

**MINUTES  
PUBLIC SERVICE BOARD  
CITY OF EL PASO  
March 25, 2015**

The regular meeting of the Public Service Board was held Wednesday, March 25, 2015, at the El Paso Water Utilities Public Service Board Meeting Room located at 1154 Hawkins Boulevard, El Paso, Texas.

**PSB MEMBERS PRESENT**

Ruth Katherine Brennand, Vice Chair  
Terri Garcia, Secretary-Treasurer  
Mayor Oscar Leeser, Ex-Officio Member  
Henry Gallardo, Member  
Christopher Antcliff, Member  
Bradley Roe, Member

**PSB MEMBERS ABSENT**

Dr. Richard T. Schoephoerster, Chair

**PSB EMPLOYEES PRESENT**

John E. Balliew, P.E., President and Chief Executive Officer  
Robert Andron, General Counsel

**EPWU EMPLOYEES PRESENT**

Lowell Stokes, Assistant General Counsel  
Marcela Navarrete, Vice President  
Alan Shubert, Vice President  
Gretchen Byram, Computer Media Specialist  
Art Duran, Chief Financial Officer  
Javier Camacho, Public Information Specialist  
Gilbert Trejo, Chief Technical Officer  
Armando Renteria, Chief Information Officer  
Michelle LePage, Purchasing Agent  
Robert Riley, Construction Engineering Division Manager  
Scott Reinert, Water Resources Manager  
Manuel Perez, Energy Management Coordinator  
Glen Walter, Land and Water Rights Manager  
Alma DeAnda, Land and Contract Administrator  
Georgette Webber, Executive Secretary

**GUESTS**

Phil Rothstein, Bath Engineering  
Maria Urbina, First Southwest  
Taylor Moreno, City of El Paso  
Ed Castanon, Citizen

Mel Herrera, ECM  
Alex Acosta, Bickerstaff Heath Delgado Acosta, LLP.  
Steve Ainsa, CDM  
George Williford, First Southwest  
Joanne Burt, Advertising Ink  
Laura Gordon, City of El Paso

## **MEDIA**

KTSM

The Public Service Board meeting was called to order by Ms. Brennand at 8:15 a.m. 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 Ms. Garcia, seconded by Mr. Gallardo, and unanimously carried, the Board took action on the following consent agenda items:

### **APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETING HELD ON FEBRUARY 11, 2015.**

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

### **AWARDED BID NUMBER 10-15, ENVELOPES, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, O-K PAPER, IN THE AMOUNT OF \$62,826.**

The Board awarded Bid Number 10-15, Envelopes, to the lowest responsive, responsible bidder, O-K Paper, in the amount of \$62,826.

### **AWARDED BID NUMBER 11-15, HYDROGEN PEROXIDE, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, THATCHER COMPANY OF ARIZONA, IN THE ESTIMATED AMOUNT OF \$81,362.88, WITH AN OPTION TO EXTEND FOR TWO ONE-YEAR EXTENSIONS.**

The Board awarded Bid Number 11-15, Hydrogen Peroxide, to the lowest responsive, responsible bidder, Thatcher Company of Arizona, in the estimated amount of \$81,362.88, with an option to extend for two one-year extensions.

### **AWARDED BID NUMBER 16-15, POWDER ACTIVATED CARBON, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, CAL-PACIFIC CARBON, LLC, IN THE ESTIMATED ANNUAL AMOUNT OF \$69,000, WITH AN OPTION TO EXTEND FOR TWO ONE-YEAR EXTENSIONS.**

The Board awarded Bid Number 16-15, Powder Activated Carbon, to the lowest responsive, responsible bidder, Cal-Pacific Carbon, LLC, in the estimated annual amount of \$69,000, with an option to extend for two one-year extensions.

**AWARDED A FOOTWEAR CONTRACT THROUGH ESC REGION 19 ALLIED STATES COOPERATIVE # 13-6978 AGREEMENT TO NORTHERN IMPORTS DBA WORK WEAR SAFETY SHOES FOR THE PURCHASE OF SAFETY FOOTWEAR FOR AN ESTIMATED ANNUAL AMOUNT OF \$75,000, WITH AN OPTION FOR TWO ONE-YEAR EXTENSIONS.**

The Board awarded a footwear contract through ESC Region 19 Allied States Cooperative # 13-6978 agreement to Northern Imports dba Work Wear Safety Shoes for the purchase of safety footwear for an estimated annual amount of \$75,000, with an option for two one-year extensions.

**APPROVED AN EMERGENCY PURCHASE ORDER TO PERFORM REPAIRS AT ALBUM LIFT STATION TO DANNY SANDERS CONSTRUCTION IN THE AMOUNT OF \$79,695.**

The Board approved an emergency purchase order to perform repairs at Album Lift Station to Danny Sanders Construction in the amount of \$79,695.

**DECLARED ASSORTED METALS, MISCELLANEOUS OFFICE EQUIPMENT, VEHICLES AND EQUIPMENT AS SURPLUS TO THE UTILITY AND AUTHORIZED THE SALE OF SAME IN ACCORDANCE WITH STATE LAW.**

The Board declared assorted metals, miscellaneous office equipment, vehicles and equipment as surplus to the Utility and authorized the sale of same in accordance with State law.

**ADOPTED A RESOLUTION TO APPROVE AND ACCEPT EASTSIDE INTERCEPTOR PHASE 5 – PART 1, BID NUMBER 02-13, FOR INCLUSION INTO THE EL PASO WATER UTILITIES SYSTEM, SUBJECT TO THE APPROVAL OF THE TEXAS WATER DEVELOPMENT BOARD.**

The Board adopted a resolution to approve and accept Eastside Interceptor Phase 5 – Part 1, Bid Number 02-13, for inclusion into the El Paso Water Utilities System, subject to the approval of the Texas Water Development Board. (Resolution attached)

**ADOPTED A RESOLUTION TO APPROVE AND ACCEPT EASTSIDE INTERCEPTOR PHASE 5 – PART 2, BID NUMBER 20-13, FOR INCLUSION INTO THE EL PASO WATER UTILITIES SYSTEM, SUBJECT TO THE APPROVAL OF THE TEXAS WATER DEVELOPMENT BOARD.**

The Board adopted a resolution to approve and accept Eastside Interceptor Phase 5 – Part 2, Bid Number 20-13, for inclusion into the El Paso Water Utilities System, subject to the approval of the Texas Water Development Board. (Resolution attached)

**REGULAR AGENDA**

**PRESENTATION TO ALAN SHUBERT, EL PASO WATER UTILITIES VICE PRESIDENT, NAMED ENGINEER OF THE YEAR BY THE TEXAS SOCIETY OF PROFESSIONAL ENGINEERS – EL PASO CHAPTER.**

Ms. Christina Montoya, Marketing and Communications Manager, made brief comments to the Board regarding this award. The Texas Society of Professional Engineers (TSPE) is a state society of the National Society of Professional Engineers. TSPE, one of the largest state societies in the United States, was founded in 1936 to serve the interests of the individual engineer in Texas across all branches of engineering. Its mission is to promote the ethical, competent and licensed practice of engineering, and to enhance the professional, social and economic well-being of its members through networking opportunities, political action at the state and local levels, and student outreach. The El Paso Chapter of the Texas Society of Professional Engineers named

Vice President, Alan Shubert the 2015 Engineer of the Year at its annual banquet which took place Friday, February 20, 2015 at the Downtown Doubletree Hotel. Mr. Balliew and Mayor Leeser presented Mr. Shubert with the TSPE – El Paso Chapter's 2015 Engineer of the Year award.

**RATIFIED CUMULATIVE CHANGE ORDER NUMBERS 1 THROUGH 3 TO BRH-GARVER CONSTRUCTION, FOR THE EASTSIDE INTERCEPTOR PHASE 5 – PART 1, DECREASING THE CONTRACT AMOUNT BY \$128,277.46 FOR A FINAL CONTRACT AMOUNT OF \$4,247,257.54, SUBJECT TO THE APPROVAL OF THE TEXAS WATER DEVELOPMENT BOARD.**

Mr. Gilbert Trejo, Chief Technical Officer made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Eastside Interceptor Phase 5 Part 1 project was awarded to BRH-Garver Construction on April 10, 2013 and is now complete. Throughout construction, three change orders were issued resulting in a cumulative decrease of \$128,277.46 (-2.93%) to the original contract amount of \$4,375,535.00. The final contract amount with all approved change orders is \$4,247,257.54. The final quantity adjustments were based on contract unit bid costs and resident project representative's records. Items requiring a change in scope were negotiated and are in line with the level of effort required for similar work done recently.

On a motion made by Ms. Garcia, seconded by Mr. Antcliff, and unanimously carried, the Board ratified cumulative Change Order Numbers 1 through 3 to BRH-Garver Construction, for the Eastside Interceptor Phase 5 – Part 1, decreasing the contract amount by \$128,277.46 for a final contract amount of \$4,247,257.54, subject to the approval of the Texas Water Development Board.

**RATIFIED CUMULATIVE CHANGE ORDER NUMBERS 1 THROUGH 3 TO S.J. LOUIS CONSTRUCTION, FOR THE EASTSIDE INTERCEPTOR PHASE 5 – PART 2, INCREASING THE CONTRACT AMOUNT BY \$168,548.74 FOR A FINAL CONTRACT AMOUNT OF \$7,022,695.74, SUBJECT TO THE APPROVAL OF THE TEXAS WATER DEVELOPMENT BOARD.**

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Eastside Interceptor Phase 5 Part 2 project was awarded to S. J. Louis Construction on September 11, 2013 and is now complete. Throughout construction, three change orders were issued resulting in a cumulative increase of \$168,548.74 (2.46%) to the original contract amount of \$6,854,147.00. The final contract amount with all approved change orders is \$7,022,695.74. Final quantity adjustments were based on contract unit bid costs and resident project representative's records. Items requiring an increase in scope and cost were negotiated and are in line with the level of effort required for similar work done recently. Mr. Trejo, Mr. Balliew and Mr. Bob Andron, General Counsel, addressed questions from the Board regarding this item.

On a motion made by Mr. Gallardo, seconded by Mr. Antcliff, and unanimously carried, the Board ratified cumulative Change Order Numbers 1 through 3 to S.J. Louis Construction, for the Eastside Interceptor Phase 5 – Part 2, increasing the contract amount by \$168,548.74 for a final contract amount of \$7,022,695.74, subject to the approval of the Texas Water Development Board.

**APPROVED TASK ORDER NUMBER 9 – CONSTRUCTION ADMINISTRATION SERVICES FOR AUSTIN POND IMPROVEMENTS TO MORENO CARDENAS, INCORPORATED.**

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Austin Pond Improvements Project is part of a series of phased improvements to the Government Hills

Stormwater System located in the Central Region of El Paso. The improvements were part of the recommendations in the Stormwater Master Plan adopted by the El Paso Water Utilities - Public Service Board in March of 2009. The goal of the project is to maximize the capture and detention of stormwater run-off at the intersection of Altura Avenue and Lackland Street. Staff worked with the Moreno Cardenas to develop the scope of work for the project construction administration services. A fee proposal associated with this scope of services was negotiated with the consultant. The negotiated construction services fees are in line with the level of effort and hours required to complete the project and include office engineering, field engineering, geotechnical, and resident project representative services. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Ms. Garcia, and unanimously carried, the Board approved Task Order Number 9 – Construction Administration Services for Austin Pond Improvements to Moreno Cardenas, Incorporated.

**APPROVED TASK ORDER NUMBER 2 – EASTSIDE SERVICE AREA - MISSION RIDGE DRIVE EXTENSION 24-INCH WATER LINE DESIGN AND BID SERVICES TO CEA GROUP, INCORPORATED.**

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). This project is located in the eastside area of El Paso and is necessary to provide water service to emerging developments. The El Paso County Roads and Bridges Department notified EPWU of its plans to construct Mission Ridge Drive, from Pellicano Drive to Paseo Del Este Boulevard. This fast track project, funded by the Camino Real Mobility Authority, did not provide EPWU sufficient time to issue Requests for Submittals. Therefore, EPWU decided to add a task order to an existing contract and request that the CEA Group initiate engineering efforts of a 24-inch diameter water main with the intent of producing final design drawings by late March, 2015 - eliminating future costs for re-paving a new street. The main will provide a secondary feed to the Paseo Del Este Development, Mesquite Trails Development, and the Paseo Del Sol Development. This project consists of approximately 9,000 linear feet of 24-inch water line beginning at the intersection of Pellicano Drive and Mission Ridge Drive, continuing south along Mission Ridge Drive to Paseo Del Este Boulevard.

EPWU staff worked with the consultant, CEA Group, to develop the scope of work for the engineering and design services. A fee proposal associated with this scope of services was negotiated with the Consultant to come to an agreement on the value to be received for the costs proposed to prepare construction-ready design drawings. The negotiated design and bid phase services fees are in line with the level of effort and hours required to complete the project and include coordination with the County of El Paso Roads and Bridges Department, other engineering consultants, surveying, geotechnical, and design services.

On a motion made by Mr. Gallardo, seconded by Ms. Garcia and unanimously carried, the Board approved Task Order Number 2 – Eastside Service Area - Mission Ridge Drive Extension 24-inch Water Line Design and Bid Services to CEA Group, Incorporated.

**APPROVED TASK ORDER NUMBER 21 - CONSTRUCTION ADMINISTRATION SERVICES FOR MONTWOOD LIFT STATION PHASE II TO BROWN AND CALDWELL, INCORPORATED.**

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Montwood Lift Station Phase II project is the last phase of a multi-phased wastewater interceptor system that was first proposed in 1997. Phase I was the Montwood Lift Station project completed in 2003. The force main was constructed in 2004 and the Eastside Interceptor System was completed in January 2015. This final phase will upgrade the existing lift station by replacing the original pumps with new more efficient pumps and will connect to the new Eastside Interceptor System. Brown and Caldwell designed both phases of the Montwood Lift Station and provided construction administration services for the construction of the first phase of the Montwood Lift Station. Brown and Caldwell is the most qualified firm to provide construction administration services for this final phase of the wastewater collection system. A fee proposal associated with this scope of services was negotiated with the consultant. The negotiated construction services fees are in line with the level of effort and hours required to complete the project and include office engineering, field engineering, geotechnical, and resident project representative services.

On a motion made by Mr. Antcliff, seconded by Ms. Garcia and unanimously carried, the Board approved Task Order Number 21 - Construction Administration Services for Montwood Lift Station Phase II to Brown and Caldwell, Incorporated.

**APPROVED TASK ORDER NUMBER 2 – CONSTRUCTION ADMINISTRATION SERVICES FOR EMERGENCY BACKUP POWER PROJECT TO BLACK AND VEATCH CORPORATION.**

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). In February 2013, the Public Service Board approved to award a professional engineering services contract for engineering and construction phase services to Black and Veatch for the Emergency Backup Generator Project. This project consists of the installation of backup generators for 62 wells, 32 booster stations, and 3 water treatment plants, involving multiple generators and required electrical improvements. EPWU staff worked with the consultant, Black and Veatch, to develop the scope of work for the project construction phase services. A fee proposal for construction phase services was negotiated with the consultant to come to an agreement on the value to be received for the services proposed. The negotiated construction phase fees are in line with the level of effort and hours required to complete the construction and consistent with work of similar complexity done recently.

On a motion made by Ms. Garcia, seconded by Mr. Roe and unanimously carried, the Board approved Task Order Number 2 – Construction Administration Services for Emergency Backup Power Project to Black and Veatch Corporation.

**AWARDED A PROFESSIONAL SERVICES CONTRACT FOR STANDARDIZATION OF THREE ELEVATED STORAGE TANKS TO MORENO CARDENAS, INCORPORATED.**

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). El Paso Water Utilities (EPWU) has three elevated storage tanks at 95% design and will be bidding them out later this year. Each tank was designed by three different engineering firms. EPWU staff expects to receive better pricing by combining the three tanks into one bid package and the process of standardizing the specifications for the three tanks should produce a more standard and better product. The Architectural/Engineering Selection Advisory Committee met on March 6, 2015 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. Moreno Cardenas was selected as the firm that best meets the needs of the Utility for these important services and demonstrated

excellent abilities in all the evaluated categories. The selected firm is the most qualified. The fee for the Standardization of Three Elevated Storage Tanks will be in line with the level of effort and hours required to complete the services. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Mr. Gallardo, and unanimously carried, the Board awarded a Professional Services Contract for Standardization of Three Elevated Storage Tanks to Moreno Cardenas, Incorporated.

**AWARDED A PROFESSIONAL SERVICES CONTRACT FOR CONSTRUCTION MANAGEMENT SERVICES FOR DESIGN-BUILD CONSTRUCTION OF EPWU FIELD OPERATIONS YARD AND TUNNELING UNDER IH-10 PROJECTS TO ECM INTERNATIONAL, INCORPORATED.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). El Paso Water Utilities (EPWU) is under a design-build contract with Jordan Foster Construction for the relocation and construction of EPWU's Fleet Operations Yard. In addition, EPWU will be working with Southland Contracting on a design-build contract for the Gateway Stormwater Pond Tunneling Under IH-10 Project. The Architectural/Engineering Selection Advisory Committee met on March 6, 2015 to review and recommend selection of the engineering firm for the above-referenced projects. Proposals were scored in the areas of technical competence, project approach, team organization and availability, and project management and quality control. ECM International was selected as the firm that best meets the needs of the Utility for these important services and demonstrated excellent abilities in all the evaluated categories. This firm is the most qualified. The fee for the construction management services will be based on similar projects and is in line with the level of effort and hours required to complete the construction management services. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Mr. Roe, and unanimously carried, the Board awarded a Professional Services Contract for Construction Management Services for Design-Build Construction of EPWU Field Operations Yard and Tunneling under IH-10 Projects to ECM International, Incorporated.

**AWARDED BID NUMBER SW18-15, GATEWAY STORMWATER PONDS, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, CMD ENDEAVORS, INCORPORATED, IN THE AMOUNT OF \$5,273,799, INCLUDING OPTIONS 1 AND 2.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Gateway Stormwater Ponds project is located in Central El Paso. Flashfloods continue to inundate segments of Interstate Highway 10 (IH-10) and Central areas of El Paso. The project consists of the expansion of the existing Gateway West Pond and the partial construction of the new Gateway East Pond. The proposed ponds will capture stormwater runoff flowing down from Cebada and Magnolia watersheds to mitigate flooding that occurs at IH-10 and residential areas. El Paso Water Utilities (EPWU) received four bids for the referenced project ranging from \$5,273,799.00 to \$6,969,774.00. The Engineer's estimate was \$5,530,389.50.

The project consulting firm, Conde, evaluated the qualifications of the apparent low bidder and determined that CMD Endeavors met the minimum general requirements as well as the minimum project specific criteria as specified on the bid documents. EPWU staff evaluated the Engineer's Evaluation Matrix and recommended award of the contract for Bid Number SW18-15, Gateway Stormwater Ponds, to CMD Endeavors as the

lowest, responsive, responsible bidder in the amount of \$5,273,799.00, including Options 1 and 2. Mr. Shubert and 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 awarded Bid Number SW18-15, Gateway Stormwater Ponds, to the lowest responsive, responsible bidder, CMD Endeavors, Incorporated, in the amount of \$5,273,799, including Options 1 and 2.

**AWARDED A CONTRACT FOR DESIGN AND CONSTRUCTION OF GATEWAY STORMWATER POND TUNNELING PROJECT – DESIGN-BUILD SERVICES CONTRACT TO SOUTHLAND CONTRACTING, IN THE AMOUNT OF \$3,471,810.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Gateway Stormwater Ponds project is located in Central El Paso. Flashfloods continue to inundate segments of Interstate Highway-10 (IH-10) and Central areas of El Paso. The project consists of the construction of a new equalization pipeline across IH-10 to connect two stormwater detention ponds. The pond on the north side of IH 10 is existing and known as the Gateway West Pond (North Pond). A new pond on the south side of IH-10 will be constructed at approximately 3312 Gateway East Boulevard (South Pond). The project includes the installation of 580 linear feet of 96-inch diameter steel casing, 592 linear feet of 72-inch diameter reinforced concrete pipe and appurtenances. The proposed project will capture stormwater runoff flowing down from Cebada and Magnolia watersheds to mitigate flooding that occurs at IH-10 and residential areas.

El Paso Water Utilities (EPWU) received three proposals for the referenced project ranging from \$3,471,810 to \$3,900,000. The Gateway Stormwater Pond Tunneling Project was identified as an emergency public necessity project. A design-build method of delivery was selected in order to expedite this important project. A list of five potential contractors were identified based on their past and favorable performance on similar EPWU projects. The project scope, goals, objectives, minimum qualifications criteria, and evaluation criteria were established by EPWU's staff and the team of consultants and published in the Request for Qualifications. Three of the five identified contractors responded, met the minimum qualifications, and were short-listed to participate in the subsequent Request for Proposals on February 11, 2015.

The Selection Committee reviewed the proposals and recommended award of the contract for Design and Construction of Gateway Stormwater Pond Tunneling Project – Design-Build Services Contract to the highest scoring, previously qualified, responsive team, Southland Contracting, in the amount of \$3,471,810. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Mr. Gallardo, seconded by Mr. Roe, and unanimously carried, the Board awarded a contract for Design and Construction of Gateway Stormwater Pond Tunneling Project – Design-Build Services Contract to Southland Contracting, in the amount of \$3,471,810.

**APPROVED A SOLE SOURCE ENQUESTA MAINTENANCE CONTRACT RENEWAL TO SYSTEMS & SOFTWARE IN THE AMOUNT OF \$394,296.26.**

Mr. Armando Renteria, Chief Information Office presented the Board with information regarding this item. Systems & Software is the sole source supplier of the enQuesta CIS Utility Billing solution and maintenance provided through an agreement between the El Paso Water Utilities Public Service Board and Systems & Software signed April 4, 1997. The enQuesta system is used by the Customer Service Department to generate



water, wastewater, stormwater and refuse customer billing. The renewal of the enQuesta maintenance is for the period of April 1, 2015 to March 31, 2016.

On a motion made by Ms. Garcia, seconded by Mr. Gallardo, and unanimously carried, the Board awarded a Systems & Software enQuesta Maintenance Renewal through Systems & Software in the amount of \$394,296.26.

#### **SUMMARY OF PROCUREMENTS AUTHORIZED BY THE 2014 PSB DROUGHT RESOLUTION.**

Mr. Scott Reinert, Water Resources Manager made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). Water deliveries for 2014 from the Rio Grande were much less than normal conditions because of the record drought conditions in the region. The drought which actually began 17 years ago within the Rio Grande watershed has taken a severe toll on the river system and its reservoirs. During a normal river allocation, EPWU will use over 60,000 acre-feet of water from the Rio Grande for its water supply. In 2014, the supply from the Rio Grande was 28,000 acre-feet. The drought resolution allowed for expedited procurement of services and equipment to aid in the rapid development of drought relief projects. The Drought Resolution was used as the basis of award for 16 projects involving the procurements of contracted services, consultant services, and equipment, all of which were related to drought relief. Approval of these projects was based on review of pricing and compared favorably to similar projects that were previously bid. Mr. Balliew said he does not anticipate asking the Board to approve another drought resolution once the current projects are complete. Mr. Reinert and Mr. Balliew addressed additional questions from the Board regarding this item.

#### **MANAGEMENT REPORT**

- ***Meetings with Fort Bliss*** – Mr. Balliew said he and Hector Gonzalez, Government Affairs Manager, are working closely with Ft. Bliss on additional funding for water supply projects. (Gen. Twitty, Gen. Toy & Al Riera). Mr. Balliew addressed questions from the Board regarding this item.
- ***Staff Presentations*** – Mr. Balliew said Mr. Andron presented at the Changing Face of Water Rights Advance Course; Christina Montoya and Marcela Navarrete presented at the AWWA/WEF Utility Management Conference; Fernie Rico participated in the Texas Water Technology Road Map Forum; Scott Reinert presented at the Multi State Salinity Coalition's Annual Salinity Summit; Marcela Navarrete presented the AWWA Webinar "Get Rate That Balance Revenue with Customer Needs"; and Alan Shubert presented to the Rio Grande Citizens Advisory Board.
- ***Stormwater Bond Issuance*** – Ms. Navarrete said the stormwater bond issue was very successful. The actual true interest cost was 3.41%. The estimated true interest cost was 3.5% when presented to the Board and City Council. The stormwater utility has been upgraded to AA+ standing. She complimented the underwriters for a wonderful job.
- ***2015 Construction Forum*** – Mr. Balliew informed the Board that the annual EPWU Construction Forum would be held on Thursday, April 23, 2015 at 7:30 a.m. The forum will take place at the TecH<sub>2</sub>O Learning Center.

#### **ADOPTED A RESOLUTION ASKING CITY COUNCIL TO AUTHORIZE THE ISSUANCE OF**

**UP TO \$20,330,000 OF CITY OF EL PASO WATER AND SEWER SYSTEM REVENUE BONDS SERIES 2015A TO FUND FY 2015-2016 CIP PROJECTS AND FUND RELATED TRANSACTION COSTS.**

**ENTERED EXECUTIVE SESSION:** On a motion made by Mr. Gallardo, seconded by Ms. Garcia, and unanimously carried with Mayor Leaser absent from the vote, the Board retired into Executive Session at 9:24 a.m., March 25, 2015, pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Sections 551.071 through 551.076 to discuss this item.

On a motion made by Mr. Antcliff, seconded by Ms. Garcia, and carried, the Board reconvened in open session at 9:52 a.m., March 25, 2015.

Mayor Leaser excused from the remainder of the meeting at 10:00 a.m.

Ms. Maria Urbina of First Southwest made a PowerPoint presentation regarding this item (copy on file in Central Files). This resolution requests City Council to issue up to \$20,330,000 of City of El Paso Water and Sewer System Revenue bonds Series 2015A, to fund Capital Improvement Projects (CIP) approved for Fiscal Year 2015-2016. The Finance Committee met on March 18, 2015 to review First Southwest's bond issue proposal. The current outstanding long-term principal debt is \$447,490,000. The Finance Committee approved moving forward based upon the following parameters: Maximum Aggregate Principal is \$20,330,000; Maximum True Interest Cost of 4.75%; and Final Maturity Date of December 31, 2035. Barclays is the sole underwriter recommended for the bonds. Mr. Balliew, Ms. Navarrete and Mr. Art Duran, Chief Financial Officer, would be delegated by Council as pricing officers. The pricing officers can only approve the sale if all of Council's parameters are met. Ms. Urbina presented the Board with a schedule of events for this bond issue. Ms. Urbina and Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Mr. Gallardo, seconded by Ms. Garcia, and unanimously carried, the Board adopted a resolution asking City Council to authorize the issuance of up to \$20,330,000 of City of El Paso Water and Sewer System Revenue Bonds Series 2015A to fund FY 2015-2016 CIP projects and fund related transaction costs. **(Resolution attached)**

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

No additional comments were heard from the public.

**EXECUTIVE SESSION**

On a motion made by Mr. Antcliff, seconded by Mr. Roe, and unanimously carried, the Board retired into Executive Session at 10:12 a.m., March 25, 2015, 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 551.071. Consultation with Attorney  
The Board will consult with its attorneys regarding the claim of St. Paul's Lutheran Church.
- b. Section 551.072. Deliberation regarding Real Property  
The Board will deliberate regarding a potential land purchase.
- c. Section 551.071. Consultation with Attorney  
The Board will consult with its attorneys regarding the incident which occurred October 22, 2014 at the Roberto R. Bustamante Plant.
- d. Section 551.072. Deliberation regarding Real Property  
The Board will deliberate regarding the value and possible sale of approximately 55.5 acres of land, being generally described as Laura E Mundy Survey 237 ABST 987, TR 7, portions within City of El Paso, all within El Paso County Texas, generally located west of Interstate 10, east of Doniphan, north of Los Mochis Road and south of Joy Road.
- e. Section 551.072. Deliberation regarding Real Property  
The Board will deliberate regarding the purchase of property located at 303, 305 and 307 N. Cebada Street consisting of approximately 7000 square feet of land including two dwellings approximately 1702 square feet total, generally described as Lots 15 and 16, Block 45 of Supplemental Map No. 1 of East El Paso an addition to the City of El Paso, El Paso County Texas.
- f. Section 551.072. Deliberation regarding Real Property  
The Board will deliberate regarding the purchase of property located at 3221 Durazno Street consisting of approximately 3500 square feet of land including a dwelling approximately 1573 square feet, generally described as Lot and 11, Block 45 of Supplemental Map No. 1 of East El Paso an addition to the City of El Paso, El Paso County Texas.
- g. Section 551.072. Deliberation regarding Real Property  
The Board will deliberate regarding the purchase of property located at 3219 Durazno Street consisting of approximately 7000 square feet of land including a dwelling approximately 1034 square feet, generally described as Lots 9 and 10, Block 45 of Supplemental Map No. 1 of East El Paso an addition to the City of El Paso, El Paso County Texas.
- h. Section 551.072. Deliberation regarding Real Property  
The Board will deliberate regarding the purchase of property located at 3223 Durazno Street consisting of approximately 3500 square feet of land including a dwelling of approximately 1428 square feet, generally described as Lot and 12, Block 45 of Supplemental Map No. 1 of East El Paso an addition to the City of El Paso, El Paso County Texas.
- i. Section 551.072. Deliberation regarding Real Property  
The Board will deliberate regarding the purchase of property located at 300-306 Estrella Street consisting of approximately 7000 square feet of land including three dwellings totaling approximately 3518 total square feet, generally described as Lots 1 and 2, Block 45 of Supplemental Map No. 1 of East El Paso an addition to the City of El Paso, El Paso County Texas.

County Texas.

- j. Section 551.072. Deliberation regarding Real Property  
The Board will deliberate regarding property acquisitions for the Gateway East Pond Project.
- k. Section 551.074. Personnel Matters  
Annual Performance Review of the President/CEO

On a motion made by Ms. Garcia, seconded by Mr. Antcliff, and carried, the Board reconvened in open session at 12:00 p.m., March 25, 2015.

**CONSULTED WITH ITS ATTORNEYS REGARDING THE CLAIM OF ST. PAUL'S LUTHERAN CHURCH.**

On a motion made by Ms. Garcia, seconded by Mr. Gallardo and unanimously carried, the Board authorized the President/CEO to take all necessary action for El Paso Water Utilities to implement a revised rate schedule effective April 1, 2015 for billing its customers for the City of El Paso Franchise Fee adopted by the City in its most recent budget. At the direction of City Council, in September, El Paso Water Utilities began billing non-residential customers for the Franchise Fee. El Paso Water Utilities has determined that a revised Franchise Fee collection process and rate design, which bills both residential and non-residential customers and provides for certain credits for Franchise Fee charges already collected from non-residential customers is an appropriate revision.

**DELIBERATED REGARDING A POTENTIAL LAND PURCHASE.**

No action taken on this item.

**CONSULTED WITH ITS ATTORNEYS REGARDING THE INCIDENT WHICH OCCURRED OCTOBER 22, 2014 AT THE ROBERTO R. BUSTAMANTE PLANT.**

No action taken on this item.

**DELIBERATED REGARDING THE VALUE AND POSSIBLE SALE OF APPROXIMATELY 55.5 ACRES OF LAND, BEING GENERALLY DESCRIBED AS LAURA E MUNDY SURVEY 237 ABST 987, TR 7, PORTIONS WITHIN CITY OF EL PASO, ALL WITHIN EL PASO COUNTY TEXAS, GENERALLY LOCATED WEST OF INTERSTATE 10, EAST OF DONIPHAN, NORTH OF LOS MOCHIS ROAD AND SOUTH OF JOY ROAD.**

On a motion made by Ms. Garcia, seconded by Mr. Gallardo and unanimously carried, the Board determined that the land could not be declared as inexpedient to the system and directed the President/CEO and staff to work with the City to determine when public services can be provided and what, if any, conditions should be placed on the sale of the property and provide an update at the July Board meeting.

**DELIBERATED REGARDING THE PURCHASE OF PROPERTY LOCATED AT 303, 305 AND 307 N. CEBADA STREET CONSISTING OF APPROXIMATELY 7000 SQUARE FEET OF LAND INCLUDING TWO DWELLINGS APPROXIMATELY 1702 SQUARE FEET TOTAL, GENERALLY DESCRIBED AS LOTS 15 AND 16, BLOCK 45 OF SUPPLEMENTAL MAP NO. 1 OF EAST EL PASO AN ADDITION TO THE CITY OF EL PASO, EL PASO COUNTY TEXAS.**

On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, the Board authorized the President/CEO to purchase and sign any and all documents necessary to complete the purchase of approximately 7000 square feet of land, including two dwellings approximately 1702 square feet total, generally described as Lots 15 and 16, Block 45 of Supplemental Map No. 1 of East El Paso an addition to the City of El Paso, El Paso County, Texas, located at 303, 305 and 307 N. Cebada Street, for the purchase price of \$115,519.00.

**DELIBERATED REGARDING THE PURCHASE OF PROPERTY LOCATED AT 3221 DURAZNO STREET CONSISTING OF APPROXIMATELY 3500 SQUARE FEET OF LAND INCLUDING A DWELLING APPROXIMATELY 1573 SQUARE FEET, GENERALLY DESCRIBED AS LOT AND 11, BLOCK 45 OF SUPPLEMENTAL MAP NO. 1 OF EAST EL PASO AN ADDITION TO THE CITY OF EL PASO, EL PASO COUNTY TEXAS.**

On a motion made by Ms. Garcia, seconded by Mr. Gallardo and unanimously carried, the Board authorized the President/CEO to purchase and sign any and all documents necessary to complete the purchase of approximately 3500 square feet of land including a dwelling approximately 1573 square feet, generally described as Lot 11, Block 45 of Supplemental Map No. 1 of East El Paso, an addition to the City of El Paso, El Paso County, Texas, located at 3221 Durazno Street, for the purchase price of \$84,000.00.

**DELIBERATED REGARDING THE PURCHASE OF PROPERTY LOCATED AT 3219 DURAZNO STREET CONSISTING OF APPROXIMATELY 7000 SQUARE FEET OF LAND INCLUDING A DWELLING APPROXIMATELY 1034 SQUARE FEET, GENERALLY DESCRIBED AS LOTS 9 AND 10, BLOCK 45 OF SUPPLEMENTAL MAP NO. 1 OF EAST EL PASO AN ADDITION TO THE CITY OF EL PASO, EL PASO COUNTY TEXAS.**

On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, the Board authorized the President/CEO to purchase and sign any and all documents necessary to complete the purchase of approximately 7000 square feet of land including a dwelling approximately 1034 square feet, generally described as Lots 9 and 10, Block 45 of Supplemental Map No. 1 of East El Paso, an addition to the City of El Paso, El Paso County, Texas, located at 3219 Durazno Street, for the purchase price of \$91,000.00.

**DELIBERATED REGARDING THE PURCHASE OF PROPERTY LOCATED AT 3223 DURAZNO STREET CONSISTING OF APPROXIMATELY 3500 SQUARE FEET OF LAND INCLUDING A DWELLING OF APPROXIMATELY 1428 SQUARE FEET, GENERALLY DESCRIBED AS LOT AND 12, BLOCK 45 OF SUPPLEMENTAL MAP NO. 1 OF EAST EL PASO AN ADDITION TO THE CITY OF EL PASO, EL PASO COUNTY TEXAS.**

On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, the Board authorized the President/CEO to purchase and sign any and all documents necessary to complete the purchase of approximately 3500 square feet of land including a dwelling of approximately 1428 square feet, generally described as Lot 12, Block 45 of Supplemental Map No. 1 of East El Paso, an addition to the City of El Paso, El Paso County, Texas, located at 3223 Durazno Street, for the purchase price of \$105,000.

**DELIBERATED REGARDING THE PURCHASE OF PROPERTY LOCATED AT 300-306 ESTRELLA STREET CONSISTING OF APPROXIMATELY 7000 SQUARE FEET OF LAND INCLUDING THREE DWELLINGS TOTALING APPROXIMATELY 3518 TOTAL SQUARE FEET, GENERALLY DESCRIBED AS LOTS 1 AND 2, BLOCK 45 OF SUPPLEMENTAL MAP**

**NO. 1 OF EAST EL PASO AN ADDITION TO THE CITY OF EL PASO, EL PASO COUNTY TEXAS.**

On a motion made by Ms. Garcia, seconded by Mr. Gallardo and unanimously carried, the Board authorized the President/CEO to purchase and sign any and all documents necessary to complete the purchase of approximately 7000 square feet of land including three dwellings totaling approximately 3518 total square feet, generally described as Lots 1 and 2, Block 45 of Supplemental Map No. 1 of East El Paso an addition to the City of El Paso, El Paso County, Texas, located at 300-306 Estrella Street, for the purchase price of \$224,900.00.

**DELIBERATED REGARDING PROPERTY ACQUISITIONS FOR THE GATEWAY EAST POND PROJECT.**

On a motion made by Ms. Garcia, seconded by Mr. Gallardo and unanimously carried, the Board determined there is a public purpose in the acquisition of land and property for the construction of stormwater facilities to prevent flooding within the area, such construction known as the Gateway East Phase II Pond Project and authorized the President/CEO to purchase and sign any and all documents necessary to complete the purchase of land acquisitions necessary for the completion of the Gateway East Phase II Pond Project, so long as the purchase price does not exceed 30% of the appraised value of the CAD value, whichever is higher, provided that the Board has approved funding for the Gateway East Phase II Pond Project, to include land acquisition costs; there are enough acquisition funds remaining in the project's budget to cover the costs of the acquisition; a third party independent appraisal is obtained; and the negotiated purchase price is within the parameters approved by the Board.

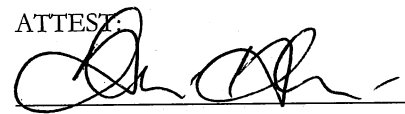
**ANNUAL PERFORMANCE REVIEW OF THE PRESIDENT/CEO**

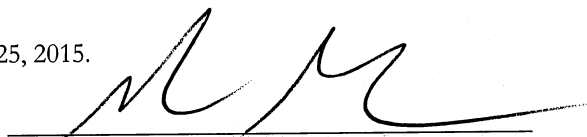
On a motion made by Ms. Garcia, seconded by Mr. Gallardo and unanimously carried, the Board determined that the President/CEO has performed above average and exceeded the Board's expectations; and recommended a salary increase in the amount of \$16,800.

**ADJOURNMENT**

The meeting was adjourned at 12:12 p.m., March 25, 2015.

ATTEST:

  
\_\_\_\_\_  
Secretary-Treasurer

  
\_\_\_\_\_  
Chair

RESOLUTION

A RESOLUTION APPROVING AND ACCEPTING THE EASTSIDE INTERCEPTOR PHASE 5 – PART 1 PROJECT, BID NO. 02-13; AND DECLARING AN EFFECTIVE DATE.

**WHEREAS**, EL PASO WATER UTILITIES PUBLIC SERVICE BOARD has completed the construction of the Eastside Interceptor Phase 5 – Part 1, Bid No. 02-13, located in the City of El Paso, Texas, for which funding has been provided by TEXAS WATER DEVELOPMENT BOARD; and

**WHEREAS**, Brown and Caldwell, Inc., the consulting engineers for the design and construction management of the Eastside Interceptor Phase 5 – Part 1 Project, Bid No. 02-13, have certified that the project is complete and in accordance with the approved plans and specifications.

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

**Section 1.** The findings and recitations set out in the preambles of this Resolution are found to be true and correct, and they are hereby adopted by the PUBLIC SERVICE BOARD.

**Section 2.** The PUBLIC SERVICE BOARD, subject to the approval of the Texas Water Development Board, hereby approves and accepts the Eastside Interceptor Phase 5 – Part 1 Project, Bid No. 02-13, as of January 27, 2014, and finds that pursuant to its consulting engineers' findings, the construction meets all the specifications of the contract documents.

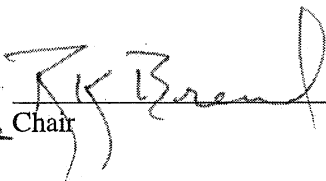
**Section 3.** That a true and correct copy of this Resolution shall be immediately forwarded to appropriate officials of the Texas Water Development Board.

**PASSED AND APPROVED** at a regular meeting of the Public Service Board of the City of El Paso, Texas, this 25<sup>th</sup> day of March, 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.

EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

ATTEST:

  
\_\_\_\_\_

  
Vice Chair

APPROVED

  
\_\_\_\_\_  
Robert Andron, General Counsel

RESOLUTION

A RESOLUTION APPROVING AND ACCEPTING THE EASTSIDE INTERCEPTOR PHASE 5 – PART 2 PROJECT, BID NO. 20-13; AND DECLARING AN EFFECTIVE DATE.

**WHEREAS**, EL PASO WATER UTILITIES PUBLIC SERVICE BOARD has completed the construction of the Eastside Interceptor Phase 5 – Part 2, Bid No. 20-13, located in the City of El Paso, Texas, for which funding has been provided by TEXAS WATER DEVELOPMENT BOARD; and

**WHEREAS**, Parkhill, Smith & Cooper, Inc., the consulting engineers for the design and construction management of the Eastside Interceptor Phase 5 – Part 2 Project, Bid No. 20-13, have certified that the project is complete and in accordance with the approved plans and specifications.

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

**Section 1.** The findings and recitations set out in the preambles of this Resolution are found to be true and correct, and they are hereby adopted by the PUBLIC SERVICE BOARD.

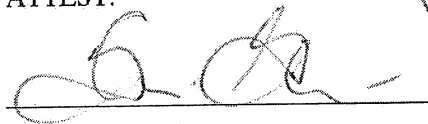
**Section 2.** The PUBLIC SERVICE BOARD, subject to the approval of the Texas Water Development Board, hereby approves and accepts the Eastside Interceptor Phase 5 – Part 2 Project, Bid No. 20-13, as of March 28, 2015, and finds that pursuant to its consulting engineers' findings, the construction meets all the specifications of the contract documents.

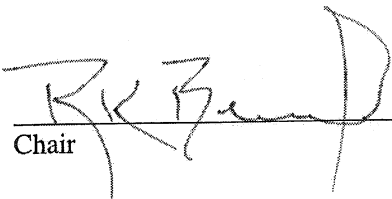
**Section 3.** That a true and correct copy of this Resolution shall be immediately forwarded to appropriate officials of the Texas Water Development Board.

**PASSED AND APPROVED** at a regular meeting of the Public Service Board of the City of El Paso, Texas, this 25<sup>th</sup> day of March, 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.

EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

ATTEST:



Vice Chair 

APPROVED

  
Robert Andron, General Counsel



## **RESOLUTION**

A RESOLUTION REQUESTING THE EL PASO CITY COUNCIL APPROVE THE ISSUANCE AND SALE OF UP TO TWENTY MILLION, THREE HUNDRED-THIRTY THOUSAND AND NO/100 DOLLARS (\$20,330,000.00) OF EL PASO, TEXAS WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2015A, TO FUND CAPITAL IMPROVEMENT PROJECTS APPROVED FOR FISCALYEAR 2015-2016 AND FUND RELATED TRANSACTION COSTS; AND PROVIDE AN EFFECTIVE DATE.

**WHEREAS**, the City Council of the City of El Paso, Texas established the El Paso Texas Water and Sewer Utilities System by Ordinance Number 752, May 22, 1952;

**WHEREAS**, the City Council as authorized by State law vested the complete management and control of the El Paso Texas Water Utilities System in a board of trustees, said board being the El Paso Water Utilities Public Service Board ("PSB");

**WHEREAS**, the El Paso Water Utilities Public Service Board, in order to take advantage of a favorable financial market, desires the City of El Paso ("City") to approve the issuance and sale of up to TWENTY MILLION, THREE HUNDRED THIRTY THOUSAND AND NO/100 DOLLARS (\$20,330,000.00) in City of El Paso, Texas Water and Sewer System Revenue Bonds, Series 2015A ("Bonds") so as to fund capital improvement projects approved for fiscal year 2015-2016;

**WHEREAS**, the City's Financial Advisor, First Southwest Company, and the PSB's Bond Counsel, Fulbright & Jaworski, L.L.P., intend to bring a Bond Ordinance before the El Paso City Council to authorize the issuance and sale of Bonds to fund capital improvement projects; such Ordinance to be introduced and publicly heard pursuant to the requirements of the El Paso City Charter and State law;

**WHEREAS**, the PSB finds that it is in the best interest of the water and sewer system utility ratepayers for this funding and financing to take place;

**NOW, THEREFORE, BE IT RESOLVED BY THE EL PASO WATER UTILITIES 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 true and correct and are hereby adopted by the El Paso Water Utilities Public Service Board, which has been vested with the complete management and control of the El Paso Texas Water and Sewer System, and made a part of this Resolution by this reference for all purposes.


Section 2. That the El Paso Water Utilities Public Service Board requests the El Paso City Council to approve the issuance and sale of up to TWENTY MILLION, THREE HUNDRED THIRTY THOUSAND AND NO/100 DOLLARS (\$20,330,000.00) in City of El Paso, Texas Water and Sewer System Revenue Bonds, Series 2015A, so as to fund capital improvement projects as approved for fiscal year 2015-2016 and approve and authorize the costs of issuance of same.

PSB Resolution  
Water and Sewer Revenue Bonds, Series 2015A  
Page 2.

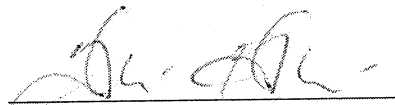
Section 3. That all actions heretofore taken by the PSB's President/CEO, the City's Financial Advisor and the PSB's Bond Counsel with respect to this matter are hereby ratified and approved.

**PASSED AND APPROVED** at a regular meeting of the El Paso Water Utilities Public Service Board of the City of El Paso, Texas, this 25<sup>th</sup> day of March, 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.

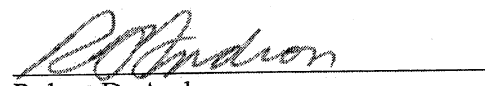
EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

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

ATTEST:

  
Terri Garcia  
Secretary/Treasurer

APPROVED AS TO FORM:

  
Robert D. Andron  
General Counsel