

**MINUTES**  
**PUBLIC SERVICE BOARD**  
**CITY OF EL PASO**  
**May 10, 2017**

The regular meeting of the Public Service Board was held Wednesday, May 10, 2017, at the El Paso Water Utilities Public Service Board Meeting Room located at 1154 Hawkins Boulevard, El Paso, Texas.

**PSB MEMBERS PRESENT**

Henry Gallardo, Chair  
Christopher Antcliff, Vice Chair  
Mayor Oscar Leaser, Ex-Officio Member  
Dr. Ivonne Santiago, Member  
Bradley Roe, Member  
Dr. Kristina Mena, Member

**PSB MEMBERS ABSENT**

Terri Garcia, Secretary-Treasurer

**PSB EMPLOYEES PRESENT**

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

**EPWU EMPLOYEES PRESENT**

Matthew Behrens, Assistant General Counsel  
Daniel Ortiz, Assistant General Counsel  
Marcela Navarrete, Vice President  
Alan Shubert, Vice President  
Art Duran, Chief Financial Officer  
Gilbert Trejo, Chief Technical Officer  
Ferne Rico, Chief Operations Officer  
Armando Renteria, Chief Information Officer  
Gretchen Byram, Computer Media Specialist  
Scott Reinert, Water Resources Manager  
Georgette Webber, Executive Assistant  
Rosemary Guevara, Senior Purchasing Agent  
Levi Chacon, Purchasing Agent  
Lisa Rosendorf, Chief Communications and Government Affairs Officer  
Christina Montoya, Marketing and Communications Manager  
Joshua Moniz, Lead Public Information Coordinator  
Robert Davidson, Temporary Employee  
Juan Lares, Utility Construction Supervisor  
Thomas Kuehnen, Instrumentation Control Assistant Superintendent  
Richard Wilcox, Utility Laboratory Service Manager  
Gus Ogaz, Wastewater Plant Superintendent  
Corina Ledesma, Business Systems Analyst

**GUESTS**

Sam Irrinki, Weston  
Pam Farone, Citizen  
Taylor Moreno, City of El Paso  
Alex Acosta, Bickerstaff, Heath, Delgado, Acosta, LLC

Joe Cardenas, Moreno Cardenas  
Terry Coss, Citizen  
David Navarez, National Desert Storm War Memorial  
Manny Rodriguez, Culture Span Marketing  
Georgina Hernandez, Culture Span Marketing  
J. Candi, Culture Span Marketing  
Bijay Basnet, CDM Smith  
Troy Watson, Paso Del Norte Materials  
Isaac Campos, CDM Smith

**MEDIA**

None

The Public Service Board meeting was called to order by Mr. Gallardo at 8:07 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Mr. Roe, in reciting the Pledge of Allegiance.

**CONSENT AGENDA**

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

**APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETING HELD ON APRIL 12, 2017.**

The Board approved the minutes of the regularly scheduled meeting held on April 12, 2017.

**APPROVED A PRINTING SERVICES CONTRACT THROUGH THE ESC REGION 19 ALLIED STATES COOPERATIVE, CONTRACT #16-7198 TO AIRPORT PRINTING SERVICE IN THE ESTIMATED ANNUAL AMOUNT OF \$75,000 WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS SUBJECT TO EXTENSION BY ESC REGION 19.**

The Board approved a printing services contract through the ESC Region 19 Allied States Cooperative, contract #16-7198 to Airport Printing Service in the estimated annual amount of \$75,000 with the option for two one-year extensions subject to extension by ESC Region 19.

**REGULAR AGENDA**

**PRESENTATION AND RECOGNITION OF STAFF FOR THE TEXAS AWWA PIPE TAPPING COMPETITION.**

Mr. Alan Shubert, Vice President, made a presentation to the Board regarding this item. Pipe Tapping is a high-energy competition involving a race against time to drill into a cement-lined, ductile iron pipe and install a tap. Held as part of the Texas Water 2017 Conference, the TAWWA Pipe Tapping competition brought together nine teams from water utilities across the state to see who could tap a water pipe in the fastest time. The winner of the Texas Section competition will go on to represent Texas at the AWWA National Pipe Tapping Completion in Philadelphia this summer. El Paso Water entered the competition for the first time this year with a team comprised of employees Eddie Pulido, Armando Gonzalez, Norberto Olmos, and Julio Soto. The teams were given two attempts to record the fastest time with the least amount of penalties. The EPWater team recorded a time of 3:34 on its first attempt. On the second attempt, the team improved with a faster time of 2:41. Mr. Balliew and Mayor Leeser presented the team with an award for its participation and making the fourth quickest time in this year's competition.

**PRESENTATION OF THE SAFEST SECTION OF THE QUARTER AWARDS (1ST QUARTER 2017).**



Ms. Christina Montoya, Marketing and Communications Manager, introduced the winners of the Safest Section of the Quarter Awards for the first quarter of 2017. The awards are for the sections with the lowest accident rate for the months of January, February and March. The members of the sections performed their jobs safely as a group and as individuals. The winners of the Safest Section of the Quarter Awards were as follows: Plant Facilities – Roberto R. Bustamante Wastewater Treatment Plant; Field/Construction – Water Distribution; Support Services – Instrumentation & Controls (SCADA); and Compliance Materials – Laboratory Services. Mr. John Balliew, President/CEO and Mayor Leeser presented the awards to the following employees: Gus Ogaz, Wastewater Plant Superintendent; Juan Lares, Utility Construction Supervisor; Thomas Kuehnen, Instrumentation Control Assistant Superintendent; and Richard Wilcox, Utility Laboratory Service Manager.

**AWARDED BID NUMBER 08-17, EL PASO CITY-WIDE WELL DRILLING PROJECT, TO HYDRO RESOURCES – MID CONTINENT, INC. AS THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER IN THE ESTIMATED FIRST YEAR AMOUNT OF \$2,733,900, WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). This project will consist of the drilling, construction, and testing of public water supply wells in the El Paso service area. The wells are typically drilled at depths of 600 to 1,200 feet with anticipated well yields of 1,000 gallons per minute each. Based on the unit pricing received in the bid, it is estimated that six public water supply wells will be drilled in the first year of the contract. Two bids were received for the project on April 21, 2017, Hydro Resources Mid Continent bid \$2,733,900 and Layne Christensen Company bid \$3,583,844. The Hydro Resources – Mid Continent bid of \$2,733,900. The Engineer's cost estimate was \$3,182,212.38. Staff and the consultant, Brown and Caldwell, analyzed the bids and determined that Hydro Resources – Mid Continent met the minimum general and the minimum project specific criteria and recommended award to Hydro Resources – Mid Continent as the lowest responsive, responsible bidder. Mr. Shubert and Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Dr. Mena and unanimously carried, the Board awarded Bid Number 08-17, El Paso City-Wide Well Drilling Project, to Hydro Resources – Mid Continent, Inc. as the lowest responsive, responsible bidder in the estimated first year amount of \$2,733,900, with the option for two one-year extensions.

**RATIFIED AN EMERGENCY PURCHASE ORDER TO RAIN FOR RENT FOR MOBILIZATION AND THE INSTALLATION OF REQUIRED EQUIPMENT IN THE ESTIMATED AMOUNT OF \$47,677.31 AND AWARDED A PURCHASE ORDER TO RAIN FOR RENT IN AN AMOUNT NOT TO EXCEED \$160,273.13.**

Mr. Shubert, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). The new Enviro Water Minerals (EWM) facility located adjacent to El Paso Water's (EPWater) Kay Bailey Hutchison (KBH) Desalination Plant is near completion. In order to commission the EWM facility and obtain necessary TCEQ permits, the EWM facility must demonstrate the facility reliably and consistently produces potable water that is to be returned to EPWater. In addition, because of the water quality events that occurred in Flint, Michigan, TCEQ recently amended the water quality parameters that EWM must meet to be more stringent. These more stringent parameters, extended the demonstration period up to six weeks—from the originally planned less than 1 week. Until TCEQ approves their water quality the water must be disposed of into the sanitary sewer system. The expected water to be disposed averages 1 million gallons per day, so an adequate segment of the sewer system, near KBH, needed to be identified to be able to handle this additional flow.

EPWater's adjacent sanitary sewer system to KBH does not have the capacity to accept this volume of water without overflowing manholes and lift stations. The most feasible solution is a temporary pipeline and pumping system, installed and operated by Rain for Rent to pump the EWM test water to an existing sewer pipeline near Montana Avenue at Lee Boulevard. To meet EWM's current schedule, Rain for Rent must expedite the set-up



of pumps and discharge piping by the first week of May 2017. Pumping operation is scheduled to begin after May 10, 2017. Rain for Rent has worked with staff on temporary pumping and pipeline solutions in the past and is capable of performing the work necessary for this project. 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 ratified an emergency purchase order to Rain for Rent for mobilization and the installation of required equipment in the estimated amount of \$47,677.31 and awarded a purchase order to Rain for Rent in an amount not to exceed \$160,273.13.

**DECLARED ZENNER PERFORMANCE METERS AND SENSUS USA NOT RESPONSIBLE; AND AWARDED BID NUMBER 23-17, 2" 3", 4", 6", 8" COLD WATER TURBINE METERS WITH STRAINERS TYPE II CLASS TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, BADGER METER INC., DBA NATIONAL METER & AUTOMATION, FOR LINE ITEMS 2-5 IN THE ESTIMATED ANNUAL AMOUNT OF \$148,858, WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS.**

Ms. Rose Guevara, Senior Purchasing Agent, presented the Board with information regarding this item. Type 2 cold water turbine meters with strainers are used to measure industrial and commercial water use. The meters are typically used for irrigation, large commercial, and manufacturing customers. Four bids were received. Utility meters currently undergo a three-year field performance test. At the end of the three-year period, the meters are evaluated for accuracy, wear, and if they meet Utility specifications. The Zenner Meters installed in July of 2015 and the Sensus Meters installed in May 2015 are both currently undergoing the three-year field performance test, thus they have not yet been evaluated and cannot be deemed in compliance. As a result, staff recommended deeming Zenner Performance Meters and Sensus USA not responsible and not awarding line item 1, which included an estimated annual quantity of six meters. The estimated quantity was incorrect and staff estimates replacing 40 2-inch meters this year. Therefore, staff recommended awarding to the lowest responsive, responsible bidder, Badger Meter, for line items 2-5. Ms. Guevara addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Dr. Mena, and unanimously carried, the Board declared Zenner Performance Meters and Sensus USA not responsible; and awarded Bid Number 23-17, 2" 3", 4", 6", 8" Cold Water Turbine Meters with Strainers Type II Class to the lowest responsive, responsible bidder, Badger Meter Inc., dba National Meter & Automation, for line items 2-5 in the estimated annual amount of \$148,858, with the option for two one-year extensions.

**REJECTED ALL BIDS FOR BID NUMBER 25-17, TXDOT CEMENT STABILIZED BACKFILL MATERIAL.**

Ms. Guevara presented the Board with information regarding this item. Cement stabilized backfill material is used to backfill pipe trenches and as a street paving base at various locations throughout the city. Four bids were received. While creating the original bid specification for the cement stabilized backfill material, operations staff was not aware that engineering staff was working on proposed changes to update the specifications and allow for admixtures for decreased setting time. Therefore, staff recommended rejecting all bids and re-bidding this item with the new specifications. Mr. Shubert addressed questions from the Board regarding this item. The Board also heard comments from Mr. Troy Watson from Paso Del Norte Materials.

On a motion made by Dr. Santiago, seconded by Dr. Mena and unanimously carried, the Board approved a professional engineering services contract for the bidirectional wastewater diversion from the Haskell R. Street Wastewater Treatment Plant to the Fred Hervey Water Reclamation Plant to AECOM in the amount of \$235,000.

**AWARDED BID NUMBER 26-17, POLY ORTHOPHOSPHATE BLEND (REBID), TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, SHANNON CHEMICAL CORPORATION, IN THE ESTIMATED ANNUAL AMOUNT OF \$282,600, WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS.**

Ms. Guevara presented the Board with information regarding this item. Poly orthophosphate is a product used as a corrosion inhibitor in the water treatment process. Poly orthophosphate is needed at the Upper Valley Water Treatment Plant, Jonathan Rogers Water Treatment Plant, Robertson-Umbenhauer Water Treatment Plant, Kay Bailey Hutchison Desalination Plant, and at several well sites throughout the city. Four bids were received for approximately 900,000 pounds of liquid poly orthophosphate blend. Staff evaluated the bids and determined that the low bidder, Shannon Chemical Corporation, met all specifications within the bid proposal. Therefore, staff recommended award to the lowest responsive, responsible bidder, Shannon Chemical Corporation, in the estimated annual amount of \$282,600. 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 26-17, Poly Orthophosphate Blend (Rebid), to the lowest responsive, responsible bidder, Shannon Chemical Corporation, in the estimated annual amount of \$282,600, with the option for two one-year extensions.

**AWARDED REQUEST FOR PROPOSALS NUMBER 27-17, EPWATER EDUCATION AND OUTREACH SERVICES, TO THE LASTER GROUP, INC. (DBA CULTURESPAN MARKETING), IN A FIRST YEAR AMOUNT NOT TO EXCEED \$125,000, WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS.**

Ms. Montoya presented the Board with information regarding this item. El Paso Water (EPWater) is requesting professional advertising services for the 2017 Stormwater Safety, "Turn Around, Don't Drown" public outreach campaign. EPWater obtained rights to use the trademarked phrase from the National Oceanic and Atmospheric Administration, and EPWater will maintain all rights to creative materials produced as part of this campaign. Primary objectives of the campaign are to educate the community that many El Paso streets are designed to carry stormwater, and on the dangers of driving and walking in floodwaters. EPWater also hopes the campaign will encourage parents to talk to their kids about the dangers of playing in or near the river, canals, drains, and ponds. The services requested of the agency include the development of a bilingual (English and Spanish) theme and creative approach to include the existing "Turn Around, Don't Drown" phrase, production of bilingual radio and video public service announcement (PSA) spots, digital materials for billboards and social media, and media placement.

Seven proposals were received. An evaluation of all the proposals was conducted based on completeness and responsiveness to the qualifications criteria. A short-list of the top four proposals were ranked based on the scoring criteria listed in the RFP. Based on the highest overall score received staff recommended award of RFP 27-17, EPWater Education and Outreach Services to The Laster Group, Inc. (dba CultureSpan Marketing). The contract amount will be negotiated and will not exceed the allotted advertising budget for this service. Ms. Montoya addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Dr. Santiago and unanimously carried with Mr. Gallardo abstaining from the vote, the Board awarded Request for Proposals Number 27-17, EPWater Education and Outreach Services, to The Laster Group, Inc. (dba CultureSpan Marketing), in a first year amount not to exceed \$125,000, with the option for two one-year extensions.

**APPROVED AN EVAULT DISASTER RECOVERY CONTRACT WITH SUNGARD AVAILABILITY SERVICES IN THE ESTIMATED AMOUNT OF \$262,726.54 WITH BUY BOARD PRICING THROUGH TEXAS DIR CONTRACT NUMBER DIR-TSO-2736.**



Mr. Armando Renteria, Chief Information Officer, presented the Board with information regarding this item. Staff uses Sungard Availability mobile recovery services in support of system disaster recovery and business continuity planning for its critical systems. The current services consist of Sungard transporting computer equipment by truck for El Paso Water to use during a declared emergency. The proposed Evault services provide enhanced recovery capabilities and address the need for a 24-hour Recovery Point Objective and Recovery Time Objective recovery timeframe through the use of cloud technology. A proposal for Evault disaster recovery services was received from Sungard Availability Services with buy board pricing through Texas DIR (Department of Information Resources) Contract Number DIR-TSO-2736. The Evault Recover to Cloud Vaulting services are offered at a reduced rate and the estimated savings for a 20.54-month contract is \$77,098.78. Mr. Renteria addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Mr. Roe and unanimously carried, the Board approved an Evault disaster recovery contract with Sungard Availability Services in the estimated amount of \$262,726.54 with buy board pricing through Texas DIR Contract Number DIR-TSO-2736.

**APPROVED A RESOLUTION ADOPTING ALTERNATIVE PROJECT DELIVERY METHODS AND APPROVING THE EL PASO WATER COMPETITIVE SEALED PROPOSAL POLICY.**

Mr. Shubert made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). Chapter 2269 of the Texas Government Code allows a governmental entity to utilize methods other than competitive bidding for construction projects. The alternative methods to be approved by the Board include the Competitive Sealed Proposal Method, Construction Manager at Risk, Design-Build, and Job Order Contract. Staff has determined that utilizing these alternative procurement methods will allow staff to consider factors other than lowest bid when awarding contracts as well as increasing the speed at which some projects are initiated and completed. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Dr. Mena, seconded by Dr. Santiago and unanimously carried, the Board approved a resolution adopting alternative project delivery methods and approving the El Paso Water Competitive Sealed Proposal Policy.

**MANAGEMENT REPORT:**

- ***Presentation on El Paso Water's Balanced Scorecard Strategic Planning Implementation Efforts:*** Ms. Corina Ledesma, Business Analyst, made a PowerPoint presentation to the Board regarding this item (copy on file in Central Files). EPWater has established a good Balanced Scorecard foundation through training, completing a strategic planning health assessment and a series of hands-on workshops. El Paso Water also held an organization-wide roll-out event which introduced employees to the new methodology, strategic elements and overview of future plans to track and measure performance. Ms. Ledesma and Mr. Balliew addressed questions from the Board regarding this presentation.
- ***Presentation on the chemicals and processes for surface water treatment:*** Mr. Fernie Rico, Chief Operations Officer, made a PowerPoint presentation to the Board regarding the chemical and processes for surface water treatment (copy on file in Central Files). Mr. Rico reviewed the various chemicals used and their functions during with water treatment process at the Jonathan Rogers and Canal Water Treatment Plants. Mr. Rico and Mr. Balliew addressed questions from the Board regarding this presentation.
- ***Presentation on Communications Programs – Key Highlights:*** Ms. Lisa Rosendorf, Chief Communications and Government Affairs Officer, made a PowerPoint presentation to the Board to review the key highlights of the El Paso Water Communications Programs (copy on file in Central Files). Ms. Rosendorf also invited the Board, staff and members of the public to attend the 2017

EPWater Water Festival at the TecH<sub>2</sub>O Learning Center on Saturday, May 13<sup>th</sup> at 10:00 a.m. Also, El Paso Water will host an annual Industrial Pretreatment Awards Program on June 1<sup>st</sup> to recognize local industry partners who work hard to ensure their effluent meets water quality standards.

**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.**

The Board heard additional comments from Mr. David Navarez from the National Desert Storm War Memorial.

**EXECUTIVE SESSION**

On a motion made by Mr. Antcliff, seconded by Dr. Santiago, and unanimously carried, the Board retired into Executive Session at 9:33 a.m., May 10, 2017, 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**  
Consultation with its attorneys regarding Cause No. 2017DCV1101, Mesa Executive Park, L.P. v. The City of El Paso.
- b. **Section 551.071 Consultation with Attorney**  
Consultation with its attorneys regarding Cause No. 2017DCV1076, ROP Artcraft, LLC v. The City of El Paso.

Upon declaration by Mr. Gallardo, the Board reconvened in open session at 10:08 a.m., May 10, 2017.

**CONSULTED WITH ATTORNEYS REGARDING CAUSE NO. 2017DCV1101, MESA EXECUTIVE PARK, L.P. V. THE CITY OF EL PASO.**

No action taken by the Board.

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

No action taken by the Board.

**ADJOURNMENT**

The meeting adjourned at 10:08 a.m., May 10, 2017.

ATTEST:

  
Secretary-Treasurer Vice Chair

Chair





## **RESOLUTION**

### **A RESOLUTION ADOPTING ALTERNATIVE PROJECT DELIVERY METHODS AND APPROVING THE EL PASO WATER COMPETITIVE SEALED PROPOSAL POLICY**

**WHEREAS**, Chapter 2269 of the Texas Government Code allows a governmental entity to utilize methods other than competitive bidding for construction projects; and,

**WHEREAS**, the Public Service Board desires to adopt such alternative procurement methods and to delegate authority to the President/CEO to determine, before advertising, which approved alternative delivery method for construction provides the best value to El Paso Water ("EPWater"); and,

**WHEREAS**, the Public Service Board desires to adopt a Competitive Sealed Proposal Policy to include additional evaluation criteria as permitted by Texas Government Code Section 2269; and

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

**Section 1.** That the Public Service Board hereby approves and adopts Competitive Sealed Proposal, Design- Build, and Construction Manager at Risk as alternative project delivery methods for the construction, rehabilitation, alteration, or repair of a facility or civil work project and Job Order Contract as an alternative project delivery method for maintenance, repair, alteration, renovation, remediation, or minor construction of a facility when the work is of a recurring nature but the delivery times, type, and quantities of work required are indefinite.

**Section 2.** That the Public Service Board delegates to the President/CEO, the authority to determine, before advertising, which approved alternative project delivery method for construction, if any, provides the best value to El Paso Water.

**Section 3.** That selection of the Competitive Sealed Proposal, Design-Build, Construction Manager at Risk, and Job Order Contract methods by the President/CEO does not require Public Service Board approval before issuance of a solicitation.

**Section 4.** That the President/CEO is authorized to negotiate a contract with the selected offeror when the Competitive Sealed Proposal method is utilized and is authorized to formally end negotiations and proceed to the next offeror where negotiations fail to produce an agreement satisfactory to the President/CEO.

**Section 6.** That the Public Service Board hereby adopts the El Paso Water Competitive Sealed Proposal Policy, for construction, rehabilitation, alteration or repair of El Paso Water facilities, which will be incorporated into El Paso Water's Purchasing Policy and Procedures Manual and is attached to this Resolution as Exhibit "A."



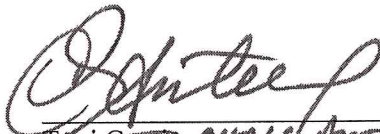
**PASSED AND APPROVED** at the regular meeting of the Public Service Board, this the 10th day of May 2017, at which meeting a quorum was present and which was held in accordance with the provisions of V.T.C.A. Government Code, Sections 551.001, et. seq.

**EL PASO WATER UTILITIES -  
PUBLIC SERVICE BOARD**



Henry Gallardo  
Chairperson

**ATTEST**

  
Terri Garcia *Chair & Antenna*  
Secretary/Treasurer *Vice Chair*

**APPROVED AS TO FORM**



Lee Ann B. Koehler  
General Counsel

## **EXHIBIT A**

### **EL PASO WATER COMPETITIVE SEALED PROPOSAL POLICY**

#### **I. Introduction**

Texas Government Code Chapter 2269 allows El Paso Water ("EPWater") to use the Competitive Sealed Proposal method for the construction, rehabilitation, alteration, or repair of a facility. A facility means an improvement to real property.

Competitive Sealed Proposal is a procurement method by which EPWater requests proposals, ranks the offerors, negotiates as prescribed, and then contracts with a general contractor for the construction, rehabilitation, alteration, or repair of a facility.

State law requires that, prior to using an alternative procurement method permitted by Texas Government Code Chapter 2269, the governing body of a governmental entity, shall determine, before advertising, which method provides the best value for EPWater. By Resolution approved concurrently with this policy, the Public Service Board delegated to the President/CEO, the authority to determine, before advertising, which alternative project delivery method for construction, if any, provides the best value to EPWater and that selection of the Competitive Sealed Proposal method by the President/CEO does not require approval by Public Service Board before issuance of a Competitive Sealed Proposal solicitation.

#### **II. The Procurement Process**

EPWater shall select or designate an architect or engineer to prepare construction documents for the project.

EPWater shall prepare a request for competitive sealed proposals that includes construction documents, selection criteria and the weighted value for each criterion, estimated budget, project scope, estimated project completion date, and other information that a contractor may require to respond to the request.

EPWater shall advertise or publish notice of the time and place the proposal will be received and opened. The notice must be published in a newspaper of general circulation once each week for at least two weeks before the deadline for receiving proposals.

A person who submits a proposal shall seal it before delivery.

EPWater shall receive, publicly open, and read aloud the names of the offerors and any monetary proposals made by the offerors.

Not later than the 45<sup>th</sup> day after the date on which the proposals are opened, EPWater shall evaluate and rank each proposal submitted in relation to the published selection criteria. EPWater shall select the offeror that submits the proposal that offers the best value for EPWater based on the selection criteria in the request for proposal and the weighted value for those criteria in the request for proposal. EPWater shall first attempt to negotiate a contract with the highest ranked



offeror. EPWater and its architect or engineer may discuss with the selected offeror options for a scope or time modification and any price change associated with the modification.

If EPWater is unable to negotiate a satisfactory contract with the selected offeror, EPWater shall, formally and in writing, end negotiations with that offeror and proceed to the next highest ranked offeror until a contract is reached or all proposals are rejected.

If EPWater is able to negotiate a satisfactory contract with a selected offeror, the contract shall be presented to Public Service Board for award. EPWater shall document the basis of its selection and shall make the evaluations public not later than the seventh day after the date the contract is awarded.

### **III. Selection Criteria**

- A. The selection criteria, together with the weighted value for each criterion, shall be clearly identified in EPWater's request for proposals. The weighted value for any one criterion shall not exceed 50% of the total value of all criteria except upon approval by Public Service Board. The criteria shall be established to meet the specific needs of a particular project and pursuant to Texas Government Code Chapter 2269.055, may include any of the following:
- 1) The price;
  - 2) The offeror's experience and reputation;
  - 3) The quality of the offeror's goods or services;
  - 4) The impact on the ability of EPWater to comply with rules relating to historically underutilized businesses;
  - 5) The offeror's safety record;
  - 6) The offeror's proposed personnel;
  - 7) Whether the offeror's financial capability is appropriate to the size and scope of the project; and
  - 8) Any other relevant factor specifically listed in the request for proposals.
- B. The President/CEO may determine what "other relevant factors" are, provided that the criteria are clearly identified in EPWater's request for proposal together with the weighted value for each

Date 05/10/2017