

**MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
July 8, 2015**

The regular meeting of the Public Service Board was held Wednesday, July 8, 2015, at the El Paso Water Utilities Public Service Board Meeting Room located at 1154 Hawkins Boulevard, El Paso, Texas.

PSB MEMBERS PRESENT

Dr. Richard T. Schoephoerster, Chair
Terri Garcia, Secretary-Treasurer
Mayor Oscar Leeser, Ex-Officio Member
Henry Gallardo, Member
Christopher Antcliff, Member
Bradley Roe, Member

PSB MEMBERS ABSENT

Ruth Katherine Brennand, Vice Chair

PSB EMPLOYEES PRESENT

John E. Balliew, P.E., President and Chief Executive Officer
Lupe Cuellar, General Counsel

EPWU EMPLOYEES PRESENT

Alan Shubert, Vice President
Gretchen Byram, Computer Media Specialist
Art Duran, Chief Financial Officer
Javier Camacho, Public Information Specialist
Gilbert Trejo, Chief Technical Officer
Rose Guevara, Senior Purchasing Agent
Armando Renteria, Chief Information Officer
Cynthia Osborn, Real Estate Manager/Counsel
Christina Montoya, Marketing & Communications Manager
Leticia Missirian, Security & Emergency Response Coordinator
Jeff Tepsick, Fiscal Operations Manager
Lidia Carranco, Treasury & Property Control Manager
Georgette Webber, Executive Secretary

GUESTS

Phil Rothstein, Bath Engineering
Pam Farone, Citizen
Taylor Moreno, City of El Paso
Craig Gibson, Gibson, Ruddock, Patterson
Marlene Strickler, Gibson, Ruddock, Patterson
Joanna Gil, Gibson, Ruddock, Patterson
Jose Rodarte, Huitt-Zollars
Maria Urbina, First Southwest
Sannan Villalobos, ARCADIS U.S.
Joe Cardenas, Moreno Cardenas

MEDIA

None

The Public Service Board meeting was called to order by Dr. Schoephoerster at 8:06 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Ms. Gretchen Byram, Computer Media Specialist, 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 consent agenda items:

APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETING HELD ON JUNE 11, 2015.

The Board approved the minutes of the regularly scheduled meeting held on June 11, 2015.

APPROVED A TWO-MONTH CONTRACT EXTENSION FOR EPWU SECURITY OFFICER SERVICES TO MIKE GARCIA MERCHANT SECURITY, LLC, IN THE ESTIMATED AMOUNT OF \$98,000 UTILIZING BUY BOARD PRICING THROUGH GSA CONTRACT NUMBER: GS-07F-5426R SCHEDULE 084.

The Board approved a two-month contract extension for EPWU Security Officer Services to Mike Garcia Merchant Security, LLC, in the estimated amount of \$98,000 utilizing buy board pricing through GSA Contract Number: GS-07F-5426R Schedule 084.

RATIFIED AND APPROVED A RENEWAL OF THE CONTRACT WITH CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS FOR CELL PHONE AND MOBILE BROADBAND SERVICES WITH BUY BOARD PRICING THROUGH THE STATE OF TEXAS DIR CONTRACT NUMBER DIR-SDD-1779 FOR A CONTRACT PERIOD OF JUNE 4, 2015, THROUGH MARCH 21, 2016, IN AN ESTIMATED AMOUNT OF \$150,000.

The Board ratified and approved a renewal of the contract with Cellco Partnership d/b/a Verizon Wireless for cell phone and mobile broadband services with buy board pricing through the State of Texas DIR Contract Number DIR-SDD-1779 for a contract period of June 4, 2015, through March 21, 2016, in an estimated amount of \$150,000.

APPROVED AN INTERACTIVE VOICE RESPONSE (IVR) UPGRADE QUOTED BY SELECTRON TECHNOLOGIES, INCORPORATED, WITH BUY BOARD PRICING THROUGH GSA CONTRACT NUMBER: GS-35F-0315X IN THE AMOUNT OF \$412,579.80.

The Board approved an Interactive Voice Response (IVR) Upgrade quoted by Selectron Technologies, Incorporated, with buy board pricing through GSA Contract Number: GS-35F-0315X in the amount of \$412,579.80.

REGULAR AGENDA

AWARDED BID NUMBER 36-15, HASKELL R. STREET WASTEWATER TREATMENT PLANT PRIMARY CLARIFIER NUMBER 3 REHABILITATION PROJECT, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, CUBIC WATER, LLC, IN THE AMOUNT OF \$1,246,098.76; AND AUTHORIZED FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM IN THE AMOUNT OF \$1,000,000.

Mr. Gilbert Trejo, Chief Technical Officer, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). This project is located at the Haskell R. Street Wastewater Treatment Plant. Improvements are needed to Primary Clarifier Number 3 to address concrete and steel corrosion to the structure, walkway, duct work, and the clarifier mechanism. EPWU received five bids for this project ranging from \$1,246,098.76 to \$1,659,074.32. The Engineer's estimate was \$1,566,852.83.

The project consulting engineer, Parkhill, Smith and Cooper, evaluated the qualifications of the apparent low bidder and determined Cubic Water met the minimum general requirements as well as the minimum project specific criteria as specified on the bid documents. EPWU Project Administration evaluated the Engineer's evaluation matrix and recommended award of Bid Number 36-15, Haskell R. Street Wastewater Treatment Plant Primary Clarifier Number 3 Rehabilitation Project, to Cubic Water as the lowest, responsive, responsible bidder, in the amount of \$1,246,098.76. Mr. Trejo and Mr. Balliew addressed questions from the Board regarding this item.

On motion made by Mr. Roe, seconded by Mr. Gallardo and unanimously carried, the Board awarded Bid Number 36-15, Haskell R. Street Wastewater Treatment Plant Primary Clarifier Number 3 Rehabilitation Project, to the lowest responsive, responsible bidder, Cubic Water, LLC, in the amount of \$1,246,098.76; and authorize funding through the Commercial Paper Program in the amount of \$1,000,000. **(Resolution attached)**

AUTHORIZED THE PRESIDENT/CEO TO FORWARD THE PUBLIC SERVICE BOARD'S SEMI-ANNUAL REPORT ON THE ACTIVITIES OF THE LAND MANAGEMENT PROGRAM FROM JANUARY 2015 THROUGH JUNE 2015 TO THE EL PASO CITY COUNCIL.

Ms. Cynthia Osborn, Real Estate Manager/Counsel made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Joint Resolution between the El Paso City Council and the El Paso Water Utilities/Public Service Board adopted on March 31, 2010, and later revised on September 26, 2012, sets forth the policies, procedures and reimbursements related to transfers of land and land use policies. The Joint Resolution requires the Public Service Board to submit, in addition to an annual land inventory report on sales and land declared as inexpedient, the submission of a semi-annual report on the activities of the Land Management Program on land activities that are the subject of the Joint Resolution.

This reporting period is for January 2015 through June 2015. The report provided included a summary of the land sales, land transfers, land exchanges and planning applications associated with these land transactions that have been completed, disapproved or are currently being processed during this reporting period.

On a motion made by Ms. Garcia, seconded by Mr. Roe and unanimously carried, the Board authorized the President/CEO to forward the Public Service Board's Semi-Annual Report on the activities of the Land Management Program from January 2015 through June 2015 to the El Paso City Council. **(Resolution attached)**

APPROVED THE PURCHASE OF GPS TRACKING DEVICES TO INCLUDE INSTALLATION AND MAINTENANCE THROUGH THE USE OF THE AUTOMOTIVE, BUS PARTS, TIRES, SUPPLIES AND RELATED CONTRACT FROM THE REGION 19 PURCHASING COOPERATIVE CONTRACT NUMBER 14-7063 TO ALAMO INDUSTRIES, INCORPORATED, IN THE ESTIMATED ANNUAL AMOUNT OF \$212,660 FOR A ONE-YEAR PERIOD WITH AN OPTION TO RENEW FOR TWO ADDITIONAL YEARS IN ACCORDANCE WITH THE REGION 19 CONTRACT.

Mr. Art Duran, Chief Financial Officer, presented the Board with information regarding this item. GPS tracking devices include installation and maintenance used to provide real time vehicle location information and to aid in the location and dispatch of the Utility Fleet. GPS tracking devices are available utilizing the Region 19 Cooperative Contract # 14-7063. EPWU staff evaluated the contract and concurred with Purchasing to recommend award to Alamo Industries, Incorporated.

On a motion made by Mr. Antcliff, seconded by Mr. Gallardo and unanimously carried, the Board approved the purchase of GPS Tracking Devices to include installation and maintenance through the use of the Automotive, Bus Parts, Tires, Supplies and Related contract from the Region 19 Purchasing Cooperative

Contract Number 14-7063 to Alamo Industries, Incorporated, in the estimated annual amount of \$212,660 for a one-year period with an option to renew for two additional years in accordance with the Region 19 contract.

AWARDED BID NUMBER 26-15, SALE OF SURPLUS BRASS AND MISCELLANEOUS ASSORTED SCRAP, TO THE HIGHEST RESPONSIVE, RESPONSIBLE BIDDER, W. SILVER RECYCLING, INCORPORATED, IN THE ESTIMATED AMOUNT OF \$208,675, WITH AN OPTION FOR TWO ONE-YEAR EXTENSIONS.

Mr. Duran presented the Board with information regarding this item. Warehouse staff estimates annual sales of 80,000 pounds of brass and 500,000 pounds of miscellaneous assorted scrap. Brass is mainly from replaced water meters and miscellaneous scrap from water and sewer plants. EPWU received three bids for the purchase of Utility surplus brass and scrap ranging from \$131,850 to \$208,675. EPWU staff evaluated the bids and determined W. Silver Recycling, offered the best purchase price.

On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, the Board awarded Bid Number 26-15, Sale of Surplus Brass and Miscellaneous Assorted Scrap, to the highest responsive, responsible bidder, W. Silver Recycling, Incorporated, in the estimated amount of \$208,675, with an option for two one-year extensions.

APPROVED A RESOLUTION AUTHORIZING THE PRESIDENT/CEO OF EL PASO WATER UTILITIES TO SUBMIT AN APPLICATION TO THE TEXAS WATER DEVELOPMENT BOARD IN AN AMOUNT NOT TO EXCEED \$50,000,000 FROM THE 2015 STATE WATER IMPLEMENTATION FUND FOR TEXAS (SWIFT).

Mr. Balliew presented the Board with information regarding this item. City Council adopted a resolution on September 30, 2014 delegating authority to apply for SWIFT funding on behalf of the City of El Paso to the El Paso Water Utilities (EPWU) President/CEO. EPWU submitted a loan application through the SWIFT program to purchase property with groundwater reserves that will help EPWU secure the additional water resources for long-term planning purposes. EPWU is requesting an amount not to exceed \$50,000,000. The TWDB SWIFT application requires a PSB resolution authorizing the President/CEO to sign and submit the loan application.

On a motion made by Ms. Garcia, seconded by Mr. Roe and unanimously carried, the Board approved a resolution authorizing the President/CEO of El Paso Water Utilities to submit an application to the Texas Water Development Board in an amount not to exceed \$50,000,000 from the 2015 State Water Implementation Fund for Texas (SWIFT). **(Resolution attached)**

APPROVED A RESOLUTION SELECTING BANK OF AMERICA N.A. AS THE LIQUIDITY PROVIDER FOR THE COMMERCIAL PAPER PROGRAM AND REQUESTING THE CITY COUNCIL TO AUTHORIZE AND APPROVE A CREDIT AGREEMENT WITH SUCH BANK AND PROVIDING FOR AN EFFECTIVE DATE AND AUTHORIZING THE CHAIR TO SIGN A LETTER OF COMMITMENT WITH SUCH BANK.

Mr. Lupe Cuellar, General Counsel, informed the Board of Ms. Garcia's filed affidavit and her abstention from deliberation and voting on this item. Mr. Duran made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). On October 14, 1997, the City of El Paso adopted Ordinance 13349 authorizing the issuance of City of El Paso, Texas, Water and Sewer Commercial Paper Notes. A liquidity provider is required to finance the Commercial Paper Program and provide interim financing of capital projects. The current contract with JP Morgan Chase Bank expires August 3, 2015. A solicitation was conducted for proposals for a liquidity provider. On June 22, 2015, four proposals were received from the following financial institutions: State Street Public Lending Corporation, JP Morgan Chase, Bank of America, and Sumitomo Mitsui Banking Corporation. The PSB Investment Committee met on June 26, 2015, and evaluated the proposals. The evaluation was based on the facility fee and the credit ratings of the financial institution. The

Committee recommended the selection of Bank of America who offered a three year contract with a fixed facility fee of 37 basis points.

On a motion by Mr. Gallardo, seconded by Mr. Roe and unanimously carried with Ms. Garcia abstaining, the Board approved a resolution selecting Bank of America N.A. as the liquidity provider for the Commercial Paper Program and requesting the City Council to authorize and approve a credit agreement with such bank and providing for an effective date and authorizing the Chair to sign a letter of commitment with such bank. **(Resolution attached)**

ACCEPTED THE EL PASO WATER UTILITIES/PUBLIC SERVICE BOARD COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDING FEBRUARY 28, 2015.

Mr. Duran introduced Mr. Craig Gibson of Gibson, Ruddock, Patterson, to make a PowerPoint presentation to the Board regarding the results of the annual audit for fiscal year ending February 28, 2015 (copy on file in Central Files). Mr. Gibson said the audit went very well and resulted in an unmodified opinion – clean audit and there were no findings. The Independent Auditor's Report and the Compliance and Internal Control Reports were provided to the Board. City of El Paso Bond Ordinance 752, as amended, requires that an annual audit of El Paso Water Utilities be performed by independent certified public accountants. Gibson, Ruddock, Patterson LLC performed the independent audit for the Public Service Board. The firm ensures compliance with all Federal, State, and other accounting reporting requirements.

Mr. Duran continued the presentation by reviewing the Water and Wastewater Utility Fund Trend Analysis of Capital Assets, Net Assets and Bonds Payable from 2006 to 2015. He also discussed the Water and Sewer Fund debt service coverage. For Fiscal Year 2014-15, the Water and Sewer Fund debt service coverage was 2.07 times the coverage. The Public Service Board's policy sets a target of 2 times the debt service coverage. The Stormwater Utility Fund debt service coverage requirement as stated in the bond ordinance is 1.50 times the coverage. In Fiscal Year 2014-15, EPWU exceeded that target by maintaining 1.94 times the debt service coverage. Mr. Duran also reviewed the water, wastewater and stormwater financial ratios from March 1, 2010 to February 28, 2015. Mr. Duran addressed questions from the Board regarding the CAFR presentation.

On a motion made by Mr. Gallardo, seconded by Ms. Garcia, and unanimously carried, the Board accepted the El Paso Water Utilities/Public Service Board Comprehensive Annual Financial Report for Fiscal Year ending February 28, 2015.

ACCEPTED THE EL PASO WATER UTILITIES/PUBLIC SERVICE BOARD FIRST QUARTER FINANCIAL AND PERFORMANCE MEASURES REPORT FOR PERIOD ENDING MAY 31, 2015.

Mr. Duran made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Public Service Board requires regular financial reporting from the President/CEO and staff on the financial condition of El Paso Water Utilities. During the first quarter of FY 2015-2016, Mr. Duran said water and wastewater revenues increased by 4.9%. Operating expenses increased by 2.3% and the Utility obtained 2.28 times the coverage for debt service. The amount of water billed during the first quarter also decreased by 3.4%. He also said stormwater revenues increase by 0.5% as a result of the 8% rate increase. Capital expenditures increased by \$2.6 million while operating expenses decreased by \$312,000. Debt service coverage was obtained at 1.90 times the coverage for stormwater debt service.

On a motion made by Mr. Gallardo, seconded by Mr. Roe, and unanimously carried, the Board accepted the El Paso Water Utilities/Public Service Board First Quarter Financial and Performance Measures Report for period ending May 31, 2015.

ACCEPTED THE INVESTMENT COMMITTEE'S FIRST QUARTER INVESTMENT REPORT FOR PERIOD ENDING MAY 31, 2015.

Mr. Duran made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Public Funds Investment Act and the Public Service Board's Investment Policy require that a quarterly report be submitted to the Public Service Board. During the first quarter of FY 2015-16, the portfolio par value was \$179.7 million. The weighted average maturity was 134 days. Mr. Duran said 31 bids were awarded for a total of \$28.8 million. The overall yield for the quarter was 0.298%. Mr. Duran addressed questions from the Board regarding the investment report.

On a motion made by Mr. Gallardo, seconded by Ms. Garcia, and unanimously carried, the Board accepted the Investment Committee's First Quarter Investment Report for period ending May 31, 2015.

REPORT ON ENGINEERING CONSULTANT CONTRACT DISTRIBUTION - LOCAL VERSUS NATIONAL AND PERFORMANCE SCORECARD IMPLEMENTATION.

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. Mr. Shubert presented the Board with graphs exhibiting the breakdown between local and national firms. Mr. Shubert said the results of research were dependent on how the Board defines the term "local firm." In one graph, the term "local firm" was defined as firms with corporate offices in El Paso. Utilizing that definition, staff determined that 17% of the consulting engineering fees from 2009 to 2014 were from local firms. The remaining 83% were from national firms. In another graph, the term "local firm" was defined as firms with an El Paso office with at least five full-time key personnel staff members located in El Paso. Under that definition, staff determined that 93.5% of the consulting engineering fees from 2009 to 2014 were from local firms, while the remaining 6.5% were from national firms. Additionally, Mr. Shubert said EPWU Engineering staff will begin evaluating the performance of consultants and contractors using the scorecard method in place with the City of El Paso. The consultant scoring system is comprised of the following: design (16 points), bidding (15 points) and construction (34 points). This method will not be used for selection of professional services. The contractor scoring system is comprised of the following: past performance, quality of the constructed project and quality of project administration. It will also require input from the Project Manager, Contract Compliance Officer, Engineering Consultant and EPWU Management. Mr. Shubert addressed questions from the Board regarding this report.

MANAGEMENT REPORT

- ***Bond Issue Transaction Results for the 2015A Water and Sewer Revenue Bonds:*** Ms. Marcela Navarrete, Vice President provided the Board with the results of the bond issue transaction for the 2015A Water and Sewer Revenue Bonds. The bonds went to the market on Tuesday, June 30, 2015, a day after the debt crisis news surrounding Greece and Puerto Rico. This was also during the week of the U.S. Independence Day holiday. In addition to the EPWU bonds, \$800 million of TXDOT bonds went to the market the same day. The results of the sale were favorable for EPWU with \$18.6 million in bonds issued with \$1.65 million bond premium. The True Interest Cost was 3.45%. When originally presented to PSB in March, staff estimated a True Interest Cost of 3.65%. When taken to Council for approval, the True Interest Cost was estimated at 3.95%. Barclays was the senior underwriter and Raymond James was the Co-Manager. \$4.5 million in bonds needed to be underwritten, which the underwriters did at a 60/40 split.

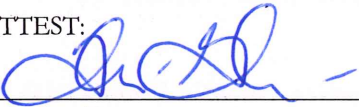
EXECUTIVE SESSION

The Board did not retire into Executive Session at any time during the meeting.

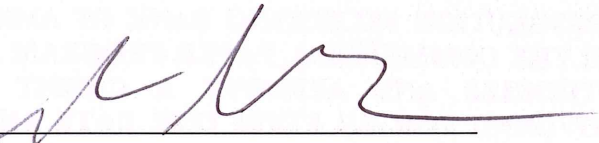
ADJOURNMENT

The meeting was adjourned at 9:05 a.m., July 8, 2015.

ATTEST:



Secretary-Treasurer



Chair

RESOLUTION

A RESOLUTION SELECTING BANK OF AMERICA N.A. AS THE LIQUIDITY PROVIDER FOR THE COMMERCIAL PAPER PROGRAM AND REQUESTING THE CITY COUNCIL TO AUTHORIZE AND APPROVE A CREDIT AGREEMENT WITH SUCH BANK AND PROVIDING FOR AN EFFECTIVE DATE AND AUTHORIZING THE CHAIR TO SIGN A LETTER OF COMMITMENT WITH SUCH BANK

WHEREAS, a liquidity provider is required for the Public Service Board's Commercial Paper Program for interim financing of capital projects; and,

WHEREAS, a solicitation was conducted for proposals for a liquidity provider for Commercial Paper Program; and,

WHEREAS, Bank of America, N.A offered the lowest price for the credit facility required for the program; and,

WHEREAS, the El Paso Water Utilities Investment Committee met and reviewed the proposals submitted and recommended that the Bank of America be selected as the liquidity provider for Commercial Paper Program;

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

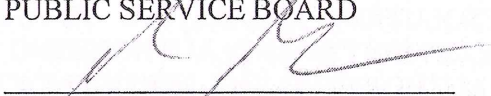
Section 1. That the findings and recitations set out in the preamble to this Resolution are found to be true and correct and are hereby adopted by the Public Service Board and made a part of this Resolution for all purposes.

Section 2. That the El Paso Water Utilities Public Service Board selects the Bank of America, N.A. (the "Bank") as the liquidity provider for the Commercial Paper Program on the basis of the pricing terms reviewed at the Investment Committee Meeting. Further, that the President, Vice President and/or Chief Financial Officer, Financial Advisor and Bond Counsel are authorized to negotiate such credit agreement and sign any other necessary documents so that the credit agreement, along with all other necessary documents, can be forwarded to the El Paso City Council for approval and authorization to execute the agreement between the City and the Bank in a form agreed to by the President, Vice President and/or Chief Financial Officer. Further, that the Board Chair be authorized to sign a letter of commitment with the Bank, if necessary.


PASSED AND APPROVED at the regular meeting of the Public Service Board, **this 8th day of July, 2015**, at which meeting a quorum was present and which was held in accordance with the provisions of V.T.C.A. Government Code, Sections 551.001, et. seq.

SIGNATURES ON FOLLOWING PAGE

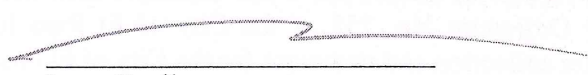
EL PASO WATER UTILITIES
PUBLIC SERVICE BOARD


Richard T. Schoephoerster, Chair

ATTEST:


Terry Garcia
Secretary/Treasurer

APPROVED AS TO FORM:


Lupe Cuellar
General Counsel

RESOLUTION

A RESOLUTION REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD; AUTHORIZING THE FILING OF AN APPLICATION FOR ASSISTANCE AND AUTHORIZING THE PRESIDENT/CEO TO SUBMIT AN APPLICATION TO THE TEXAS WATER DEVELOPMENT BOARD (TWDB) IN AN AMOUNT NOT TO EXCEED \$50,000,000 UNDER STATE WATER IMPLEMENTATION FUND FOR TEXAS (SWIFT).

WHEREAS, the El Paso Water Utilities Public Service Board (EPWU), was established on May 22, 1952, by Ordinance No. 752 of the City of El Paso for the purpose of providing potable water and wastewater collection and treatment for the City of El Paso; and,

WHEREAS, EPWU has historically worked with funding agencies to obtain the necessary resources to invest in sustainable, long-term water solutions for the City of El Paso, and,

WHEREAS, EPWU will continue to secure regional water resources that will allow them to provide residents of the City of El Paso, and surrounding communities, with safe, high-quality drinking water; and,

WHEREAS, the City Council adopted a resolution on September 30, 2014 delegating authority to apply for funding from the State Water Implementation Fund of Texas on behalf of the City of El Paso to the El Paso Water Utilities Public Service Board of Trustees, President/CEO; and,

WHEREAS, the President/CEO is hereby designated the authorized representative for purposes of furnishing information and executing such documents as may be required in connection with the preparation and filing of such application for financial assistance and the rules of the Texas Water Development Board; and,

WHEREAS, the following firms and individuals are hereby authorized and directed to aid and assist in the preparation and submission of such application and appear on behalf of and represent the El Paso Water Utilities before any hearing held by the Texas Water Development Board on such application, to wit:

Financial Advisor: Maria Fernanda Urbina, Senior Vice President First Southwest
Bond Counsel: Paul A. Braden, Partner Norton Rose Fulbright US LLP

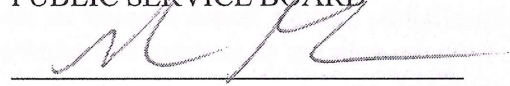
NOW, THEREFORE, BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF THE CITY OF EL PASO, TEXAS:

Section 1. That the findings and recitations set out in the preamble to this Resolution are found to be 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 El Paso Water Utilities Public Service Board is requesting financial assistance from the Texas Water Development Board in an amount not to exceed \$50,000,000.00 in loans from the Texas Water Development Board for land and water rights acquisition under the SWIFT program. The Board further authorizes the President/CEO to sign any and all documents necessary to submit the applications for funding to the Texas Water Development Board in an amount not to exceed \$50,000,000.00.


PASSED AND APPROVED at the regular meeting of the Public Service Board, this 8th day of July, 2015, at which meeting a quorum was present and which was held in accordance with the provisions of V.T.C.A. Government Code, Sections 551.001, et. seq.

EL PASO WATER UTILITIES
PUBLIC SERVICE BOARD



Richard T. Schoephoerster, Chair

ATTEST:



Terry Garcia
Secretary/Treasurer

APPROVED AS TO FORM:



Lupe Cuellar
General Counsel

RESOLUTION

A RESOLUTION OF THE EL PASO WATER UTILITIES PUBLIC SERVICE BOARD (EPWU/PSB) TO APPROVE THE PUBLIC SERVICE BOARD'S SEMIANNUAL LAND MANAGEMENT REPORT ON THE ACTIVITIES OF THE EL PASO WATER UTILITIES LAND MANAGEMENT PROGRAM FROM JANUARY 2015 THROUGH JUNE 2015 AND TO DIRECT THE PRESIDENT/CEO TO FORWARD THE REPORT TO THE CITY COUNCIL

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

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


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

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

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

PASSED, ADOPTED and APPROVED at a Regular Meeting of the El Paso Water Utilities Public Service Board of the City of El Paso, Texas, this 8th day of July 2015, at which meeting a quorum was present and which meeting was held in accordance with the provisions of V.T.C.A. Government Code, Sections 551.001, et seq.

EL PASO WATER UTILITIES
PUBLIC SERVICE BOARD


Richard T. Schoephoerster, PhD., P.E.
Chair

ATTEST:



Secretary/Treasurer

APPROVED AS TO FORM:



Lupe Cuellar
General Counsel

RESOLUTION

A RESOLUTION APPROVING THE AWARD OF BID 36-15, HASKELL R. STREET WASTEWATER TREATMENT PLANT PRIMARY CLARIFIER NUMBER 3 REHABILITATION TO CUBIC WATER, LLC; AND AUTHORIZING FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.

WHEREAS, this Project located at the Haskell R. Street Wastewater Treatment Plant, is to make improvements needed to the Primary Clarifier Number 3. It will address the concrete and steel corrosion to the structure, walkway, duct work and the clarifier mechanism. This project includes the replacement of the collection rake, odor collection duct work and fan as well as upgrade the electrical system; and

WHEREAS, El Paso Water Utilities received five (5) bids for this Project on June 11, 2015. The bidders ranged from \$1,246,100.00 to \$1,664,596.46 or 20.5% below to 6.2% above the Engineer's estimate of \$1,566,852.83. The project consulting engineer, Parkhill, Smith and Cooper, evaluated the qualifications of the first apparent low bidder and determined that Cubic Water, LLC meets the minimum general requirements as well as the minimum Project specific criteria as specified on the bid documents. EPWU Project Administration has evaluated the Engineer's Evaluation Matrix and recommends award of Bid 36-15, Haskell R. Street Waste Water Treatment Plant Primary Clarifier Number 3 Rehabilitation, to Cubic Water, LLC as the lowest responsive, responsible bidder in the amount not to exceed \$1,000,000.00.

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 and this Project is eligible for such Program.

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 by this reference for all purposes.

Section 2. That the Public Service Board approves award of Bid Number 36-15, Haskell R. Street Waste Water Treatment Plant Primary Clarifier Number 3 Rehabilitation to the lowest, responsive, responsible bidder, meeting the minimum general requirements as well as the minimum specific criteria as specified on the bid documents to Cubic Water, LLC in the amount not to exceed \$1,000,000.00. That the Public Service Board hereby authorizes the President/CEO to execute an agreement with Cubic Water, LLC, for the Haskell R. Street Waste Water Treatment Primary Clarifier Number 3 Rehabilitation project.


Section 3. That the Public Service Board hereby authorizes funding of the Project through the PSB tax-exempt Commercial Paper Program from Commercial Paper Funds as approved in CIP#S4226, Account Number 1913-026, Budget FY 2013-14, in the amount not to exceed \$1,000,000.00.

PASSED AND APPROVED at a regular meeting of the Public Service Board of the City of El Paso, Texas, this 8th day of July, 2015, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A. Government Code, Sections 551.001, et. seq.


ATTEST:


Terri Garcia
Secretary/Treasurer

EL PASO WATER UTILITIES
PUBLIC SERVICE BOARD


Richard T. Schoephoerster, PhD, P.E., Chair

APPROVED AS TO FORM:


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