

**MINUTES  
PUBLIC SERVICE BOARD  
CITY OF EL PASO  
September 14, 2016**

The regular meeting of the Public Service Board was held Wednesday, September 14, 2016, 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  
Christopher Antcliff, Vice Chair  
Terri Garcia, Secretary-Treasurer  
Mayor Oscar Leeser, Ex-Officio Member  
Dr. Ivonne Santiago, Member  
Bradley Roe, Member  
Dr. Kristina Mena, Member

**PSB MEMBERS ABSENT**

None

**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 Shubert, Vice President  
Marcela Navarrete, Vice President  
Lisa Rosendorf, Chief Communications and Government Affairs Officer  
Art Duran, Chief Financial Officer  
Fernie Rico, Chief Operations Officer  
Armando Renteria, Chief Information Officer  
Warren Marquette, Capital Projects Manager  
Mike Parker, Water Plant Superintendent  
Ana Pucella, Budget and Management Analyst  
Becky Lopez, Paralegal  
Adriana Castillo, Engineering Division Manager  
Yesenia Castro, Utility Engineer Associate  
Ruben Montes, Water Plant Superintendent  
Cynthia Osborn, Real Estate Manager/Counsel  
Gretchen Byram, Computer Media Specialist  
Georgette Webber, Executive Assistant  
Robert Davidson, Temporary Employee  
Levi Chacon, Purchasing Agent  
Christina Montoya, Marketing and Communications Manager  
Isabel Rodriguez, Public Information Coordinator  
Martin Noriega, Stormwater Operations Manager  
Ruth Melendez, Intern

**GUESTS**

Joe Cardenas, Moreno Cardenas  
Taylor Moreno, City of El Paso

Phil Rothstein, Bath Engineering  
Anthony Below, Painted Dunes Golf Course  
Steve Ainsa,  
Sanaan Villalobos, ARCADIS  
Steve Morgan, Roe Engineering  
Pam Farone, Citizen  
Leonor Majana, Salvation Army  
Steven Lazanin, Salvation Army  
Rose Lucero, Salvation Army  
John Karlsruher, CSA  
Jack Alayyan, Lower Valley Water District

**MEDIA**

El Diario

The Public Service Board meeting was called to order by Mr. Gallardo at 8:15 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Mr. Antcliff, in reciting the Pledge of Allegiance.

**CONSENT AGENDA**

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

**APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETING HELD ON AUGUST 10, 2016.**

The Board approved the minutes of the regularly scheduled meeting held on August 10, 2016.

**AWARDED BID NUMBER SW52-16, DONIPHAN STORMWATER PUMP STATION PS-1 AND PS-2 IMPROVEMENTS: LEVEL CONTROL AND SCADA IMPROVEMENTS, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, KENDRICK ELECTRIC CORPORATION, IN THE AMOUNT OF \$68,100.**

The Board awarded Bid Number SW52-16, Doniphan Stormwater Pump Station PS-1 and PS-2 Improvements: Level Control and SCADA Improvements, to the lowest responsive, responsible bidder, Kendrick Electric Corporation, in the amount of \$68,100.

**REGULAR AGENDA**

**PRESENTATION ON FUNDRAISING ACTIVITIES AND A CHECK TO THE SALVATION ARMY FROM MONIES RAISED BY EL PASO WATER'S EMPLOYEES.**

Ms. Adriana Castillo, Engineering Division Manager, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Public Service Board selects one charitable organization annually for a fundraising project. This year, the PSB selected The Salvation Army. The main focus of the Salvation Army in El Paso is to provide food and emergency housing assistance for men, women, and families. El Paso Water had two initiatives to raise funds for The Salvation Army: a series of employee-organized fundraising events held during non-working hours and a golf tournament at Painted Dunes, sponsored by The Touchtone Golf Foundation. Overall, the total amount raised for the Salvation Army was \$39,000. Mr. Antcliff, Mayor Leeser and Mr. Anthony Below from Painted Dunes presented a check to Ms. Leonora Majana and Ms. Rose Lucera from the Salvation Army. Mr. Balliew and Mayor Leeser expressed their gratitude to the fundraising committee and employees for their efforts.

**PRESENTATION OF THE PARTNERSHIP FOR SAFE WATER'S ELEVEN-YEAR DIRECTORS AWARD TO THE JONATHAN W. ROGERS AND ROBERTSON/UMBENHAUER**

**WATER TREATMENT PLANTS.**

Ms. Christina Montoya, Marketing and Communications Manager, presented information to the Board regarding this item. The Partnership for Safe Water is a coalition consisting of the American Water Works Association, the Association of Metropolitan Water Agencies, the Association of State Drinking Water Administrators, the United States Environmental Protection Agency, the National Association of Water Companies and the Water Research Foundation. The Partnership was formed to encourage and assist United States water suppliers to voluntarily enhance their water systems performance, for greater control of Cryptosporidium, Giardia and other microbial contaminants. El Paso Water Utilities' surface water treatment plants have been participants in the Partnership for Safe Water for many years. During that time, both plants have consistently improved performance year by year. EPWU has received a national award for maintaining the Directors Award of recognition from the Partnership for Safe Water. The Directors Award is presented to water systems that have completed a successful review in the Partnership's Self-Assessment and Peer Review phase, a phase in which utilities examine the capabilities of their treatment plant operation and administration and then create a plan for implementing improvements. Mr. Balliew presented the awards to Mr. Mike Parker, Superintendent and Mr. Ruben Montes, Superintendent.

**PRESENTATION OF THE DISTINGUISHED BUDGET PRESENTATION AWARD FROM THE GOVERNMENT FINANCE OFFICERS ASSOCIATION FOR THE FY 2016-17 BUDGET TO ART DURAN, CHIEF FINANCIAL OFFICER.**

Ms. Montoya presented the Board with information regarding this item. The GFOA's Certificate of Achievement is the highest award in governmental budgeting and its attainment represents a significant accomplishment by a government and its management. The Utility first received this award for its FY 1999-2000 Budget. The Utility has now received this award for 17 consecutive years. In order to receive this award, a governmental entity must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. The award was presented to Ms. Ana Pucella, Budget and Management Analyst.

**PRESENTATION ON ENGINEERING CONSULTANT CONTRACT DISTRIBUTION - LOCAL VERSUS NATIONAL.**

Mr. Alan Shubert, Vice President, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). At a previous Board meeting, information was requested concerning how consulting fees were distributed between local versus national firms. During the presentation Mr. Shubert provided information to the board regarding engineering fees paid to consulting engineering firms over a five-year period. Mr. Shubert addressed questions from the Board regarding this item.

**AWARDED A PROFESSIONAL SERVICES CONTRACT FOR THE FRED HERVEY WATER RECLAMATION PLANT DIGESTER NUMBER TWO MIXER IMPROVEMENTS TO PARKHILL, SMITH & COOPER, INC. IN THE AMOUNT OF \$158,313 AND AUTHORIZED FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). Anaerobic digesters are used at wastewater treatment plants to treat the solids removed from the wastewater; methane gas is a by-product of this solids treatment process. The Fred Hervey WRP has two one-million gallon anaerobic digesters each with floating covers and gas collection systems, one of which is not operating. The consulting engineers will be tasked to assess and evaluate the current conditions, recommend feasible alternatives to repair or replace, and ultimately place back into service.

The Architectural/Engineering Selection Advisory Committee met on August 10, 2016 to review and recommend selection of the engineering firm for the above-referenced project. Proposals were scored in the areas of technical competence, project approach, team organization and availability and project management and quality control. Parkhill, Smith & Cooper, Inc. was selected as the most qualified firm that best meets the needs of the Utility for the services and demonstrated excellent abilities in all the evaluated categories. El Paso Water's staff worked with Parkhill, Smith & Cooper 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 are in line with the level of effort required to

complete the task and consistent with similar work completed recently. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Mr. Roe and unanimously carried, the Board awarded a professional services contract for the Fred Hervey Water Reclamation Plant Digester Number Two Mixer Improvements to Parkhill, Smith & Cooper, Inc. in the amount of \$158,313 and authorized funding through the Commercial Paper Program. **(Resolution attached)**

**AWARDED A PROFESSIONAL SERVICES CONTRACT FOR THE FRED HERVEY WATER RECLAMATION PLANT AERATION BASINS PILOT STUDY TO ROE ENGINEERING, LC IN THE AMOUNT OF \$171,000.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). In 2012, an energy optimization study identified several projects to reduce our power usage at several facilities. Aeration basins at wastewater treatment plants (WWTPs) use the most power of any treatment process, due to the amount of energy needed to supply air to sustain the biological treatment process. A program was developed to upgrade, replace, or rehabilitate the aerations systems at all the WWTPs. The purpose of this study is to evaluate the current blower/diffusor system and pilot the recommended equipment to upgrade the system to be more energy efficient.

The Architectural/Engineering Selection Advisory Committee met on August 10, 2016 to review and recommend selection of the engineering firm for the above-referenced project. The committee consisted of Christopher Antcliff, R. Alan Shubert, John Balliew, and Gilbert Trejo. Proposals were scored in the areas of technical competence, project approach, team organization and availability, and project management and quality control. Roe Engineering was selected as the most qualified firm that best meets the needs of EPWater for these important services and demonstrated excellent abilities in all the evaluated categories. EPWater staff worked with Roe Engineering to develop the scope of services required for this project. A fee proposal from the consulting firm associated with the scope of services was submitted, reviewed, and negotiated with the consultant for the defined scope of work. The negotiated fee is in line with the level of effort required to complete the task and consistent with similar work completed recently. Mr. Shubert and Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago, seconded by Mr. Antcliff and unanimously carried, the board awarded a professional services contract for the Fred Hervey Water Reclamation Plant Aeration Basins Pilot Study to Roe Engineering, LC in the amount of \$171,000.

**AWARDED PROFESSIONAL SERVICES CONTRACTS FOR THE WATER/WASTEWATER FACILITIES BEAUTIFICATION PROJECT TO SITES SOUTHWEST, LTD. CO. AND PRAIRIE WORKSHOP, LLC, EACH IN THE AMOUNT OF \$200,000 WITH A MAXIMUM TERM OF TWO YEARS AND AUTHORIZED FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). In an effort to become better community partners and neighbors, EPWater will develop a program to improve the exterior of its water and wastewater facilities. Improvements may include landscaping, driveways/approaches, upgraded perimeter fencing with rock walls and wrought iron. EPWater staff with the assistance of the consultants will prepare a master plan to prioritize those sites, which are most visible to the public. The Architectural/Engineering Selection Advisory Committee met on August 10, 2016, to review and recommend selection of the engineering firms for the above-referenced project. The committee consisted of Christopher Antcliff, R. Alan Shubert, John Balliew, and Gilbert Trejo. Proposals were scored in the areas of technical competence, project approach, team organization and availability, and project management and quality control. Sites Southwest and Prairie Workshop were selected as the most qualified firms that best meet the needs of EPWater 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 no more than two years. Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Dr. Mena and unanimously carried, the Board awarded professional services contracts for the Water/Wastewater Facilities Beautification Project to Sites Southwest, Ltd. Co. and Prairie Workshop, LLC, each in the amount of \$200,000 with a maximum term of two years and authorized funding through the Commercial Paper Program. **(Resolution attached)**

**APPROVED A PROFESSIONAL SERVICES CONTRACT FOR EMERGENCY BACKUP POWER AT WASTEWATER TREATMENT PLANTS TO BATH ENGINEERING CORPORATION IN THE AMOUNT OF \$174,241 AND AUTHORIZED FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The wastewater treatment plants (WWTP) operate 365 days per year and require emergency backup power to provide continuous treatment of the wastewater and ensure compliance with discharge permits. This project will design improvements to the WWTPs to provide emergency backup power and improve the protection and reliability of power supplied to these plants.

The Architectural/Engineering Selection Advisory Committee met on July 13, 2016, to review and recommend selection of the engineering firm for the above-referenced project. The committee consisted of Christopher Antcliff, Marcela Navarrete, John Balliew, and Gilbert Trejo. Proposals were scored in the areas of technical competence, project approach, team organization and availability, and project management and quality control. Bath Engineering was selected as the most qualified firm that best meets the needs of the Utility for these important services and demonstrated excellent abilities in all the evaluated categories. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, the Board approved a professional services contract for Emergency Backup Power at Wastewater Treatment Plants to Bath Engineering Corporation in the amount of \$174,241 and authorized funding through the Commercial Paper Program. **(Resolution attached)**

**AWARDED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE HASKELL R. STREET WASTEWATER TREATMENT PLANT ODOR CONTROL - HEADWORKS, DEWATERING BUILDING, & AERATION CHANNEL COVER TO HAZEN AND SAWYER, P.C. IN THE AMOUNT OF \$626,633.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Haskell R. Street Wastewater Treatment Plant is surrounded by neighborhoods, city, and county facilities. Despite already having odor treatment systems at the Haskell plant an assessment was completed in February 2013 to further reduce the odors emitted from the plant. The odor assessment included sampling and analysis for hydrogen sulfide and odor dispersion modeling. The odor assessment report recommended the replacement and upgrading of the odor treatment systems at the headworks and dewatering facilities, as well as the return activated sludge channel.

The Architectural/Engineering Selection Advisory Committee met on July 13, 2016, to review and recommend selection of the engineering firm for the above-referenced project. The committee consisted of Christopher Antcliff, Marcela Navarrete, John Balliew, and Gilbert Trejo. Proposals were scored in the areas of technical competence, project approach, team organization and availability, and project management and quality control. Hazen and Sawyer was selected as the most qualified firm that best meets the needs of EPWater for these important services and demonstrated excellent abilities in all the evaluated categories. Mr. Shubert and Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Ms. Garcia, and unanimously carried, the Board awarded a professional engineering services contract for the Haskell R. Street Wastewater Treatment Plant Odor Control – Headworks, Dewatering Building, & Aeration Channel Cover to Hazen and Sawyer, P.C. in the amount of \$626,633.

**AWARDED BID NUMBER SW24-15, KEYSTONE DAM INTAKE STRUCTURE MODIFICATIONS, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, BAIN ENTERPRISES, LLC (DBA BAIN CONSTRUCTION), IN THE AMOUNT OF \$253,806.87.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). Keystone Dam is located in the Northwest area of El Paso between Interstate Highway 10 (IH-10) and east of Doniphan Drive. This is a 1980's U.S. Army Corp of Engineers design-built structure that mitigates flooding west of the Franklin Mountains. This dam has an outlet structure that conveys onto the Rio Grande. The Stormwater Master Plan identified severe flooding along Doniphan Drive due to roadway flows competing in confluence with the Keystone Dam outlet conduit. Further drainage studies recognized the confluence problem thus recommended to withhold temporarily the volume in the dam by means of a sluice gate, allowing the runoff along Doniphan Drive to discharge first then after release the withheld bulk of stormwater from the dam.

El Paso Water (EPWater) received six bids for this project on July 29, 2016 ranging from \$253,806.87 to \$466,040.00. The Engineer's estimate was \$228,510.85. The project consulting firm, AECOM, evaluated the bids and determined that Bain Enterprises meets the minimum general requirements as well as the minimum project specific criteria as specified on the bid documents. EPWater Stormwater Engineering staff reviewed the engineer's evaluation and recommended award of the contract for Bid Number SW24-15, Keystone Dam Intake Structure Modifications, to Bain Enterprises, as the lowest, responsive, responsible bidder, in the amount of \$253,806.87. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Mr. Roe and unanimously carried, the Board awarded Bid Number SW24-15, Keystone Dam Intake Structure Modifications, to the lowest responsive, responsible bidder, Bain Enterprises, LLC (dba Bain Construction), in the amount of \$253,806.87.

**CONSIDERED BID NUMBER SW42-16, FAIRBANKS SEDIMENT CATCH STRUCTURE, DECLARED MARTINEZ BROS. CONTRACTORS, LLC NOT RESPONSIBLE, AND AWARDED THE BID TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER BLACK STALLION CONTRACTORS INC., IN THE AMOUNT OF \$1,373,079.30**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). In September of 2014, a storm hit Northeast El Paso, transferring truckloads of debris from the Franklin Mountains, across US-54 onto Fairbanks Drive. This debris accumulated onto the streets creating problems for pedestrians and vehicular traffic. This project is to construct a stormwater detention/dry retention sediment trap at US-54 and Fairbanks Drive that will capture sediment, dissipate runoff velocity, mitigate washouts of median landscape, and prevent obstructions to pedestrians and vehicular traffic during and after rain events.

El Paso Water (EPWater) received six bids for this project on August 1, 2016 ranging from \$1,370,775.00 to \$2,710,811.00. The Engineer's estimate was \$1,643,437.80. The project consulting firm, MM Structural Engineers, evaluated the qualifications of the apparent low bidder and has determined that Martinez Bros. Contractors does not meet the minimum general requirements nor the minimum project specific criteria as specified on the bid documents. MM Structural Engineers, also evaluated the qualifications of the second apparent low bidder and determined that Black Stallion Contractors, meets the minimum general requirements as well as the minimum project specific criteria as specified on the bid documents. EPWater staff evaluated the Engineer's Evaluation Matrix and recommended award of the contract for Bid Number SW42-16, Fairbanks Sediment Catch Structure, to Black Stallion Contractors, as the lowest, responsive, responsible bidder, in the amount of \$1,373,079.30. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Dr. Santiago and unanimously carried, the Board declared Martinez Bros. Contractors, LLC not responsible, and awarded Bid Number SW42-16, Fairbanks Sediment Catch Structure to the lowest responsive, responsible bidder Black Stallion Contractors Inc., in the amount of \$1,373,079.30

**AWARDED BID NUMBER 30-16, RESLER, NORTH OF TRANSMOUNTAIN 24-INCH TRANSMISSION MAIN PHASE III, TO SAAB SITE CONTRACTORS, L.P. AS THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER IN THE AMOUNT OF \$306,000 AND AUTHORIZED FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). This project is for the installation of a transmission water line to provide service for the Desert Springs Unit 4 Subdivision, north of Resler Drive and Enchanted Springs. Approximately 1,165 linear feet of 24-inch pipeline with valves and miscellaneous small diameter distribution pipelines will be installed.

El Paso Water (EPWater) received eight bids for this project on July 25, 2016 ranging from \$306,000.00 to \$412,049.10. The Engineer's estimate was \$386,272.20. EPWater staff evaluated the qualifications of the first apparent low bidder and determined that Saab Site Contractors meets the minimum general requirements as well as the minimum project specific criteria as specified on the bid documents. EPWater staff recommended award of Bid Number 30-16, Resler, North of Transmountain 24-Inch Transmission Main Phase III, to Saab Site Contractors as the lowest, responsive, responsible bidder in the amount of \$306,000.00. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Dr. Santiago and unanimously carried, the Board awarded Bid Number 30-16, Resler, North of Transmountain 24-Inch Transmission Main Phase III, to Saab Site Contractors, L.P. as the lowest responsive, responsible bidder in the amount of \$306,000 and authorized funding through the Commercial Paper Program. **(Resolution attached)**

**AWARDED BID NUMBER 45-16, PRE-PURCHASE OF EQUIPMENT – PACKAGE 3 AND 4 FOR THE EMERGENCY BACKUP POWER PROJECT, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, WAGNER EQUIPMENT CO IN THE AMOUNT OF \$9,729,974 AND AUTHORIZED FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). As a result of the Power Reliability Assessment of El Paso Water (EPWater) facilities, a program was implemented to install emergency backup power equipment at all the major facilities. Due to the size of the project, it was divided into four equipment and installation procurement and installation packages. The generators and associated automatic transfer switches have longer delivery times and needed to be pre-purchased, so their procurement was separated from the installation package. Package 1 equipment has been purchased and successfully installed. Package 2 equipment has been pre-purchased and the installation is 95% complete. The equipment needed for Packages 3 and 4 consists of 31 diesel generator sets of various sizes, with associated automatic transfer switches, switchgears and controls for 17 well sites, two parallel units at the Kay Bailey Hutchinson plant and 12 booster pump stations.

EPWater received two bids for this project on July 29, 2016. The bidders were Cummins Rocky Mountain and Wagner Equipment. EPWater staff and Black and Veatch reviewed the bid proposals received for compliance with the technical specifications. Both Cummins Rocky Mountain and Wagner Equipment submitted technically responsive bid proposals. EPWater staff recommended award of Bid Number 45-16, Pre-Purchase of Equipment – Package 3 and 4 for the Emergency Backup Power Project to Wagner Equipment, as the lowest, responsive, responsible bid proposal for Package 3 in the amount of \$6,144,378, and for Package 4 in the amount of \$3,585,596, for a total bid of \$9,729,974. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Dr. Mena, seconded by Ms. Garcia and unanimously carried with Mr. Gallardo absent from the vote, the Board awarded Bid Number 45-16, Pre-Purchase of Equipment – Package 3 and 4 for the Emergency Backup Power Project, to the lowest responsive, responsible bidder, Wagner Equipment Co in the amount of \$9,729,974 and authorized funding through the Commercial Paper Program. **(Resolution attached)**

**REJECTED THE SOLE BID RECEIVED FOR BID NUMBER 62-16, CANAL WATER TREATMENT PLANT LONG TERM STRUCTURAL REPAIRS PHASE 2.**

Mr. Shubert presented information to the Board regarding this item. A structural assessment prepared in March 2014 by CDM Smith identified structural deficiencies at the plant. Improvements include structural modifications to the Sedimentation Basin A and structural crack repairs to the primary clarifiers. The work was to be performed during the seasonal plant outage of October 2016 through March 2017. El Paso Water received one bid for this project on August 23, 2016, and the sole bid was in excess of the Engineer's estimate. Some of the unit prices were higher than the average costs received for the same work in recent months. Since only one bid was received, it was not possible to determine if the unit prices represent a valid or true market price. Staff recommended rejecting this bid and rebidding next fiscal year giving staff sufficient time to generate more interest in the project and promote a competitive environment.

On a motion made by Mr. Antcliff, seconded by Ms. Garcia and unanimously carried the Board rejected the sole bid received for Bid Number 62-16, Canal Water Treatment Plant Long Term Structural Repairs Phase 2.

**AWARDED BID NUMBER 64-16, NORTHWEST 24-INCH RECLAIMED WATER LINE RELOCATION, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, SAAB SITE CONTRACTORS, L.P., IN THE AMOUNT OF \$599,947.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The project site is located in west El Paso along the west side of Interstate Highway 10 (IH-10), north of the John T. Hickerson Water Reclamation Facility. The Texas Department of Transportation (TXDOT) is planning to construct Mesa Park Drive, which is an interchange linking IH-10 to the planned Aldea Development. TXDOT is on an aggressive schedule to construct Mesa Park which requires an El Paso Water (EPWater) 24-inch reclaimed water line to be relocated. In August 2016, EPWater pre-purchased the 24-inch ductile piping, valves, fittings, and appurtenances associated for the project. The reclaimed water line will be relocated from along Gateway West to the west side of IH-10, along Gateway East. A bored crossing under IH-10 is needed to reconnect back to the existing reclaimed system on the east side of IH-10. TXDOT will reimburse EPWater for design and construction costs associated with this project.

EPWater received six bids for this project on August 24, 2016 ranging from \$599,947 to \$1,493,415. The Engineer's estimate was \$1,147,133. EPWater Engineering Staff evaluated the qualifications of the first apparent low bidder and determined that Saab Site Contractors meets the minimum general requirements as well as the minimum project specific criteria as specified on the bid documents. Staff evaluated the Engineer's evaluation matrix and recommended award of Bid Number 64-16, Northwest 24-Inch Reclaimed Water Line Relocation, to Saab Site Contractors as the lowest responsive, responsible bidder, in the amount of \$599,947. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Mr. Roe and unanimously carried, the Board awarded Bid Number 64-16, Northwest 24-Inch Reclaimed Water Line Relocation, to the lowest responsive, responsible bidder, Saab Site Contractors, L.P., in the amount of \$599,947.

**RATIFIED AN EMERGENCY PURCHASE ORDER MADE PURSUANT TO THE EXEMPTIONS TO THE BIDDING STATUTE FOR UNFORESEEN DAMAGE TO PUBLIC MACHINERY, EQUIPMENT, OR OTHER PROPERTY AND THE PUBLIC HEALTH AND SAFETY EXCEPTION FOR THE FRONTERA FORCE MAIN SYSTEM TO FERGUSON**



**ENTERPRISES, INC. (DBA FERGUSON WATERWORKS) IN THE AMOUNT OF \$169,428.72 AND AUTHORIZED FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Frontera Lift Station force mains are critical for the operation of the wastewater collection system as they convey flow from the entire westside, 3.5 miles, to the John T. Hickerson Water Reclamation Facility. The Frontera Lift Station pumps a total of 10 million gallons per day of wastewater through two force mains each with pipe diameters ranging from 30, 36, and 42-inches. Portions of the Frontera Force Main System required relocation as part of two Texas Department of Transportation (TXDOT) highway projects (Go-10 and Border Highway West). To prepare for the shutdown, staff identified the valves that needed to be closed to isolate the pipeline segment to be relocated. However, when the pipeline shutdowns were attempted to perform the actual relocations, the existing valves did not close completely - allowing flow to continue through the system. In all, nine valves must be installed while the force mains remain in service. This requires a "hot tapping" method where a line stop is installed, allowing for a segment of the pipeline to be removed. A new pipe segment that includes the new valve is then welded back on to the pipeline.

With none of the valves on this system operational, this is a significant vulnerability to the wastewater collection system. In the event one of the pipelines break, staff would not be able to isolate the pipeline to repair it. Given the vulnerability of the force mains along with the urgency of the TXDOT project relocations, Ferguson Waterworks was issued a purchase order to provide the necessary materials to begin the line stop work on the pipelines. The procurement falls within the exemptions found in 252.022(a) (3) of the Texas Local Government Code, which allows for a procurement necessary because of unforeseen damage to public machinery, equipment, or other property and 252.022(a) (2) Preservation of Public Health and Safety. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Mr. Roe and unanimously carried, the Board ratified an Emergency Purchase Order made pursuant to the exemptions to the bidding statute for unforeseen damage to public machinery, equipment, or other property and the public health and safety exception for the Frontera Force Main System to Ferguson Enterprises, Inc. (dba Ferguson Waterworks) in the amount of \$169,428.72 and authorized funding through the Commercial Paper Program. **(Resolution attached)**

**RATIFIED A CONTRACT ENTERED INTO PURSUANT TO THE EXEMPTIONS TO THE BIDDING STATUTE FOR UNFORESEEN DAMAGE TO PUBLIC MACHINERY, EQUIPMENT, OR OTHER PROPERTY AND THE PUBLIC HEALTH AND SAFETY EXCEPTION FOR VALVE INSTALLATION AND PIPELINE REPAIRS FOR THE FRONTERA FORCE MAINS WITH OSCAR RENDA CONTRACTING, INC. IN THE AMOUNT OF \$2,500,000, AUTHORIZED THE PRESIDENT/CEO TO APPROVE CHANGE ORDERS UP TO 25% OF THE CONTRACT PRICE, AND AUTHORIZED FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

This item was heard in conjunction with Item 18. The Frontera force mains convey all the wastewater from west El Paso to the John T. Hickerson Water Reclamation Facility. With none of the valves on this system operational, this serves as a significant vulnerability to the wastewater collection system. In the event one of the pipelines break, staff would not be able to isolate the pipeline to repair it. Given the vulnerability of the force mains, Oscar Renda Contracting was selected to perform the work based on their qualifications to expedite and successfully complete large diameter pipeline work. Oscar Renda Contracting is a national construction company specializing in large diameter pipeline installations and repairs. Their portfolio includes installation of pipelines as large as 144-inches as well as smaller diameter pipelines such as our 48-inch Paisano Valley water line and the 60-inch Magnolia force main. They are a qualified company to complete this work. The procurement falls within the exemptions found in 252.022(a) (3) of the Texas Local Government Code, which allows for a procurement necessary because of unforeseen damage to public machinery, equipment, or other property and 252.022(a) (2) Preservation of Public Health and Safety. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago, seconded by Ms. Garcia and unanimously carried, the Board ratified a contract entered into pursuant to the exemptions to the bidding statute for unforeseen damage to public machinery, equipment, or other property and the public health and safety exception for valve installation and pipeline repairs for the Frontera Force Mains with Oscar Renda Contracting, Inc. in the amount of \$2,500,000, authorized the President/CEO to approve change orders up to 25% of the contract price, and authorized funding through the Commercial Paper Program. **(Resolution attached)**

**RATIFIED AN EMERGENCY PURCHASE ORDER MADE PURSUANT TO THE EXEMPTIONS TO THE BIDDING STATUTE FOR UNFORESEEN DAMAGE TO PUBLIC MACHINERY, EQUIPMENT, OR OTHER PROPERTY AND THE PUBLIC HEALTH AND SAFETY EXCEPTION FOR THE REPAIR OF PIPING AT THE SUNLAND PARK LIFT STATION TO DANNY SANDER CONSTRUCTION, INC. IN THE AMOUNT OF \$448,900 AND AUTHORIZED FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

This item was heard in conjunction with Item 18. The 30-inch discharge sewer main from the Sunland Park Lift Station broke and required immediate repair. The lift station cannot be operated without this discharge main leaving the Frontera Lift Station as the only means of sewage conveyance to the John T. Hickerson Water Reclamation Facility for all of west El Paso. The isolation valves at the lift station were also leaking and required 24/7 pumping. Staff selected Danny Sander Construction for this job because of their experience with installation and repair of force mains and sewer lines. Danny Sander's proposal was reviewed and the price was found to be fair and equitable for the nature of the work being done. In addition, they were able to mobilize immediately. The procurement falls within the exemptions found in 252.022(a) (3) of the Texas Local Government Code, which allows for a procurement necessary because of unforeseen damage to public machinery, equipment, or other property and 252.022(a) (2) Preservation of Public Health and Safety.

On a motion made by Mr. Roe, seconded by Dr. Mena and unanimously carried, the Board ratified an Emergency Purchase Order made pursuant to the exemptions to the bidding statute for unforeseen damage to public machinery, equipment, or other property and the public health and safety exception for the repair of piping at the Sunland Park Lift Station to Danny Sander Construction, Inc. in the amount of \$448,900 and authorized funding through the Commercial Paper Program. **(Resolution attached)**

**RATIFIED A PURCHASE ORDER FOR 24-INCH DUCTILE IRON PIPE THROUGH THE ESC REGION 19 ALLIED STATES COOPERATIVE CONTRACT NUMBER 14-7055 FROM MORRISON SUPPLY COMPANY IN THE AMOUNT OF \$88,034.04.**

Mr. Art Duran, Chief Financial Officer, presented the Board with information regarding this item. El Paso Water (EPWater) purchased 1,458 feet of 24-inch ductile iron pipe associated with the main break located on Ingersoll and Alabama stretching from Kentucky to Birch. The main break destroyed portions of Ingersoll and Alabama streets. EPWater currently has temporary patches on the street, until the 24-inch ductile iron pipe is received. Due to a three to four week lead time associated with the pipe, staff ordered this pipe on an emergency purchase basis. Quotes were received from Morrison Supply Company and El Paso Pipe and Pump Supply utilizing the Education Service Center (ESC) Region 19 Allied States Cooperative awards. The quotes were evaluated and staff recommended purchasing the material from Morrison Supply Company in the amount of \$88,034.04. Mr. Duran addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Dr. Mena and unanimously carried with Mayor Leeser, Mr. Roe and Mr. Antcliff absent from the vote, the Board ratified a purchase order for 24-inch ductile iron pipe through the ESC Region 19 Allied States Cooperative contract number 14-7055 from Morrison Supply Company in the amount of \$88,034.04.

**APPROVED THE RENEWAL OF A SOLE SOURCE ENTERPRISE AGREEMENT WITH ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC. FOR A PERIOD OF THREE**

**YEARS IN THE AMOUNT OF \$519,000.**

Mr. Armando Renteria, Chief Information Officer, presented information to the Board regarding this item. Environmental Systems Research Institute (ESRI) software products and support services are used by 17 sections for the input, analysis, viewing and delivery of Geographic Information System (GIS) images and geographical maps used in the day to day operations of the Utility. The current Enterprise Agreement (EA) that was approved by the Board in 2013 is scheduled to expire September 2016 and the Information Services Department requested approval to renew the EA for an additional three years.

The benefits of an Enterprise Agreement include: centralized management and support with access to the most current versions of ESRI software; flexible deployment of software to desktops, servers and mobile devices; lower costs per unit for licensed software and reduced administrative expenses; and fixed annual payments. A contract was received from ESRI with terms and pricing for renewal of the current Enterprise Agreement. Mr. Renteria said ESRI is the owner, manufacturer, and sole provider of all U.S. domestic Enterprise Agreements. He addressed additional questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Dr. Santiago and unanimously carried with Mayor Leeser absent from the vote, the Board approved the renewal of a sole source Enterprise Agreement with Environmental Systems Research Institute, Inc. for a period of three years in the amount of \$519,000.

**AUTHORIZED THE PRESIDENT/CEO TO PARTNER WITH THE U.S. ARMY CORPS OF ENGINEERS AND PROVIDE MATCHING FUNDS IN AN AMOUNT NOT TO EXCEED \$184,000.00 FOR THE INITIAL PLANNING PHASE OF THE INTERIOR DRAINAGE PROJECT LOCATED IN THE UPPER VALLEY OF EL PASO COUNTY AND FURTHER AUTHORIZED THE PRESIDENT/CEO TO SIGN AND SUBMIT ALL NECESSARY AND REQUIRED DOCUMENTS IN CONNECTION WITH THE PROJECT.**

Mr. John Balliew, President and CEO, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). El Paso Water (EPWater) has plans to complete the planning required to identify areas within the County, located adjacent to the Rio Grande that could be prone to flooding as a result of work carried out by the U.S. International Boundary and Water Commission's levee certification process. The U.S. Army Corps of Engineers has agreed to provide up to \$184,000 to complete this planning. Matching funds in the same amount are needed. The Corps will need to approve a scope of work and a cost share agreement will need to be signed by EPWater as well as the Corps. Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Mr. Roe and unanimously carried, the Board authorized the President/CEO to partner with the U.S. Army Corps of Engineers and provide matching funds in an amount not to exceed \$184,000.00 for the initial planning phase of the Interior Drainage Project located in the upper valley of El Paso County and further authorized the President/CEO to sign and submit all necessary and required documents in connection with the Project.

**APPROVED AN AGREEMENT BETWEEN EL PASO WATER AND THE LOWER VALLEY WATER DISTRICT ALLOWING EL PASO WATER TO PROVIDE SERVICE WITHIN THE BOUNDARIES OF THE LOWER VALLEY WATER DISTRICT.**

Mr. John Balliew, President and CEO, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). El Paso Water (EPWater) updated its Certificate of Convenience and Necessity (CCN) in 2008 and expanded its service area to include a region within the Lower Valley Water District's (LVWD) service boundary. Recently an owner of a property located within the LVWD's service area requested water and sanitary sewer service from EPWater. EPWater staff conducted additional research and discovered that the Utility was already providing water and sanitary sewer service to an existing subdivision that is also located within the LVWD service area and that no formal arrangement existed between EPWater and the LVWD. The LVWD and EPWater own and operate their respective water and wastewater infrastructure within their

respective boundaries and each provider has the right to provide services to customers located therein. Residents within the service area of the LVWD, who the LVWD is not currently capable of providing service to, are geographically located within EPWater's CCN and are near facilities owned and operated by EPWater. The LVWD and EPWater agree that it is more efficient and cost-effective to allow EPWater to provide services to those customers until such time that LVWD has the infrastructure in place to do so itself. The LVWD approved the agreement at its August 11, 2016, meeting. Mr. Balliew and Mr. Matthew Behrens, Assistant General Counsel, addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Mr. Roe and unanimously carried, the Board approved an agreement between El Paso Water and the Lower Valley Water District allowing El Paso Water to provide service within the boundaries of the Lower Valley Water District.

**AWARDED BID NUMBER 58-16, PRECAST CONCRETE MANHOLE, FOR 48-INCH PRE-CAST MANHOLES TO THE SOLE RESPONSIVE, RESPONSIBLE BIDDER, WESTERN PRECAST CONCRETE INC., IN THE ESTIMATED ANNUAL AMOUNT OF \$73,036, WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS.**

Mr. Duran presented the Board with information regarding this item. Precast 48-inch concrete manholes will be utilized for installation and/or replacement within the sanitary sewer system. Nine potential bidders were provided bids. The Utility received one sole bid from Western Precast. Staff evaluated the bid and recommended award to the sole responsive, responsible bidder Western Precast Concrete, Inc. which met all specifications. Mr. Duran addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Ms. Garcia and unanimously carried, the Board awarded Bid Number 58-16, Precast Concrete Manhole, for 48-inch pre-cast manholes to the sole responsive, responsible bidder, Western Precast Concrete Inc., in the estimated annual amount of \$73,036, with the option for two one-year extensions.

**AWARDED BID NUMBER 59-16, 72-INCH PRECAST CONCRETE MANHOLE, TO THE SOLE RESPONSIVE, RESPONSIBLE BIDDER, WESTERN PRECAST CONCRETE INC., IN THE ESTIMATED ANNUAL AMOUNT OF \$99,862, WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS.**

Mr. Duran presented the Board with information regarding this item. The 72-inch diameter Precast Concrete Manholes will be utilized for installation and/or replacement for manhole structures within the Utilities Wastewater System. Nine potential bidders were provided bids. The Utility received one sole bid from Western Precast Concrete, Inc. Staff evaluated the bid and recommended award to the sole responsive, responsible bidder, Western Precast Concrete, Inc., which met all specifications. Mr. Duran addressed questions from the Board regarding this item.

On a motion made by Dr. Mena, seconded by Mr. Roe and unanimously carried, the Board awarded Bid Number 59-16, 72-Inch Precast Concrete Manhole, to the sole responsive, responsible bidder, Western Precast Concrete Inc., in the estimated annual amount of \$99,862, with the option for two one-year extensions.

**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 members Henry Gallardo and Terri Garcia are serving their first, four-year terms as members of the Public Service Board. Their terms will expire on December 31, 2016, and March 13, 2017, respectively. In 2009, the City Council adopted a resolution establishing the process for the selection of new board members. Currently, Mr. Gallardo serves in the General Business Management position and Ms. Garcia serves in the Financial Management position. The process requires a selection committee consisting of the Public Service Board members and eight other members appointed by City Council to review all qualified applicants to determine which three applicants will be forwarded to City Council as candidates to fill each of the board

member positions. The selection of one candidate for each 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 November 2016. Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, the Board approved the proposed PSB Member Selection timeline.

**APPROVED THE PROPOSED PSB BUDGET MEETING SCHEDULE.**

Mr. Balliew made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). Staff recommended the PSB hold two workshops 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. A third meeting is included in the schedule if needed. Approval of the 2017-18 budgets will take place during the January 2017 regular PSB board meeting. Mr. Balliew addressed questions from the Board regarding the schedule.

On a motion made by Mr. Antcliff, seconded by Ms. Garcia and unanimously carried with Mayor Leeser absent from the vote, the Board approved the proposed PSB Budget Meeting schedule.

**APPROVED EL PASO WATER SERVICE TO THE PROPOSED TEXAS PARKS AND WILDLIFE DEPARTMENT VISITOR'S CENTER TO BE LOCATED IN THE FRANKLIN MOUNTAIN STATE PARK, IN ACCORDANCE WITH APPROVED PSB RULES AND REGULATIONS, AND AUTHORIZED THE PRESIDENT/CEO TO ENTER INTO A LONG TERM REPAYMENT ARRANGEMENT FOR THE SERVICE CONNECTION.**

Mr. Balliew presented the Board with information regarding this item. During a previous legislative session, the State of Texas allocated funding to build a visitors center for the Franklin Mountains State Park. Initially, the visitor's center was planned for construction on the northeast side of the park however, recent discussions have led to possibly constructing the center on the west side of the park. El Paso Water has determined that construction of the center on either side will present water delivery challenges. As a result of time constraints and the possibility of the State retracting the allocated funding, staff reviewed the plans for water service connection to the proposed Westside Center location and determined it would cost an estimated \$685,000 to move forward with water service only. Mr. Balliew stated the center will operate on a septic system for wastewater. In an attempt to assist Texas Parks and Wildlife Department with moving forward on this project, staff suggested EPWater enter into an agreement with Texas Parks and Wildlife Department for a fixed cost in the amount \$685,000 or more, if a higher amount is budgeted for by Texas Parks and Wildlife Department. The agreement would state that any additional costs for water service connection would be charged to the visitor's center as a line item on its monthly bill, to be repaid over approximately twenty years. Mr. Balliew addressed several questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Dr. Santiago and unanimously, the Board approved El Paso Water service to the proposed Texas Parks and Wildlife Department Visitor's Center to be located in the Franklin Mountain State Park, in accordance with approved PSB Rules and Regulations, and authorized the President/CEO to enter into a long term repayment arrangement for the service connection.

**PRESENTATION, DISCUSSION, AND ACTION ON MANAGEMENT BRIEFING ON THE CONDITION AND CAPACITY OF EL PASO WATER'S HEADQUARTERS, 1154 HAWKINS.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). El Paso Water (EPWater) is a growing utility, adding positions annually to keep up with the expanding service area and population. Work space is becoming scarce as the number of our employees increases and building infrastructure is outdated. As a result, the Hawkins Office Building Occupancy Study was completed. The main goals of the study were to determine how efficiently space is being used, what can be done to more fully utilize

the building, and when the building will no longer have sufficient work space for the staff. The study accounted for both current and future needs.

The Public Service Board (PSB) awarded a contract to MNK Architects in September 2015. MNK Architects conducted an analysis which included space utilization of existing conditions, occupant analysis including growth projections, end-user surveys, adjacency requirements, room layout standards, and cost estimating and budgeting. This programming assisted EPWater in evaluating the facility's needs 5, 10, 15, and 20 years from now in order to determine at what point the Utility outgrows the main office. This programming also provided staff with sufficient information for determining the cost effectiveness of renovating the existing building.

On a motion made by Mr. Antcliff, seconded by Mr. Roe and unanimously, the Board moved this item into Executive Session for further deliberation.

**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.**

There were no additional comments from the public.

**EXECUTIVE SESSION**

On a motion made by Ms. Garcia, seconded by Mr. Antcliff, and unanimously carried, the Board retired into Executive Session at 10:30 a.m., September 14, 2016, 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 El Paso Water's headquarters.
- b. **Section 551.072 Deliberation Regarding Real Property**  
The Board will deliberate regarding a potential land purchase.

On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, The Board reconvened in open session at 11:30 a.m., September 14, 2016.

**DELIBERATED REGARDING EL PASO WATER'S HEADQUARTERS.**

On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, the Board authorized the President/CEO to take appropriate action in accordance with the Board's direction concerning El Paso Water's Headquarters.

**DELIBERATED REGARDING A POTENTIAL LAND PURCHASE.**

On a motion made by Ms. Garcia, seconded by Mr. Antcliff, and unanimously carried, the Board authorized the President/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 purchase and sign the application for transfer of ownership of the validation permits.

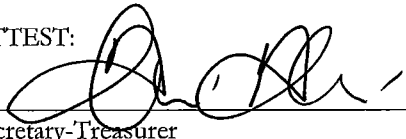
**ADJOURNMENT**

The meeting adjourned at 11:32 a.m., September 14, 2016.

ATTEST:

Secretary-Treasurer

Chair



**RESOLUTION**

**A RESOLUTION RATIFYING A PURCHASE ORDER FOR EMERGENCY REPAIR OF THE SUNLAND PARK LIFT STATION TO DANNY SANDER CONSTRUCTION, INC. AND AUTHORIZING FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

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**WHEREAS**, the 3-inch discharge sewer line from the Sunland Park Lift Station broke and the isolation valves at the lift station are also leaking, requiring 24/7 pumping of the open piping to the Frontera Lift Station; and

**WHEREAS**, the lift station cannot be operated without this discharge main leaving the Frontera Lift Station, as the only means of sewage conveyance to the John T. Hickerson Water Reclamation Facility for all of west El Paso; and.

**WHEREAS**, staff determined based on the immediacy of the damage that repairs had to be effectuated immediately and such work falls under exemptions to the bidding statute found in (1) Texas Local Government Code ("TLGC") Section 252.022(a)(3), which allows for a procurement necessary because of unforeseen damage to public machinery, equipment, or other property and; (2) TLGC Section 252.022(a)(2), which allows for a procurement necessary for the preservation of public health and safety; and

**WHEREAS**, staff obtained a design for the repair of the force main and gravity pipelines from H<sub>2</sub>O-Terra using the on-call contracts for lift stations and staff recommends the selection of Danny Sander Construction, Inc. (the "Contractor") for this job because of its experience with installation and repair of force mains and sewer lines.

**WHEREAS**, a purchase order was issued to the Contractor because (1) the Contractor's proposal and price were found by staff to be fair and equitable for the nature of the work being done; and (2) the Contractor was able to mobilize immediately; and,

**WHEREAS**, in order to take advantage of favorable interest rates and reduce financing costs, the Public Service Board (PSB) and the City Council authorized a Commercial Paper Program to finance PSB construction projects and engineering services.

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

**Section 1.** The findings and recitations set out in the preamble to this Resolution are true and correct and are hereby adopted by the Public Service Board for all purposes.

**Section 2.** That the Public Service Board hereby ratifies the emergency purchase order issued for the emergency repairs of the Sunland Park Lift Station, to Danny Sander Construction, Inc. in the amount of \$448,900.00.




Ratify Emergency Purchase Orders for Sunland Park Lift Station  
Page 2

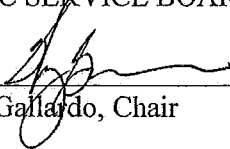
**Section 3.** That the Public Service Board hereby authorizes funding of the required project through the PSB tax-exempt Commercial Paper Program from Commercial Paper Funds as approved in CIP#S4307, Account Number 1916-037, Budget FY 2016-17 , in an amount not to exceed \$448,900.00.

**PASSED AND APPROVED** at a regular meeting of the Public Service Board of the City of El Paso, Texas, this 14th day of September, 2016, at which meeting a quorum was present, held in accordance with the provisions of Texas Government Code, Sections 551.001, et. seq.

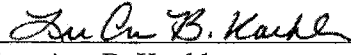
EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

ATTEST:

  
\_\_\_\_\_  
Terri Garcia  
Secretary-Treasurer

  
\_\_\_\_\_  
Henry Gallardo, Chair

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Lee Ann B. Koehler  
General Counsel

**RESOLUTION**

**A RESOLUTION RATIFYING A CONTRACT FOR VALVE INSTALLATION AND PIPELINE REPAIRS FOR THE FRONTERA FORCE MAINS TO OSCAR RENDA CONTRACTING, INC., AUTHORIZING THE PRESIDENT AND CEO TO APPROVE CHANGE ORDERS UP TO TWENTY-FIVE PERCENT OF THE CONTRACT PRICE, AND AUTHORIZING FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

\*\*\*\*\*

**WHEREAS**, the Frontera Lift Station force mains are critical for the operation of the wastewater collection system as they convey flow from the entire west side of El Paso, 3.5 miles, to the John T. Hickerson Water Reclamation Facility, pumping ten million gallons per day of wastewater through two force mains, each with pipe diameters ranging from 30, 36 and 42-inches; and,

**WHEREAS**, portions of the Frontera Force Main System requires relocation as part of two Texas Department of Transportation highway projects, Go-10 and Border Highway West, and when staff identified valves that needed to be closed to isolate the pipeline segment to be relocated, the existing valves did not close completely, allowing flow to continue through the system; and,

**WHEREAS**, it is a significant vulnerability to our wastewater collection system having none of the valves on this system operational as staff would not be able to isolate the pipeline in the event of a break in the pipelines; and

**WHEREAS**, due to the vulnerability of the force mains, staff chose not to bid out the work to repair the valves under the exemptions to the bidding statute found in (1) Texas Local Government Code ("TLGC") Section 252.022(a)(3), which allows for a procurement necessary because of unforeseen damage to public machinery, equipment, or other property and; (2) TLGC Section 252.022(a)(2), which allows for a procurement necessary for the preservation of public health and safety; and

**WHEREAS**, staff selected Oscar Renda Contracting, Inc., a national construction company specializing in large diameter pipeline installations and repair, based on its qualifications to expedite and successfully complete large diameter pipeline work; and,

**WHEREAS**, in order to take advantage of favorable interest rates and reduce financing costs, the Public Service Board (PSB) and the City Council authorized a Commercial Paper Program to finance PSB construction projects and engineering services.

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

**Section 1.** The findings and recitations set out in the preamble to this Resolution are true and correct and are hereby adopted by the Public Service Board for all purposes.

Ratifying Valve Installation and Pipeline Repairs for the Frontera Force Mains  
Page 2


**Section 2.** That the Public Service Board hereby ratifies the contract with Oscar Renda Contracting, Inc. in the amount of \$2,500,000 for the valve installation and pipeline repairs of the Frontera Force Mains.

**Section 3.** That the Public Service Board hereby authorizes the President and CEO to approve change orders up to twenty-five percent of the contract price.


**Section 4.** That the Public Service Board hereby authorizes funding of the required project through the PSB tax-exempt Commercial Paper Program from Commercial Paper Funds as approved in CIP# 100030, Account Number 1916-041, Budget FY 2016-2017, in an amount not to exceed \$1,776,338.00 with the remainder being paid for out of the Improvement Fund.

**PASSED AND APPROVED** at a regular meeting of the Public Service Board of the City of El Paso, Texas, this 14th day of September, 2016, at which meeting a quorum was present, held in accordance with the provisions of Texas Government Code, Sections 551.001, et. seq.

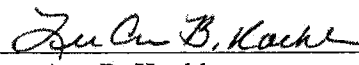
ATTEST:

  
\_\_\_\_\_  
Terri Garcia  
Secretary-Treasurer

EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

  
\_\_\_\_\_  
Henry Gallardo, Chair

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Lee Ann B. Koehler  
General Counsel

**RESOLUTION**

**A RESOLUTION RATIFYING AN EMERGENCY PURCHASE ORDER FOR THE FRONTERA FORCE MAIN SYSTEM TO FERGUSON ENTERPRISES, INC. (DBA FERGUSON WATERWORKS) AND AUTHORIZING FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

\*\*\*\*\*

**WHEREAS**, the Frontera Lift Station force mains are critical for the operation of the wastewater collection system as they convey flow from the entire west side of El Paso, 3.5 miles, to the John T. Hickerson Water Reclamation Facility, pumping ten million gallons per day of wastewater through two force mains, each with pipe diameters ranging from 30, 36 and 42-inches; and,

**WHEREAS**, portions of the Frontera Force Main System requires relocation as part of two Texas Department of Transportation highway projects, Go-10 and Border Highway West, and when staff identified valves that needed to be closed to isolate the pipeline segment to be relocated, the existing valves did not close completely, allowing flow to continue through the system; and,

**WHEREAS**, it is a significant vulnerability to our wastewater collection system having none of the valves on this system operational as staff would not be able to isolate the pipeline in the event of a break in the pipelines; and

**WHEREAS**, due to the vulnerability of the force mains, a purchase order was provided to Ferguson Enterprises, Inc. (dba Ferguson Waterworks) for materials needed to begin the line stop work on the pipelines pursuant to the exemptions to the bidding statute found in (1) Texas Local Government Code ("TLGC") Section 252.022(a)(3), which allows for a procurement necessary because of unforeseen damage to public machinery, equipment, or other property and; (2) TLGC Section 252.022(a)(2), which allows for a procurement necessary for the preservation of public health and safety; and

**WHEREAS**, in order to take advantage of favorable interest rates and reduce financing costs, the Public Service Board (PSB) and the City Council authorized a Commercial Paper Program to finance PSB construction projects and engineering services.

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

**Section 1.** The findings and recitations set out in the preamble to this Resolution are true and correct and are hereby adopted by the Public Service Board for all purposes.

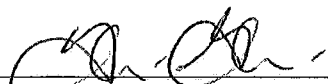
**Section 2.** That the Public Service Board hereby ratifies the emergency purchase order issued to Ferguson Enterprises Inc. (dba Ferguson Waterworks) in the amount of \$169,428.72 for materials necessary to effectuate the emergency repairs to the Frontera Force Main System.


**Section 3.** That the Public Service Board hereby authorizes funding of this project through the PSB tax-exempt Commercial Paper Program from Commercial Paper Funds as approved in CIP#S4102, Account Number 1916-041, Budget FY 2016-2017, in an amount not to exceed \$169,428.72.

**PASSED AND APPROVED** at a regular meeting of the Public Service Board of the City of El Paso, Texas, this 14th day of September, 2016, at which meeting a quorum was present, held in accordance with the provisions of Texas Government Code, Sections 551.001, et. seq.

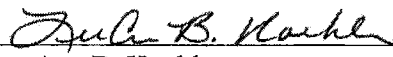
EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

ATTEST:

  
\_\_\_\_\_  
Terri Garcia  
Secretary-Treasurer

  
\_\_\_\_\_  
Henry Gallardo, Chair

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Lee Ann B. Koehler  
General Counsel

**RESOLUTION**

**A RESOLUTION AUTHORIZING THE PRESIDENT AND CEO TO AWARD BID NUMBER 45-16, PRE-PURCHASE OF EQUIPMENT – PACKAGE 3 & 4 FOR THE EMERGENCY BACKUP POWER PROJECT, TO WAGNER EQUIPMENT CO AND AUTHORIZING FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM**

\*\*\*\*\*

**WHEREAS**, as a result of the Power Reliability Assessment of El Paso Water (EPWater) facilities, a program was implemented to install emergency backup power equipment at all the major facilities and Package 1 and Package 2 of the program are near successful completion; and

**WHEREAS**, the generators and associated automatic transfer switches for the remaining two phases of the program (Package 3 and Package 4) have longer delivery times and need to be pre-purchased, and so staff issued Bid Number 45-16, Pre-Purchase of Equipment – Package 3 and 4 for the Emergency Backup Power Project (the “Project”); and

**WHEREAS**, EPWater received two bids for the Project on July 29, 2016, with staff selecting Wagner Equipment Co as the lowest responsive, responsible bidder for both Package 3 and 4 with bids of \$6,144,378 and \$3,585,596, respectively; and

**WHEREAS**, in order to take advantage of favorable interest rates and reduce financing costs, the Public Service Board (PSB) and the City Council authorized a Commercial Paper Program to finance PSB construction projects and engineering services.

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

**Section 1.** The findings and recitations set out in the preamble to this Resolution are true and correct and are hereby adopted by the Public Service Board for all purposes.


**Section 2.** That the Public Service Board hereby authorizes the President and CEO to award Bid Number 45-16, Pre-Purchase of Equipment – Package 3 and 4 for the Emergency Backup Power Project in the total amount of \$9,729,974.

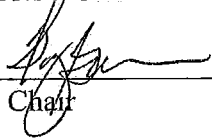
**Section 3.** That the Public Service Board hereby authorizes funding of this project through the PSB tax-exempt Commercial Paper Program from Commercial Paper Funds as approved in CIP#W7004, Account Number 1213-022, Budget FY 2016-2017, in an amount not to exceed \$9,729,974.

**PASSED AND APPROVED** at a regular meeting of the Public Service Board of the City of El Paso, Texas, this 14th day of September, 2016, at which meeting a quorum was present, held in accordance with the provisions of Texas Government Code, Sections 551.001, et. seq.

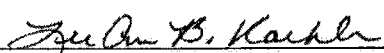
EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

ATTEST:

  
\_\_\_\_\_  
Terri Garcia  
Secretary-Treasurer

  
\_\_\_\_\_  
Henry Gallardo, Chair

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Lee Ann B. Koehler  
General Counsel

**RESOLUTION**

**A RESOLUTION AUTHORIZING THE PRESIDENT AND CEO TO APPROVE BID NUMBER 30-16, RESLER, NORTH OF TRANSMOUNTAIN 24-INCH TRANSMISSION MAIN PHASE III, TO SAAB SITE CONTRACTORS, L.P. AND AUTHORIZING FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

\*\*\*\*\*

**WHEREAS**, Bid Number 30-16, Resler, North of Transmountain 24-inch Transmission Main Phase III, is for installation of a transmission water line to provide service for the Desert Springs Unit 4 Subdivision, north of Resler Drive and Enchanted Springs (the "Project"); and,

**WHEREAS**, El Paso Water received eight bids for the Project on July 25, 2016, which ranged from \$306,000 to \$412,049.10 or 20.8% below to 6.7% above the engineer's estimate of \$386,272.20; and

**WHEREAS**, staff evaluated the qualifications of the apparent low bidder and determined that Saab Site Contractors, L.P. meets the minimum general requirements as well as the minimum project specific criteria as specified on the bid documents; and,

**WHEREAS**, in order to take advantage of favorable interest rates and reduce financing costs, the Public Service Board (PSB) and City Council have authorized a Commercial Paper Program to finance PSB construction projects and engineering services; and

**NOW, THEREFORE, BE IT RESOLVED** by the PUBLIC SERVICE BOARD of the City of El Paso, El Paso Water Utilities:

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

**Section 2.** That the Public Service Board hereby authorizes the President/CEO to award Bid Number 30-16, Resler, North of Transmountain 24-inch Transmission Main Phase III, to Saab Site Contractors, L.P. in the amount of \$306,000.00.

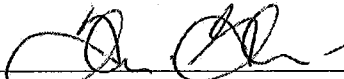
**Section 3.** That the Public Service Board hereby authorizes funding of this project an amount not to exceed of \$306,000.00 from the PSB tax-exempt Commercial Paper Program Fund as approved in the CIP#W4078, FY2013-2014, Account Number 6115-001.

**PASSED AND APPROVED** at the regular meeting of the Public Service Board of the City of El Paso Texas, this 14<sup>th</sup> day of September, 2016, at which meeting a quorum was present, held in accordance with the provisions of Texas Government Code, Sections 551.001 et. seq.



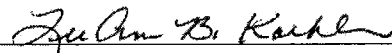
EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

ATTEST:

  
\_\_\_\_\_  
Terri Garcia  
Secretary-Treasurer

  
\_\_\_\_\_  
Henry Gallardo, Chair

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Lee Ann B, Koehler, General Counsel

**RESOLUTION**

**A RESOLUTION AUTHORIZING THE PRESIDENT AND CEO TO AWARD AN ENGINEERING PROFESSIONAL SERVICES CONTRACT FOR EMERGENCY BACKUP POWER AT WASTEWATER TREATMENT PLANTS TO BATH ENGINEERING CORPORATION AND AUTHORIZING FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

\*\*\*\*\*

**WHEREAS**, wastewater treatment plants operate 365 days per year and require emergency backup power to provide continuous treatment of the wastewater and ensure compliance with discharge permits; and

**WHEREAS**, the Utility sought an engineering firm to design improvements to the Wastewater Treatment Plants to provide emergency backup power and improve the protection and reliability of power supplied to all plants (the "Project"); and,

**WHEREAS**, the Architectural/Engineering Selection Advisory Committee met on July 13, 2016, to review and recommend selection of the engineering firm for the Project and selected Bath Engineering Corporation as the company that best meets the needs of the Utility for these important services, that demonstrated excellent abilities in all the evaluated categories, and that was most qualified to complete the Project; and,

**WHEREAS**, in order to take advantage of favorable interest rates and reduce financing costs, the Public Service Board (PSB) and City Council have authorized a Commercial Paper Program to finance PSB construction projects and engineering services; and,

**NOW, THEREFORE, BE IT RESOLVED** by the PUBLIC SERVICE BOARD of the City of El Paso, El Paso Water Utilities:

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

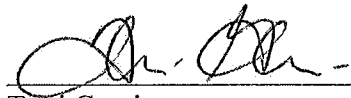
**Section 2.** That the Public Service Board hereby authorizes the President/CEO to award a Professional Engineering Services Contract for the Emergency Backup Power at the Wastewater Treatment Plants to Bath Engineering Corporation in an amount not to exceed \$174,241.00.

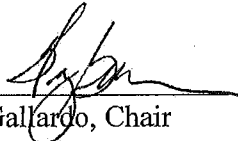
**Section 3.** That the Public Service Board hereby authorizes funding of this project through the PSB tax-exempt Commercial Paper Program from Commercial Paper Funds as approved in the CIP#S4231, FY 2016-2017, Account Number 1915-009, in an amount not to exceed \$174,241.00.

**PASSED AND APPROVED** at the regular meeting of the Public Service Board of the City of El Paso Texas, this 14<sup>th</sup> day of September, 2016, at which meeting a quorum was present, held in accordance with the provisions of Texas Government Code, Sections 551.001 et. seq.

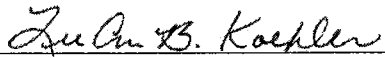
EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

ATTEST:

  
\_\_\_\_\_  
Terri Garcia  
Secretary-Treasurer

  
\_\_\_\_\_  
Henry Gallardo, Chair

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Lee Ann B. Koehler  
General Counsel

**RESOLUTION**

**A RESOLUTION AUTHORIZING THE PRESIDENT AND CEO TO AWARD PROFESSIONAL SERVICES CONTRACTS FOR THE WATER/WASTEWATER FACILITIES BEAUTIFICATION PROJECT TO SITES SOUTHWEST, LTD. CO. AND PRAIRIE WORKSHOP, LLC, AND AUTHORIZING FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

\*\*\*\*\*

**WHEREAS** El Paso Water (EPWater), in an effort to become better community partners and neighbors, will develop a program to improve the exterior of its water and wastewater facilities, which may include landscaping, driveways/approaches, upgraded perimeter fencing with rock walls and wrought iron (the "Project"); and

**WHEREAS**, EPWater issued a request for submittals to find a qualified consultant to assist staff with the Project; and

**WHEREAS**, the Architectural/Engineering Selection Advisory Committee met on August 10, 2016, to review and recommend selection of the engineering firms for the Project and selected Sites Southwest, Ltd. Co. and Prairie Workshop, LLC as the firms that best meet the needs of EPWater for these important services and demonstrated excellent abilities in all the evaluated categories; and

**WHEREAS**, in order to take advantage of favorable interest rates and reduce financing costs, the Public Service Board (PSB) and the City Council authorized a Commercial Paper Program to finance PSB construction projects and engineering services.

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

**Section 1.** The findings and recitations set out in the preamble to this Resolution are true and correct and are hereby adopted by the Public Service Board for all purposes.

**Section 2.** That the Public Service Board hereby authorizes the President/CEO to award Professional Services Contracts for Water/Wastewater Facilities Beautification Project to Sites Southwest, Ltd. Co. and Prairie Workshop, LLC, each in an amount of \$200,000.

**Section 3.** That the Public Service Board hereby authorizes funding of this project through the PSB tax-exempt Commercial Paper Program from Commercial Paper Funds as approved in CIP#S8005, Account Number 1916-042, Budget FY 2016-2017, in an amount not to exceed \$146,000.

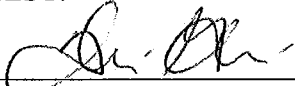
**PASSED AND APPROVED** at a regular meeting of the Public Service Board of the City of El Paso, Texas, this 14th day of September, 2016, at which meeting a quorum was present, held in accordance with the provisions of Texas Government Code, Sections 551.001, et. seq.

Award Prof. Svc. Contract for Facilities Beautification

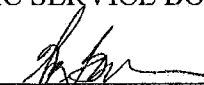
Page 2

EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

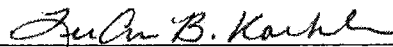
ATTEST:



\_\_\_\_\_  
Terri Garcia  
Secretary-Treasurer

  
\_\_\_\_\_  
Henry Gallardo, Chair

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Lee Ann B. Koehler  
General Counsel

**RESOLUTION**

**A RESOLUTION AUTHORIZING THE PRESIDENT AND CEO TO AWARD A ENGINEERING PROFESSIONAL SERVICES CONTRACT FOR FRED HERVEY WATER RECLAMATION PLANT DIGESTER NUMBER TWO MIXER IMPROVEMENTS TO PARKHILL, SMITH & COOPER, INC. AND AUTHORIZING FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.**

\*\*\*\*\*

**WHEREAS**, the Fred Hervey Water Reclamation Plant has two one-million gallon anaerobic digesters each with floating covers and gas collection systems, one of which is not operating; and,

**WHEREAS**, the Utility sought a consulting engineer that will be tasked to assess and evaluate the current conditions, recommend feasible alternatives to repair or replace, and ultimately get the system back in operating order (the "Project"); and

**WHEREAS**, the Architectural/Engineering Selection Advisory Committee met on August 10, 2016, to review and recommend selection of the engineering firm for the Project and selected Parkhill, Smith & Cooper Inc. as the company that best meets the needs of the Utility for these important services, that demonstrated excellent abilities in all the evaluated categories, and that was most qualified; and,

**WHEREAS**, staff worked with Parkhill, Smith & Cooper Inc. to develop the scope of service required for the Project, and the negotiated fees are in line with the level of effort required to complete the Project and is consistent with similar work completed recently; and,

**WHEREAS**, in order to take advantage of favorable interest rates and reduce financing costs, the Public Service Board ("PSB") and City Council have authorized a Commercial Paper Program to finance PSB construction projects and engineering services; and,

**NOW, THEREFORE, BE IT RESOLVED** by the PUBLIC SERVICE BOARD of the City of El Paso, El Paso Water Utilities:

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

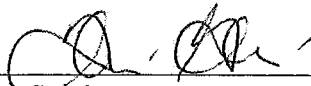
**Section 2.** That the Public Service Board hereby authorizes the President/CEO to award a Professional Engineering Services Contract for the Fred Hervey Water Reclamation Plant Digester Number Two Mixer Improvements to Parkhill, Smith, and Cooper, Incorporated in an amount not to exceed \$158,313.00.

**Section 3.** That the Public Service Board hereby authorizes funding of this project through the PSB tax-exempt Commercial Paper Program from Commercial Paper Funds as approved in the CIP#S3004, FY 2016-2017, Account Number 1916-038, in an amount not to exceed \$150,000.00 with the balance of \$8,313.00 from the Improvement Fund.

**PASSED AND APPROVED** at the regular meeting of the Public Service Board of the City of El Paso Texas, this 14<sup>th</sup> day of September, 2016, at which meeting a quorum was present, held in accordance with the provisions of Texas Government Code, Sections 551.001 et. seq.

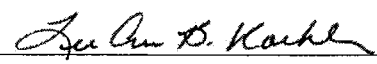
EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

ATTEST:

  
\_\_\_\_\_  
Terri Garcia  
Secretary-Treasurer

  
\_\_\_\_\_  
Henry Gallardo, Chair

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Lee Ann B. Koehler  
General Counsel

THE STATE OF TEXAS §  
  §  
COUNTY OF EL PASO §

**AGREEMENT BETWEEN THE LOWER  
VALLEY WATER DISTRICT AND THE EL  
PASO WATER UTILITY—PUBLIC SERVICE  
BOARD RELATING TO THE PROVISION OF  
SERVICES BY THE EL PASO WATER  
UTILITY WITHIN THE LOWER VALLEY  
WATER DISTRICT BOUNDARIES**

This Agreement (“Agreement”) is entered into by and between the Lower Valley Water District (the “LVWD” or the “District”) and the El Paso Water Utilities—Public Service Board (“EPWU”).

**WHEREAS**, the LVWD, owns and operates water and wastewater infrastructure within its jurisdictional boundaries and has the right to operate, manage and maintain its facilities and provide services to customers within its jurisdiction; and

**WHEREAS**, EPWU owns and operates water and wastewater infrastructure within its jurisdictional boundaries and has the right to operate, manage and maintain its facilities and provide services to customers within its jurisdiction; and

**WHEREAS**, residents and potential customers within the jurisdictional boundaries of the LVWD which the LVWD currently is not capable of providing service to are geographically located near facilities owned and operated by the EPWU; and

**WHEREAS**, it is desirable and economically beneficial to the residents of the LVWD and the EPWU and constituents and residents serviced by the District and EPWU to work together to provide services to customers in need of service where providing such service is economically feasible and cost effective in a manner meeting both quality and quantity requirements for the District and EPWU; and

**WHEREAS**, the District and EPWU agree that it is more efficient, cost effective and beneficial to the residents of the LVWD and the EPWU for these entities to enter this agreement to allow residents within the jurisdictional boundaries of the LVWD who would otherwise not be serviced by the EPWU to connect to EPWU facilities and receive service from the EPWU; and

**WHEREAS**, the District and EPWU agree that their respective obligations under this Agreement will allow each of them to better fulfill their common interest and a common objective to provide infrastructure and water service to residents in their respective geographic areas;

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, and other good and valuable consideration, and intending to be bound hereby, the District and EPWU agree as follows:



## **1.0 Obligations of the EPWU**

- 1.1 The Parties agree that the EPWU shall be permitted to accept for connection and service through its water and wastewater facilities customers within the jurisdictional boundary of the LVWD who can, in an economically feasible manner and as determined by the EPWU, connect to the EPWU's facilities located in the following limited area described in Exhibit "A."
- 1.2 The Parties agree that the EPWU shall continue with its current operation, management and maintenance of its facilities and shall have the full discretion to accept or deny connections to its facilities. The EPWU shall not be required to accept any application for service unless it is approved and accepted in accordance with its standard rules and regulations.
- 1.3 The Parties understand and agree that the EPWU, with the exception of property tax revenue, shall receive and retain all funds, charges, customer fees, and related revenue from its operation, management and maintenance of any service connection under this Agreement during the time this Agreement is in effect.
- 1.4 The EPWU shall be responsible for all costs of operation, management and maintenance of its water and wastewater infrastructure during the time this Agreement is in effect, including connections permitted under this Agreement.
- 1.5 The EPWU agrees that upon receipt of written notice and direction from the LVWD, it shall take any and all steps necessary to transfer all accounts, equipment, and related materials necessary for the LVWD to assume operation, management and maintenance of any connection(s) permitted under this Agreement. The Parties agree that the equipment transferred, if any, will be transferred and sold to LVWD at fair market value.
- 1.6 The EPWU shall be solely responsible for the selection of any and all engineers and contractors necessary to fulfill its obligations under this Agreement. In this regard, the EPWU shall have the sole authority to manage the facilities covered by this Agreement while this Agreement is in effect.
- 1.7 EPWU shall have the right to collect impact fees with respect to the property or properties subject to this Agreement.

## **2.0 Obligations of the LVWD**

- 2.1 The LVWD acknowledges and agrees that it is in the process of preparing and completing design and engineering plans to construct the infrastructure required to service customers within its jurisdictional boundaries who might be subject to this Agreement and that it intends to assume operation, management and maintenance of systems that will allow it to provide services to customers receiving services permitted by this Agreement.

- 2.2 The LVWD will keep the EPWU informed of its plans and schedules to construct the infrastructure required to service customers receiving services permitted by this Agreement such that there is no disruption of the EPWU's operations and to ensure a smooth transition of services subject to this Agreement.
- 2.3 The LVWD shall supply or acquire all funding for the design and construction of all additional infrastructure and facilities necessary for the connection of its systems to customers serviced by the EPWU under this Agreement. In no event shall the EPWU be responsible for design, construction or funding of any projects initiated or performed by the LVWD.
- 2.4 Upon completion of facilities sufficient to allow customers who are receiving services from the EPWU under this Agreement to connect to the LVWD's facilities, the LVWD shall assume full operation and management of such services;
- 2.5 The LVWD retains all rights to property tax revenue with respect to the property or properties subject to this Agreement.

### 3.0 **General Terms**

- 3.1 EPWU and the District agree that each will comply with the provisions of this Agreement and provide to each other any information that may be required to support the operations and services contemplated by this Agreement.
- 3.2 This Agreement shall become effective upon approval by the entities respective Board of Directors and shall remain in effect until one party notifies the other that it intends to terminate the Agreement. Any such notice shall be in writing and addressed to the Board of Directors of the other entity.
- 3.3 Each Party to this Agreement will be responsible for its own actions in satisfying its obligations under this Agreement and shall not be liable for any civil or criminal liability that may arise from the furnishing of services or funds covered by this Agreement.
- 3.4 Each Party reserves, and does not waive, its respective rights of immunity and similar rights and does not waive its rights under applicable statutes. No provision of this Agreement that imposes an obligation or restriction on any Party that is not permitted by applicable law shall be enforceable.
- 3.5 By entering this Agreement, the Parties do not intend to create any obligations, express or implied, other than those set forth herein; further, this Agreement shall not create any rights in any party not a signatory hereto. No third party beneficiary rights are intended or created by this Agreement.

- 3.6 The laws of the State of Texas shall govern all questions and interpretations concerning the validity and construction of this Agreement and the legal relations between the Parties and performance under it.
- 3.7 Any alterations, variations, modifications or waivers of provisions of this Agreement shall only be valid if executed as an amendment to this Agreement.
- 3.8 All agreements and covenants contained in this Agreement are severable. Should any term or provision of this Agreement be declared invalid by a court of competent jurisdiction, the parties intend that all other terms and provisions of this Agreement should be valid and binding and have the full force and effect as if the invalid portion had not been included.
- 3.9 The Parties understand and agree that this Agreement constitutes the entire agreement between the Parties relating to the terms and conditions of the Agreement. Unless expressly stated, this Agreement confers no rights on any person(s) or business entity(s) that is not a party hereto. This Agreement shall not be construed against or unfavorably to any Party because of such Party's involvement in the preparation of this Agreement.

LOWER VALLEY WATER DISTRICT

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Rosalinda Vigil  
President, Board of Directors

Attest: \_\_\_\_\_

Henry Trujillo, Secretary  
Lower Valley Water District

Approved as to Form:

\_\_\_\_\_  
Steven J. Blanco  
General Counsel  
Lower Valley Water District

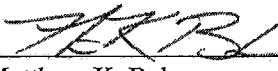
[SIGNATURES CONTINUE ON NEXT PAGE]

EL PASO WATER UTILITY  
PUBLIC SERVICE BOARD

Dated: 9/14/14

By:   
John E. Balliew  
President & CEO

Approved as to Form:

  
Matthew K. Behrens  
Assistant General Counsel

**EXHIBIT "A"**  
**PROPERTIES SUBJECT TO AGREEMENT**

**SKY VIEW ESTATES UNIT 1 SUBDIVISION**

BLOCK 1, Lots 1-9

BLOCK 2, Lots 1-7

BLOCK 3, Lots 1-18

BLOCK 4, Lots 1-18

BLOCK 5, Lot 1

BLOCK 6, Lots 1-18

BLOCK 7, Lots 1-18

BLOCK 8, Lots 1-14

BLOCK 9, Lots 1-11

BLOCK 10, Lots 1-7

**WEST TEXAS ESTATES AMENDING SUBDIVISION**

BLOCK 1, LOTS 1-23

BLOCK 2, LOTS 1-5

BLOCK 3, LOTS 1-11

BLOCK 4, LOTS 1-11

BLOCK 5, LOTS 1-22

BLOCK 6, LOTS 1-22

BLOCK 7, LOTS 1-22

BLOCK 8, LOT 1

BLOCK 9, LOTS 1-14

BLOCK 10, LOTS 1-22

BLOCK 11, LOTS 1-22

PORTION OF NW 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (10.0007 AC)

PORTION OF NW 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (11.2353 AC)

S1/2 OF NW 1/4 OF NW 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (10.00 AC)

S1/4 OF NE 1/4 OF NW 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (10.00 AC)

N 1/2 OF NW 1/4 OF SW 1/4 OF NW 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (5.00 AC)

N 1/2 OF NE 1/4 OF SW 1/4 OF NW 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (5.00 AC)

N 1/2 OF N 1/2 OF SE 1/4 OF NW 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (10.00 AC)

W 3.9390 AC OF S 1/2 OF NW 1/4 OF SW 1/4 OF NW 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (3.9390 AC)

S 1/2 OF NW 1/4 OF SW 1/4 OF NW 1/4 (EXC W 3.9390 AC), SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (1.0610 AC)

S1/2 OF NE 1/4 OF SW 1/4 OF NW 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (5.00 AC)

S 655 FT OF NE 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS ABST 7454 (39.70 AC)

PORTION OF S 1/2 OF SE 1/4 OF NW 1/4 & S 1/2 OF N 1/2 OF SE 1/4 OF NW 1/4, SECTION 18, BLOCK 79, TOWNSHIP 3, TEXAS & PACIFIC SURVEYS (27.00 AC)



Addendum 1 to  
Contract 306001  
Formerly 2013ELA6346

Esri, 380 New York St., Redlands, CA 92373-8100 USA • TEL 909-793-2853 • FAX 909-793-5953

This Amendment No. 1 is entered into by and between the El Paso Water Utilities Public Service Board (“EPWU” or “Licensee”) and Environmental Systems Research Institute, Inc. (“Esri”).

WHEREAS, Esri and the EPWU entered into an Enterprise License Agreement with an effective date of September 12, 2013 (“Agreement”); and

WHEREAS, the parties desire to extend the ELA an additional three (3) years, and to update the existing Appendices;

NOW THEREFORE, the parties agree to the following:

1. Amend the Agreement number by replacing Agreement number 2013ELA6346, with Agreement 306001, due to a new Esri contract management system.
2. Article 5, is hereby deleted in its entirety and replaced with the following:

**ARTICLE 5—ORDERING, ADMINISTRATIVE PROCEDURES, DELIVERY, AND DEPLOYMENT REPORT**

**5.1 Purchase Orders, Delivery, and Deployment**

i. Esri does not require EPWU to issue purchase orders and will invoice EPWU upon the later of the date of execution or the Effective Date of the EA and subsequently no more than thirty (30) days before each contract anniversary date during the EA Term. EPWU may submit purchase orders in accordance with its own process requirements. If EPWU issues purchase orders, then EPWU will submit its initial purchase order upon execution of this EA and any subsequent purchase order at least 30 days before the anniversary date. Invoices will be due and payable within sixty (60) days of invoice.

ii. Any purchase orders that EPWU issues will reference, incorporate, and be subject to the terms and conditions of this EA. No additional, conflicting, or different terms contained in a purchase order or ordering document will be binding. EPWU will process all orders and deliveries pertaining to this EA through EPWU's centralized point of contact.

iii. EPWU will include the following information in each purchase order:

- (1) Esri customer number, the ship-to address, and bill-to address as identified in Appendix D.
- (2) Purchase order number.
- (3) Applicable annual payment due and name of Licensee.
- (4) On the face of the purchase order, the following printed statement: "Governed by and subject to Enterprise Agreement No. 306001."

iv. Esri will provide Authorization Codes to activate the nondestructive copy protection program that enables EPWU to download, operate, or allow access to the EA Products listed in Appendix A.

v. Delivery of updates/new versions of EA Products will be made in the same manner. If requested by EPWU, Esri will deliver a limited number of sets of backup media as provided in Appendix B to the ship-to address identified in Appendix D—EA Points of Contact, FOB destination with shipping charges prepaid. EPWU may purchase additional backup media sets at the prices in effect at the time of purchase. Delivery or receipt of tangible media could cause prior and future license fees to be subject to taxes. Esri may invoice for and EPWU agrees to pay any such sales or use tax associated with receipt of tangible media.

vi. EPWU shall track the Deployment status of EA Products.

**5.2 Annual Report of Deployments.** At each anniversary date and ninety (90) days prior to the expiration date of this EA, EPWU shall provide a written report, as set forth in Appendix C, to Esri detailing all Deployments made, including preexisting and Rolled-In Software. The report will be subject to audit by an authorized representative of Esri.

**5.3 Esri User Conference Registration.** Esri shall provide Esri User Conference registrations to EPWU annually during the term of this EA in the quantities set forth in Appendix B. EPWU is responsible for distributing the registrations to Licensees. Third parties may not represent or attend on behalf of EPWU or Affiliates at any Esri User Conference.

3. Appendix A- Products and Deployment Schedule, is hereby deleted and replaced with the below Appendix A.

**Appendix A  
Products and Deployment Schedule**

Company may Deploy the EA Products up to the total quantity of licenses indicated below to Licensees during the term of this EA.

**Table A-1  
ELA Products—Uncapped Quantities**

Product	Total Qty. to Be Deployed
ArcGIS for Desktop: ArcGIS for Desktop Advanced, Standard, and Basic (single and concurrent use)	Uncapped
ArcGIS for Desktop extensions: ArcGIS 3D Analyst, ArcGIS Data Reviewer, ArcGIS Geostatistical Analyst, ArcGIS Network Analyst, ArcGIS Publisher, ArcGIS Schematics, ArcGIS Workflow Manager, and ArcGIS Spatial Analyst	Uncapped
ArcGIS for Server: ArcGIS for Server Enterprise and Workgroup (Advanced, Standard, and Basic) Production and Staging	Uncapped
ArcGIS for Server extensions: ArcGIS 3D Analyst, ArcGIS Geostatistical Analyst, ArcGIS Image Extension for Server, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Spatial Analyst, GeoEvent Extension and ArcGIS Workflow Manager	Uncapped
ArcGIS Engine	Uncapped
ArcGIS Engine extensions: ArcGIS 3D Analyst, ArcGIS Engine Geodatabase Update, ArcGIS Network Analyst, ArcGIS Schematics, and ArcGIS Spatial Analyst (single and concurrent use)	Uncapped
ArcGIS Runtime: Standard	Uncapped
ArcGIS Runtime extensions: ArcGIS 3D Analyst, ArcGIS Network Analyst, and ArcGIS Spatial Analyst (Single Use)	
Mapping and Charting solutions: Esri Production Mapping for Desktop (Single and Concurrent Use)	Uncapped

**Table A-2  
ELA Products—Capped Quantities**

Item	Rolled-In Qty. (if applicable)	Qty. to Be Deployed	Total
ArcGIS Data Interoperability Extension for Desktop Concurrent Use	2	-	2
Esri Developer Network (EDN) Standard	-	3	3



Product	Number of Subscriptions	Named Users per Subscription	Annual Credits per Subscription
ArcGIS Online Subscription Level 5	1	500	62,500

4. Appendix B, ELA Fee Schedule, is hereby deleted in its entirety and replaced with the following.

**APPENDIX B  
ELA FEE SCHEDULE**

The EA Fee is \$519,000. The EA Fee is in consideration of the EA Products, EA Maintenance, and Esri User Conference registrations.

	Year 1	Year 2	Year 3	ELA Fee
Payments	\$173,000	\$173,000	\$173,000	\$519,000

Number of Esri User Conference Registrations per Year	Six (6)
Number of Tier 1 Help Desk Callers That May Contact Esri for Tier 2 Support	Three (3)
Number of Sets of Backup Media, if Requested	Two (2)
Term of EA	Through September 11, 2019
EDN Incident Pack	1-Ten (10) Pack

Except as may be specifically modified by this Amendment, all other terms and conditions of the Agreement and any Amendment(s) or Addendum(s) constitute the entire agreement between the parties and supersede all prior and contemporaneous agreements or representations, written or oral, concerning the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 as of the date of the last party to sign below.

ACCEPTED AND AGREED:

**EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD  
(EPWU OR Licensee)**

Signature: 

Printed Name: JOSE BALLIEU

Title: PROBATION

Date: 8/14/16

**ENVIRONMENTAL SYSTEMS RESEARCH  
INSTITUTE, INC.  
(Esri)**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

