second issue was in regard to the City of Lindsay's CCN that was filed a few years ago. The TCEQ staff returned the wrong map to the City. The map included no changes, however the City did not find the error within the specified amount of time for review. A hearing was held, and the court ruled in favor of the City, stating that the TCEQ will correct the mistake. General Manager Chapman updated the Board on the Lake Texoma Reallocation Study. The Corps of Engineers has promised an answer during the last two weeks of October. Mr. Jim Parks, General Manager for the North Texas Municipal Water District and Chapman have concluded that if no answer is received in October, they will proceed to seek assistance from Senators to receive a solution. A provision in the new Water Resources Act limits how the Southwest Power Administration can obtain funds. The Corps is reluctant to move too quickly, as this situation will become a national precedent.

Consider and act upon Change Order No. 4 to the contract with Four D Construction, Inc. for the Collin/Grayson Municipal Alliance waterline project: Four D Construction received the contract for the middle portion of the CGMA waterline. Mr. David Gattis, consulting engineer has listed two items on the final change order including sampling ports and concrete replacement. The concrete replacement is due to a road that appeared to be asphalt, but had concrete hidden beneath. The road was required to be returned to the previous condition, including the concrete. The sampling ports will be used to sample water after line is in use. The net result of Change Order No. 4 is an increase of \$7,498.00

Board Member Henderson motioned for the approval of Change Order No. 4 to the contract with Four D Construction, Inc. for the Collin/Grayson Municipal Alliance waterline project. The motion was seconded by Vice President Johnson and passed unanimously.

Consider and act upon a Resolution accepting the contract with Four D Construction, Inc for the Collin/Grayson Municipal Alliance waterline project as complete: A Resolution was presented to the Board requesting the Board to officially accept Four D Construction's work as complete. Mr. Gattis verified that everything was completed satisfactorily. If approved, their retainage will be released. This will be the second contract to be accepted as complete for this waterline project.

Vice President Johnson motioned for the approval of a Resolution accepting the contract with Four D Construction, Inc. for the Collin/Grayson Municipal Alliance waterline project as complete. The motion was seconded by Board Member Henderson and passed unanimously.

Consider and act upon a Resolution accepting the contract with Gin-Spen Construction, Inc for the Collin/Grayson Municipal Alliance waterline project as complete: Gin-Spen Construction was responsible for the line near Howe. The Authority staff requests to close out this contract with the reservation that the contractor pays the City of Van Alstyne for water used for testing purposes. Two fire hydrant meters for construction of Gin-Spen's portion of the line were installed under the City's supervision by the contractor for their use. The contractor needs to pay Van Alstyne for water used.

Vice President Johnson motioned for the approval of a Resolution accepting the contract with Gin-Spen Construction, Inc. for the Collin/Grayson Municipal Alliance waterline project as complete, contingent upon Gin-Spen Construction paying the City of Van Alstyne for water used. The motion was seconded by Board Member Grantham and passed unanimously.

Consider and act upon a proposal for engineering and surveying services for Texoma Parkway waterline from Frisco Rd. to Fallon Dr. for the City of Sherman: The first phase of the Texoma Parkway waterline is in construction now. The second phase extends the waterline from Frisco Rd. to Fallon Dr. The engineering services agreement is for \$16,000 with \$3,000 for surveying. These estimates do not include preliminary and final designs. Mr. Mark Gibson, Director of Utilities with the City of Sherman provided a letter recommending the Authority approve Morris Engineer's proposal.

Board Member Henderson motioned to approve the proposal for engineering and surveying services for the Texoma Parkway waterline from Frisco Rd. to Fallon Dr. for the City of Sherman as presented. The motion was seconded by Board Member Grantham and passed unanimously.

VIII. General Activities

*Receive monthly financial reports:

At this time General Manager Chapman updated the Board regarding the Priority Groundwater Management Hearing to be held by the State Office of Administrative Hearings on October 23rd at 10:00 AM in Fort Worth, Texas. The TCEQ is in the process of attempting to force Denton, Collin, Fannin, and Grayson Counties into one Groundwater Conservation District (GCD) and Cooke County in with other local counties. Cooke County does not approve of this decision and would prefer to be included with Grayson and Fannin Counties, if a GCD is required. Several groundwater providers have agreed to form a coalition opposing the formation of a GCD. Mr. Jim Mathews, an attorney out of Austin, will represent the group at the Fort Worth hearing. Mr. Mathews will attempt to receive party status for each water provider so they will have a voice in the process. Mr. Mathews will also try to convince the judge to force the TCEQ staff to negotiate with the water providers. The estimated cost for Mr. Mathew's services is between \$10 and \$15 thousand. A strategy session has been scheduled for Wednesday, October 17th. Further information will be available at the next Board meeting.

IX. Executive Session

The Board of Directors determined there was no need for a closed Executive Session and did not adjourn from the regular session.

X. Regular Session

Consider and act upon items listed in Executive Session. (see explanation above)

XI. Adjourn

Upon motion by President Skelton, seconded by Vice President Johnson and passed unanimously, the Board adjourned at 1:22 p.m.

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Recording Secretary

Secretary-Treasurer