

MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
May 9, 2018

The regular meeting of the Public Service Board was held Wednesday, May 9, 2018, at the El Paso Water Utilities Public Service Board Meeting Room located at 1154 Hawkins Boulevard, El Paso, Texas.

PSB MEMBERS PRESENT

Christopher Antcliff, Chair
Terri Garcia, Vice-Chair
Henry Gallardo, Member
Bradley Roe, Member
Dr. Ivonne Santiago, Member

PSB MEMBERS ABSENT

Dr. Kristina Mena, Member
Mayor Dee Margo, Ex-Officio Member

PSB EMPLOYEES PRESENT

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

EPWU EMPLOYEES PRESENT

Juan S. Gonzalez, Assistant General Counsel
Alan Shubert, Vice President
Marcela Navarrete, Vice President
Art Duran, Chief Financial Officer
Jeff Tepsick, Fiscal Operations Manager
Gilbert Trejo, Chief Technical Officer
Fernie Rico, Chief Operations Officer
Lisa Rosendorf, Chief Government Affairs and Communications Officer
Gretchen Byram, Computer Media Specialist
Jillian Shipp, Executive Assistant
Rosemary Guevara, Senior Purchasing Agent
Levi Chacon, Purchasing Agent
Robert Davidson, Temp
Christina Montoya, Marketing and Communications Manager
Joshua Moniz, Lead Public Information Coordinator
Israel Chavez, Senior Network Administrator
Cynthia Osborn, Real Estate Manager/Counsel
Armando Renteria, Chief Information Officer
Martin Noriega, Storm Water and Fleet Maintenance Division Manager
Jaime Arriola, Utility Engineer Associate
Robert Riley, Utility Construction Engineering Division Manager
Daniel Ortiz, Assistant General Counsel

GUESTS

Richard Dayoub, ThunderBird Management
Brett Preston, Wakefield Pires
Mr. Pires, Wakefield Pires
Bernie Humi, Lone Star Title

MEDIA

KVIA

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

CONSENT AGENDA

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

CONSIDERED AND APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETINGS HELD ON APRIL 11, 2018.

The Board approved the minutes of the regularly scheduled meetings held on April 11, 2018

CONSIDERED AND APPROVED A RESOLUTION AUTHORIZING THE PRESIDENT/CEO TO SIGN A MULTIPLE USE AGREEMENT WITH THE STATE OF TEXAS ON BEHALF OF THE TEXAS DEPARTMENT OF TRANSPORTATION FOR THE USE OF STATE HIGHWAY 20 (MESA ST.) FOR THE INSTALLATION OF 42" REINFORCED CONCRETE PIPE AS PART OF THE MESA & BRENTWOOD DRAINAGE IMPROVEMENT PROJECT.

The Board adopted a resolution authorizing the President/CEO to sign a Multiple Use Agreement between the State of Texas on behalf of the Texas Department of Transportation and El Paso Water Utilities – Public Service Board permitting the construction, maintenance, and operation of a 42-inch reinforced concrete pipe on State Highway 20 (Mesa Street) as part of the Mesa and Brentwood Drainage Improvement Project.

CONSIDERED AND APPROVED THE PURCHASE OF 143 HP MODEL ELITEDESK 800 G3 DESKTOP COMPUTERS FROM DECISION TREE, INC. THROUGH TEXAS DIR BUY BOARD CONTRACT NUMBER DIR-TSO-2538 IN THE AMOUNT OF \$122,551.

The Board approved the purchase of 143 HP Model EliteDesk 800 G3 desktop computers quoted by Decision Tree, Inc. with buy board pricing through Texas HP DIR Contract Number DIR-TSO-2538 in the amount of \$122,551.

CONSIDERED AND APPROVED THE PURCHASE OF NETWORK SWITCHES FROM PRESIDIO NETWORKED SOLUTIONS GROUP, LLC THROUGH BUY BOARD GSA GOVERNMENT PURCHASING COOPERATIVE RESELLER CONTRACT GS35F0563U IN THE AMOUNT OF \$65,732.40.

The Board approved the purchase of network switches from Presidio Networked Solutions Group, LLC through buy board GSA Government Purchasing Cooperative Reseller Contract GS35F0563U in the amount of \$65,732.40.

CONSIDERED AND APPROVED THE PURCHASE OF TWO 2018 INTERNATIONAL VACUUM JET RODDER TRUCKS FROM VAC-CON INC. THROUGH BUY BOARD TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE HGACBUY CONTRACT # SC01-18 INC. IN THE AMOUNT OF \$784,700.

The Board approved the purchase of two 2018 International Vacuum Jet Rodder Trucks through the Texas Local Government Purchasing Cooperative HGACBuy Contract # SC01-18 from VAC-CON Inc. in the amount of \$784,700.

CONSIDERED AND APPROVED CHANGE ORDER NUMBER. 1 FOR BID NUMBER 08-17, CITY WIDE WELL DRILLING PROJECT, TO HYDRO RESOURCES MID CONTINENT, INC. TO DECREASED THE ORIGINAL AMOUNT OF THE CONTRACT BY \$207,635.50.

The Board approved Change Order Number 1 for Bid Number 08-17, City Wide Well Drilling Project, to Hydro Resources Mid Continent, Inc. to decrease the original amount of the contract by \$207,635.50.

CONSIDERED AND APPROVED CHANGE ORDER NUMBER 1 UPRR 16-INCH WATER TRANSMISSION MAIN PHASE II (PERSHING DRIVE FROM RAYNOR STREET TO ALTA STREET) TO BAIN ENTERPRISES DBA BAIN CONSTRUCTION, INC. IN THE AMOUNT OF \$140,000.

The Board approved Change Order Number 1 – UPRR 16-inch Water Transmission Main Phase II (Pershing Drive from Raynor Street to Alta Street) to Bain Enterprises dba Bain Construction, Inc. in the amount of \$140,000.

CONSIDERED AND APPROVED CHANGE ORDER NUMBER 2, FRANKLIN CONDUIT STRUCTURAL REHABILITATION, TO SPIESS CONSTRUCTION CO., INC., IN THE AMOUNT OF \$149,310.

The Board considered and approved Change Order Number 2, for Franklin Conduit Structural Rehabilitation to Spiess Construction Co., Inc., in the amount of \$149,310.

REGULAR AGENDA

PRESENTATION OF THE SAFEST SECTION QUARTER AWARDS (1ST QUARTER 2018).

Ms. Christina Montoya, Marketing and Communications Manager, presented the Board with information regarding the Safest Section of the Quarter Awards for the First Quarter of 2018. The awards recognize the sections with the lowest accident rate for the months of July, August and September. The sections were “Accident Free” during the first quarter. The members of each section performed their jobs safely as a group and as individuals. Mr. Roe and Mr. Balliew presented awards to Sergio Castro for the Haskell R. Street Treatment Plant, Elijo Myers for Water Distribution, Chris Tonche for Customer Service and last Richard Wilcox for Laboratory Services.

CONSIDERED AND AUTHORIZED THE PRESIDENT/CEO TO SIGN A DEVELOPER PARTICIPATION AGREEMENT WITH PRIME DESERT PROPERTIES, LLC FOR THE RELOCATION OF A SECTION OF AN EXISTING 48-INCH DIAMETER WATER TRANSMISSION LINE AND WITH LAND EASEMENT ACQUISITION TO SERVE WEST DESERT MARKETPLACE IN THE AMOUNT OF \$463,587.

Mr. Alan Shubert, Vice President made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). Prime Desert Properties entered into a Development Agreement on March 18, 2015 and Addendum Number 1 on September 14, 2015, in which Prime Desert Properties agreed to install water mains, sanitary sewer mains, and related appurtenances within West Desert Marketplace. This project requires the developer to relocate a section of an existing 48-inch diameter water transmission line to allow for the extension of Montoya Street to connect with the developer’s project. EPWater has been coordinating with Prime Desert Properties’ engineering consultant to assure that the relocation of the existing 48-inch diameter water

transmission line's details and specifications meets EPWater design standards and practices. The 48-inch water transmission line is a major facility for EPWater, and staff has requested additional design and alignment requirements. Both parties have agreed to the Developer Participation Agreement and EPWater has agreed to participate in the construction of the facilities in an amount not to exceed \$313,587 and in the land easement acquisition in the amount not to exceed \$150,000.

On a motion made by Mr. Roe, seconded by Ms. Garcia and unanimously carried, the Board considered and authorized the President/CEO to sign a Developer Participation Agreement with Prime Desert Properties, LLC for the relocation of a section of an existing 48-inch diameter water transmission line and with land easement acquisition to serve West Desert Marketplace in the amount of \$463,587.

CONSIDERED AND AWARDED A PROFESSIONAL CONSULTING SERVICE AGREEMENT FOR REQUEST FOR SERVICES NUMBER 07-18, PROFESSIONAL FEDERAL GOVERNMENT RELATIONS ADVOCACY SERVICES, TO VAN SCOYOC ASSOCIATES, INC., IN THE ESTIMATED ANNUAL AMOUNT OF \$144,000, PLUS EXPENSES, AND UP TO \$50,000 ANNUALLY FOR GRANT-WRITING SERVICES THROUGH PARTNER FIRM SUSTAINABLE STRATEGIES DC, WITH A TERM OF THREE YEARS AND WITH THE OPTION FOR TWO THREE-YEAR EXTENSIONS.

Ms. Lisa Rosendorf, Chief Government Affairs and Communications Officer made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). For the past 20+ years, El Paso Water has been represented in Washington, DC, by the same lobbying firm, which has provided legislative/regulatory advocacy and federal funding agency relations services. At the time of the contract renewal last year, the Public Service Board approved a renewal but directed staff to go through a competitive selection process at the end of the contract term. In assessing needs to include in the Request for Services (RFS), staff added federal grant writing capabilities as a new expertise required for the contract. This expertise could be provided either in-house or through a partner organization. Six firms submitted proposals. Staff evaluated and scored proposals and determined that three proposals fully met all requirements. An evaluation committee consisting of Henry Gallardo, Terri Garcia, Lisa Rosendorf, Hector Gonzalez and Marcela Navarrete then scored the three proposals. The two highest scoring firms were determined to be finalists and invited to make in-person presentations. The committee is recommending Van Scoyoc Associates, with Sustainable Strategies as their grant-writing partner, to be the new federal government relations firm. Ms. Rosendorf addressed questions from the Board on this item.

On a motion made by Ms. Garcia, seconded by Mr. Gallardo and unanimously carried, the Board considered and awarded a Consulting Services contract for Request for Services Number 07-18, Professional Federal Government Relations Advocacy Services, to Van Scoyoc Associates, Inc., in the estimated annual amount of \$144,000, plus expenses, and up to \$50,000 annually for grant-writing services through partner firm Sustainable Strategies, Inc. with a term of three-years with the option for two, three-year extensions.

CONSIDERED AND AWARDED A PROFESSIONAL CONSULTING SERVICES AGREEMENT FOR REQUEST FOR PROPOSAL NUMBER 21-18, MARKETING AND MANAGEMENT OF REAL PROPERTY LEASES FOR THE RIVERSIDE INTERNATIONAL INDUSTRIAL CENTER, TO CUSHMAN & WAKEFIELD/PIRES INTERNATIONAL, IN ACCORDANCE WITH THE FEE TERMS SUBMITTED IN THE PROPOSAL, AND WITH A TERM ENDING FIVE YEARS FROM THE DATE ALL PROPERTY IS LEASED, WITH THE OPTION TO EXTEND FOR ADDITIONAL FIVE YEAR PERIODS.

Ms. Cynthia Osborn, Real Estate Manager/Counsel made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). EPWater has approximately 200 acres of property in southeast El Paso commonly referred to as the Riverside International Industrial Center. The property is approximately 1-2 miles from the Zaragoza International Port of Entry. EPWater desires to implement an Industrial Ground Leasing Management Program for the property. The scope of work includes the marketing of the property to qualified

manufacturing, industrial, large-scale tenants and the management of any resulting leases. A selection committee met and scored the proposals in the areas of proposed fee structure, qualifications, experience, key personnel and references. The committee consisted of Chris Antcliff, Kristina Mena, Marcela Navarrete, Cynthia Osborn and Alma De Anda. Cushman & Wakefield/Pires International was selected as the firm most qualified to perform the desired consulting services. Ms. Osborn and Mr. Balliew addressed questions from the Board. Mr. Henry Gallardo abstained from voting on his item.

On a motion made by Mr. Roe seconded by Ms. Garcia and unanimously carried, the Board awarded RFP 21-18, Marketing and Management of Real Property Leases for the Riverside International Industrial Center, to Cushman & Wakefield/Pires International in accordance with the fee terms submitted in the proposal and with a term ending five years from the date all property is leased, with the option to extend for additional five year periods.

CONSIDERED BID NUMBER 51-18, AIRPORT WELL FIELD IMPROVEMENTS – ELECTRICAL IMPROVEMENTS PHASE I, DECLARE LONGHORN ELECTRICAL SERVICE INC. AS NOT RESPONSIVE, AND AWARDED TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER EL PASO A.R.C ELECTRIC INC. IN THE AMOUNT OF \$972,076.35, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Trejo, Chief Technical Officer made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The Airport Well Field electrical system is in need of improvement. There have been problems with moisture penetrating the conduits, broken junction boxes, and transformers that are past their expected performance life span. The proposed improvements have been coordinated with the El Paso International Airport and their proposed development plans. EPWater received four bids for this project on April 16, 2018. The bidders were Longhorn Electrical Service, El Paso A.R.C. Electric, AAA General Contractors, and The Brandt Companies. The bids ranged from \$522,319 to \$1,668,000 or 67% below to 4% above the Engineer's Estimate of \$1,605,400. On April 24, 2018, the apparent low bidder, Longhorn Electrical Service, submitted a letter identifying a material error in their bid and requested their bid be removed from consideration. The project-consulting engineer, Freese and Nichols, evaluated the qualifications of the second apparent low bidder and has determined that El Paso A.R.C. Electric meets the minimum general requirements as well as the minimum project specific criteria as specified on the bid documents. Staff has evaluated the engineer's evaluation matrix and recommends to deem Longhorn Electrical Service as not responsive and award Bid Number 51-18, Airport Well Field Improvements – Electrical Improvements Phase I, to El Paso A.R.C. Electric as the lowest responsive, responsible bidder in the amount of \$972,076.35.

On a motion made by Ms. Garcia, seconded by Dr. Mena and unanimously carried, the Board considered Bid Number 51-18, Airport Well Field Improvements – Electrical Improvements Phase I, declared Longhorn Electrical Service, Inc. as not responsive, and awarded to the lowest responsive, responsible bidder, El Paso A.R.C. Electric, Inc., in the amount of \$972,076.35 and authorized the use of commercial paper.

CONSIDERED AND APPROVED TASK ORDER NUMBER 2 TO THE PROFESSIONAL SERVICES CONTRACT AWARDED TO FREESE AND NICHOLS, INC. FOR CONSTRUCTION PHASE SERVICES FOR THE AIRPORT WELL FIELD IMPROVEMENTS – ELECTRICAL IMPROVEMENTS IN THE AMOUNT OF \$148,043; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE USED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN AN ESTIMATED AMOUNT \$15,000, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files.) Construction Phase Services are needed to complete the Airport Well Field Improvements – Electrical Improvements Phase I project. The Airport Well Field electrical system is in need of improvement to its infrastructure. There have been problems with moisture penetrating the conduits and shorting out the wires. Also, there are electrical junction boxes that are broken and need to be replaced. Some of the transformers are

old and may be a future cause of failure. Freese and Nichols was selected by the Architectural/Engineering Selection Committee to design the Airport Well Field Improvements – Electrical Improvements Phase I project. Staff worked with Freese and Nichols to develop the scope of services for this second task order for construction phase services. A fee proposal associated with the scope of services was submitted, reviewed, and negotiated with the consultant. The negotiated fees are in line with the level of effort required to complete the tasks and consistent with similar work completed recently.

On a motion made by Mr. Gallardo, seconded by Mr. Roe and unanimously carried, the Board considered and approved Task Order Number 2 to the professional services contract awarded to Freese and Nichols, Inc. for construction phase services for the Airport Well Field Improvements – Electrical Improvements in the amount of \$148,043; authorized future task orders or amendments to be issued under this contract for construction phase and additional design services in an estimated amount of \$15,000 and authorized the use of commercial paper.

CONSIDERED AND AWARDED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE SOURCE WATER AUGMENTATION PARALLEL PIPELINE (600-SERIES WELLS) FOR THE KAY BAILEY HUTCHISON DESALINATION FACILITY TO MORENO CARDENAS, INC. FOR DESIGN AND BID PHASE SERVICES IN THE AMOUNT OF \$515,074; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE USED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN AN ESTIMATED AMOUNT OF \$500,000 PROVIDED FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS; AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files.) El Paso Water is seeking to expand the capacity of the Kay Bailey Hutchison Desalination Facility. This phase of the proposed expansion will consist of building a pipeline that will allow blend wells that have gone brackish to be used as a source of brackish water for the KBH facility. Sufficient blend wells exist in the system to continue to augment the potable water production from the KBH facility. The Architectural/Engineering Selection Advisory Committee met on April 11, 2018, to review and recommend selection of the engineering firm for these services. The committee consisted of Bradley Roe, Kristina Mena, Fernando Rico, and Gilbert Trejo. Proposals were scored in the areas of technical competence, project approach, team organization and availability, and project management and quality control. Moreno Cardenas Inc. was selected as the firm that best meets the needs of the Utility for these important services and demonstrated excellent abilities in all evaluated categories. This firm is the most qualified. Staff worked with Moreno Cardenas Inc. to develop the scope of services required for this project. A fee proposal associated with the scope of services was submitted, reviewed, and negotiated with the consultant for the defined scope of work. The negotiated fees are in line with the level of effort required to complete the task and consistent with similar work completed. Mr. Balliew made additional comments and Mr. Trejo addressed questions from the Board on this item.

On a motion made by Mr. Gallardo seconded by Ms. Garcia and unanimously carried, the Board considered and awarded a Professional Engineering Services Contract for the Source Water Augmentation Parallel Pipeline (600-Series Wells) for Kay Bailey Hutchison Desalination Facility to Moreno Cardenas, Inc. for design and bid phase services in the amount of \$515,074; authorized future task orders or amendments to be issued under this contract for additional design and construction phase services in an estimated amount of \$500,000 provided that funding is available in the approved budget for the task orders or amendments; and authorized the use of commercial paper.

CONSIDERED AND AWARDED BID NUMBER 12-18, DESERT SOUTH BOULEVARD (VINTON TO LOS MOCHIS) 16-INCH DISTRIBUTION WATER LINE, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, CMD ENDEAVORS, INC., IN THE AMOUNT OF \$849,784.

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files.) A 16-inch diameter PVC transmission main supplies water to the Mayfair subdivision and the Canutillo Heights subdivision, just north of the outlet mall in Canutillo, Texas. This high-pressure main has experienced numerous breaks due to spikes in the water pressure. To prevent future breaks, the PVC main must be replaced with a higher pressure rated ductile iron pipe. The project consists of the installation of approximately 4,000 linear feet of 16-inch ductile iron pipe and 2,160 linear feet of 12-inch ductile iron pipe. This project was designed by staff and the construction phase services will also be completed with in-house resources. EPWater received seven bids for this project on March 20, 2018. The bidders were CMD Endeavors, Danny Sander Construction, ZTEX Construction, Bain Enterprises dba Bain Construction, Spiess Construction, Karlsruher dba CSA Constructors, and Morrow Enterprises. The bids ranged from \$849,784.00 to \$1,261,281.61 or 20% below to 19% above the engineer's estimate of \$1,060,031.70. Staff evaluated the qualifications of the apparent low bidder and determined that CMD Endeavors meets all contract requirements. Staff recommends award of Bid Number 12-18, Desert South Boulevard (Vinton to Los Mochis) 16 Inch Distribution Water Line, to CMD Endeavors as the lowest responsive, responsible bidder in the amount of \$849,784.00. Mr. Balliew made additional comments and Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Gallardo seconded by Dr. Santiago and unanimously carried, the Board awarded Bid Number 12-18, Desert South Boulevard (Vinton to Los Mochis) 16-inch Distribution Water Line, to the lowest responsive, responsible bidder, CMD Endeavors, Inc., in the amount of \$849,784.

CONSIDERED AND AWARDED BID NUMBER 19-18, GEORGE DIETER - MONTWOOD AND REX BAXTER 24-INCH SCCP TRANSMISSION MAIN REPLACEMENT, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, BAIN ENTERPRISES DBA BAIN CONSTRUCTION, IN THE AMOUNT OF \$2,119,975 AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Trejo made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). This project is located along George Dieter at two intersections, Rex Baxter and Montwood, where large diameter water lines cross natural gas and petroleum pipelines. This project is to replace the pipe with a corrosion-resistant pipe. The pre-purchase of the pipe was approved at the April 2018 Public Service Board meeting. This contract will install that pipe at these locations. EPWater received four bids for this project on April 19, 2018. The bidders were Bain Enterprises dba Bain Construction, Spiess Construction, Danny Sander Construction, and Smithco Construction. The bids ranged from \$2,119,975 to \$2,885,830 above the engineer's estimate of \$2,330,130. Staff evaluated the qualifications of the apparent low bidder and determined that Bain Enterprises meets all contract requirements. Staff recommends award of Bid Number 19-18, George Dieter - Montwood and Rex Baxter 24-Inch SCCP Transmission Main Replacement, to Bain Enterprises as the lowest responsive, responsible bidder in the amount of \$2,119,975. Mr. Balliew made additional comments and Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Dr. Santiago and unanimously carried, the Board awarded Bid Number 19-18, George Dieter - Montwood and Rex Baxter 24-Inch SCCP Transmission Main Replacement, to the lowest responsive, responsible bidder, Bain Enterprises dba Bain Construction, in the amount of \$2,119,975 and authorized the use of commercial paper.

CONSIDERED AND AWARDED BID NUMBER 32-18, INSTALLATION OF 3/4" PRESSURE REGULATORS TO THE SOLE RESPONSIVE, RESPONSIBLE BIDDER AMERICHOICE CONSTRUCTION, LLC., IN THE ESTIMATED ANNUAL AMOUNT OF \$177,230.

Mr. Alan Shubert, Vice President presented the Board with information regarding this item. A new pressure zone named the Round Rock Intermediate Pressure Zone was recently created in order to resolve low pressure issues in the area. When a new intermediate pressure zone is created, EPWater policy is to install pressure regulators on customers' property lines in order to protect customers' plumbing from excessively high pressures in the event of a malfunction in the equipment that maintains the required pressure. These pressure regulators

are paid for by EPWater but become property of the customer after expiration of the 3 month warranty period for the regulators. The work under this contract involves furnishing all labor required for the installation of 479 EPWater furnished 3/4-inch pressure regulators and shut-off valves on customers' property lines. One bid was received from Americhoice Construction LLC. Staff reviewed the bid and determined that the bidder met the minimum qualifications as outlined within the bid proposal. Therefore, staff recommends award to Americhoice Construction LLC. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Dr. Santiago and unanimously carried, the Board awarded Bid Number 32-18, Installation of 3/4" Pressure Regulators, to the sole responsive, responsible bidder, Americhoice Construction LLC, in the estimated amount of \$ 177,230.

CONSIDERED AND REJECTED THE SOLE BID RECEIVED FOR BID NUMBER 42-18 REMOVAL, PURCHASE AND INSTALLATION OF A CRANE, AND AUTHORIZED STAFF TO RE-BID.

Mr. Alan Shubert, presented the Board with information regarding this item. The project scope consists of removal of the existing crane, purchase and installation of a new crane at the dewatering building at the Haskell R. Street Wastewater Treatment Plant. The existing crane has deteriorated due to the corrosive environment and needs to be replaced. The crane is used to perform maintenance to the belt filter press equipment. One bid was received for this project. The bidder was Sol Contractors, Inc. The bid was \$154,717 or 181% above staff's estimate of \$55,000. Due to the significant discrepancy between staff's estimate and the bid price, staff recommends rejection of Bid Number 42-18. Other alternative methods for procurement are being investigated. Mr. Shubert addressed question from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Mr. Gallardo and unanimously carried, the Board rejected the sole bid received for Bid Number 42-18, Removal, Purchase and Installation of a Crane and authorized staff to re-bid.

CONSIDERED AND REJECTED ALL BIDS RECEIVED FOR BID NUMBER 17-18, CANUTILLO BOSQUE RD. LIFT STATION & FORCE MAIN, AND AUTHORIZED STAFF TO RE-BID.

Mr. Alan Shubert, presented the Board with information regarding this item. The Canutillo Independent School District (CISD) is currently operating and maintaining a wastewater treatment plant that serves Canutillo Middle School. CISD made an application for EPWater to provide public sewer service to the middle school pursuant to EPWater's Rules and Regulations Number 11 governing the furnishing and control of water and/or sanitary sewer service by EPWater to customers outside the corporate limits of the City of El Paso. Public sanitary sewer service to the middle school requires the construction of a pumping lift station and force main that will convey sanitary sewer to EPWater's system on Seventh Street. EPWater received three bids for this project on March 30, 2018. The bids ranged from \$6,977,373.00 to \$26,218,130.00 above the engineer's estimate of \$3,888,270.75. The costs received were higher than the estimated costs obtained through conventional construction cost methods and indexes. Staff believes the higher prices were due to the complex nature and location of the project, which involves encountering the groundwater table and extensive dewatering. Staff recommends rejecting this bid and rebidding to award when the seasonal groundwater levels are lower. In addition, staff will re-visit the design to simplify the overall scope of work. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Mr. Roe seconded by Dr. Santiago and unanimously carried, the Board rejected all bids received for Bid Number 17-18, Canutillo Bosque Road Lift Station and Force Main and authorized staff to re-bid.

MANAGEMENT REPORT:

- New Website-Ms. Rosendorf provided the Board with information on this item. El Paso Water decided to create a whole new website after assessing the needs and goals for our customers as well as go to resource for stakeholders. The overhaul process included project definition, website developments and training for IT, communications department, testing a soft launch internally and then announcing it to our customers. Teams efforts for the website came from various departments throughout the utility; communications, Conservation, Humans Resources, Legal and Purchasing to name a few. The Tech20 website is under way on having their website updated and up and running in the upcoming months. Ms. Byram showed the Board a demonstration on how to access different features within the website, to include accessing current and past PSB agendas, videos and minutes.
- Illegal Dumping Campaign-The Illegal Dumping Campaign launches May 14, this campaign is to encourage the public to call 311 to report any illegal dumping. TCEQ requires reporting on illegal dumping public outreach, this campaign will help improve our report results. We have collaborated with Environmental services, EPCWID#1, and the campaign was timed before monsoon season to prevent trash-related blockages and flooding. The public service campaign will primarily be radio, digital, and outdoor billboards. Zip codes with the biggest problems have been identified. Mr. Armando Renteria, Chief Information Officer made additional comments regarding this item.

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 made.

EXECUTIVE SESSION

On a motion made by Mr. Gallardo, seconded by Ms. Garcia, and unanimously carried, the Board retired into Executive Session at 9:15 a.m., May 9, 2018, 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 a potential purchase of property for access, improvement, and maintenance to Morehead Dam #2.

b. Section 551.072 Deliberation Regarding Real Property

The Board will receive an update and will deliberate regarding potential land purchases in Hudspeth County, Texas.

c. Section 551.072. Deliberation regarding Real Property

The Board will receive an update on the 8 parcels of land described as: A portion of Nellie D. Mundy Survey 246 (73.6664 acres); A portion of Nellie D. Mundy, Survey 246 (149.9192 acres); A portion of S.J. Larkin Survey 267 (632.735 acres); Tract 1, S.J. Larkin Survey 268, Abstract 10069(45.664 acres); Tract 1-C, S.J. Larkin Survey 268, Abstract 10069 (15.8712 acres); Tract 1, S.J. Larkin Survey 269, Abstract 10070 (7.3182 acres); Tract 1A, S.J. Larkin Survey 269, Abstract 10070 (8.175 acres); A portion of Section 9, Block 82, Township 1, Texas and Pacific Railroad Surveys (72.4421 acres), which were declared inexpedient to the water system.

d. Section 551.071 Consultation with Attorney

The Board will consult with its attorneys regarding ROP Artcraft, LLC v. The City of El Paso Cause No. 2017DCV1076.

e. Section 551.071 Consultation with Attorney

The Board will consult with its attorneys concerning Rio Valley Biofuels, L.L.C. dba Global Alternative Fuels, L.L.C. (Owner of record JRBR-Texas LLC).

On a motion made by Ms. Garcia, seconded by Mr. Gallardo and unanimously carried, the Board reconvened in open session at 10:24 a.m., May 9, 2018.

DELIBERATED REGARDING A POTENTIAL PURCHASE OF PROPERTY FOR ACCESS, IMPROVEMENT, AND MAINTENANCE TO MOREHEAD DAM #2.

On a motion made by Dr. Mena, seconded by Ms. Garcia and with four ayes and one nay that the El Paso Water President/CEO be authorized to proceed with the acquisition of land in the manner approved by the Board and in accordance with the terms and conditions specified by the Board and sign any and all documents necessary to complete the purchase.

DELIBERATED REGARDING POTENTIAL LAND PURCHASES IN HUDSPETH COUNTY, TEXAS.

On a motion made by Ms. Garcia, seconded by Dr. Santiago and unanimously carried, that the El Paso Water Utilities President/CEO be authorized to proceed with the acquisition of the Chapman and Ainsworth properties in the manner approved by the Board in accordance with the terms and conditions specified by the Board and sign any and all documents necessary to complete the purchases, including the applications for transfer of ownership of validation permits.

DELIBERATED REGARDING WHETHER THE FOLLOWING PROPERTY CAN BE DECLARED INEXPEDIENT TO THE WATER SYSTEM.

No Action.

CONSULTED WITH ITS ATTORNEYS REGARDING ROP ARTCRAFT, LLC V. THE CITY OF EL PASO CAUSE NO. 2017DCV1076

No Action.

CONSULTED WITH ITS ATTORNEYS CONCERNING RIO VALLEY BIOFUELS, L.L.C DBA GLOBAL ALTERNATIVE FUELS, L.L.C (OWNER OF RECORD JRBR-TEXAS LLC).

On a motion made by Ms. Garcia, seconded by Dr. Santiago and unanimously carried, that the President/CEO in coordination with the General Counsel's Office is hereby authorized to take all appropriate action in accordance with PSB Rules and Regulations concerning the discharge of Rio Valley Biofuels, L.L.C dba Global Alternative Fuels, L.L.C.

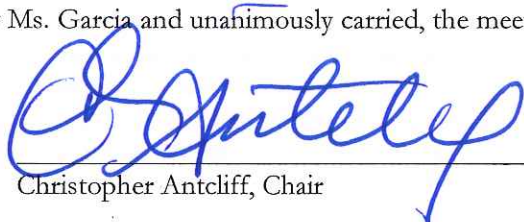
ADJOURNMENT

On a motion made by Dr. Santiago, seconded by Ms. Garcia and unanimously carried, the meeting adjourned at 10:26 a.m., May 9, 2018.

ATTEST:



Secretary-Treasurer


Christopher Antcliff, Chair