

MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
July 12, 2017

The regular meeting of the Public Service Board was held Wednesday, July 12 2017, at the El Paso Water Utilities Public Service Board Meeting Room located at 1154 Hawkins Boulevard, El Paso, Texas.

PSB MEMBERS PRESENT

Henry Gallardo, Chair
Mayor Dee Margo, Ex-Officio Member
Dr. Ivonne Santiago, Member
Dr. Kristina Mena, Member

PSB MEMBERS ABSENT

Christopher Antcliff, Vice Chair
Terri Garcia, Secretary-Treasurer
Bradley Roe, Member

PSB EMPLOYEES PRESENT

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

EPWU EMPLOYEES PRESENT

Matthew Behrens, Assistant General Counsel
Alan Schubert, Vice President
Art Duran, Chief Financial Officer
Armando Renteria, Chief Information Officer
Gretchen Byram, Computer Media Specialist
Georgette Webber, Temporary Employee
Rose Guevara, Senior Purchasing Agent
Levi Chacon, Purchasing Agent
Lisa Rosendorf, Chief Communications and Government Affairs Officer
Joshua Moniz, Lead Public Information Coordinator
Robert Davidson, Temporary Employee
Jillian Velasquez-Shipp, Executive Secretary
Jeff Tepsick, Fiscal Operations Manager
Lidia Carranco, Utility Treasury & Property Control Manager
Norma Guzman, Water Conservation Technician
Christina Montoya, Marketing & Communication Manager

GUESTS

Pam Farone, Citizen
Sotero Ramirez, Citizen
Al Loya, Loya Wilke Architects
Hector Rodriguez, Loya Wilke Architects
Evelyn Rios, Hazen and Sawyer
Marlene Strickler, GRP
Joanna Gil, GRP
Craig Gibson, GRP
Michael Ancel, CH2M Hill
Sanaan Villalobos, Carollo Engineers

Steve Morgan, H2O Terra
Joe Cardenas, Moreno Cardenas
Frank Spencer, Frank X. Spencer and Associates

MEDIA

KVIA

The Public Service Board meeting was called to order by Mr. Gallardo at 8:22 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Mayor Margo, in reciting the Pledge of Allegiance.

CONSENT AGENDA

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

APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETING HELD ON JUNE 14, 2017.

The Board approved the minutes of the regularly scheduled meeting held on June 14, 2017.

EXCUSED THE ABSENCE OF PSB BOARD MEMBER TERRI GARCIA.

The Board excused the absence of PSB member, Terri Garcia.

AWARDED BID NUMBER 43-17, PURCHASE OF TECHNICAL GRADE METHANOL, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, SOUTHERN CHEMICAL DISTRIBUTION, LLC, IN THE ESTIMATED ANNUAL AMOUNT OF \$98,250 WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS.

The Board awarded Bid 43-17, Purchase of Technical Grade Methanol to the lowest responsive, responsible bidder, Southern Chemical Distribution, LLC., in the estimated annual amount of \$98,250 with the option for two one-year extensions.

APPROVED A PURCHASE ORDER FOR THE MAINTENANCE SUPPORT RENEWAL FOR THE RELAY UTILITY IVR SYSTEM WITH SELECTRON TECHNOLOGIES WITH BUY BOARD PRICING THROUGH GSA CONTRACT NUMBER GS-35F-0315X IN THE AMOUNT OF \$53,178.76.

The Board approved a purchase order for the maintenance support renewal for the Relay Utility IVR system with Selectron Technologies with buy board pricing through GSA Contract Number GS-35F-0315X in the amount of \$53,178.76.

REGULAR AGENDA

PRESENTATION OF NATIONAL AWWA AWARD AND STATE AWWA & WHEAT AWARDS.

Ms. Lisa Rosendorf, Chief Communications & Government Affairs Officer, presented information to the Board regarding this item. Nationally, El Paso Water received the 2016 American Water Works Association (AWWA) Public Communications Award for its Advanced Water Purification Outreach Program-A Sustainable Water Future for El Paso. At the State level, the utility received three 2016 Watermark Awards for Communications Excellence from Texas AWWA and WEAT. Celebrating National Engineers Week – Youth Education and Outreach Programs Category (joint Communications and TechH2O program). Public Service Board Opinion Editorials - Writing releases, features, scripts, speeches, public service announcements category (Communications office program). Mr. Balliew and Mr. Gallardo presented the awards to Ms. Christina Montoya, Marketing and Communications Manager and Ms. Norma Guzman, Water Conservation Technician.

AWARDED A PROFESSIONAL SERVICES CONTRACT FOR THE ADVANCED WATER PURIFICATION FACILITY TO CAROLLO ENGINEERS, INC. AND AWARDED TASK ORDER NUMBER 1 IN THE AMOUNT OF \$1,299,977.47.

.Mr. Alan Shubert, Vice President, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The project consists of permitting, design, bid, construction, and startup phase services for a new 10 MGD direct potable reuse facility to treat secondary clarifier effluent from the Roberto R. Bustamante Wastewater Treatment Plant (RRBWTP) for conveyance directly to the potable water distribution system. The new facility will be located on land owned by El Paso Water (EPWater) adjacent to the Jonathan Rogers Water Treatment Plant (JRWTP) and the Roberto R. Bustamante Wastewater Treatment Plant (WWTP). The selected engineering firm will be awarded a contract for the complete permitting, design, bid, and construction phase services. However, the first task order will only be for the development of the preliminary engineering report and technical design reports required to proceed with the drawings, specifications, and cost estimate. Pending additional fund appropriations, the design phase will be completed in subsequent fiscal years and additional task orders will be issued at that time.

On a motion made by Dr. Santiago, seconded by Dr. Mena and unanimously carried, the awarded a professional services contract for the Advanced Water Purification Facility to Carollo Engineers, Inc. and awarded Task Order Number 1 in the amount of \$1,299,977.47.

AWARDED PROFESSIONAL SERVICES CONTRACTS FOR ON-CALL PROFESSIONAL SERVICES FOR STORMWATER AND WASTEWATER LIFT STATIONS, EACH IN AN AMOUNT NOT TO EXCEED \$200,000 AND WITH A TERM OF 2 YEARS TO BROWN AND CALDWELL AND H2O TERRA, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). El Paso Water has 148 wastewater lift stations and 18 stormwater lift stations. These pump stations require year-round maintenance including but not limited to rehabilitation and replacement of pumps, motors, and auxiliary mechanical, electrical, and heating, ventilation, and air conditioning (HVAC) systems. The assistance of engineering consulting firms is needed to allow us to move quickly to get a design and make repairs as quickly as possible.

The Architectural/Engineering Selection Advisory Committee met on June 14, 2017 to review and recommend selection of the engineering firms for these services. Proposals were scored in the areas of technical competence, project approach, team organization and availability, and project management and quality control. Brown and Caldwell, and H2O Terra 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. Each consultant will be issued a professional services contract for a maximum amount of \$200,000 and each contract will be limited to two years. Mr. Schubert addressed questions from the Board on this item.

On a motion made by Dr. Mena, seconded by Dr. Santiago and unanimously carried, the Board awarded professional services contracts for On-Call Professional Services for Stormwater and Wastewater Lift Stations, each in an amount not to exceed \$200,000 and with a term of 2 years, to Brown and Caldwell and H2O Terra, and authorized the use of commercial paper.

DECLARED S. J. LOUIS CONSTRUCTION, INC. NOT RESPONSIBLE, AND AWARDED BID NUMBER 19-17, NORTH 2 TO FRANKLIN EAST 1A, 1B 36/24-INCH WATER LINE – PHASE I, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, SPIESS CONSTRUCTION COMPANY, INC., IN THE AMOUNT OF \$2,441,541.00.

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The North 2 tank to Franklin East 1A and 1B tank water line will extend water service to Northeast El Paso. This 36-inch water line is to convey water to the proposed Franklin East 1A and 1B elevated tanks. EPWater

received four bids for this project on June 15, 2017 ranging from \$2,354,000.00 to \$5,432,485.64. The Engineer's estimate was \$2,789,608.00. The project consulting engineer, CDM Smith, evaluated the qualifications of the apparent low bidder and determined that S. J. Louis Construction did not meet the Experience Modification Rate of <1.25 as specified in the Contractor Prequalification form. Spiess Construction was the second lowest bidder in the amount of \$2,441,541.00 and met the minimum general requirements as well as the minimum project specific criteria as specified in the bid documents. Staff reviewed the Engineer's evaluation matrix and recommended award of Bid Number 19-17, North 2 to Franklin East 1A, 1B 36/24-Inch Water Line – Phase I, to Spiess Construction as the lowest responsive, responsible bidder in the amount of \$2,441,541.00. Mr. Shubert addressed questions from the Board on this item.

On a motion made by Dr. Santiago, seconded by Dr. Mena, and unanimously carried, the Board declared SJ Louis Construction, Inc. not responsible and awarded Bid Number 19-17, North 2 to Franklin East 1A, 1B 36/24-Inch Water Line – Phase I, to the lowest responsive, responsible bidder, Spiess Construction Company, Inc., in the amount of \$2,441,541.00.

APPROVED A PROFESSIONAL SERVICES CONTRACT FOR TASK ORDER NUMBER 3 – DESIGN SERVICES FOR KAY BAILEY HUTCHISON DESALINATION PLANT MISCELLANEOUS IMPROVEMENTS – INTERSTAGE BOOSTERS TO CDM SMITH, INC., IN THE AMOUNT OF \$162,565.42, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). This project consists of installing a booster pump on each of the five Reverse Osmosis (RO) skids units to boost the production capacity of each skid. This is the first of several planned projects at the Kay Bailey Hutchison Desalination Plant to increase production. Over the next seven to ten years, projects will be completed to include addition of new brackish water supply wells and adding a sixth RO skid, increasing production to 32MGD and ultimately to 42MGD.

In August 2016, CDM Smith was selected for the Kay Bailey Hutchison Desalination Plant - Miscellaneous Improvements project. The purpose of the contract was to identify projects that will be designed to maximize production without the development of additional groundwater supplies or installation of additional reverse osmosis capacity. Staff worked with CDM Smith to develop the scope of services required for this project. A fee proposal associated with the scope of services was submitted, reviewed, and negotiated with the Consultant for the defined scope of work. The negotiated fees were determined to be in line with the level of effort required to complete the task and consistent with similar work completed recently. Mr. Balliew made additional comments regarding this item and addressed questions from the Board.

On a motion made by Dr. Santiago, seconded by Dr. Mena and unanimously carried, the Board approved a professional services contract for Task Order Number 3 – Design Services for Kay Bailey Hutchison Desalination Plant Miscellaneous Improvements – Interstage Boosters to CDM Smith, Inc., in the amount of \$162,565.42, and authorized the use of commercial paper.

APPROVED THE PURCHASE OF A 2017 JOHN DEERE TRACTOR AND SLOPE MOWER THROUGH THE TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE TASB CONTRACT NUMBER 529-17 FROM SOUTH PLAINS IMPLEMENT, LTD., IN THE AMOUNT OF \$174,253.66.

Ms. Rose Guevara, Senior Purchasing Agent, presented information to the Board regarding this item. The John Deere tractor with slope mower attachment is used to maintain stormwater ponds, channels and irrigation canals among other uses. The new unit will replace two current slope mowers, which have reached their useful life. Staff obtained quotes from South Plains Implement utilizing the Texas Local Government Purchasing Cooperative TASB Contract Number 529-17. Staff evaluated the quotes, determined that the quotes met the requirements for these purchase and recommended the purchase of the John Deere tractor and slope mower from South Plains Implement.

On a motion made by Dr. Mena seconded by Dr. Santiago and unanimously carried, the Board approved the purchase of a 2017 John Deere tractor and slope mower through the Texas Local Government Purchasing Cooperative TASB Contract Number 529-17 from South Plains Implement, LTD., in the amount of \$174,253.66.

APPROVED A PURCHASE ORDER FOR THE BLADE CENTER HARDWARE WITH TECHNICAL & SCIENTIFIC APPLICATION, INCORPORATED, WITH BUY BOARD PRICING THROUGH TEXAS DIR CONTRACT NUMBER DIR-TSO-3359 IN THE AMOUNT OF \$174,830.80.

Mr. Armando Renteria, Chief Information Officer, presented information to the Board regarding this item. A Blade Center is a server architecture that houses multiple server modules ("blades") in a single chassis. The chassis provides the power supply and each blade has its own CPU (Central Processing Unit), RAM (Random- Access Memory) and storage. The existing Blade Center supports 25 system applications that include PeopleSoft, Hansen, FieldPort and GIS (Geographic Information System) and is running at capacity. An additional Blade Center is needed to accommodate present and future system expansion. A quotation for the purchase of Blade Center hardware was requested and received from Technical & Scientific Application, Incorporated with buy board pricing through Texas DIR (Department of Information Resources) Contract Number DIR-TSO-3359.

During the presentation, Mayor Margo stepped out of the meeting at 8:55 a.m. Ms. Lee Ann Koehler, General Counsel advised the Board they could hear the presentation, but no action could be taken by the Board until a quorum was re-established. Mayor Margo returned to the meeting at 8:56 a.m. Mr. Renteria addressed questions from the Board and Mr. Balliew regarding this item.

On a motion made by Dr. Santiago, seconded by Dr. Mena and unanimously carried, the Board approved a purchase order for the Blade Center hardware with Technical & Scientific Application, Incorporated, with buy board pricing through Texas DIR Contract Number DIR-TSO-3359 in the amount of \$174,830.80.

APPROVED A PURCHASE ORDER FOR THE PEOPLESOFT FINANCIALS FUNCTIONAL IMPROVEMENT SERVICES WITH MO'MIX SOLUTIONS, INCORPORATED WITH BUY BOARD PRICING THROUGH BUYBOARD COOPERATIVE PURCHASING PROGRAM NUMBER 498-15 IN THE ESTIMATED AMOUNT OF \$292,997.80

Mr. Renteria presented information to the Board regarding this item. The PeopleSoft Financials system is the primary software application used to support day-to-day business operations and manage El Paso Water's financial data. Functional improvements and minor upgrades are needed to maximize the tracking of Capital Improvement Program (CIP) data across the organization. The Information Technology Department requested Board approval to contract for PeopleSoft services that will be used in a collaborative manner to implement functional improvements to the PeopleSoft Financials system. Mo'mix Solutions, Incorporated, a State of Texas Historically Underutilized Business and PeopleSoft solutions provider headquartered in Austin, Texas, was contacted to provide an improvements quotation. A quotation was received with buy board pricing available through BuyBoard Cooperative Purchasing Program Number 498-15.

On a motion made by Dr. Santiago, seconded by Dr. Mena and unanimously carried, the Board approved a purchase order for the PeopleSoft Financials functional improvement services with Mo'mix Solutions, Incorporated with buy board pricing through BuyBoard Cooperative Purchasing Program Number 498-15 in the estimated amount of \$292,997.80.

ITEM REMOVED FROM AGENDA: CONSIDER AND AWARD BID NUMBER 44-17, TXDOT CEMENT STABILIZED BACKFILL MATERIAL (RE-BID), TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, MINI-CONCRETE MATERIALS, IN THE ESTIMATED ANNUAL AMOUNT OF \$206,480, WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS.

This item was removed from the agenda.

ACCEPTED THE EL PASO WATER UTILITIES/PUBLIC SERVICE BOARD COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDING FEBRUARY 28, 2017.

Mr. Art Duran, Chief Financial Officer, introduced Mr. Craig Gibson with Gibson, Ruddock, Patterson, LLC, to present information to the Board regarding this item. City of El Paso Bond Ordinance 752, as amended, requires that an annual audit of El Paso Water Utilities be performed by independent certified public accountants. Mr. Gibson acknowledged his team members, Ms. Johanna Gil and Ms. Marlene Strickler. Mr. Gibson said GRP would be issuing an unmodified opinion on the financial statements. In reviewing compliance and regulations, GRP determined there were no findings during the audit and said the processes and procedures in place at EPWater were great. A separate management letter was issued from GRP to the Board including six minor recommendations for improvement. Mr. Duran made a PowerPoint presentation to the Board regarding the Comprehensive Annual Financial Report for Fiscal Year ending February 28, 2017 (copy on file in Central Files). During his presentation, Mr. Duran discussed the water, wastewater and stormwater utilities' fund trend analysis of capital assets net position and bonds payable (2009 thru 2017). He also reviewed the debt service coverage for each of the utilities. At the conclusion of the presentation, Mr. Duran and Mr. Gibson addressed questions from the Board.

On a motion made by Dr. Mena, seconded by Dr. Santiago and unanimously carried, the Board accepted the El Paso Water Utilities/Public Service Board Comprehensive Annual Financial Report for Fiscal Year ending February 28, 2017.

ACCEPTED THE EL PASO WATER 1ST QUARTER FINANCIAL AND PERFORMANCE MEASURES REPORT FOR PERIOD ENDING MAY 31, 2017.

Mr. Jeff Tepsick, Fiscal Operations Manager, made a PowerPoint presentation to the Board regarding the 1st Quarter Financial and Performance Measures Report for period ending May 31, 2017 (copy on file in Central Files). The Public Service Board requires regular financial reporting from the President/CEO and staff on the financial condition of the EPWater. Operating revenue for the fiscal year were \$6 million more than the prior fiscal year mainly due to the approved seven percent water and wastewater rate increases effective March 1, 2017 and the \$1.9 million of farming revenue. Operating expenses increased by \$1.7 million mainly due to farming operation expenses. Water and Wastewater operations and maintenance expenses costs were flat compared to the same period last year. El Paso Water met all of its water and wastewater operating, capital and debt service obligations this year. Afterwards, Mr. Tepsick discussed the stormwater utility and said the total operating revenues through the first quarter for the stormwater utility were \$895,000 more than for the same period last year mainly due to the approved 17 percent fee increase effective March 1, 2017. Operating expenditures were \$64,000 more than last year. He said El Paso Water is on target to meet all stormwater operating, capital and debt service requirements this year. At the conclusion of the presentation, Mr. Tepsick and Mr. Balliew addressed questions from the Board regarding this report.

On a motion made by Dr. Santiago, seconded by Dr. Mena and unanimously carried, the Board approved the El Paso Water Utilities/Public Service Board's 1st Quarter Financial and Performance Measures Report for period ending May 31, 2017.

CONSIDERED AND APPROVED THE INVESTMENT COMMITTEE'S 1ST QUARTER INVESTMENT REPORT FOR PERIOD ENDING MAY 31, 2017.

Ms. Lidia Carranco, Utility Treasury & Property Control Manager, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Public Funds Investment Act (PFIA) requires a quarterly report be submitted. The Utility's Investment Committee, consisting of Board member Terri Garcia; the President & CEO; the Vice President of Strategic, Financial and Management Services; General Counsel; Chief Financial Officer; Fiscal Operations Manager; Treasury Manager; and the Water and Wastewater Economic

Analyst held a teleconference on July 5, 2017, to review the 1st quarter investment report. During the first quarter of FY 2017-18, the portfolio par value was \$221,136,316. The weighted average maturity was 24 days. During the quarter, EPWater bid 42 investments totaling \$106.24 million. The overall yield for the quarter was 0.90% and the portfolio interest earnings were \$426,770. Mr. Henry Gallardo made additional comments regarding the report.

On a motion made by Dr. Santiago seconded by Dr. Mena and unanimously carried, the Board approved the Investment Committee's 1st Quarter Investment Report for period ending May 31, 2017.

APPROVED THE PUBLIC SERVICE BOARD'S SEMI-ANNUAL REPORT ON THE ACTIVITIES OF THE LAND MANAGEMENT PROGRAM FROM JANUARY 2017 THROUGH JUNE 2017, AS REQUIRED BY THE CITY /EPWU JOINT RESOLUTION OF SEPTEMBER 2012, AND AUTHORIZED THE PRESIDENT/CEO TO FORWARD THE REPORT TO THE EL PASO CITY COUNCIL

Ms. Cynthia Osborn, Real Estate Manager/Counsel, presented the Board with information regarding this item. The Joint Resolution between the El Paso City Council and the El Paso Water Utilities/Public Service Board adopted March 31, 2010, and amended September 26, 2012, sets forth the policies, procedures and reimbursements related to transfers of land and land use policies. The Joint Resolution requires the Public Service Board to submit, in addition to an annual land inventory report on sales and land declared as inexpedient, a semi-annual report on the activities of the Land Management Program on land activities the subject of the Joint Resolution. Ms. Osborn presented the Board with the report for review and comment. There were no comments or questions from the Board regarding this item.

On a motion made by Dr. Mena, seconded by Dr. Santiago and unanimously carried, the Board approved the Public Service Board's Semi-Annual Report on the activities of the Land Management Program from January 2016 through June 2016, as required by the City /EPWU Joint Resolution of September 2012, and authorized the President/CEO to forward the report to the El Paso City Council.

PRESENTATION ON THE PAN AMERICAN INDUSTRIAL PARK COVENANTS, RESTRICTIONS AND DESIGN GUIDELINES.

Mr. John Balliew, President/CEO, provided the Board with some historical information regarding the Pan American Industrial Park project. The Camino Real Regional Mobility Authority (CRRMA) is planning an expansion project for Winn Road, from the Zaragoza Port of Entry and through the industrial park property. El Paso Water was able to purchase an additional piece of property which increased the size of the industrial park. El Paso Water is interested in developing a leasing program for the property. Mr. Balliew introduced Mr. Al Loya with LoyaWilke Architects to make a presentation to the Board regarding this item (copy on file in Central Files). The Pan American Industrial Park is a 260 acre parcel of land located in southeast El Paso. On February 9, 2017, EPWater contracted with LoyaWilke Architects to prepare covenants, restrictions and design guidelines for potential lessees and developers to adhere to and conform should they develop in the park. Establishing those elements will assist in establishing the best use for the land while maintaining its integrity and value. Mr. Loya said approximately 211 acres of the parcel is leasable property. This is excluding the new and proposed roads for the property. There are also some narrow and unusable areas of the property. An aerial video of the area was shown to the Board. Mr. Loya also presented a map of the property sectioned into 24 lots. He mentioned three of the lots had not been platted and will require platting before they are leased. He discussed possible uses for several of the lots. Another map was presented outlining areas for potential commercial and industrial tenants, green space and a bike lane at the Playa Drain. He also presented the Board with a map showing the design for roadways. Mr. Balliew and Mr. Loya addressed several questions from the Board on this item. The Board thanked Mr. Loya for his presentation.

APPOINTED BOARD MEMBERS TO THE 1) ARCHITECT/ENGINEER SELECTION ADVISORY COMMITTEE, 2) COMMUNICATIONS COMMITTEE AND 3)

FINANCE/INVESTMENT COMMITTEE, RENAMED AS THE AUDIT, FINANCE AND INVESTMENT COMMITTEE.

Mr. Gallardo said committee appointments are an opportunity for Board members to serve on the different committees during their tenure on the PSB and serve as a way to promote succession on the Board. He appointed PSB members to the three established committees and suggested renaming the Finance/Investment Committee to the Audit, Finance and Investment Committee.

On a motion made by Dr. Santiago, seconded by Dr. Mena and unanimously carried, the Board renamed the Finance/Investment Committee to the Audit, Finance and Investment Committee and approved the following committee appointments: Mr. Roe and Dr. Santiago to the Architect/Engineer Selection Advisory Committee; Dr. Mena and Mr. Gallardo to Communications Committee; and Mr. Antcliff, Ms. Garcia and Mr. Gallardo to the Audit, Finance and Investment Committee.

MANAGEMENT REPORT:

Update from staff on the Countywide Water and Wastewater Master Plan:

Mr. Balliew made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). Mr. Balliew presented a map of El Paso County which outlined the number of unserved people within the county, as well as the infrastructure needs. The map was divided into the following four subareas: Subarea 1 – Upper Valley; Subarea 2 – East Montana; Subarea 3 – Horizon; and Subarea 4 – Lower Valley. Overall, the total number of persons unserved for water throughout the county is 4,350. The total number of persons unserved for wastewater is 34,300. The water infrastructure need totals \$159 million. The wastewater infrastructure need totals \$478 million. As of now, funding is low at the state level and will no longer be available however, there is possible funding at the federal level to assist in meeting the needs. Mr. Balliew addressed questions from the Board regarding this update.

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.

The Board heard comments from Mr. Sotero Ramirez, citizen.

EXECUTIVE SESSION

On a motion made by Dr. Santiago, seconded by Dr. Mena, and unanimously carried, the Board retired into Executive Session at 10:02 a.m., July 12, 2017, pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Sections 551.071 through 551.076 to discuss any of 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 potential land purchases for the Will Ruth Pond project.

On a motion made by Dr. Santiago, seconded by Dr. Mena, and unanimously carried, the Board reconvened in open session at 10:46a.m., July 12, 2017.

DELIBERATED REGARDING POTENTIAL LAND PURCHASES FOR THE WILL RUTH POND PROJECT.


On a motion made by Dr. Mena, seconded by Mayor Margo and unanimously carried, the Board authorized the El Paso Water Utilities President and CEO 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.

ADJOURNMENT

On a motion made by Mayor Margo, seconded by Dr. Santiago, and unanimously carried, the meeting adjourned at 10:47 a.m., July 12, 2017.

ATTEST:



Secretary-Treasurer



Chair

A RESOLUTION OF THE EL PASO WATER UTILITIES PUBLIC SERVICE BOARD (EPWU/PSB) TO APPROVE THE PUBLIC SERVICE BOARD'S SEMIANNUAL LAND MANAGEMENT REPORT ON THE ACTIVITIES OF EL PASO WATER'S LAND MANAGEMENT PROGRAM FROM JANUARY 2017 TO JUNE 2017 AND TO DIRECT THE PRESIDENT/CEO TO FORWARD THE REPORT TO THE CITY COUNCIL

WHEREAS, the Joint Resolution between the El Paso City Council and the El Paso Water Utilities/Public Service Board adopted on March 31, 2010, and revised on September 26, 2012, sets forth the policies, procedures and reimbursements relating to transfers of real estate and land use policies; and,

WHEREAS, the Joint Resolution requires the Public Service Board to provide the City Council an Annual Land Inventory Report that identifies the land(s) under PSB management and control that may be considered for land sale and for which the PSB has or can declare as inexpedient to its utility system and a Semi-annual Land Management Report of the activities of the Land Management Program for land activities that are the subject of the Joint Resolution;

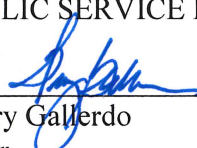
NOW, THEREFORE, BE IT RESOLVED BY THE EL PASO WATER UTILITIES PUBLIC SERVICE BOARD OF THE CITY OF EL PASO, TEXAS:

Section 1. The recitations as set out in the preamble above are found to be true and correct, and are hereby adopted by the El Paso Water Utilities Public Service Board and made a part of this Resolution for all purposes.

Section 2. That the El Paso Water Utilities Public Service Board (EPWU/PSB) approves the Semiannual Land Management Report on the activities of the El Paso Water Utilities Land Management Program and directs the President/CEO to forward the report to the El Paso City Council.

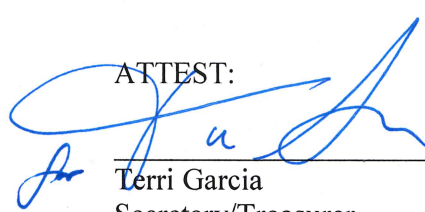
PASSED, ADOPTED and APPROVED at a Regular Meeting of the El Paso Water Utilities Public Service Board of the City of El Paso, Texas, this 12th day of July 2017, at which meeting a quorum was present and which meeting was held in accordance with the provisions of V.T.C.A. Government Code, Sections 551.001, et seq.

EL PASO WATER UTILITIES
PUBLIC SERVICE BOARD




Henry Gallerdo
Chair

ATTEST:



Terri Garcia
Secretary/Treasurer

APPROVED AS TO FORM:



Lee Ann B. Koehler
General Counsel