

**MINUTES  
PUBLIC SERVICE BOARD  
CITY OF EL PASO  
November 11, 2015**

The regular meeting of the Public Service Board was held Wednesday, November 11, 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  
Ruth Katherine Brennand, Vice Chair  
Terri Garcia, Secretary-Treasurer  
Christopher Antcliff, Member  
Bradley Roe, Member

**PSB MEMBERS ABSENT**

Mayor Oscar Leoser, Ex-Officio Member  
Henry Gallardo, Member

**PSB EMPLOYEES PRESENT**

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

**EPWU EMPLOYEES PRESENT**

Matthew Behrens, Assistant General Counsel  
Daniel Ortiz, Assistant General Counsel  
Marcela Navarrete, Vice President  
Alan Shubert, Vice President  
Lisa Rosendorf, Chief Communications & Government Affairs Officer  
Art Duran, Chief Financial Officer  
Gilbert Trejo, Chief Technical Officer  
Armando Renteria, Chief Information Officer  
Warren Marquette, Utility Engineer  
Gretchen Byram, Computer Media Specialist  
Javier Camacho, Public Information Specialist  
Hector Gonzalez, Government Affairs Manager  
Christina Montoya, Marketing & Communications Manager  
Cynthia Osborn, Real Estate Manager/Counsel  
Rose Guevara, Senior Purchasing Agent  
Georgette Webber, Executive Secretary

**GUESTS**

Sanaan Villalobos, ArcadisUS  
Pam Farone, Citizen  
Raymond Telles, Camino Real Regional Mobility Authority  
Judy Ackerman, Citizen  
Vilma Luna, HillCo Partners  
Dan Pearson, HillCo Partners  
Carlos Gallinar, City of El Paso  
René Leon, Canutillo ISD  
Daniel Olson, Arcadis

Sarah Guemez, CDM Smith

**MEDIA**  
El Paso Times

The Public Service Board meeting was called to order by Dr. Schoephoerster at 8:10 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Mr. Alan Shubert, Vice President, in reciting the Pledge of Allegiance.

### CONSENT AGENDA

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

**APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETING HELD ON OCTOBER 14, 2015.**

The Board approved the minutes of the regularly scheduled meeting held on October 14, 2015.

**AWARDED A CONTRACT THROUGH THE TEXAS MULTIPLE AWARD SCHEDULE (TXMAS) PRICING CONTRACT# 11-66020 TO ALL BUSINESS MACHINES DBA ATTAIN IT TO PURCHASE THE 7890B SERIES GC/5977A ANALYZER SYSTEM IN THE AMOUNT OF \$89,319.35.**

The Board awarded a contract through the Texas Multiple Award Schedule (TXMAS) pricing contract# 11-66020 to All Business Machines dba Attain It to purchase the 7890B Series GC/5977A Analyzer system in the amount of \$89,319.35.

**ADOPTED A RESOLUTION APPROVING THE ADDITION OF AUTHORIZED REPRESENTATIVES TO TRANSMIT AND WITHDRAW FUNDS, ON BEHALF OF THE PUBLIC SERVICE BOARD, FROM THE TEXAS SHORT TERM ASSET RESERVE PROGRAM (TEXSTAR) AND PROVIDING AN EFFECTIVE DATE.**

The Board adopted a resolution approving the addition of authorized representatives to transmit and withdraw funds, on behalf of the Public Service Board, from the Texas Short Term Asset Reserve Program (TexSTAR) and providing an effective date. (Resolution attached)

### REGULAR AGENDA

**APPROVED CHANGES TO THE REGULAR AGENDA.**

Ms. Lupe Cuellar, General Counsel, made a request to delete Item 4 from the agenda and postpone the item until the December 16, 2015 regular meeting. She also said Item 7 should be corrected to read "Consider and authorize the President/CEO to sign an agreement with the Camino Real Regional Mobility Authority specifying the terms and conditions, to include allocation of costs, for the ~~relocation~~ installation of water and wastewater infrastructure located within the Mission Ridge Project area."

On a motion made by Mr. Roe seconded by Ms. Brennand and unanimously carried, the Board deleted Item 4 from the agenda and postponed it until the December 16, 2015 regular meeting and accepted the correction to Item 7.

**PRESENTATION AND DIRECTION TO EPWU STAFF ON A PROPOSED BEAUTIFICATION PROJECT FOR AN EPWU FACILITY.**

On a motion made by Mr. Roe seconded by Ms. Brennand and unanimously carried, the Board deleted this item from the agenda and postponed the presentation until the December 16, 2015 regular meeting.

**AWARDED BID NUMBER 52-15, EPWU ELEVATED WATER STORAGE TANKS – NORTH 2 (3 MG), MEMPHIS (2.5 MG), AND VENTANAS (2.0 MG), TO THE LOWEST, RESPONSIVE, RESPONSIBLE BIDDER, LANDMARK STRUCTURES IN THE AMOUNT OF \$13,400,000.**

Mr. Gilbert Trejo, Chief Technical Officer, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). This project involves the construction of three elevated water storage tanks. The proposed tank infrastructure is part of an overall storage and pumping network that supplies and supports growth in east and northeast El Paso and increases storage capacity in the central area. The North 2 Tank is located in northeast El Paso and will have a 3 million gallon storage capacity. The Memphis Tank is located in central El Paso and will have a 2.5 million gallon storage capacity. The Ventanas Tank is located in far east El Paso and will have a 2 million gallon storage capacity. Construction of all three tanks includes all associated sitework, electrical, instrumentation/control systems, pipelines, valves, and other miscellaneous improvements at each tank site. The three tanks were originally designed as separate and independent projects but were consolidated into one bid package to receive a standardized product and savings associated with materials, labor, and equipment.

El Paso Water Utilities (EPWU) received two bids for this project on September 17, 2015 ranging from \$13,400,000 to \$17,574,000. The Engineer's estimate was \$15,201,604. The project consulting engineer, Moreno Cardenas, evaluated the qualifications of the apparent low bidder and determined Landmark Structures I 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 Bid Number 52-15, EPWU Elevated Water Storage Tanks – North 2 (3 MG), Memphis (2.5 MG), and Ventanas (2.0 MG) Tanks, to Landmark Structures I as the lowest, responsive, responsible bidder, in the amount of \$13,400,000. Mr. Trejo addressed questions from the Board regarding this project.

On a motion made by Mr. Roe, seconded by Ms. Brennan and unanimously carried, the Board awarded Bid Number 52-15, EPWU Elevated Water Storage Tanks – North 2 (3 MG), Memphis (2.5 MG), and Ventanas (2.0 MG), to the lowest, responsive, responsible bidder, Landmark Structures in the amount of \$13,400,000.

**APPROVED TASK ORDER NUMBER 1 AMENDMENT 6 - CONSTRUCTION ADMINISTRATION SERVICES FOR CANAL WATER TREATMENT PLANT LONG TERM STRUCTURAL REPAIRS PHASE 1 TO CDM SMITH, INCORPORATED.**

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Utility is currently performing structural repairs, including miscellaneous structural modifications, compaction of subgrades for concrete decks, leveling of slabs, and joint filling and crack repairs to be performed throughout the plant during the seasonal plant outage of October 2015 through April 2016. CDM Smith was awarded the engineering design phase services for the Canal 54-inch Discharge Line and Pump Station project by the Public Service Board in February 2013 based on their previous involvement in the Canal Plant and involvement with structural issues at the facility. CDM Smith provides both plant experience and structural capability necessary for the scope of work required for Canal Treatment Plant project and will oversee the structural repairs. A fee proposal associated with the scope of services was submitted, reviewed, and negotiated with the consultant to come to an agreement on the cost to complete the project. The negotiated construction services fees are in line with the level of effort and hours required to complete the project and include office and field engineering services. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Ms. Brennan, seconded by Mr. Antcliff and unanimously carried, the Board approved Task Order Number 1 Amendment 6 - Construction Administration Services for Canal Water Treatment Plant Long Term Structural Repairs Phase 1 to CDM Smith, Incorporated.

**AUTHORIZED THE PRESIDENT/CEO TO SIGN AN AGREEMENT WITH THE CAMINO REAL REGIONAL MOBILITY AUTHORITY SPECIFYING THE TERMS AND CONDITIONS,**

**TO INCLUDE ALLOCATION OF COSTS, FOR THE RELOCATION INSTALLATION OF WATER AND WASTEWATER INFRASTRUCTURE LOCATED WITHIN THE MISSION RIDGE PROJECT AREA.**

Mr. Shubert, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Camino Real Regional Mobility Authority (CRRMA) received funding for the Mission Ridge Boulevard Extension Project. El Paso Water Utilities will construct a 24-inch water main that will connect two existing developments, placing them in the same pressure zone. The water main will also provide redundant water supply to both developments. The County of El Paso notified EPWU that an engineer was hired to generate design drawings for the extension of Mission Ridge Boulevard and asked if EPWU had planned work along the project limits. EPWU hired CEA Group to prepare design drawings for a water main and to coordinate with CRRMA. The water design drawings were included with CRRMA bid package. In September, the CRRMA put the bid out and a lowest responsive, responsible bidder was selected. EPWU staff determined it would be of benefit to have CRRMA's contractor construct the water lines rather than bidding the project and hiring a contractor. Bidding the water main extension project separately will delay the construction of the roadway.

Ms. Cuellar said the CRRMA bid line item for the relocation is \$1,234,030.00. EPWU's contribution would be that amount plus an additional 10% allocated for any change orders and an additional 11% for construction engineering, inspection and testing. Therefore, EPWU would be responsible for a total of \$1,493,949.92. This amount would be divided between fiscal years. Mr. Shubert said 33 percent would be paid with funds from the current fiscal year and the remaining 67 percent on March 1, 2016. Mr. Balliew and Mr. Raymond Telles from the Camino Real Regional Mobility Authority addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Ms. Brennand and unanimously carried, the Board authorized the President/CEO to sign an agreement with the Camino Real Regional Mobility Authority specifying the terms and conditions, to include allocation of costs, for the relocation of water and wastewater infrastructure located within the Mission Ridge Project area.

**AWARDED A SOLE SOURCE CONTRACT TO DE NORA WATER TECHNOLOGIES, INCORPORATED TO FURNISH AND INSTALL BAYOXIDE E33 GRANULAR FERRIC OXIDE MEDIA FOR THE CIELO VISTA AND EASTWOOD ARSENIC TREATMENT FACILITIES IN THE AMOUNT OF \$340,570; AND AUTHORIZED THE USE OF COMMERCIAL PAPER.**

Mr. Duran presented information to the Board regarding this item. In 2004, EPWU started the implementation of arsenic removal facilities at three different groundwater treatment sites, to comply with the 2006 arsenic treatment rule change. The sites are the Northeast Well Field, Eastwood, and Cielo Vista Treatment Facilities. The goal of the arsenic treatment facilities is to treat multiple well sites high in arsenic content to acceptable levels and to send this water to distribution system. The media installed was the granular ferric oxide Bayoxide E33 (Bayoxide E33). The life of the media was based on runtime and the number of well sites being treated. Due to recent years with shorter surface water allotments the wells have been operated more frequently; therefore, the useful life of the Bayoxide E33 media for both Cielo Vista and Eastwood sites has been reached.

In 2004, CH2MHill performed an evaluation of different types of granular ferric oxide media; one of which was the Bayoxide E33. As a result, it was determined that the best performing media was Bayoxide E33. The Bayoxide E33 would have better results for the following: reduction in the arsenic levels, percent run time, and number of bed volumes treated. LanXess GmbH is the proprietary sole source manufacture of Bayoxide E33 and De Nora Water Technologies, Incorporated is the exclusive global distributor for the drinking water market.

On a motion made by Mr. Roe, seconded by Ms. Garcia and unanimously carried, the Board awarded a sole source contract to De Nora Water Technologies, Incorporated to furnish and install Bayoxide E33 Granular Ferric Oxide media for the Cielo Vista and Eastwood Arsenic Treatment Facilities in the amount of \$340,570;

and authorized the use of Commercial Paper. (Resolution attached)

**APPROVED A SOLE SOURCE PURCHASE IN THE AMOUNT OF \$194,000, FOR PURE TECHNOLOGIES, INCORPORATED, TO CONDUCT AN ELECTROMAGNETIC CONDITION ASSESSMENT OF THREE SEGMENTS OF THE 48-INCH DIAMETER CROSS CITY FEEDER TOTAL 2.0 MILES IN LENGTH, (AND AUTHORIZED THE USE OF COMMERCIAL PAPER).**

Mr. Duran presented the Board with information regarding this item. The Utility requires assessment for replacement or rehabilitation of transmission mains before critical segments start showing evidence of severe distress, such as leaks and costly breaks. Assessment on approximately 2.0 miles of 48" diameter water main lines in various locations throughout the city, have been identified. Pure Technologies offers a unique pipe condition assessment of steel cylinder concrete pipe using a robotic electromagnetic inspection tool, with close circuit television and sonar sensors that provide data for quantification and location of pre-stressing wire breaks of over 5000 linear feet, using fiber optic tethering cable. Pure Technologies, a qualified sole-source supplier of this specialized technology, submitted a proposal to conduct this assessment for a total fee of \$194,000. Mr. Balliew addressed several questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Ms. Brennand and unanimously carried, the Board approved a sole source purchase in the amount of \$194,000, for Pure Technologies, Incorporated, to conduct an electromagnetic condition assessment of three segments of the 48-Inch Diameter Cross City Feeder total 2.0 miles in length, and authorized the use of commercial paper. (Resolution attached)

**AWARDED BID NUMBER 57-15, ENGINE AND GENERATOR MAINTENANCE SERVICES RE-BID, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, SOUTHWEST COMMERCIAL ENGINES, IN THE ESTIMATED ANNUAL AMOUNT OF \$591,889.09 WITH AN OPTION FOR TWO ONE-YEAR EXTENSIONS.**

Mr. Duran presented information to the Board regarding this item. There are 63 generators and engines. The generators are used for backup power to the water and wastewater plants, wells and pump stations. The contractor will be responsible for the maintenance service required on 63 generators and engines. Five bids were received ranging from \$591,889.09 to \$800,362.00. The Engineer's estimate was \$638,450.00. EPWU staff evaluated the bids and determined that Southwest Commercial Engines was the lowest responsive, responsible bidder meeting all specifications, and recommended award in the estimated annual amount of \$591,889.09. Mr. Duran and Mr. Balliew 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 Bid Number 57-15, Engine and Generator Maintenance Services Re-Bid, to the lowest responsive, responsible bidder, Southwest Commercial Engines, in the estimated annual amount of \$591,889.09, with an option for two one-year extensions.

**AWARDED BID NUMBER 59-15, LIQUID OXYGEN TO THE LOWEST, RESPONSIVE, RESPONSIBLE BIDDER, MATHESON TRI-GAS, INCORPORATED, IN THE ESTIMATED ANNUAL AMOUNT OF \$289,000 WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS.**

Mr. Duran presented the Board with information regarding this item. Liquid oxygen is used for odor control at various lift stations and in the production of ozone for disinfection at the Fred Hervey Water Reclamation Plant. EPWU received two bids from Matheson Tri-Gas, in the estimated annual amount of \$289,000 and Praxair, no bid. EPWU staff evaluated this bid and concurred with the Purchasing Department to recommend award to the lowest, responsive, responsible bidder, Matheson Tri-Gas, in the estimated annual amount of \$289,000. Mr. Duran addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Ms. Brennand, and unanimously carried, the Board awarded Bid Number 59-15, Liquid Oxygen to the lowest, responsive, responsible bidder, Matheson Tri-Gas, Incorporated, in the estimated annual amount of \$289,000, with the option for two one-year extensions.

**RATIFIED A CONTRACT RENEWAL WITH AT&T FOR VOICE AND DATA SERVICES WITH BUY BOARD PRICING THROUGH THE STATE OF TEXAS DIR CONTRACT NUMBER DIR-TEX-AN-NG-CTSA-005 FOR A CONTRACT PERIOD OF SEPTEMBER 1, 2015 THROUGH JUNE 30, 2016 IN AN ESTIMATED AMOUNT OF \$50,520.**

Mr. Armando Renteria, Chief Information Officer, presented information to the Board regarding this item. Long distance telephone service and voice/data circuits are key components of the telecommunication network that supports voice and data communications for all Utility facilities. The Information Services Department recommended a contract renewal with AT&T for telecommunication voice and data services through the State of Texas DIR (Department of Information Resources) Contract Number DIR-TEX-AN NG CTSA-005. The prices offered through the DIR contract were reviewed and determined to be reasonable. Mr. Renteria addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Ms. Garcia and unanimously carried, the Board ratified a contract renewal with AT&T for voice and data services with buy board pricing through the State of Texas DIR Contract Number DIR-TEX-AN-NG-CTSA-005 for a contract period of September 1, 2015 through June 30, 2016 in an estimated amount of \$50,520.

**AUTHORIZED THE PRESIDENT/CEO TO RENEW A CONTRACT WITH THE FIRM OF HILLCO PARTNERS TO PROVIDE LOBBYING SERVICES IN AUSTIN, TEXAS, FOR A PERIOD OF ONE YEAR BEGINNING JANUARY 1, 2016, THROUGH DECEMBER 31, 2016.**

Mr. Hector Gonzalez, Government Affairs Manager, introduced Mr. Dan Pearson and Ms. Vilma Luna from the firm of HillCo Partners, to provide the Board with a PowerPoint presentation. The firm of HILLCO Partners has been providing lobbying services on behalf of EPWU for a number of years. They are tasked with representing EPWU interests in Austin, Texas. During her presentation, Ms. Luna provided the Board with a brief summary of the 2015 State Legislative Session and also discussed proposed interim charges by the State legislature. The term of the requested contract is from January 1, 2016 to December 31, 2016. Ms. Luna, Mr. Pearson and Mr. Balliew addressed questions from the Board. The Board also heard comments from Ms. Judy Ackerman, citizen.

On a motion made by Ms. Brennand, seconded by Mr. Roe and unanimously carried, the Board authorized the President/CEO to renew a contract with the firm of HILLCO Partners to provide lobbying services in Austin, Texas, for a period of one year beginning January 1, 2016, through December 31, 2016.

**AUTHORIZED THE PRESIDENT/CEO TO ENTER INTO A STANDARD UTILITY AGREEMENT WITH THE STATE OF TEXAS FOR THE GO 10 PROJECT (FORMERLY THE COLLECTOR DISTRIBUTOR (CD) LANE PROJECT) SPECIFYING THE TERMS AND CONDITIONS, INCLUDING THE ALLOCATION OF COSTS, FOR THE RELOCATION OF EXISTING WATER, WASTEWATER AND RECLAIMED INFRASTRUCTURE WITHIN THE PROJECT BOUNDARY, AND SIGN ANY SUPPLEMENTAL AMENDMENTS TO THE AGREEMENT.**

Ms. Cynthia Osborn, Real Estate Manager/Counsel, made a PowerPoint Presentation to the Board regarding this item (copy on file in Central Files). The State, through its contractor, Sundt Construction, is constructing commuter distributor lanes along I-10 from Mesa Street to Buena Vista. There are existing water, wastewater and storm water infrastructure located within the project boundary that must be relocated. The agreement sets forth the terms of the relocation and allocates the costs for relocating the infrastructure. Allowing the President/CEO to execute the agreement will allow the contractor to proceed with the project and relocate any

existing infrastructure within the project boundary. Mr. Balliew made comments regarding this project and the agreement terms. Ms. Osborn also addressed questions from the Board.

On a motion by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, the Board authorized the President/CEO to enter into a Standard Utility Agreement with the State of Texas for the Go 10 Project (formerly the Collector Distributor (CD) Lane Project) specifying the terms and conditions, including the allocation of costs, for the relocation of existing water, wastewater and reclaimed infrastructure within the project boundary, and sign any supplemental amendments to the agreement.

**TOOK ACTION ON DIRECTION RECEIVED FROM THE EL PASO CITY COUNCIL, MADE ON MARCH 18 2014, FOR THE CITY MANAGER TO COORDINATE WITH THE PUBLIC SERVICE BOARD TO DETERMINE THE FEASIBILITY OF SELLING PROPERTY IN 100 ACRES PARCELS OR LESS, FOR PROPERTY LOCATED IN THE NORTHWEST REGULATING PLANNED AREA.**

Ms. Marcela Navarrete, Vice President, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). On March 18 2014, City Council directed the City Manager to coordinate with the Public Service Board to determine whether property located in the Northwest Regulating Planned area could be sold in parcels of 100 acres or less, should the parcels have the necessary infrastructure and to report back to City Council with recommendations. City staff coordinated meetings with staff from city departments, El Paso Water Utilities (EPWU) and the Canutillo Independent School District to analyze and determine the infrastructure needs and requirements necessary to support the development of the master planned areas. Furthermore, EPWU hired URS to conduct an infrastructure assessment of the master planned area to provide a recommendation from an infrastructure perspective. Mr. Alan Shubert,, Vice President, discussed the findings of the infrastructure assessment. The total planned area in question is 619 acres of developable land. One of the major concerns from the assessment was the cost allocations for the major bridges necessary for the development as well as the transportation, water, wastewater and stormwater infrastructure. If sold into pieces, the parcels would need to be sold sequentially which could delay the sale of certain parcels for many years. Ms. Navarrete said City staff and EPWU staff came to a consensus that it would be most efficient to sell the development as one parcel. She said selling the development as one piece would uphold the integrity of the development. Ms. Navarrete and Mr. Balliew addressed several comments and questions from the Board regarding this item. The Board also heard comments from Ms. Judy Ackerman, citizen, Mr. Rene Leon from the Canutillo Independent School District and Mr. Carlos Gallinar from the City of El Paso.

On a motion made by Mr. Antcliff, seconded by Mr. Roe, and unanimously carried, the Board directed staff to recommend to the El Paso City Council that property located within the Northwest Regulating Planned Area be sold as one parcel and not in 100-acre parcels or less.

**MANAGEMENT REPORT**

- **PSB Budget Meetings** – Mr. Balliew made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). Mr. Balliew said the next PSB Budget meeting would be held on November 16, 2015. At the request of the Board, another budget meeting could be held on November 30, 2015, if necessary, for clarification and additional information. Both meetings would begin at 6:00 p.m. in the PSB Board Room.
- **PSB Selection Committee Meeting** – Mr. Balliew made a PowerPoint presentation to the Board (copy on file in Central Files). He said the PSB Selection Committee would meet on November 18, 2015, at 5:30 p.m. in the PSB Board Room. Ms. Brennand's term will expire on December 31, 2015 and she will be ineligible to serve another term. Therefore, the Committee will meet to provide City Council with three eligible candidates for consideration and appointment of one person to fill the vacancy.

- **Bond Issue Transaction Results for the 2015C Water and Sewer Revenue Bonds** – Ms. Navarrete said the bonds went to market on November 3, 2015 and below are the results of the transaction.

Forecasted net present value savings: 7.7% (\$1,082,000)  
Actual net present value savings: 10.96% (\$1,536,000)  
Forecasted overall true interest cost: 3.46%  
Actual overall true interest cost: 3.14%

The Utility will save approximately \$110,000 annually in debt. Ms. Navarrete said it was a very successful transaction and thanked First Southwest and the following underwriters, Ramirez & Co., Incorporated (Senior Manager), Piper Jaffray & Co. (Co-Manager) and Hutchison, Shockey, Erley & Co. (Co-Manager), for their hard work on the transaction. Ms. Navarrete addressed several questions from the Board regarding the transaction and the experience with working with the selected underwriters.

**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 Mr. Antcliff, seconded by Ms. Brennand, and unanimously carried, the Board retired into Executive Session at 9:44 a.m., November 11, 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 551.072 Deliberation Regarding Real Property  
The Board will deliberate regarding the sale of several parcels of land located along Interstate 10 between Mesa Street and Buena Vista within the project boundary area of the TXDOT GO 10 Project area (formerly known as the Collector Distributor (CD) Lane Project), within the City of El Paso, El Paso County Texas.
- b. Section 551.071 Consultation with Attorney  
The Board will consult with its attorneys regarding the claim of Garcom, Incorporated for the Mesa Street Water Line Project, Bid #79-13.

On a motion made by Ms. Garcia seconded by Mr. Roe, and unanimously carried, the Board reconvened in open session at 10:21 a.m., November 11, 2015.

**DELIBERATED REGARDING THE SALE OF SEVERAL PARCELS OF LAND LOCATED ALONG INTERSTATE 10 BETWEEN MESA STREET AND BUENA VISTA WITHIN THE PROJECT BOUNDARY AREA OF THE TXDOT GO 10 PROJECT AREA (FORMERLY KNOWN AS THE COLLECTOR DISTRIBUTOR (CD) LANE PROJECT), WITHIN THE CITY OF EL PASO, EL PASO COUNTY TEXAS.**

On a motion made by Ms. Garcia, seconded by Ms. Brennand and unanimously carried, the Board declared the land as inexpedient to the system and authorized the President/CEO to obtain one appraisal and recommend to the City of El Paso that the parcels of land identified by TXDOT as parcels 3, 7, 8, 8A, 9 and 21 be conveyed



to the State of Texas at the highest appraised value and sign any and all documents necessary to complete the conveyance of the land to the State of Texas.


**CONSULTATION WITH ATTORNEYS REGARDING THE CLAIM OF GARCOM, INCORPORATED FOR THE MESA STREET WATER LINE PROJECT, BID #79-13.**


On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, the Board denied the claim of GarCom, Incorporated for the Mesa Street Water Line Project, Bid Number 79-13, and authorized the General Counsel to take any and all action necessary to defend the interest and position of the Utility, both affirmative and defensive, to include but not limited to, the initiation and response to any litigation, complaints, or other administrative or judicial proceeding or process, in connection with this claim.

**ADJOURNMENT**

The meeting was adjourned at 10:23 a.m., November 11, 2015.

ATTEST:

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

  
\_\_\_\_\_  
Chair

RESOLUTION

A RESOLUTION AUTHORIZING THE PRESIDENT AND CEO TO APPROVE THE SOLE SOURCE PURCHASE TO PURE TECHNOLOGIES, INCORPORATED FOR A ROBOTIC ELECTROMAGNETIC CONDITION ASSESSMENT OF TRANSMISSION MAINS IN VARIOUS LOCATIONS THROUGHOUT THE CITY; AND AUTHORIZE FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.

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**WHEREAS**, the El Paso Water Utilities requires assessment for replacement or rehabilitation of transmission mains before critical segments start showing evidence of severe distress, such as leaks and costly breaks; and,

**WHEREAS**, the El Paso Water Utilities needs to conduct such assessment on approximately 2.0 miles of 48" diameter water main lines in various locations throughout the City; and,

**WHEREAS**, Pure Technologies offers a unique pipe condition assessment of steel cylinder concrete pipe using a robotic electromagnetic inspection tool with close circuit television and sonar sensors that provides data for quantification and location of pre-stressing wire breaks of over 5000 linear feet, using fiber optic tethering cable; and,

**WHEREAS**, Pure Technologies, a qualified sole-source supplier of this specialized technology submitted a proposal to conduct this assessment for a total fee of \$194,000.00; 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 approve the award of the sole source purchase to Pure Technologies, Incorporated for a robotic electromagnetic specialized pipe condition assessment for various locations throughout the City in the amount not to exceed of \$194,000.00.

**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#W5279, Account Number 1406-406, Budget FY 2006-07, in the amount of \$194,000.00.

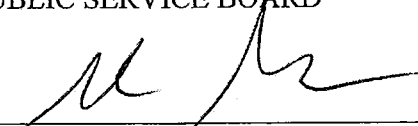
**PASSED AND APPROVED** at the regular meeting of the Public Service Board of the City of El Paso Texas, this 11<sup>th</sup> day of November, 2015, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A. Government Code, Sections 551.001 et. seq.

EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD

ATTEST:

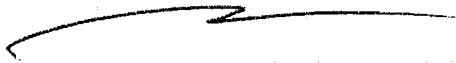


Terri Garcia  
Secretary-Treasurer



Dr. Richard T. Schoephoerster, Chair

APPROVED AS TO FORM:



Lupe Cuellar, General Counsel

RESOLUTION

A RESOLUTION AUTHORIZING THE PRESIDENT AND CEO TO APPROVE THE AWARD OF A SOLE SOURCE CONTRACT TO DE NORA WATER TECHNOLOGIES, INCORPORATED FOR BAYOXIDE E33 GRANULAR FERRIC OXIDE MEDIA FURNISHING FOR THE CIELO VISTA AND EASTWOOD ARSENIC TREATMENT FACILITIES; AND AUTHORIZING FUNDING THROUGH THE COMMERCIAL PAPER PROGRAM.

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**WHEREAS**, in preparation to the 2006 Arsenic treatment rule changes, in mid-2004 El Paso Water Utilities started implementation of arsenic removal facilities at three groundwater treatment sites - the Northeast Well Field, and the Eastwood and Cielo Vista Treatment Facilities the intent to treat multiple well sites high in arsenic content and send out to distribution; and,

**WHEREAS**, in early 2004 CH2MHill performed an evaluation of different types of granular ferric oxide media and determined that the best performing media was the Bayoxide E33, because use of the Bayoxide E33 resulted in a higher reduction in the arsenic levels, percent run time and number of bed volumes; and,

**WHEREAS**, the granular ferric oxide Bayoxide E33 media was installed and the useful life of the Bayoxide E33 media has been reached for both Cielo Vista and Eastwood sites due to having shorter surface water allotments in recent years requiring that the wells be operated more frequently; 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 sole source contract to De Nora Water Technologies, Incorporated to furnish and install Bayoxide E33 Granular Ferric Oxide Media for the Cielo Vista and Eastwood Arsenic Treatment Facilities in the amount not to exceed \$340,570.00.

**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#W5519, FY 2015-16, Account Number 1215-013 in the amount of \$340,570.00.

**PASSED AND APPROVED** at the regular meeting of the Public Service Board of the City of El Paso Texas, this 11<sup>th</sup> day of November, 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:



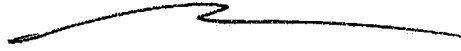
Terri Garcia  
Secretary-Treasurer

EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD



Dr. Richard T. Schoephoerster, Chair

APPROVED AS TO FORM:



Lupe Cuellar, General Counsel

## RESOLUTION

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

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

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

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

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

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

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

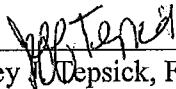
Section 2. That pursuant to this Resolution, the following individuals listed below are officers, employees or authorized representatives of the PSB/Board and are each hereby authorized to transmit PSB funds to TexSTAR for investment in accordance with TexSTAR policies and procedures and each are further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



Marcela Navarrete, CPA  
Vice President Strategic, Financial and  
Managements Services



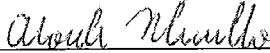
Arturo Duran, Chief Financial Officer



Jeffrey Wepsick, Fiscal Operations Manager



Lidia Carranco, Accounting Manager



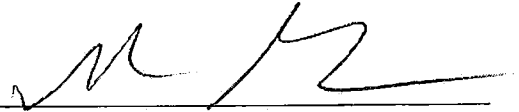
Alondra Murillo, Associate Accountant

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

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

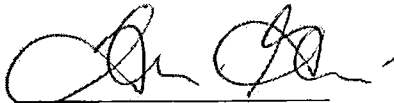
**APPROVED, PASSED and ADOPTED** at a regular meeting of the El Paso Water Utilities Public Service Board of the City of El Paso, Texas, this 11<sup>th</sup> day of November 2015, at which meeting a quorum was present and held in accordance with the provision of V.T.C.A. Government Code, Section 551.001 et. seq.

EL PASO WATER UTILITIES  
PUBLIC SERVICE BOARD



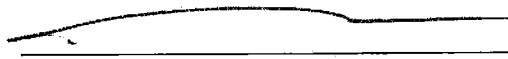
Richard T. Schoephoerster, Chair

ATTEST:



Terri Garcia  
Secretary/Treasurer

APPROVED AS TO FORM:



Lupe Cuellar  
General Counsel

# ADDITION/DELETION FORM FOR AUTHORIZED REPRESENTATIVES



PARTICIPANT NAME: EL PASO WATER UTILITIES EFFECTIVE DATE: Nov 11, 2015

**PART I: DELETIONS - Please enter the Authorized Representatives to be deleted.**

1. \_\_\_\_\_ 3. \_\_\_\_\_  
2. \_\_\_\_\_ Inquiry: \_\_\_\_\_

**PART II: ADDITIONS - Please enter the Authorized Representatives to be added.**

1. Name: ALONDRA MURILLO Email: amurillo@epwu.org  
Signature: *Alondra Murillo* Phone: (915) 594-5582 Title: Associate Accountant  
2. Name: \_\_\_\_\_ Email: \_\_\_\_\_  
Signature: \_\_\_\_\_ Phone: \_\_\_\_\_ Title: \_\_\_\_\_  
3. Name: \_\_\_\_\_ Email: \_\_\_\_\_  
Signature: \_\_\_\_\_ Phone: \_\_\_\_\_ Title: \_\_\_\_\_

**PART III: APPROVALS - Please enter the names of all currently Authorized Representatives to authorize the deletions and additions of the individuals above.**

1. Name: MARCELA NAVARRETE  
Signature: *Marcela Navarrete*  
Title: VICE PRESIDENT

2. Name: ARTURO DURAN  
Signature: *Arturo Duran*  
Title: CHIEF FINANCIAL OFFICER

3. Name: LIDIA CARRANCO  
Signature: *Lidia Carranco*  
Title: UTILITY TREASURY & PROP CONTROL MANAGER

4. Name: JEFFREY TEPSICK  
Signature: *Jeffrey Tepsick*  
Title: FISCAL OPERATIONS MANAGER

Official Seal of Participant  
\*(REQUIRED)\*

\*REQUIRED\*  
Attested By: *TERRI GAROIA*  
Printed Name: TERRI GAROIA  
Title: SECRETARY/TREASURER



**ADDITION/DELETION FORM  
FOR AUTHORIZED REPRESENTATIVES**



**PART IV: PRIMARY CONTACT [required]** - If the Primary Contact on file with TexSTAR was deleted in Part I of this form, please provide the name of the Authorized Representative that will be the Primary Contact. The Primary Contact is the individual who will receive the daily transaction confirmations, monthly statements, monthly newsletter, TexSTAR updates and other program mailings.

Name: LIDIA CARRANCO  
Email Address: lcarranco@epwu.org  
Phone Number: (915) 594-5531

**PART V: INQUIRY ONLY [optional]** - If an Inquiry Only Representative was deleted in Part I and you wish to replace this representative or add an inquiry only representative to your TexSTAR account for the first time, please list this individual below. This limited representative cannot make deposits or withdrawals or sign Bank Information Sheets.

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Signature: \_\_\_\_\_ Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

If you have any questions regarding this form or the Authorized Representatives currently on file with TexSTAR for your entity, please contact TexSTAR Participant Services at 1-800-839-7827.

**Document with original signatures is required.**  
Forms with alterations (i.e. white out, mark out, etc.) will NOT be accepted  
Mail originals to TexSTAR Participant Services \* 325 North St. Paul Street, Suite 800 \* Dallas, Texas 75201



# Resolution Amending Authorized Representatives

Please use this form to amend or designate Authorized Representatives.

This document supersedes all prior Authorized Representative forms.

\* Required Fields

## 1. Resolution

WHEREAS,

EL PASO WATER UTILITIES - PUBLIC SERVICE BOARD

Participant Name\*

77421

Location Number\*

("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool/ Texpool Prime"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

- A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool Prime and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.
- B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by two remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool Prime account or (2) is no longer employed by the Participant; and
- C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

List the Authorized Representative(s) of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

1. MARCELA NAVARRETE

Name

VICE PRESIDENT

Title

Phone (915) 594-5614/ Fax (915) 594-5699/ Email mnavarrete@epwu.org

Phone/Fax/Email

*Marcela Navarrete*

Signature

2. ARTURO DURAN

Name

CHIEF FINANCIAL OFFICER

Title

Phone (915) 594-5549/ Fax (915) 594-5604/ Email aduran@epwu.org

Phone/Fax/Email

*Arturo Duran*

Signature

**1. Resolution (continued)**

3. LIDIA CARRANCO

Name

UTILITY TREASURY & PROPERTY CONTROL MANAGER

Title

Phone (915) 594-5531/ Fax (915) 594-5531/ Fax (915) 594-5604

Phone/Fax/Email



Signature

4. JEFFREY TEPSICK

Name

FISCAL OPERATIONS MANAGER

Title

Phone (915) 594-5527/ Fax (915) 594-5604/ Email jtepsick@epwu.org

Phone/Fax/Email



Signature

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

LIDIA CARRANCO

Name

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. This limited representative cannot perform transactions. If the Participant desires to designate a representative with inquiry rights only, complete the following information.

VICKY CHAVEZ

Name

OFFICE MANAGER

Title

Phone (915) 594-5567/ Fax (915) 594-5604/ Email vchavez@epwu.org

Phone/Fax/Email

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the \_\_\_\_\_ day \_\_\_\_\_, 20 \_\_\_\_.

Note: Document is to be signed by your Board President, Mayor or County Judge and attested by your Board Secretary, City Secretary or County Clerk.

EL PASO WATER UTILITIES

Name of Participant\*

SIGNED



Signature\*

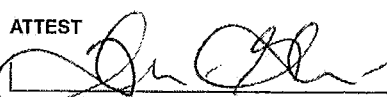
DR. RICHARD T. SCHOEPHOERSTER

Printed Name\*

CHAIR OF PBS

Title\*

ATTEST



Signature\*

TERRI GARCIA

Printed Name\*

SECRETARY- TREASURER

Title\*

**2. Mailing Instructions**

The completed Resolution Amending Authorized Representatives can be faxed to TexPool Participant Services at 1-866-839-3291, or mailed to:

TexPool Participant Services  
1001 Texas Avenue, Suite 1400  
Houston, TX 77002

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TEX-REP

2 OF 2

TexPool Participant Services  
1001 Texas Avenue, Suite 1400 • Houston, TX 77002  
Phone: 1-866-TEXPOOL (839-7665) • Fax: 1-866-839-3291 • www.texpool.com

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**Federated**

G45340-17 (7/15)



# Resolution Amending Authorized Representatives

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\* Required Fields

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EL PASO WATER UTILITIES

Participant Name\*

77421

Location Number\*

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List the Authorized Representative(s) of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

1. ALONDRA MURILLO

Name

ASSOCIATE ACCOUNTANT

Title

Phone (915) 594-5582; Fax (915) 594-5604; Email amurillo@epwu.org

Phone/Fax/Email

*Alondra Murillo*

Signature

2.

Name

Title

Phone/Fax/Email

Signature