

**GREATER TEXOMA UTILITY AUTHORITY
BOARD OF DIRECTORS' MEETING
FEBRUARY 21, 2011**

AGENDA

AGENDA
GREATER TEXOMA UTILITY AUTHORITY
BOARD OF DIRECTORS MEETING
GTUA BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020
12:30 P.M., MONDAY, FEBRUARY 21, 2011

Notice is hereby given that a meeting of the Board of Directors of the Greater Texoma Utility Authority will be held on the 21st day of February 2011, at 12:30 p.m. in the Administrative Offices of the Greater Texoma Utility Authority, 5100 Airport Drive, Denison TX, 75020, at which time the following items will be discussed:

Agenda:

- I. Call to Order
- II. 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.
- III. * Consider and act upon approval of Minutes of January 17, 2011 Meeting
- IV. * Consider and act upon approval of accrued liabilities for January 2011
- V. Citizens to be Heard
- VI. Wastewater Activities
 - A. Consider and Act upon Contract with the City of Gainesville for Project Representative Services – I-35 Water and Sewer Relocation Project
 - B. Receive update on Melissa Fitzhugh Branch Capital Improvements Plans project
- VII. Water Activities
 - A. Consider and Act upon Contract with the City of Gainesville for Project Representative Services – I-35 Water and Sewer Relocation Project
 - B. Consider and act upon Change Order No. 2A to the contract with Sperling Construction for the Pottsboro Miscellaneous Water Improvements Project
 - C. Consider and act upon Administrative Services Agreement with the Red River Groundwater Conservation District
- VIII. General Activities
 - A. *Receive Monthly Financials
 - B. Consider and act upon recommendations to Texas Legislature on pending bills relating to water and eminent domain

- C. Consider and discuss accounting software update
- D. Consider and act upon readopting the Board Policy Manual

IX. Executive Session

Pursuant to Government Code Section 551.074, the Board of Directors may adjourn into closed Executive Session to discuss the following:

Personnel Matters

X. Regular Session

Consider and act upon items listed in Executive Session

XI. Adjourn

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

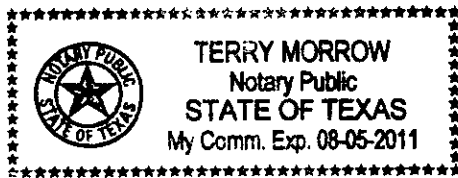
²The Board reserves the right to retire into Executive Session concerning any of the items listed on this agenda, whenever it is considered necessary and legally justified under the Open Meetings Act.

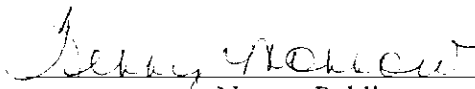
This is to certify that I, Carmen Catterson, posted this agenda on the outdoor bulletin board of the Administrative Offices of the Greater Texoma Utility Authority, on the west side of the building, by 5:00 p.m. on February 16, 2011. I also posted this agenda in the Texas Register and provided this agenda to the County Clerks in Collin, Cooke, Fannin, and Grayson Counties, the City Clerks of Denison, Gainesville, Sherman, and all other member cities, with a request that it be posted.



 Carmen Catterson

Sworn and subscribed to before me this 16 day of February 2011.





 Notary Public

(S E A L)

PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING, AND WHO MAY NEED ASSISTANCE, ARE REQUESTED TO CONTACT CARMEN CATTERSON AT (903) 786-4433 TWO (2) WORKING DAYS PRIOR TO THE MEETING, SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.

CALL TO ORDER

CONSENT AGENDA

ATTACHMENT III

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

MONDAY, JANUARY 17, 2011

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

Members Present: Don Skelton, Bill Johnson, George Rowland, Everett Grantham, Paul Kirley, Mark Kuneman, David Sprowl, Clyde Yeatts

Members Absent: Duane Hayes

Staff: Jerry Chapman, Debi Atkins, Carolyn Bennett, and Carmen Catterson

Visitors: Mike Wynne, Nall, Pelley & Wynne
Jonathan Cannon, Herald Democrat
Kevin Farley, City of Pottsboro
Tom Schalk, Schalk & Smith
Judy Smith, Schalk & Smith

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 Sprowl motioned 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 December 20, 2010 Meeting

IV. * Consider and act upon approval of accrued liabilities for December 2010

V. Citizens to be Heard

General Manager Chapman introduced visitors Kevin Farley with the City of Pottsboro, Tom Schalk and Judy Smith with Schalk & Smith auditors and Jonathan Cannon with the Herald Democrat.

At this time, President Skelton moved out of agenda order to General Activities, Item VII-B, Receive Independent Audit for Fiscal Year Ending September 30, 2010.

Receive Independent Audit for Fiscal year Ending September 30, 2010

Mr. Chapman apologized for the late time in providing the audit to the Board. The staff did not receive the audit until 4:00 p.m. on Friday afternoon. The audit for the 2010 fiscal year contained three refunding and was considerably more complex than usual. At this time, Mr. Schalk reviewed the audit with the Board. The auditors were able to provide a clear and unqualified audit, which is the highest rating that can be provided. No problems were located in internal control or the accounts. The Authority is fiscally sound and the records are clean. Mr. Chapman reported that he and Mrs. Atkins reviewed the information on Friday. The Authority is required to file the audit with the Texas Commission on Environmental Quality (TCEQ) and the Texas Water Development Board (TWDB).

Board Member Sprowl motioned to approve the audit for Fiscal Year Ending September 30, 2010. The motion was seconded by Board Member Grantham and passed unanimously.

At this time, President Skelton moved back into the posted agenda order.

VI. Water Activities

Consider and act upon a Resolution of the Board of Directors of the Greater Texoma Utility Authority authorizing the filing of an Amendment to Water Use Permit No. 4301, as amended.

This is an amendment to the Authority's Water Right Permit No. 4301. In 2010, the Authority successfully acquired 50,000 acre-feet of water storage from Lake Texoma. That storage was funded through the Water Infrastructure Fund at 1.89%. Unfortunately, some water providers were not eligible to participate in tax-exempt financing. This included Kiowa Homeowners Association and Woodbine Water Supply Corporation (WSC). The US Army Corps of Engineers contacted the Authority and reported they had an additional 1,515 acre-feet of water storage in Lake Texoma available and asked if there was interest in the water. The Authority discussed this with the two water providers and they requested the Authority pursue the water storage.

A resolution is included for the amendment of the water rights permit. This is not a major amendment. The staff consulted with Tom Gooch with Freese & Nichols and Martin Rochelle, a water attorney in Austin and they agree the permit amendment should be fairly quick and easy. Jan Hotubbee a water supply specialist with the US Army Corps of Engineers promised to provide a contract for the water storage to the Authority in January. This water storage will be financed through the US Army Corps of Engineers at approximately a 4% interest rate.

The water providers expect to access the water one of two ways. One would be the City of Sherman treats the water and then pumps the water to the purchasing entity for a fee. The other would be a joint water treatment plant and distribution line for the users along the Hwy 377 corridor. Currently, the Sherman water lines go as far west as Hwy 289, which is approximately one third of the distance to Whitesboro. Both entities are being very proactive in acquiring water storage at this time.

Vice President Johnson motioned to approve a Resolution authorizing the filing of an Amendment to Water Use Permit No. 4301, as amended. The motion was seconded by Board Member Kuneman and passed unanimously.

Consider and act upon an award of contract for the Argyle WSC 12" Waterline Extension from Stonecrest to Harpole Rd.

This is a project for the Argyle WSC in Denton County. The bids were taken on Tuesday and the engineer did not have time to provide the bid tabulation and recommendation for award before the agenda packet was mailed. The low bid was submitted by Wilson Contractor Services, LLC in the amount of \$388,587.00. They have been awarded previous contracts for the Authority including the encasement of the 24" waterline in Collin County recently. The engineer, Kerry Maroney, Jr. with Biggs & Mathews is recommending the award of contract to Wilson Contractor Services, LLC.

Secretary/Treasurer Rowland motioned to award the contract for the Argyle WSC 12" Waterline Extension from Stonecrest to Harpole Rd project to Wilson Contractor Services, LLC in the amount of \$388,587.00, contingent upon similar action being taken by the Argyle WSC Board of Directors. The motion was seconded by Board Member Yeatts and passed unanimously.

Consider and act upon a Resolution accepting the contract with Champion Utility Construction, LLC for the Pottsboro Miscellaneous Waterline Improvements Alternates A&B project as complete.

This project was built for the City of Pottsboro. The engineer on the project has recommended the project be accepted and closed out.

Vice President Johnson motioned to accept the contract with Champion Utility Construction, LLC for the Pottsboro Miscellaneous Waterline Improvements Alternates A&B project as complete, contingent upon the receipt of all close out documents. The motion was seconded by Board Member Yeatts and passed unanimously.

Consider and act upon Change Order No. 1 to the contract with Sperling Construction for the Pottsboro Miscellaneous Waterline Improvements project.

This contract is being constructed by Sperling Construction. They have encountered some delays and are requesting a 37 day extension to the contract. The City of Pottsboro has no problem with the delay.

Board Member Yeatts motioned to authorize the execution of Change Order No. 1 to the contract with Sperling Construction for the Pottsboro Miscellaneous Waterline Improvements project to adjust the completion date to February 15, 2011. The motion was seconded by Board Member Kuneman and passed unanimously.

VII. General Activities

Receive Quarterly Investment Report

This is a periodic investment report that is provided to the Board. On the last page, it shows investment summaries. The staff has found better yield by investing \$240,000 in local banks. The return is higher than the pools. On Friday, Mr. Chapman found a bank that will help the Authority participate in a CD program to invest in local banks to keep it below the \$250,000 limit.

Consider and act upon request for General Manager to respond to SEC rule requiring appointed state and local officials to register as municipal advisors.

This next Securities Exchange Commission (SEC) rule is a matter that follows the law of unintended consequences. Last year, Congress enacted legislation that includes any appointed state and local

officials in the requirement to register as municipal advisors. The staff spoke with Fulbright & Jaworski and Specialized Public Finance, Inc. Mr. Chapman requested the Board to authorize him to draft a letter with the assistance of Fulbright Jaworski and Specialized Public Finance, Inc. to express to the SEC the need to repeal this requirement.

President Skelton motioned to authorize the General Manager to respond to the SEC rule requiring appointed state and local officials to register as municipal advisors. The motion was seconded by Vice President Johnson and passed unanimously.

Consider and act upon request for a temporary remote computer connection.

As all of you know, Mrs. Atkins will need to take approximately six weeks of medical leave and the staff would find it beneficial to install a remote computer terminal at Mrs. Atkins residence. This would allow Mrs. Atkins to access e-mail and financial records while on leave.

Board Member Kuneman motioned to authorize the temporary remote computer connection. The motion was seconded by Vice President Johnson and passed unanimously.

Consider and act upon appointment of officers for 2011 calendar year.

At the previous Board meeting, President Skelton established a nominating committee of Board Members Kirley, Sprowl and Yeatts. Board Member Yeatts reported the Committee's recommendation that the existing Officers be reappointed to serve for another year.

Board Member Grantham motioned to reappoint the existing slate of Officers for the 2009 calendar year. The motion was seconded by Vice President Johnson and passed unanimously. The Officers for the 2009 calendar year are: Donald Skelton, President; Bill Johnson, Vice President; George Rowland, Secretary-Treasurer; and Jerry Chapman, Assistant Secretary.

VIII. Adjourn

Upon motion by President Skelton, seconded by Vice President Johnson and passed unanimously, the Board adjourned at 1:09 p.m.

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Recording Secretary

Secretary-Treasurer

ATTACHMENT IV

RESOLUTION NO. _____

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE
GREATER TEXOMA UTILITY AUTHORITY AUTHORIZING
PAYMENT OF ACCRUED LIABILITIES FOR THE MONTH OF JANUARY 2011:

The following liabilities are hereby presented for payment:

GENERAL:

Dues and Subscriptions

Bank of America - Visa (License renewal - D. Henderson & A. Moore)	\$	222.00
Texas Social Security Program (Annual fee)		28.00

Equipment

Diamond Computer's (2 Asus Technology Model P7H55-M computers - Accounting)		3,294.80
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Fuel and Reimbursements for Mileage

Carmen Catterson (Reimbursement for mileage)		103.53
Carolyn Bennett (Reimbursement for mileage)		83.50
Laurie Burchfield (Reimbursement for mileage)		116.28
Conoco (Fuel - operations vehicles)		249.45
ExxonMobil (Fuel - operations vehicles) x 2 months		1,354.56
Shell Fleet (Fuel - operations vehicles)		67.49

Insurance

Harris-Blanton Insurance, Inc. (Crime policy - Insurance /Bonding)		528.00
Harris-Blanton Insurance, Inc. (Public Official, J. Chapman - Insurance /Bonding)		100.00
TWCA Risk Management (Workers' compensation insurance)		695.79

Leases/Rental Fees

Pitney-Bowes (Mailing system)		39.00
North Texas Regional Airport (Lease - administrative offices)		1,784.41

Legal Fees

Nall, Pelley, Wynnc & Smith, LLP (Agenda, Board Meeting)		314.14
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Maintenance Agreements

NovaCopy (DP 8060 Copier)		100.00
Diamond Computers (End of month Back-up & off site storage)		225.00
ESRI (ArcView - 2011)		400.00

Meetings and Conferences

The Paper Plate Catering (BOD Lunches) 190.00

Miscellaneous

Bank of Texas Trust (Retirement fees) 2,167.95

Schalk & Smith, P.C. (Year End Audit - 9/30/10) 24,850.00

Professional Services

Final Details (Cleaning services) 475.00

Repair & Maintenance - Building & Equipment

Alverson Refrigeration, Inc. (Motor Shaft & replace bearings) County reimbursed 902.07

Repair & Maintenance - Administrative and Operations Vehicles

Sherman Tire & Service (2006 F150 - 2 Tires - D. Henderson) 462.08

Whistlestop Car Spa & Lube (2006 F150 - D. Henderson - Oil change, fuel filter) 69.15

Whistlestop Car Spa & Lube (2010 F150 - D. Smith - Oil change) 39.16

Supplies

Buffalo Business Products (Office supplies) 212.34

Exxon/Mobil (Field supplies - ice) 38.14

Sam's Club (Office supplies) 31.12

Thomson West (Tx Mun Law Library) 123.00

Wal-Mart (Field supplies) 19.88

Utilities

Alan Moore (Reimbursement for mobile telephone expenses) 31.01

Cable One (Internet line) 84.96

AT & T Wireless (Mobile telephone) 172.17

City of Denison (Water) 79.50

City of Sherman (Trash services) 65.00

AT & T(Telephone lines)x 2 months 570.13

Sprint (800 service and calling cards) 19.44

TXU Electric

ATMOS Energy \$ 349.94

TOTAL: \$ 40,657.99

SOLID WASTE:

Fuel

ExxonMobil (Fuel - operations vehicles) x 2 months \$ 220.39

Insurance

TWCA Risk Management Fund (Workers compensation insurance) 134.02

Supplies

Whistlestop Car Spa & Lube (2003 F150 - Oil change, fuel filter) 88.10

Utilities

Grayson-Collin Electric 209.05
AT & T 33.55
Starr Water Supply \$ 53.26

TOTAL: \$ 738.37

WASTEWATER:

Construction Contracts

Associated Construction Partners, LTD (Sherman 2009B - Est #8, WWTP Clarifier #2) \$ 26,250.00
Dickerson Construction Company, Inc. (Sherman 2009B - Est #5, Swr C - King to Pacific) 118,277.55
Lewis Contractors, Inc. (Melissa 2009A - Est #3, Fitzhugh) 237,217.42
Lewis Contractors, Inc. (Melissa 2009A - Est #4, Fitzhugh) split w/09B 97,990.00
Lewis Contractors, Inc. (Melissa 2009B - Est #4, Fitzhugh) 265,781.12
Lynn Vessels Construction, LLC (Sherman 2009A - Contract A, Est #7, Fallon to 691) 32,485.40
Tri-Con Services, Inc. (Sherman 2009A - Contract B, Est #8, Fallon South) 40,518.73
TNT Pipeline / Surety International - Wachovia Bank (Sherman 2009A - Contract C, est #3) 93,505.68
Vescor, Inc. (Sherman 2009B - Est #6 Final, Swr K- Turtle Creek to Lamberth) 24,817.21

Engineering Fees

Freeman-Millican, Inc. (Sherman 2008 - Howard Estruct) 3,280.00
Freeman-Millican, Inc. (Sherman 2008 - WWTP Peak Flow Storage) 750.00
Freeman-Millican, Inc. (Sherman 2009A - Hwy 75 N, Contracts A,B & C) 9,586.09
Morris Engineers' (Sherman 2009B - Relief Swr C, King to Pacific) \$ 1,520.00

TOTAL: \$ 951,979.20

WATER:

Advertising

Gainesville Daily Register (Argyle 2007 - Ad for bids) \$ 400.00
Star Community Newspapers (Argyle 2007- Ad for bids) 555.06

Construction Costs

Champion Utility Construction, LLP (Pottsboro 2001 - Alt A&B, Est #2 Final) 63,026.15
Lewis Contractors, Inc. (Melissa 2009A - Water portion, Est #3) 34,244.68
Lewis Contractors, Inc. (Melissa 2009A - Water portion, Est #4) 205,136.35

Sperling Construction (Pottsboro 2007 - WL replacement, Est #2)	10,794.98
Sperling Construction (Pottsboro 2007 - WL replacement, Est #3)	22,908.38

Groundwater

AT & T (North Texas Groundwater Conservation District) x 2 months	159.82
AT & T (Red River Groundwater Conservation District)	157.61
Nall, Pelley, Wynne & Smith, LLP (NTGCD - Admin agreement)	125.00

Engineering Fees

Morris Engineers (Sherman 2012 - Surface Wtr Dist Pipeline East)	17,200.00
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Filing Fees

Texas Commission on Environmental Quality (Lake Kiowa/Woodbine - Water Right 4301A)	100.00
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Legal

Nall, Pelley, Wynne & Smith, LLP (Sherman 2003 - NTMWD cost sharing agreement)	125.00
Nall, Pelley, Wynne & Smith, LLP (Princeton - 4th St / CR 461 Waterline - Davis Excavation)	350.00
Nall, Pelley, Wynne & Smith, LLP (Princeton - EST - Landmark Structures)	350.00
Nall, Pelley, Wynne & Smith, LLP (Pottsboro 2007 - Champion Utility Construction)	150.00

Meetings & Conferences

Bank of America - Visa (Water Law Seminar, M. Gibson meeting)	355.24
Red River Valley Association (Sherman 2003 - Annual convention 2/23-2/25/11, J. Chapman)	300.00
Texas Water Conservation Association (Sherman 2003 - 1/20-1/21/11 Reg Dist Meeting)	155.00
Texas Water Conservation Association (Sherman 2003 - Annual convention 3/2-3/4/11)	400.00

Miscellaneous

Red River Valley Association (Sherman 2003 - Annual membership)	250.00
Underwood Drafting & Surveying, Inc. (Sherman 2012 - Surface Wtr Dist Pipeline East)	17,200.00

Paying Agent Fees

Bank of Texas Trust (Dorchester)	200.00
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CGMA Repair & Maintenance

City of Denison Lab (CGMA - Bacteriological exam)	54.00
Kemp Lawn Maintenance (CGMA - Bloomdale Pump Station) x 2 months	780.00
Texas Excavation Safety System, Inc. (CGMA - water tests)	62.70

CGMA Utilities

AT & T (Bloomdale Pump Station) x 2 months	225.00
North Texas Municipal Water District (Water Usage)	28,074.58
Verizon (Howe Tank Site)	\$ 91.76

TOTAL: \$ 403,931.31

GRAND TOTAL: \$ 1,397,306.87

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

CITIZENS TO BE HEARD

WASTEWATER ACTIVITIES

ATTACHMENT VI - A




GREATER TEXOMA UTILITY AUTHORITY

5100 AIRPORT DRIVE
DENISON, TEXAS 75020-8448
903/786-4433
FAX: 903/786-8211
www.gtua.org

MEMO

TO: Board of Directors, Greater Texoma Utility Authority

FROM: Jerry W. Chapman, General Manager 

DATE: February 14, 2011

RE: Proposed Contract for Project Representative Services – City of Gainesville

Ron Sellman, Gainesville Director of has requested the Authority provide a proposal for Project Representative Services for the I-35 Water and Sewer Relocation Project. This is a service the Authority is currently providing the City of Gainesville for the Pecan Creek Project. I have attached a copy of the proposal the staff suggests be offered to the City, which provides for compensation of time and expenses. The contract is a template that was developed several years ago by previous General Counsel and has been modified to fit the proposal services being requested.

ACTION REQUESTED: The General Manager requests the Board to consider approving signing the contract for Project Representative Services with the City of Gainesville for the I-35 Water and Sewer Relocation Project.

JWC:cc

Attachment



GREATER TEXOMA UTILITY AUTHORITY

5100 AIRPORT DRIVE
DENISON, TEXAS 75020-8448
903/786-4433
FAX: 903/786-8211
www.gtua.org

February 14, 2011

Ron Sellman
City of Gainesville
200 South Rusk
Gainesville TX 76240

Re: Proposal for Resident Project Representation Services

Dear Ron:

Recently we discussed the I-35 Water and Sewer Relocation Project. You indicated an interest in receiving a proposal for Resident Project Representation (RPR) services for the construction of this project. The Authority would be pleased to provide these services for the City of Gainesville. We have provided these types of services to member cities in the past. The Authority's basis for offering services to its member cities is based on reimbursement for the actual cost incurred in providing these services. These costs include the wages and benefits for the employee, along with travel costs and any other direct cost associated with the project.

We propose to assign Mr. Alan Moore to this project. Mr. Moore has an "A" water and an "A" wastewater license issued by the TCEQ. He has been employed by the Authority for more than 20 years and has experience providing construction services. The Texas Water Development Board has approved him as an RPR agent for any projects funded by the Board. References are available from any of the cities or engineering firms where Mr. Moore has provided RPR services.

A proposed agreement and job responsibilities are contained in the attached document. These RPR services are outlined in the Engineer's Joint Contract Documents Committee recommendations. After you have had an opportunity to review the attached proposal, I will be available to discuss it further with you.

Respectfully submitted,

Jerry W. Chapman
General Manager

JWC:cc

CC: Ron Sellman, City of Gainesville

AGREEMENT FOR RESIDENT PROJECT REPRESENTATION SERVICES

STATE OF TEXAS

§

COUNTY OF COOKE

§

§

This Agreement, made and entered into this _____ day of _____, _____, by and between the City of Gainesville, a municipal corporation in Cooke County, Texas, hereinafter called "City," and the Greater Texoma Utility Authority, hereinafter called "GTUA."

WITNESSETH:

WHEREAS, City has authorized the I-35 Water and Sewer Relocation Project to be constructed; and

WHEREAS, City has determined that it desires GTUA provide Resident Project Representation (RPR) services during construction of the I-35 Water and Sewer Relocation Project;

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

1. GTUA will provide an RPR for the I-35 Water and Sewer Relocation Project improvements.
2. The RPR will provide the services outlined in Exhibit "A" to this agreement.
3. The RPR will work at the direction of the City of Gainesville, on the project. The RPR will report to the consulting project engineer concerning the progress of the work, any problems being experienced by the contractor, subcontractors, any defects or flaws in the work being performed or in materials being used, and any discrepancy between the work being performed and the plans and specifications that have been approved by the City of Gainesville.
4. GTUA may perform any other duties as assigned by the City associated with the water and sewer project in which assistance is requested. Requests shall be made by the City's City Manager, in writing, and to GTUA's General Manager.
5. GTUA agrees to provide monthly statements for the costs of inspection services and any duties assigned pursuant to Paragraph 5. Services will also be billed at a rate of \$47.77 per hour, which includes the employer's portion of Social Security, workers compensation insurance, unemployment insurance, and other direct payroll costs. Direct expenses for mileage will be billed at the rate allowed by the Internal Revenue Service (currently \$0.51 per mile) and phone charges at actual cost.
6. The City agrees to reimburse GTUA within 30 days of billing for the services provided.

7. Neither the City and its employees on the one hand, nor GTUA and its employees on the other hand, shall be liable to the other for loss, either direct or consequential, arising out of work performed under this Agreement, resulting from death or injury to persons, or out of damage to or destruction of property, whether or not caused by the negligence of the City, or GTUA or their respective employees, and all such claims for any and all losses are hereby waived. It is contemplated that the City and GTUA shall look to their respective resources and/or insurance companies for reimbursement for such losses. Each of the parties' insurance carrier shall not be entitled to subrogation under any circumstance against any party to this Agreement. Neither party shall have any interest or claim to the other's insurance policy or policies, or the proceeds thereof.

8. 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.

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: _____
General Manager

ATTEST:

Secretary

CITY OF GAINESVILLE, TEXAS

BY: _____
City Manager

ATTEST:

City Secretary

EXHIBIT "A"

A LISTING OF THE DUTIES, RESPONSIBILITIES AND
LIMITATIONS OF AUTHORITY OF THE RESIDENT PROJECT REPRESENTATIVE

Resident Project Representative (RPR) assists ENGINEER to observe the performance of the Work of the Contractor.

On-site observations of the Work in progress and field checks of materials and equipment by the RPR shall not make ENGINEER or OWNER responsible for or give ENGINEER or OWNER control over construction means, methods, techniques, sequences or procedures or for safety precautions or programs, or responsibility for CONTRACTOR's failure to perform the Work in accordance with the Contract Documents.

The duties and responsibilities of the RPR are limited to those in the construction Contract Documents, and are further limited and described as follows:

A. General

RPR will act as directed by and under the supervision of ENGINEER, and will confer with ENGINEER regarding RPR's actions. RPR's dealings in matters pertaining to the on-site work shall in general be with ENGINEER and CONTRACTOR. RPR's dealings with subcontractors shall only be through CONTRACTOR.

B. Duties and Responsibilities of RPR

1. Schedules: Review the progress schedule, schedule of submittals and schedule of values prepared by CONTRACTOR and consult with ENGINEER concerning conformance to the Contract Documents.
2. Conferences and Meetings: Attend meetings with CONTRACTOR, such as pre-construction conferences, progress meetings, job conferences and other project-related meetings, and prepare and circulate copies of minutes thereof.
3. Liaison:
 - a. Serve as ENGINEER's liaison with CONTRACTOR, working principally through CONTRACTOR's superintendent and assist in understanding the intent of the Contract Documents; and assist ENGINEER in serving as OWNER's liaison with CONTRACTOR when CONTRACTOR's operations affect OWNER's on-site operations.
 - b. Assist in obtaining from OWNER additional details or information, when required for proper execution of the Work.
4. Submittals and Samples:
 - a. Record date of receipt of submittals and samples.
 - b. Receive samples which are furnished at the site by CONTRACTOR, and notify ENGINEER of availability of samples for examination.
 - c. Advise ENGINEER and CONTRACTOR of the commencement of any Work requiring a submittal or sample.
5. Review of Work, Inspections and Tests:
 - a. Observe the Work in progress.

- b. Report to ENGINEER whenever RPR believes that any Work is unsatisfactory, faulty or defective or does not conform to the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise ENGINEER of Work that RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, or inspection.
 - c. Verify that tests, equipment and systems startups and operating and maintenance training are conducted in the presence of appropriate personnel, and that CONTRACTOR maintains adequate records thereof; and observe, record and report to ENGINEER appropriate details relative to the test procedures and startups.
 - d. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections and report to ENGINEER.
6. Interpretation of Contract Documents: Report to ENGINEER when clarifications and interpretations of the Contract Documents are requested and transmit to CONTRACTOR clarifications and interpretations as issued by ENGINEER.
7. Modifications: Consider and evaluate CONTRACTOR's suggestions for modifications in Drawings or Specifications and report with RPR's recommendations to ENGINEER. Transmit to CONTRACTOR decisions as issued by ENGINEER.
8. Records:
- a. Maintain at the job site orderly files for correspondence, reports of job conferences, submittals and samples, reproductions of original Contract Documents including all Work Directive Changes, Addenda, Change Orders, Field Orders, additional Drawings issued subsequent to the execution of the Contract, ENGINEER's clarifications and interpretations of the Contract Documents, progress reports, and other Project related documents.
 - b. Keep a diary or log book, recording CONTRACTOR hours on the job site, weather conditions, data relative to questions of Work Directive Changes, Change Orders or changed conditions, list of job site visitors, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to ENGINEER.
 - c. Record names, addresses and telephone numbers of all CONTRACTORS, subcontractors and major suppliers of materials and equipment.
 - d. Records compiled and maintained by RPR shall not be relied upon by CONTRACTOR for compilation of records required by the Contract documents to be compiled and maintained by the CONTRACTOR.
9. Reports:
- a. Furnish ENGINEER periodic reports of progress of the Work and of

- CONTRACTOR'S compliance with the progress schedule and schedule of submittals and samples.
- b. Consult with ENGINEER in advance of scheduled major tests, inspections or start of important phases of the Work.
 - c. Report immediately to ENGINEER and OWNER upon the occurrence of any accident.
10. Payment Requests: Review applications for payment with CONTRACTOR for compliance with the established procedure for their submission and forward with recommendations to ENGINEER, noting particularly the relationship of the payment requested to the schedule of values, Work completed, and materials and equipment delivered at the site but not incorporated in the Work.
11. Certificates, Maintenance and Operation Manuals: During the course of the Work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by CONTRACTOR are applicable to the items actually installed and in accordance with the Contract Documents, and have this material delivered to ENGINEER for review and forwarding to OWNER prior to final payment for the Work.
12. Completion:
- a. Before ENGINEER issues a Certificate of Substantial Completion, submit to CONTRACTOR a list of observed items requiring completion or correction.
 - b. Conduct final inspection in the company of ENGINEER, OWNER and CONTRACTOR and assist ENGINEER to prepare a final list of items to be completed or corrected.
 - c. Observe that all items on final list have been completed or corrected and report completion to ENGINEER.

C. Limitations of Authority

Resident Project Representative:

1. Shall not authorize any deviation from the Contract Documents or substitution of materials or equipment.
2. Shall not exceed limitations of ENGINEER's authority as set forth in the Contract Documents.
3. Shall not undertake any of the responsibilities of CONTRACTOR, subcontractors or CONTRACTOR's superintendent.
4. Shall not advise on, issue directions relative to or assume control over any aspect of the means, methods, techniques, sequences or procedures of construction unless such advice or directions are specifically required by the Contract Documents.
5. Shall not advise on, issue directions regarding or assume control over safety precautions and programs in connection with the Work.
6. Shall not accept submittals or samples from anyone other than CONTRACTOR.
7. Shall not participate in specialized field or laboratory tests or inspections conducted by other.

ATTACHMENT VI - B




GREATER TEXOMA UTILITY AUTHORITY

5100 AIRPORT DRIVE
DENISON, TEXAS 75020-8448
903/786-4433
FAX: 903/786-8211
www.gtua.org

MEMO

TO: Board of Directors, Greater Texoma Utility Authority

FROM: Jerry W. Chapman, General Manager 

DATE: February 16, 2011

RE: Melissa Fitzhugh Branch Capital Improvements Plan project

Last year, the Authority awarded a \$1,708,529 contract to Lewis Contractors for the construction of the Melissa Fitzhugh Branch Capital Improvements Plan project. This project was awarded in February and has gone virtually unnoticed until the present time. The contractor has been diligently pursuing his work and the contract is nearing completion. This is one of the last steps necessary to allow the Texas Department of Transportation to complete their expansion of Hwy 75 and Hwy 121 between Melissa and McKinney.

I wanted to provide you with some of the photos of the work being undertaken. The project is 94% complete as of the last report on February 2nd and should be ready for close out in the next month.

JWC:cc

Attachment

***Fitzhugh Branch Sewer Interceptor
&
Miller Rd. Water Line
Progress Report***

Report Date: 02/02/2011

Notice To Proceed Issued On: 9/13/2010

Contract Start Date: 9/14/2010

Contract Duration: 160 calendar days

Change Order 2: 10 additional days

Revised Contract Duration: 170 calendar days

Days Remaining: 29 calendar days

Original Contract Value: \$1,708,529.71

Contract Value After CO2: \$1,766,197.71

Percent Complete by Contract Value: 96.64% through February 2, 2011

Activity anticipated for the remainder of current week:

Miller Road Water Line:

All installation/construction and testing of the water line has been completed.

Fitzhugh Branch Sewer Interceptor:

Installation and backfill of the 18-inch sanitary sewer line was completed this week. Service laterals are being installed north of SH 121 near Sugar Babes Donut Shop. Installation of the 4-inch connection to James Miller's property has been completed. Manhole epoxy coating, air testing of the sewer main, and vacuum testing of manholes is ongoing. Only two manholes and three line segments remain to be tested. Installation of the wrought iron gates for the metering station will begin.

Activity anticipated for next week:

Miller Road Water Line:

Miller Road water main installation is completed. Only backfill and re-seeding items remain.

Fitzhugh Branch Sewer Interceptor:

Manhole coatings, air testing, and vacuum testing will continue. The 12-inch North Collin water line north of SH 121 will be connected, and testing of the line will begin. Construction of the metering station will continue.

12" Water Main – SH 121 North

Installation of the 12" main from Miller Road to the Texaco station will start.

Activity anticipated for the upcoming month:

Miller Road Water Line:

Backfill and re-seeding will be placed along Miller Road.

Fitzhugh Branch Sewer Interceptor:

Manhole coatings and metering station construction will complete. Television and Mandrel Testing of the sanitary sewer line will begin. Barring any unforeseen circumstances, such as very cold weather, the lift station will be taken off line by mid February.

Public Notices anticipated/suggested:

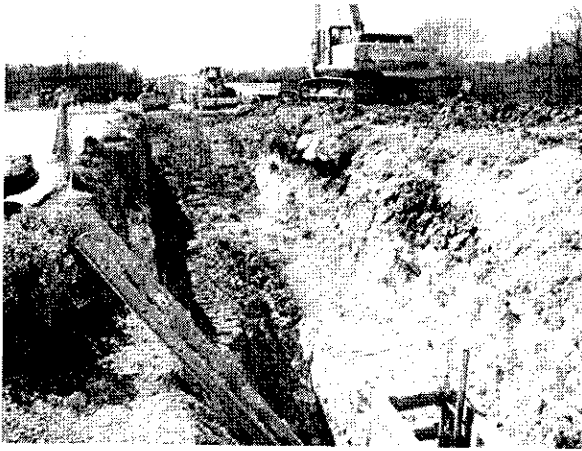
For activity that will disrupt water/sewer/traffic prepare public notice a minimum of one week in advance.

No traffic closings are expected.

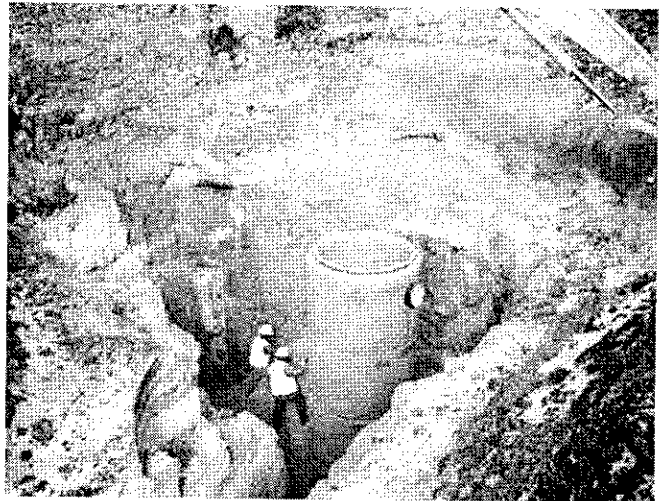
Notices to Police and Fire Departments:

For activity that may disrupt emergency services, notify Police and Fire Departments a minimum of one week in advance.

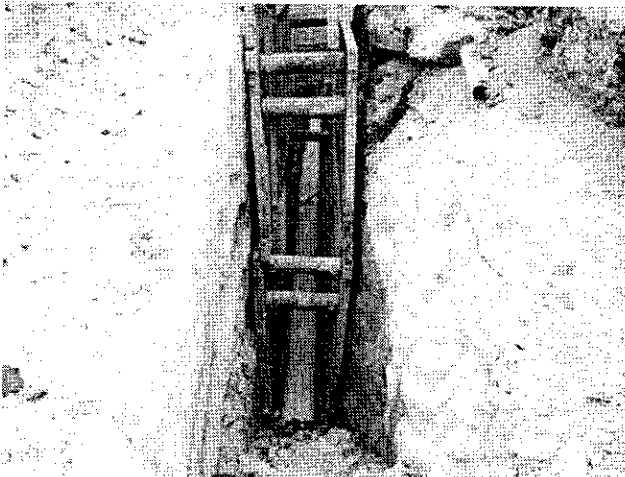
No notices currently needed.



Trench for sanitary sewer line south of SH 121



*Manhole at STA 88+86
The last manhole to be set.*



18-inch sanitary sewer line to STA 88+86

WATER ACTIVITIES

ATTACHMENT VII – A

ATTACHMENT VII – B

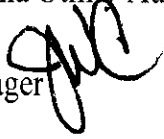


GREATER TEXOMA UTILITY AUTHORITY

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MEMO

TO: Board of Directors, Greater Texoma Utility Authority

FROM: Jerry W. Chapman, General Manager 

DATE: February 14, 2011

RE: Miscellaneous Water Improvements Project (City of Pottsboro)
Change Order No. 2A
Sperling Construction

Last year, the Authority awarded a contract to Sperling Construction for the construction of Miscellaneous Water Improvements for the City of Pottsboro. That work is nearing completion. Last month the Board authorized a change order to extend the completion date by 37 days to February 15, 2011. Since that time, several snow storms caused further delay to the project. The engineer has proposed a change order to extend the completion date by an additional 14 days. The change order also adds one 6-inch valve, two fire hydrant assemblies, 130-feet of open-cut water line and 50-feet of bored water line, while deleting 10-feet of concrete curb and gutter repair and temporary water service. The inspector, Mr. Alan Moore has reviewed the recommended changes and provided his recommendation for approval. Funds are available from previously issued bonds to pay for the additional cost.

ACTION REQUESTED: Based upon the engineer's recommendation, the Board of Directors is requested to consider approving Change Order No. 2A to the contract with Sperling Construction for the Miscellaneous Water Improvements Project for the City of Pottsboro, contingent upon the City of Pottsboro's approval.

JWC:cc

Attachment

CHANGE ORDER



Innovative approach
Practical results
Outstanding service

4055 International Plaza, Suite 200 • Fort Worth, Texas 76109 • 817-735-7300 • fax 817-735-7491 www.freese.com

PROJECT: Miscellaneous Water Improvements in the City of Pottsboro
OWNER: Greater Texoma Utility Authority
CONTRACTOR: Sperling Construction
ENGINEER: Freese and Nichols, Inc.
CHANGE ORDER NO.: 002A
PROJECT NUMBER: GT107243
DATE: February 8, 2011


Make the following additions, modifications or deletions to the work described in the Contract Documents:

- Additional 14 day because of bad weather.
- Add one 6-inch gate valve (bid item #7) at \$750.00 each for a total of \$750.00.
- Add two fire hydrant assemblies (bid item #9) at \$3,300.00 each for a total of \$6,600.00.
- Add 130 feet of water service line (bid item #10) at \$40.00 per foot for a total of \$5,200.00.
- Add 50 feet of water service line installed by other than open cut (bid item #11) at \$20.00 per foot for a total of \$1,000.00.
- Delete 10 feet of concrete curb and gutter repair (bid item #14) at \$45.00 per foot for a total of \$450.00.
- Delete temporary water service (bid item #22) at \$650.00.

The compensation agreed upon in this Change Order is full, complete and final payment 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 Change Order.

ORIGINAL CONTRACT AMOUNT	\$ 111,240.00
PREVIOUSLY APPROVED CHANGE ORDER AMOUNT	\$ 0.00
ADJUSTED CONTRACT AMOUNT	\$ 111,240.00
PROPOSED ORDER AMOUNT	\$ 12,450.00
REVISED CONTRACT AMOUNT	\$ 123,690.00
PREVIOUS CONTRACT TIME	127 days
PREVIOUS SUBSTANTIAL COMPLETION DATE	February 15, 2011
NET CHANGE IN CONTRACT TIME	14 days
REVISED CONTRACT TIME	141 days
REVISED SUBSTANTIAL COMPLETION DATE	March 1, 2011

RECOMMENDED BY
Freese and Nichols, Inc.

 2/8/11
NAME DATE

APPROVED BY
Sperling Construction

NAME DATE

APPROVED BY
GTUA

NAME DATE

APPROVED BY
City Of Pottsboro

NAME DATE

Carmen Catterson

From: Jerry Chapman [jerryc@gtua.org]
Sent: Tuesday, February 08, 2011 3:36 PM
To: Carmen Catterson
Subject: FW: Pottsboro Billing
Attachments: GT107243A CO-002A.pdf

Agenda item.

-----Original Message-----

From: Daniel Stoutenburg [mailto:DGS@freese.com]
Sent: Tuesday, February 08, 2011 2:10 PM
To: Alan Moore
Cc: Jerry Chapman; Mike Sperling; Dean Crenshaw; Darren Vaden; kfarley@totalnet.us
Subject: RE: Pottsboro Billing

All,

I made a small revision to the attached change order.

Thank you,
Daniel

From: Daniel Stoutenburg
Sent: Tuesday, February 08, 2011 1:41 PM
To: 'Alan Moore'
Cc: Jerry Chapman; Mike Sperling; Dean Crenshaw; Darren Vaden; kfarley@totalnet.us
Subject: RE: Pottsboro Billing

Alan,

I had a small change to the attached Pay Estimate Number 4. The 'Less Previous Payment' should be \$70,600.50 not \$70,590.50. The total payment amount is now \$21,442.50.

I drafted the attached change order for the increase in quantities and the additional bad weather day.

Please let me know if you have any questions.

Thank you,

Daniel Stoutenburg Jr., P.E.
Water/Wastewater Transmission and Utilities

Freese and Nichols, Inc.
4055 International Plaza, Suite 200
Fort Worth, Texas 76109-4895
817-735-7395 office
817-735-7492 fax
dgs@freese.com

www.freese.com



From: Alan Moore [mailto:alanm@gtua.org]
Sent: Monday, February 07, 2011 10:43 AM
To: Daniel Stoutenburg
Cc: Jerry Chapman; Mike Sperling; Dean Crenshaw; Darren Vaden
Subject: Fwd: Pottsboro Billing

Daniel,

Attached is Sperling's Pay Estimate number 4, in the amount of \$21,452.50. I agree with the quantities installed, and recommend payment. We have exceeded the contract amount of 1" service line, both open cut and bored. This was due to the replacement of existing services that were not shown on the plans, but requested by the city. There were two extra fire hydrants replaced, again at the City's request. In conversations with Mike Sperling, he indicated that some bid items would probably not be used, such as hydro-mulching and sod replacement. Those items could be used to off-set some of the extra 1" and fire hydrants.

Due to the ice / snow of last week, they were only able to work on Monday and Thursday.

Thanks,
Alan Moore
Operations Supervisor

----- Original Message -----

Subject:Pottsboro Billing
Date:Tue, 1 Feb 2011 16:20:31 -0600
From:Mike Sperling <sper-con@hotmail.com>
To:Allen More <alanm@gtua.org>, Daniel Stouenburg <dgs@freese.com>

Allen/Daniel

The 1" service pay item is over by 130', that is because of the added services, maybe before the next pay estimate Allen and I can walk the project and measure them all. **Stay Warm & Thanks,**

Mike Sperling
Sperling Construction
1206 East Goode St.
Quitman Tx. 75783
903-569-0971 Office
903-763-4680 Fax

Please consider the environment before printing this message.

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ATTACHMENT VII – C

**ADMINISTRATIVE SERVICES AGREEMENT
BETWEEN THE GREATER TEXOMA UTILITY AUTHORITY AND
THE RED RIVER GROUNDWATER CONSERVATION DISTRICT**

STATE OF TEXAS	§	STATE OF TEXAS
	§	
GREATER TEXOMA UTILITY AUTHORITY	§	RED RIVER GROUNDWATER
	§	CONSERVATION DISTRICT

This Agreement, made and entered into by and between the Greater Texoma Utility Authority, hereinafter referred to as (“Authority”) and the Red River Groundwater Conservation District in Fannin and Grayson Counties, Texas, hereinafter referred to as (“District”).

WITNESSETH:

WHEREAS, the District is experiencing a need for administrative services in order to achieve the objectives provided in its enabling legislation and Chapter 36 of the Texas Water Code; and

WHEREAS, the Authority has staff experienced in water related activities; and

WHEREAS, the District has determined that it is in the best interest of the District to engage the Authority to assist in providing administrative assistance in establishing the District’s programs and activities; and

WHEREAS, the District has determined that the proposal dated October 19, 2010, from the Authority, as said proposal is modified and supplemented herein, is in the best interest of the District and that the Authority is qualified and capable of providing such services;

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 the Authority to the District dated January 31, 2011, as amended, modified, or supplemented herein. (attached hereto as “Exhibit A”)

The Proposal is a general guideline for the commencement of administrative activities and related services. Said Proposal is amended and superseded by specific terms of this Agreement, which may be amended in writing from time to time upon agreement of the Authority and the District.

2. Administrative Services. The Authority shall perform administrative services for the District at the direction of the District Board, and the District Board President to the extent that the Board President’s direction does not conflict with any District or Authority rule, policy, or order of the District or Authority Board. Such directions from the District Board and Board President regarding the performance of administrative services shall supplement any specific services delineated in this Agreement or the attached Proposal. Administrative services shall include, but not be limited to recording and communication services, database collection and well registration services, as well as assistance in developing personnel policies, operating procedures, refining of temporary rules and developing a management plan. Administrative services

shall also include performance of the duties of the "General Manager" as set forth in the District's Temporary District Rules, Bylaws, rules and orders, subject to the directions and orders of the District Board and Board President. The Authority shall not retain outside professional services to be reimbursed by the District without prior authorization from the District. The District Board shall retain ultimate authority in decision-making under the District's Rules.

3. Charges and Payment.

(A) The District acknowledges the changes which have been incurred with the Authority in the amount of \$ _____, and agrees to pay these charges as a part of this Agreement.

(B) Monthly payments shall be made by the District to the Authority for actual costs incurred including hourly wages and benefits of the Authority employees, extra travel costs to and from the District, and other direct costs, including fees for professional services. The Authority shall invoice the District for any such services performed hereunder during the preceding thirty (30) day period, said invoice to be presented by the 25th day of the following month. Said invoice shall be itemized in such a manner that the District may determine the reasonableness of the charges submitted. The District shall pay the full amount of invoices received from the Authority by the tenth day of the month following receipt of any such invoice unless notice of protest or disagreement is given to the Authority within seven (7) business days after receipt of said invoice. Failure of the Authority and the District to agree upon payment of such invoice within thirty (30) days of protest shall be grounds for termination under Paragraph 4 unless the parties can otherwise agree in writing to a schedule of payment.

4. Terms of Agreement. The Term of this Agreement shall be for a 12-month period commencing as of the effective date of this Agreement, which shall be the later date that the District or the Authority executes this Agreement. This Agreement may be renewed upon expiration of the 12-month term of this Agreement by written agreement between the parties. Either the District or the Authority may terminate this agreement for any reason at any time upon ninety (90) days written notice of termination to the other party. Should the Authority or the District elect to terminate this Agreement, the District shall remain responsible for its share of any costs for which it is obligated that remain existing and unpaid as of the effective date of termination.

5. Indemnity. Neither the District nor the Authority shall be liable to the other for loss, either direct or consequential. 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 contemplated that each party shall look to its respective insurance carriers for reimbursement of any such loss. 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. Nothing contained in this Agreement is intended by either party to create a partnership or joint venture, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint any party as an agent of any other party, for any purpose whatsoever. It is understood and agreed that by execution of this Agreement, no governmental powers or immunities are waived or surrendered by either the District or the Authority.

6. Independent Contractor. The Authority 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 the Authority 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 the District. No

employee or agent of the District shall be, represent, act, or purport to act or be deemed to be the agent, representative, subcontractor, employee, officer, or servant of the Authority.

7. Surety Bond. Any officer, employee, or agent of the Authority who collects, pays, or handles any funds of the District shall furnish good and sufficient bond payable to the District in an amount determined by the District Board to safeguard the District. The bond shall be conditioned on the faithful performance of that person's duties and on accounting for all funds and property of the District. The bond shall be signed or endorsed by a surety company authorized to do business in Texas. The District Board hereby determines that the initial amount of each bond shall be set at \$50,000.00, and may alter the amount pursuant to a minute order or resolution adopted at a properly noticed meeting. The District Board shall provide the Authority with notice of any such alternative amount. The District shall reimburse the Authority for its out-of-pocket costs incurred in connection with the purchase of bonds payable to the District. Any such out-of-pocket costs exceeding \$2500.00 per year shall require prior approval of the District Board. The Authority shall limit the collection, payment, or handling of District funds only to the officers, employees, and agents of the Authority who have been bonded in accordance with this paragraph.

8. No Third Party Rights. Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the parties hereto, and all duties and responsibilities undertaken pursuant to this Agreement shall be for the sole and exclusive benefit of the parties hereto, and not for the benefit of any other party. There are no third party beneficiaries to this Agreement.

9. Assignment. This Agreement shall not be assignable except at the written consent of the Authority and the District hereto, and if so assigned, shall extend to and be binding upon the successors and assigns of the Authority and the District thereto.

10. Notices. All notices given under this agreement shall be deemed properly served if delivered in writing personally, or sent by certified mail to George "Butch" Henderson, President, Red River Groundwater Conservation District, 5100 Airport Drive, Denison, TX 75020-8448, and to the Authority addressed to the General Manager, Greater Texoma Utility Authority, 5100 Airport Drive, Denison, TX 75020-8448. 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. Either party may change their respective addresses for notice by providing notice of such address change in the aforesaid manner with specific reference to this Agreement.

11. Authority Financial Obligations. Nothing in this agreement shall be construed to require the Authority 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 the District.

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

13. Governing Law and Severability. This agreement shall be governed by the laws of the State of Texas and the venue in Grayson County, 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.

14. Interpretation. Although drawn by the Authority, 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. Captions and headings used in this Agreement are for reference purposes only and shall not be deemed a part of this Agreement.

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 and effective on the last date of execution as set forth below.

GREATER TEXOMA UTILITY AUTHORITY
5100 AIRPORT DRIVE
DENISON TX 75020-8448

RED RIVER GCD
5100 AIRPORT DRIVE
DENISON TX 75020-8448

BY: _____
President

BY: _____
President

DATE: _____

DATE: _____

ATTEST:

ATTEST:

Secretary-Treasurer

Secretary

Scope of Services

- I. Recording and Communication Services
 - Act as point of contact for well owners by answering questions regarding rules
 - Provide all postings for meetings and submit to county clerks
 - Provide notice postings in timely manner
 - Mail notices and rules as needed
 - Prepare agenda after consultation with President
 - Prepare and e-mail draft minutes to Board of Directors
 - Complete minutes after review by Board of Directors
 - Maintain website as needed
 - Establish and maintain paper and electronic filing system
 - Provide written communications to well owners, TWDB and others as needed
 - Draft correspondence for signature by designated persons

- II. Database Collection on Registered and Non-Registered Wells in the District
 - Research TCEQ records to determine number of and extent of existing well data
 - Research records from Texas Well Driller's Association and TWDB
 - Establish database with information from TCEQ, Texas Well Driller's Log and TWDB (paper and digital)
 - Develop mapping program, which will depict wells in each RRGCD county
 - * Recommend utilizing ArcView GIS software for this process
 - Work with well owners to register wells and collect well registration fees

- III. Development of Personnel and Other Policies
 - Prepare and present drafts of personnel policies for review by appropriate committee and Board of Directors
 - Prepare and present drafts of operating procedures for future staff to follow
 - Assist Board of Directors in training personnel for District at appropriate time

- IV. Assistance for Rule Development
 - Assist Board of Directors in refining temporary rules
 - Assist Board of Directors in the development of a Management Plan

- V. Accounting
 - Provide accounting services including keeping financial records, issuing invoices, paying invoices, etc.

Approach to Provision of Services

- Staff is able to work diplomatically with well owners and others
- Use 800 number on all letterhead and other communication for calls to make contact easier for well owners
- Well-acquainted with TWDB staff
- Utilize assistance from Texas Association of Groundwater District members
- Coordinate District activities with GMA 8 activities
- Develop records and procedures in a manner that will make for easy transition when desired
- Much of the work can be accomplished by internet
- The RRGCD is not required to complete all of its goals the first year
- The RRGCD should not feel as if it is the first GCD to address an issue – usually a TAG member can advise of their experience on the same problem.
- All District expenses will become an added cost to the water producers and ultimately water customers
- The first five years budgets will require a debt repayment line item

Estimated Cost of Services

The Authority is a public agency. The Board's approach to provision of services has always been to seek reimbursement for the costs of providing the services requested. These costs include:

- The salary and employer personnel costs (social security, worker's compensation insurance, retirement, and accounting, etc.)
- Mileage for travel required at the rate set annually by IRS
- Any direct expenses required to provide the services requested (telephone charges, copies, postage, and similar expenses directly associated with the project)
- Billing Rates:
 - Secretary/Mapping Technician - \$35 per hour
 - Project Coordinator - \$43 per hour
 - Administration - \$80 per hour
 - Accounting - \$100 per month

Contracting for services is not unusual. The Northern Trinity Groundwater Conservation District currently has an agreement with the Benbrook Water Authority and the North Texas Groundwater Conservation District has contracted for services with GTUA.

Estimated
RRGCD Draft Budget
12-Month Period

I.	Recording and Communication Services	
•	Secretary/Mapping Technician – 20-25%	500 hours x \$35/hr = \$17,500
•	Administration – 3%	60 hours x \$80/hr = \$4,800
II.	Data Collection on Regulated and Non Regulated Wells	
•	Secretary/Mapping Technician – 15-20%	300 hours x \$35/hr = 10,500
•	Project Coordinator – 25%	520 hours x \$43/hr = 22,360
	* Field well site visits not included	
III.	Development of Personnel and Other Policies	
•	Administration – 3%	60 hours x \$80/hr = \$4,800
IV.	Assistance in Rule Development	
•	Administration – 6%	135 hours x \$80/hr = \$10,800
V.	Accounting and Finance	
		\$110 per month x 12 = \$1,320
		\$120 per quarter x 4 = \$480

Direct Costs

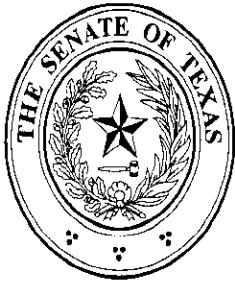
Telephone	\$600
Supplies – Files	\$500
Copies (10¢ each)	*
Mapping Software	\$1,500
Mileage (50¢ per mile)	
Field Records	\$1,200

ESTIMATED TOTAL COST: \$76,360

GENERAL ACTIVITIES

ATTACHMENT VIII – A

ATTACHMENT VIII – B



PRESS RELEASE

State Senator Troy Fraser
The Capitol, Room 1E.15
Austin Texas, 78701

FOR IMMEDIATE RELEASE

January 12, 2011

Contact: Janice McCoy
(512) 463-0124

FRASER FILES WATER RIGHTS MEASURE

State Senator Troy Fraser, R-Horseshoe Bay, authored legislation on Wednesday, January 12 which would clarify groundwater ownership. Senate Bill 332 would clearly state that landowners have a vested ownership interest in the groundwater beneath their property.

The legislation has been filed because some entities are challenging the Rule of Capture in court. The Rule of Capture was established in 1904 by the Texas Supreme Court. The court ruled that groundwater was the private property of a landowner and that a landowner could be held liable for harming a neighbor's well by exercising their right to capture the groundwater.

"For over 100 years, landowners have believed that the Rule of Capture gives them a vested private property right in the groundwater beneath their land," said Fraser. "And, that the property right gives the ability to drill a well and produce groundwater for their use."

The legislation is intended to work in conjunction with local groundwater conservation district regulation. Under the legislation, groundwater conservation districts could still require a landowner to get a permit and limit the amount of groundwater that can be produced. However, the legislation would prevent a district from "taking" a landowner's right to capture the water beneath the land.

"Landowners recognize that locally elected groundwater conservation districts play an important role in helping manage water to ensure it is available for future generations," said Fraser. "But there is a big difference between managing how much water is pumped and denying property owners the right to access the water beneath their land."

A vested ownership interest is a property right that a landowner can legally protect. The right to produce groundwater is a property right that is exclusively the landowner's. No one else can come onto private property, drill a well, and start pumping groundwater. If someone were to attempt it, the landowner could legally stop them.

"As Chairman of the Senate Committee on Natural Resources, I believe the issue of groundwater rights needs to be debated by the Legislature," Fraser said. "The management of this important asset is key to developing the State Water Plan and ensuring that water is available for the future."

By: FRASER

S.B. No. 332

A BILL TO BE ENTITLED

1

AN ACT

2

relating to the vested ownership interest in groundwater beneath
3 the surface and the right to produce that groundwater.

4

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5

SECTION 1. Section 36.002, Water Code, is amended to read as
6 follows:

7

Sec. 36.002. OWNERSHIP OF GROUNDWATER. (a) A landowner, or
8 the landowner's lessee or assign, has a vested [~~The~~] ownership
9 interest [~~and rights of the owners of the land and their lessees and~~
10 ~~assigns~~] in and right to produce groundwater below the surface of
11 the landowner's real property [~~are hereby recognized~~], and nothing
12 in this code may [~~shall~~] be construed as granting the authority to
13 deprive [~~depriving~~] or divest a landowner or the landowner's lessee
14 or assign [~~divesting the owners or their lessees and assigns~~] of the
15 ownership interest in the groundwater or the right to produce
16 groundwater [~~rights~~], except as those rights and interests may be
17 reasonably limited [~~or altered~~] by rules promulgated by a district.

18

(b) A rule promulgated by a district may not discriminate
19 between an owner [~~owners~~] of land, or the owner's lessee or assign,
20 whose land [~~that~~] is irrigated for production and an owner [~~owners~~]
21 of land, or the owner's lessee or assign, [~~their lessees and~~
22 ~~assigns~~] whose land [~~that~~] was previously irrigated for production
23 and is now enrolled or participating in a federal conservation
24 program.

1 SECTION 2. Section 36.101, Water Code, is amended by
2 amending Subsection (a) and adding Subsection (a-1) to read as
3 follows:

4 (a) A district may make and enforce rules, including rules
5 limiting groundwater production based on tract size or the spacing
6 of wells, to provide for conserving, preserving, protecting, and
7 recharging of the groundwater or of a groundwater reservoir or its
8 subdivisions in order to control subsidence, prevent degradation of
9 water quality, or prevent waste of groundwater and to carry out the
10 powers and duties provided by this chapter. During the rulemaking
11 process the board shall:

12 (1) consider all groundwater uses and needs;

13 (2) consider the rights and interests under Section
14 36.002; and

15 (3) [~~shall~~] develop rules which are fair and impartial
16 and that do not discriminate between land that is irrigated for
17 production and land that was irrigated for production and enrolled
18 or participating in a federal conservation program.

19 (a-1) Any rule of a district that discriminates between land
20 that is irrigated for production and land that was irrigated for
21 production and enrolled or participating in a federal conservation
22 program is void.

23 SECTION 3. Section 36.108(c), Water Code, is amended to
24 read as follows:

25 (c) The presiding officer, or the presiding officer's
26 designee, of each district located in whole or in part in the
27 management area shall meet at least annually to conduct joint

1 planning with the other districts in the management area and to
2 review the management plans and accomplishments for the management
3 area. In reviewing the management plans, the districts shall
4 consider:

5 (1) the goals of each management plan and its impact on
6 planning throughout the management area;

7 (2) the effectiveness of the measures established by
8 each management plan for conserving and protecting groundwater,
9 ~~and~~ preventing waste, and protecting the rights and interests
10 under Section 36.002, and the effectiveness of these measures in
11 the management area generally;

12 (3) any other matters that the boards consider
13 relevant to the protection and conservation of groundwater and the
14 prevention of waste in the management area; and

15 (4) the degree to which each management plan achieves
16 the desired future conditions established during the joint planning
17 process.

18 SECTION 4. The changes in law made by this Act apply only to
19 a rule adopted by a groundwater conservation district on or after
20 the effective date of this Act or to a permit issued or application
21 filed pursuant to a rule adopted on or after the effective date of
22 this Act.

23 SECTION 5. This Act takes effect immediately if it receives
24 a vote of two-thirds of all the members elected to each house, as
25 provided by Section 39, Article III, Texas Constitution. If this
26 Act does not receive the vote necessary for immediate effect, this
27 Act takes effect September 1, 2011.

ATTACHMENT VIII – C



GREATER TEXOMA UTILITY AUTHORITY

5100 AIRPORT DRIVE
DENISON, TEXAS 75020-8448
903/786-4433
FAX: 903/786-8211
www.gtua.org

MEMO

TO: Board of Directors, Greater Texoma Utility Authority

FROM: Debi Atkins, Finance Officer

DATE: February 14, 2011

RE: Accounting Software Upgrade

In the past week I learned that the QuickBooks program, the Authority purchased three years ago, is going to have to be upgraded. The company has developed the program in a manner that requires periodic updates so updates and technical service will be discontinued after May 2011. This upgrade will cost approximately \$1,000, which will need to be added to this year's budget. I will be meeting with our technical support company in April to make sure we get this accomplished in a timely manner. We propose making adjustments to the budget in August each year. This expenditure will be recommended during this year's budget amendment. I have found the use of this accounting software to be much better than the previous system.

DA

ATTACHMENT VIII – D



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MEMO

TO: Board of Directors, Greater Texoma Utility Authority

FROM: Jerry W. Chapman, General Manager *JWC*

DATE: February 16, 2011

RE: Board Policy Manual

In the early days of the Authority, the Board of Directors established certain policies to govern the activities of the Authority. Those policies are reviewed from time to time to determine if they are appropriate and if changes need to be made to the Board Policy Manual. The policy manual was last reviewed on October 20, 2008. Almost two and a half years have now passed since the policies were reviewed. This matter is being placed on the agenda to determine the Board desires to review the policies and appoint a committee to review and make recommendations or if any updates are necessary. A 30-day notice is required for any changes, so this would be provided at a later meeting.

ACTION REQUESTED: the Board of Directors is requested to determine if they believe the Policy manual needs to be revised and updated. If so, the Board is requested to form a committee to provide recommendations. If not, the Board is requested to consider re-adopting the policies.

JWC:cc

EXECUTIVE SESSION

SESSION

ADJOURN