

MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
Sept. 11, 2019

The regular meeting of the Public Service Board was held Wednesday, Sept. 11, 2019, at the El Paso Water Utilities Public Service Board Meeting Room, 1154 Hawkins Blvd., El Paso, Texas.

PSB MEMBERS PRESENT

Christopher A. Antcliff, Chair
Terri Garcia, Member
Dr. Ivonne Santiago, Secretary-Treasurer
Dr. Kristina D. Mena, Vice-Chair
Bryan Morris, Member

PSB MEMBERS ABSENT

Dee Margo, Ex-Officio Member
Henry Gallardo, Member

PSB EMPLOYEES PRESENT

John E. Balliew, P.E., President and Chief Executive Officer
Lee Ann Koehler, General Counsel

EPWATER EMPLOYEES PRESENT

Alan Shubert, Vice President
Marcela Navarrete, Vice President
Juan S. Gonzalez, Assistant General Counsel
Art Duran, Chief Financial Officer
Gretchen Byram, Computer Media Specialist
Lisa Rosendorf, Chief Communications and Government Affairs Officer
Jillian Shipp, Executive Assistant
Levi Chacon, Purchasing Agent
Rose Guevara, Senior Purchasing Agent
Robert Davidson, Contract Construction Administrator
Christina Montoya, Marketing and Communications Manager
Carlos Briano, Lead Public Affairs Coordinator
Angel Bustamante, Water Systems Division Manager
Jeanette Cordero, Assistant Chief Financial Officer
Jeff Tepsick, Assistant Chief Financial Officer
Zulema Jamis, Secretary
Ivan Hernandez, Engineering Division Manager
Sergio Castro, Haskell R. Street Wastewater Plant Superintendent
Paul Rivas, Chief Operating Officer
Martin Noriega, Stormwater and Fleet Maintenance Division Manager
Robert Hernandez, Fred Hervey Water Reclamation Plant Superintendent
Arturo Vega, John T. Hickerson Wastewater Treatment Plant Assistant Superintendent
Martin Ortiz, Roberto Bustamante Wastewater Treatment Plant Superintendent
Robert Ortega, Utility Plant Lead Technician
Michael Dubrule, Heavy Equipment Supervisor
Joey Paz, Stormwater Superintendent
Rene Espinoza, Instrumentation Control Lead Technician

Miguel Venegas, Quality Control Chemist
Francisco Martinez, Utility Engineer
Irazema Rojas, Capital Improvement Program Manager
Daniel Ortiz, Assistant General Counsel

GUESTS

Pam Faraone, Citizen
Bijay Basnet, CDM Smith
Francisco Urueta, FXSA
Edward Drusina, Westoce
Serena Harper, FXSA
Jesus Ramos, Cobb Fendley and Associates

MEDIA

None

The Public Service Board meeting was called to order by Mr. Antcliff at 8:04 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Mr. Angel Bustamante, in reciting the Pledge of Allegiance.

CONSENT AGENDA

On a motion made by Ms. Garcia, seconded by Dr. Mena and unanimously carried, the Board took action on the following agenda items:

1. CONSIDERED AND APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETING HELD AUG. 14, 2019.

The Board approved the minutes of the regularly scheduled meeting held Aug. 14, 2019.

2. CONSIDERED AND APPROVED A RESOLUTION APPROVING AN ADDITIONAL AUTHORIZED STAFF REPRESENTATIVE OF THE EL PASO WATER UTILITIES PUBLIC SERVICE BOARD FOR THE TEXAS SHORT TERM ASSET RESERVE PROGRAM (TEXSTAR) INVESTMENT POOL ACCOUNTS.

The Board approved a Resolution approving an additional authorized staff representative of the El Paso Water Utilities Public Service Board for the Texas Short Term Asset Reserve Program (TexSTAR) Investment Pool accounts.

REGULAR AGENDA

3. PRESENTATION OF THE 2019 NACWA PLATINUM AND SILVER PEAK PERFORMANCE AWARDS

Ms. Christina Montoya, Marketing and Communications Manager, presented the following awards. The recognition that comes with these awards shows customers how our plants perform efficiently and responsibly, and that EPWater is reliable and trustworthy. The Fred Hervey Water Reclamation Plant was awarded a Platinum5 Peak Performance Award by the National Association of Clean Water Agencies (NACWA) for going five years with a consistent record of 100% regulatory permit compliance. This award is a testimony to the operators and maintenance people who run that plant every day. The Silver Award was presented to other wastewater facilities for having no more than five permit violations per calendar year. Robert Hernandez accepted the Platinum5 award for the Fred Hervey Water Reclamation Plant; Sergio Castro accepted for the Haskell R. Street Wastewater Treatment Plant; Art Vega accepted for the John T. Hickerson Water Reclamation Facility; and Martin Ortiz accepted for the Roberto R. Bustamante Wastewater Treatment Plant.

4. PRESENTATION OF THE SAFEST SECTION OF THE QUARTER (SECOND QUARTER 2019).

Ms. Christina Montoya, Marketing and Communications Manager, presented the Board with information regarding the Safest Section of the Quarter Awards for the Second Quarter of 2019. The awards are for the sections with the lowest accident rate in June, July and August 2019. The sections were accident-free during the second quarter. All members of these sections have performed their jobs safely as a group and were recognized. Mr. Alan Shubert, Vice President, presented the award for the John T. Hickerson Wastewater Treatment Plant to Art Vega, Wastewater Plant Assistant Superintendent. Next, the award to Stormwater Management was presented to Joey Paz, Stormwater Superintendent; the award for Instrumentation and Control was presented to Rene Espinoza, Instrumentation Control Lead Technician; and the award for Laboratory Services was presented to Miguel Venegas, Quality Control Chemist.

5. CONSIDERED AND AUTHORIZED THE PRESIDENT/CEO TO SIGN AN AGREEMENT WITH THE CAMINO REAL REGIONAL MOBILITY AUTHORITY SPECIFYING THE TERMS AND CONDITIONS, INCLUDING REIMBURSEMENT OF COSTS FOR THE CONSTRUCTION OF WASTEWATER INFRASTRUCTURE LOCATED WITHIN THE MISSION RIDGE BOULEVARD PHASE 2 PROJECT IN THE AMOUNT OF \$1,757,766.32; PROVIDED THAT THE AGREEMENT IS IN ACCORDANCE WITH THE TERMS AND CONDITIONS APPROVED BY THE PUBLIC SERVICE BOARD.

Mr. Shubert provided a presentation to the Board regarding this item (copy on file in Central Files). The CRRMA received funding for the Mission Ridge Boulevard Phase 2 project. EPWater will construct 21-inch, 16-inch and 15-inch sanitary sewer mains, which will provide service to future commercial and residential developments. The water mains providing service are already available. EPWater hired CEA Engineering Group Inc. to prepare design drawings for the sanitary sewer mains and to coordinate with the CRRMA. The design drawings were included with the CRRMA bid package, and on June 4, 2019, the CRRMA opened the received bids and a lowest responsive, responsible bidder was selected. Staff has determined that it would be beneficial to EPWater to have the CRRMA's contractor construct the sanitary sewer lines rather than to bid the project and hire a contractor. In addition, bidding the sanitary sewer mains extension project separately will delay the construction of the roadway. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago, seconded by Mr. Morris and unanimously carried, the Board authorized the President/CEO to sign an Agreement with the Camino Real Regional Mobility Authority specifying the terms and conditions, including reimbursement of costs for the construction of wastewater infrastructure located within the Mission Ridge Boulevard Phase 2 project in the amount of \$1,757,766.32; provided that the agreement is in accordance with the terms and conditions approved by the Public Service Board.

6. CONSIDERED AND APPROVED TASK ORDER NUMBER 2 – CONSTRUCTION PHASE SERVICES FOR THE MONTOYA II AND NAVARRETTE LIFT STATIONS REHABILITATION IMPROVEMENTS TO CEA ENGINEERING GROUP INC. IN THE AMOUNT OF \$323,034; AUTHORIZED FUTURE TASK ORDER OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL CONSTRUCTION AND DESIGN PHASE SERVICES IN AN ESTIMATED AMOUNT OF \$100,000, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

Mr. Shubert provided a presentation to the Board regarding this item (copy on file in Central Files). Construction Phase Services are needed to complete the Montoya II and Navarrette Lift Stations Improvements project which was awarded July 10, 2019. The project includes rehabilitating the Montoya II Lift Station and the removal and replacement of the Navarrette Lift Station. CEA Engineering Group Inc. (CEA) was selected by the Architectural/Engineering Selection Committee to design the Montoya II and Navarrette Lift Stations

Improvements project. Staff worked with CEA to develop the scope of services for this second task order for construction phase services. A fee proposal associated with the scope of services was submitted, and the negotiated fees are in line with the level of effort required to complete the tasks. Based on CEA's experience with this project, this firm is the most qualified. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Dr. Santiago and unanimously carried, the Board approved Task Order Number 2 – Construction Phase Services for the Montoya II and Navarrette Lift Stations Rehabilitation Improvements to CEA Engineering Group, Inc. in the amount of \$323,034; authorized future task order or amendments to be issued under this contract for additional construction and design phase services in an estimated amount of \$100,000, provided that funding is available in the approved budget for the task orders or amendments.

7. CONSIDERED AND AWARDED PROFESSIONAL SERVICES CONTRACTS FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES FOR WATER, WASTEWATER, RECLAIMED WATER AND STORMWATER PIPELINES GREATER THAN 24-INCHES, EACH IN AN AMOUNT NOT TO EXCEED \$500,000 OVER A TERM OF TWO YEARS, TO BROWN AND CALDWELL INC. AND MORENO CARDENAS INC. AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Shubert provided a presentation to the Board regarding this item (copy on file in Central Files). EPWater has hundreds of miles of water, sewer, reclaimed and stormwater pipelines greater than 24-inches throughout the city. As these pipeline systems age and expand, there is a need for replacing the existing pipelines and designing new pipelines. This needs to be performed by qualified professional engineers. The Architectural/Engineering Selection Advisory Committee met on Aug. 14, 2019, to review and recommend selection of the engineering firms for these services. The committee consisted of Ivonne Santiago, Kristina D. Mena, Bryan Morris, Marcela Navarrete, Alan Shubert, Paul Rivas and Gilbert Trejo. Proposals were scored in the areas of technical competence, project approach, team organization and availability, and project management and quality control. Brown and Caldwell Inc. and Moreno Cardenas Inc. were selected as the firms that best meet the needs of the utility for these important services and demonstrated excellent abilities in all the evaluated categories. The selected firms are the most qualified. Each consultant will be issued a professional services contract for a maximum amount of \$500,000, and each contract will be limited to two years.

On a motion made by Mr. Morris, seconded by Ms. Garcia and unanimously carried, the Board awarded Professional Services Contracts for On-Call Professional Engineering Services for Water, Wastewater, Reclaimed Water, and Stormwater Pipelines Greater Than 24-Inches, each in an amount not to exceed \$500,000 over a term of two years, to Brown and Caldwell, Inc. and Moreno Cardenas, Inc. and authorized the use of commercial paper.

8. CONSIDERED AND AWARDED PROFESSIONAL SERVICES CONTRACTS FOR STRUCTURAL ENGINEERING ON-CALL SERVICES, EACH IN AN AMOUNT NOT TO EXCEED \$500,000 OVER A TERM OF TWO YEARS, TO CONSOR ENGINEERS LLC AND STUBBS ENGINEERING INC.; AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Shubert provided a presentation to the Board regarding this item (copy on file in Central Files). EPWater has a variety of structures maintained by utility personnel. When a structure is damaged, the structure may need to be inspected by a qualified structural engineer. The on-call services contracts will be used to design repairs to

utility structures as well as any other unforeseen issues or needs that may arise. The Architectural/Engineering Selection Advisory Committee met on Aug. 14, 2019, to review and recommend selection of the engineering firms for these services. The committee consisted of Ivonne Santiago, Kristina D. Mena, Bryan Morris, Marcela Navarrete, Alan Shubert, Paul Rivas and Gilbert Trejo. Proposals were scored in the areas of technical competence, project approach, team organization and availability, and project management and quality control. Consor Engineers LLC and Stubbs Engineering Inc. were selected as the firms that best meet the needs of the utility for these important services and demonstrated excellent abilities in all the evaluated categories. The selected firms are the most qualified. Each consultant will be issued a professional services contract for a maximum amount of \$500,000, and each contract will be limited to two years. Mr. Shubert addressed questions from the Board.

On a motion made by Dr. Santiago, seconded by Ms. Garcia and unanimously carried, the Board awarded Professional Services Contracts for Structural Engineering On-Call Services, each in an amount not to exceed \$500,000 over a term of two years, to Consor Engineers LLC and Stubbs Engineering Inc.; and authorized the use of commercial paper.

9. CONSIDERED AND AWARDED PROFESSIONAL SERVICES CONTRACTS FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES FOR SUBSURFACE UTILITY EXPLORATION, EACH IN AN AMOUNT NOT TO EXCEED \$300,000 OVER A TERM OF TWO YEARS; TO COBB FENDLEY AND ASSOCIATES INC. AND FRANK X. SPENCER AND ASSOCIATES INC. AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Shubert provided a presentation to the Board regarding this item (copy on file in Central Files). Utilities are installed within street rights-of-way, easements and plant facilities. Information as to the exact location of utilities is critical to the successful design and construction of new water, wastewater, reclaimed water and/or stormwater infrastructure. Implementation of a subsurface utility exploration process, in parallel with design, will provide financial savings by avoiding conflicts with existing underground utilities during construction. The Architectural/Engineering Selection Advisory Committee met on Aug. 14, 2019, to review and recommend selection of the engineering firms for these services. The committee consisted of Ivonne Santiago, Kristina D. Mena, Bryan Morris, Marcela Navarrete, Alan Shubert, Paul Rivas and Gilbert Trejo. Proposals were scored in the areas of technical competence, project approach, team organization and availability, and project management and quality control. Cobb Fendley, and Associates Inc. and Frank X. Spencer and Associates Inc. were selected as the firms that best meet the needs of the utility for these important services and demonstrated excellent abilities in all the evaluated categories. The selected firms are the most qualified. Each consultant will be issued a professional services contract for a maximum amount of \$300,000, and each contract will be limited to two years.

On a motion made by Dr. Santiago seconded by Dr. Mena and unanimously carried, the Board awarded Professional Services Contracts for On-Call Professional Engineering Services for Subsurface Utility Exploration, each in an amount not to exceed \$300,000 over a term of two years; to Cobb Fendley and Associates Inc. and Frank X. Spencer and Associates Inc. and authorized the use of commercial paper.

10. CONSIDERED AND APPROVED CHANGE ORDER NUMBER 5 – BID 19-18, GEORGE DIETER-MONTWOOD AND REX BAXTER 24-INCH SCCP TRANSMISSION MAIN REPLACEMENT, TO BAIN CONSTRUCTION EXTENDING THE DURATION BY 116 DAYS AND INCREASING THE CONTRACT AMOUNT BY \$350,356.22, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Ivan Hernandez, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files). On Feb. 22, 2019, Texas Gas' consultant notified the contractor that a previously located gas line was abandoned, and a newer gas line was identified that could conflict with the water line at the

George Dieter and Montwood gas line crossings. For safety reasons, the contractor stopped all work. Once the new gas line was located, construction on George Dieter and Montwood continued. Change Order Number 5 is for the additional cost to excavate two deep pits (22 feet to 29 feet deep) in Montwood Drive and George Dieter Drive to locate the gas line, modify the existing water and wastewater system to facilitate all tie-ins in Montwood and George Dieter, and time delays for the construction activities totaling 116 days. Staff evaluated Change Order Number 5 submitted by the contractor, verified the effort to carry out the work, and negotiated to come to an agreeable cost. The cost submitted is in line with current industry standards. Mr. John Balliew, President/CEO, made additional comments while Mr. Hernandez addressed questions from the Board regarding this item.

On a motion made by Mr. Morris, seconded by Ms. Garcia and unanimously carried, the Board approved Change Order Number 5 – Bid 19-18, George Dieter–Montwood and Rex Baxter 24-Inch SCCP Transmission Main Replacement, to Bain Construction extending the duration by 116 days and increasing the contract amount by \$350,356.22, and authorized the use of commercial paper.

11. CONSIDERED AND AWARDED BID NUMBER 46-19, WASTEWATER DIVERSION FROM HASKELL R. STREET WASTEWATER TREATMENT PLANT TO FRED HERVEY WATER RECLAMATION PLANT TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, SPIESS CONSTRUCTION CO. INC. IN THE AMOUNT OF \$4,381,298, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Hernandez provided a presentation to the Board regarding this item (copy on file in Central Files). Reduction in wastewater flows because of conservation and increased demand of reclaimed water has EPWater seeking innovative solutions for reallocating wastewater among different plants. The Public Service Board approved task orders to AECOM for study, design, bid and construction phase services related to the redirection of wastewater flow from the Haskell R. Street Wastewater Treatment Plant to the Fred Hervey Water Reclamation Plant. This project calls for the installation of 7,200 linear feet of 12-inch force main connecting the Sunrise Lift Station to the Blue Ridge Lift Station; piping modifications at the Sunrise Lift Station required for a new force main; major upgrades to the Blue Ridge Lift Station; and replacement of the flow diversion box on the Union Pacific Railroad rights-of-way. EPWater received four bids for this project on Aug. 5, 2019. The bidders were Spiess Construction Co. Inc., ZTex Construction Inc., Smithco Construction Inc. and Cubic Water LLC. The bids ranged from \$4,381,298 to \$5,047,809.90 or 18.5% to 36.5% over the engineer's estimate of \$3,696,139.65. AECOM evaluated the qualifications of the apparent low bidder and has determined that Spiess Construction Co. Inc. meets the minimum general requirements as well as the minimum project specific criteria as specified on the bid documents. EPWater staff reviewed the engineer's evaluation and recommends award of Bid Number 46-19, Wastewater Diversion from Haskell R. Street Wastewater Treatment Plant to Fred Hervey Water Reclamation Plant, to Spiess Construction Co. Inc. as the lowest responsive, responsible bidder in the amount of \$4,381,298. Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago, seconded by Mr. Morris and unanimously carried, the Board awarded Bid Number 46-19, Wastewater Diversion from Haskell R. Street Wastewater Treatment Plant to Fred Hervey Water Reclamation Plant, to the lowest responsive, responsible bidder, Spiess Construction Co. Inc., in the amount of \$4,381,298, and authorized the use of commercial paper.

12. CONSIDERED AND AWARDED BID NUMBER 72-19, FRED HERVEY WATER RECLAMATION PLANT EQUALIZATION BASIN REPLACEMENT TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, ZTEX CONSTRUCTION INC., IN THE AMOUNT OF \$987,000 AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Hernandez provided a presentation to the Board regarding this item (copy on file in Central Files). The existing equalization basin (2.5 MG capacity) was installed with a double liner system in 2002. The basin primary liner system has failed and needs to be replaced. EPWater received seven bids for this project Aug. 14, 2019. The bidders were ZTex Construction Inc., Del Mar Contracting Inc., Spartan Construction of Texas Inc.,

Smithco Construction Inc., Spiess Construction Co. Inc., RMC Inc. of Texas and Cubic Water LLC. The bids ranged from \$987,000.00 to \$1,536,845.96 or 7% to 67% above the engineer's estimate of \$922,996.30. Staff evaluated the qualifications of the apparent low bidder and determined that ZTex Construction Inc. meets all contract requirements. Staff analyzed the bids and recommended award of Bid Number 72-19, Fred Hervey Water Reclamation Plant Equalization Basin Replacement to ZTex Construction Inc. as the lowest responsive, responsible bidder in the amount of \$987,000. Mr. Hernandez addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago, seconded by Mr. Morris and unanimously carried, the Board awarded Bid Number 72-19, Fred Hervey Water Reclamation Plant Equalization Basin Replacement to the lowest responsive, responsible bidder, ZTex Construction Inc., in the amount of \$987,000 and authorized the use of commercial paper.

13. CONSIDERED AND AWARDED BID NUMBER 73-19, ROBERTO R. BUSTAMANTE WASTEWATER TREATMENT PLANT AERATION BASIN INLET CHANNEL IMPROVEMENTS RE-BID TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, CUBIC WATER LLC, IN THE AMOUNT OF \$273,500, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Hernandez provided a presentation to the Board regarding this item (copy on file in Central Files). The Roberto R. Bustamante Wastewater Treatment Plant (WWTP) has four aeration basins that are fed by a common inlet channel. The basins require draining of all wastewater for routine maintenance. The existing sluice gates do not properly seal, and therefore, leak into the basins that are undergoing maintenance. The sluice gates and bulkhead systems were purchased in advance. This contract is for the installation of the sluice gates. EPWater received two bids for this project on Aug. 14, 2019. The bidders were Cubic Water LLC and Smithco Construction Inc. The bids were \$273,500 and \$380,000 or 16% below and 16% above the engineer's estimate of \$326,760. Staff evaluated the qualifications of the apparent low bidder and determined that Cubic Water LLC meets all contract requirements. Staff analyzed the bids and recommended award of Bid Number 73-19, Roberto Bustamante WWTP Aeration Basin Inlet Channel Improvements Re-Bid to Cubic Water LLC as the lowest responsive, responsible bidder in the amount of \$273,500. Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago, seconded by Mr. Morris and unanimously carried, the Board awarded Bid Number 73-19, Roberto R. Bustamante Wastewater Treatment Plant Aeration Basin Inlet Channel Improvements Re-Bid, to the lowest responsive, responsible bidder, Cubic Water, LLC, in the amount of \$273,500, and authorized the use of commercial paper.

14. CONSIDERED BID NUMBER 80-19, BUSTAMANTE WASTEWATER TREATMENT PLANT SILO STRUCTURAL IMPROVEMENTS; DECLARED EL PASO CONTRACTORS LLC AS NOT RESPONSIBLE; AND AWARDED TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER SMITHCO CONSTRUCTION INC. IN THE AMOUNT OF \$165,000, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Hernandez provided a presentation to the Board regarding this item (copy on file in Central Files). EPWater received two bids for this project on Aug. 13, 2019. The bidders were El Paso Contractors LLC and Smithco Construction Inc. The bids ranged from \$78,000 to \$165,000 or 6% to 124% above the engineer's estimate of \$73,646.12. The consultant engineer, CONSOR, evaluated the qualifications of the initial apparent low bidder El Paso Contractors LLC and determined that, based on the information submitted, they did not meet the minimum general requirements and did not meet the minimum project specific criteria as specified on the bid documents. El Paso Contractors LLC failed to provide documentation demonstrating the successful completion of projects similar in nature and value. CONSOR evaluated the qualifications submitted by the next apparent low bidder Smithco Construction Inc., and determined that based on the information submitted, they meet all minimum general requirements and all minimum project specific criteria as specified in the bid documents.

EPWater staff reviewed the Engineer's Evaluation Matrix and recommended award of Bid Number 80-19, Bustamante Wastewater Treatment Plant Silo Structural Improvements to Smithco Construction Inc. as the lowest responsive, responsible bidder in the amount of \$165,000. Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Dr. Mena, seconded by Ms. Garcia and unanimously carried, the Board considered Bid Number 80-19, Bustamante Wastewater Treatment Plant Silo Structural Improvements; declared El Paso Contractors LLC as not responsible; and awarded to the lowest responsive, responsible bidder, Smithco Construction Inc. in the amount of \$165,000, and authorized the use of commercial paper.

15. CONSIDERED AND AWARDED BID NUMBER 48-19 DIRT FILL MATERIAL RE-BID TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER S. LUEVANOS TRUCKING LLC IN THE ESTIMATED ANNUAL AMOUNT OF \$213,000 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

Mr. Levi Chacon, Purchasing Agent, provided information to the Board regarding this item. The dirt fill material is used as backfill for trenches and excavation as needed at various excavations throughout the city and is stockpiled at the Haskell R. Street Wastewater Treatment Plant (WWTP). Debris removal and disposal services are provided for hauling debris at construction sites and/or a staging site located at the Haskell R. Street WWTP or other locations as needed. The previous bid was awarded on July 13, 2016. The new bid decreased by 25%. Five bids were received. The bidders were S. Luevanos Trucking LLC, Falc Enterprises LLC, Ralph Torres, Double H Contracting and J.A.R Concrete Inc. The bids ranged from \$213,000 to \$970,000. Staff evaluated the bids and determined that the apparent low bidder, S. Luevanos Trucking LLC., met all the requirements as outlined within the bid proposal. Staff recommended award to S. Luevanos Trucking LLC in the estimated annual amount of \$213,000. Mr. Chacon addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago, seconded by Mr. Morris and unanimously carried, the Board awarded Bid Number 48-19 Dirt Fill Material Re-Bid to the lowest responsive, responsible bidder S. Luevanos Trucking LLC., in the estimated annual amount of \$213,000 with the option for two, one-year extensions.

16. CONSIDERED AND AWARDED BID NUMBER 84-19, PRECAST CONCRETE MANHOLES, TO THE SOLE RESPONSIVE, RESPONSIBLE BIDDER WESTERN PRECAST INC., IN THE ESTIMATED ANNUAL AMOUNT OF \$214,226.08 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

Mr. Chacon provided information to the Board regarding this item. Precast concrete manholes are used for replacing manholes structures in deteriorated condition and for in-house new manhole installations. The previous bid was awarded Sept. 16, 2016. The new bid increased by 3%. One bid was received. Staff evaluated the bid and determined that Western Precast Inc. met all the requirements as outlined in the bid proposal. Staff recommended award of Bid Number 84-19, Precast Concrete Manholes to Western Precast Inc. as the sole responsive, responsible bidder in the estimated annual amount of \$214,226.08. Mr. Chacon addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago, seconded by Ms. Garcia and unanimously carried, the Board awarded Bid Number 84-19, Precast Concrete Manholes, to the sole responsive, responsible bidder Western Precast Inc., in the estimated annual amount of \$214,226.08 with the option for two, one-year extensions.

17. CONSIDERED AND APPROVED A SOLE SOURCE PURCHASE OF A TOTAL TRIHALOMETHANES THM-100 ANALYZER AND THE COMPREHENSIVE ANNUAL SERVICE AGREEMENT FROM AQUA METROLOGY SYSTEMS LIMITED IN THE AMOUNT OF \$71,450.

Mr. Angel Bustamante, Water Systems Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files). Total Trihalomethanes (TTHMs) are disinfection byproducts formed when

chlorine comes in contact with organic matter found in surface water. Online TTHM analyzers can be used to monitor TTHM concentrations in the distribution system in real time to remain in compliance with the Environmental Protection Agency's Stage 2 Disinfectants and Disinfection Byproducts Rule (DBP2). Online TTHM monitoring can be accomplished using the self-calibrating THM-100 instrument, which takes measurements every four hours. Aqua Metrology Systems Limited is the Sole-Source provider of the THM-100 online TTHM instrument and the associated service agreement. Staff solicited and evaluated a quote from Aqua Metrology Systems Limited and determined that it met all the requirements for this procurement. Staff recommended the purchase of the Total Trihalomethanes THM-100 Analyzer and the Comprehensive Annual Service Agreement from Aqua Metrology Systems Limited. Mr. Bustamante addressed questions from the Board regarding this item.

On a motion made by Mr. Morris, seconded by Dr. Mena and unanimously carried, the Board approve a sole source purchase of a Total Trihalomethanes THM-100 Analyzer and the Comprehensive Annual Service Agreement from Aqua Metrology Systems Limited, in the amount of \$71,450.

18. CONSIDERED AND ACCEPTED THE HUB REPORT FOR FISCAL YEAR 2018-2019 AND ADOPT THE PROPOSED HUB GOALS.

Ms. Jeanette Cordero, Assistant Chief Financial Officer, provided a presentation to the Board regarding this item (copy on file in Central Files). The PSB adopted a policy to increase HUB participation in 1992. Staff solicits increased participation of small locally owned, minority- and women-owned businesses by requiring staff to contact these local businesses in procuring goods and services. For construction bids, bidders must either meet the minimum goals of HUB participation or demonstrate that they have made a good faith effort to meet the goals. Goals have been set by the Board for small locally owned, minority- and women-owned business participation. Purchasing tracks payments to these vendors through monthly minority businesses activity credit card reports and PeopleSoft Purchasing and Accounts Payable systems. Data is summarized and presented to management and the PSB annually. Ms. Cordero addressed questions from the Board regarding this item.

On a motion made by Dr. Mena, seconded by Ms. Garcia and unanimously carried, the Board accepted the HUB report for fiscal year 2018-2019 and adopt the proposed HUB goals.

19. CONSIDERED AND APPROVED THE PROPOSED PSB MEMBER SELECTION TIMELINE.

Mr. Balliew made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). Board member Kristina Mena is serving her first four-year term as a member of the Public Service Board. Her term will expire Dec. 31, 2019. In 2009, City Council adopted a resolution establishing the process for the selection of new board members. Currently, Dr. Mena serves in the Communications, Public Admin or Education position. The process requires a selection committee consisting of the Public Service Board members and eight Council-appointed members to review all qualified applicants to determine which three applicants will be forwarded to City Council as candidates to fill each of the Board positions. The selection of one candidate for the position will be made by City Council during a council meeting. The Mayor serves as the presiding officer for the selection committee and calls all committee meetings. The selection process is expected to be completed in October 2019. A schedule of events was presented to the Board for review and approval.

On a motion made by Ms. Garcia, seconded by Dr. Santiago and unanimously carried, the Board approved the proposed PSB member selection timeline.

20. CONSIDERED AND APPROVED THE PROPOSED PSB BUDGET MEETING SCHEDULE FOR FISCAL YEAR 2020-2021.

Mr. Balliew made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). Staff recommended the PSB hold one workshop to review the proposed operating and capital budgets, Rules and Regulations changes and rate and fee adjustments for the Water, Wastewater, Reclaimed Water and

Stormwater Utilities. Approval of the 2020-2021 budgets will take place during the January 2020 regular PSB board meeting.

On a motion made by Mr. Morris seconded by Dr. Mena and unanimously carried, the Board approved the proposed PSB budget meeting schedule for Fiscal Year 2020-2021.

21. MANAGEMENT REPORT:

- Water Quality Communications and video - Ms. Montoya began her presentation by informing the Board that August was Water Quality month. EPWater decided to do something different this year with our annual campaign, and to remind the public that our water quality is very good and safe to drink. The idea was to highlight that not only are we employees of EPWater, but we are customers too, and we trust the quality of water we provide to our customers. Ms. Montoya shared a slide of images from the Trust Your Tap campaign 2019. The woman shown on the slide is an employee at our lab, and she is also shown as a customer who is not only drinking our water but serving it to her daughter. Ms. Montoya then shared the timeline of the Water Quality month, from Aug. 1-31. Some public service announcements were shared on social media and radio. Dr. Shane Walker of the University of Texas at El Paso had a guest editorial in the El Paso Times, EPWater featured news articles, and KTEP interviewed Mr. Balliew and Dr. Mena. EPWater ended the campaign with #WeDrinkItToo, sharing employee pictures on social media. Ms. Montoya concluded her presentation by sharing the video posted on social media.
- Pricing Results of Water and Sewer Revenue Refunding Bonds Series 2019A and 2019B - Mr. Art Duran, Chief Financial Officer, began his presentation by reminding the Board that they approved two bond issues 2019A and 2019B, in addition to refunding prior debt, 2010A and 2011. Mr. Duran also discussed the parameters that the Board and City Council approved. For Series 2019A, Commercial Paper Refunding, the maximum true interest cost was estimated at 4%, the actual was 2.46%; the principal amount of issue estimated at \$40,525,000, and the actual was \$33,420,000. Final maturity date is Dec. 31, 2039, and the expiration of delegated authority is six months. For Series 2019B, Economic Refund the maximum true interest cost was estimated at 3%, the actual was 1.50%; the principal amount of issue was \$36 million, actual came in at \$30,585,000; minimum present value savings percentage estimated was 3% with the actual coming in at 10.84% with a total savings of \$3.97 million.

22. PUBLIC COMMENT: THE PSB WILL PERMIT PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA. THE CHAIR MAY IMPOSE REASONABLE TIME LIMITS FOR EACH SPEAKER.

No comments were made.

EXECUTIVE SESSION

On a motion made by Ms. Garcia, seconded by Mr. Morris, and unanimously carried, the Board retired into Executive Session at 9:00 a.m., Sept. 11, 2019, pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Section 551.071 through 551.076 to discuss the following:

Section 551.071	Consultation with Attorney
Section 551.072	Deliberation Regarding Real Property
Section 551.074	Personnel Matters

- a. **Section 551.072 Deliberation regarding Real Property**
The Board will deliberate regarding a potential land purchase in Hudspeth County, Texas

- b. **Section 551.072 Deliberation regarding Real Property**
The Board will receive an update and deliberate regarding potential land purchases for the Will Ruth Pond project.

- c. **Section 551.071 Consultation with Attorney**
The Board will consult with its attorneys regarding pending litigation matters, to include: 1) Cause No. 2017DCV1101, Mesa Executive Park, L.P. v. The City of El Paso, through the El Paso Water Utilities Public Service Board, and Ana Ruelas dba Ruga Trucking;
2) Cause No. 2017DCV1076, ROP Artcraft, LLC v. The City of El Paso;
3) Cause No. 2016DCV3774, Alfredo Carrasco v. The City of El Paso and El Paso Water Utilities;
4) No. 220141, Original Jurisdiction, Supreme Court of the United States; State of Texas v. State of New Mexico and State of Colorado, filed January 2013.

On a motion made by Ms. Garcia, seconded by Mr. Morris and unanimously carried, the Board reconvened in open session at 9:38 a.m., Sept. 11, 2019.

DELIBERATED REGARDING A POTENTIAL LAND PURCHASE IN HUDSPETH COUNTY, TX.

On a motion made by Dr. Santiago, seconded by Dr. Mena, that the El Paso Water Utilities President and CEO be authorized to proceed with the acquisition of land in the manner approved by the Board and in accordance with the terms and conditions specified by the Board and sign any and all documents necessary to complete the purchases, including the applications for transfer of ownership of the validation permits.

RECEIVED AN UPDATE AND DELIBERATED REGARDING POTENTIAL LAND PURCHASES FOR THE WILL RUTH POND PROJECT.

No Action

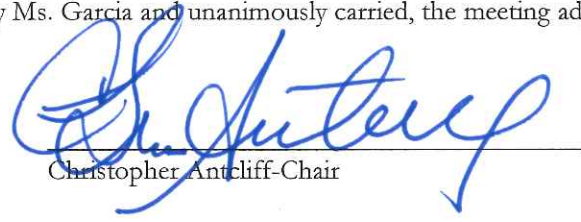
CONSULTED WITH ITS ATTORNEYS REGARDING PENDING LITIGATION MATTERS

No Action

ADJOURNMENT

On a motion made by Mr. Morris seconded by Ms. Garcia and unanimously carried, the meeting adjourned at 9:39 a.m., Sept. 11, 2019.

ATTEST:


Christopher Antcliff-Chair

Secretary-Treasurer

RESOLUTION

A RESOLUTION OF THE EL PASO WATER UTILITIES PUBLIC SERVICE BOARD APPROVING THE ADDITION OF AN AUTHORIZED REPRESENTATIVE TO TRANSMIT AND WITHDRAW FUNDS ON BEHALF OF THE PUBLIC SERVICE BOARD FROM THE TEXAS SHORT TERM ASSET RESERVE PROGRAM (TexSTAR) AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of El Paso, Texas, a home-rule municipality duly organized and operating in accordance with the laws of the State of Texas and acting by and through its El Paso Water Utilities Public Service Board ("Board"), trustees of its water, wastewater, reclaimed water and stormwater systems, is empowered to delegate to a public funds investment pool the authority to invest funds and to act as a custodian of investments purchased with local investment funds; and,

WHEREAS, under the Texas Inter-local Cooperative Act, TexSTAR, a local government investment pool, was created to meet Texas State and local government investment objectives of preservation of principal, daily liquidity and competitive yield; and,

WHEREAS, the Board by Resolution has determined it to be in the best interest of its customers and ratepayers to invest available local funds in TexSTAR investments that yield the highest possible rate of return while providing necessary safekeeping and protection of the principal; and,

WHEREAS, TexSTAR requires a Resolution of the Board in order to add or delete authorized employees to transmit and withdraw funds.

NOW THEREFORE, BE IT RESOLVED by the El Paso Water Utilities Public Service Board of the City of El Paso, Texas:

Section 1. The findings and recitations set out in the preamble to this Resolution are true and correct, and are hereby adopted by the Board and made a part of this Resolution by this reference for all purposes.

Section 2. That pursuant to this Resolution, the following individuals listed below are officers, employees or authorized representatives of the PSB/Board and are each hereby authorized to transmit utility funds to TexSTAR for investment in accordance with TexSTAR policies and procedures and each are further authorized to withdraw utility funds from time to time, to issue Letters of Instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds:

1. Marcela Navarrete, CPA, Vice President Strategic, Financial and Management Services

2. Arturo Duran, Chief Financial Officer
3. Jeffrey J. Tepsick, Assistant CFO
4. Lidia Carranco, Fiscal Operations Manager
5. Charles Lino, Treasury & Property Control Manager
6. Leondrea Hill, Accountant

Section 3. This Resolution and its authorization shall continue in full force and effect until amended or revoked by the Board, and until TexSTAR receives a copy of any such amendment or revocation. It is expressly agreed that TexSTAR is authorized to fully rely upon this Resolution until such amendment or revocation is adopted and transmitted to TexSTAR.

Section 4. This Resolution shall become effective immediately upon its adoption and passage.

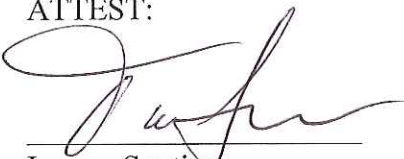
APPROVED, PASSED and ADOPTED at a regular meeting of the El Paso Water Utilities Public Service Board of the City of El Paso, Texas, this 11th day of September 2019, at which meeting a quorum was present and held in accordance with the provision of V.T.C.A. Government Code, Section 551.001 et. seq.

EL PASO WATER UTILITIES
PUBLIC SERVICE BOARD




Christopher Antcliff, Chair

ATTEST:



Ivonne Santiago
Secretary-Treasurer

APPROVED AS TO FORM:



Lee Ann B. Koehler
General Counsel