

**MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
November 14, 2018**

The regular meeting of the Public Service Board was held Wednesday, November 14, 2018, at the El Paso Water Utilities Public Service Board Meeting Room, 1154 Hawkins Blvd., El Paso, Texas.

PSB MEMBERS PRESENT

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

PSB MEMBERS ABSENT

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
Art Duran, Chief Financial Officer
Irazema Rojas, Capital Improvement Program Manager
Stephanie Santiago, Engineering Program Administrator
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, Contract Construction Administrator
Israel Chavez, Senior Network Administrator
Melissa Bell, Lead Public Affairs Coordinator
Gisela Dagnino, Engineering Division Manager
Thomas Cieslik, Utility Engineer Associate
Alma De Anda, Utility Land and Water Rights Manager
Anai Padilla, Water Conservation/TecH₂O Manager
Pablo Mejia, Utility Engineer Associate
Corina Ledesma, Performance Systems Administrator
Adriana Castillo, Engineering Division Manager
Ana Sanchez, Human Resources Manager
Veronica Galindo, Water Production Manager
Fernie Rico, Chief Operating Officer
Gilbert Trejo, Chief Technical Officer
Christina Montoya, Marketing and Communications Manager
Felipe Lopez, Distribution & Collection Systems Division Manager

GUESTS

Jeff Howell, City of El Paso
Kimberly Forsith, City of El Paso
Harrison Plourda, City of El Paso
Even Harper, FXSA
Brendan Davis, Citizen

MEDIA

None

The Public Service Board meeting was called to order by Mr. Antcliff at 8:03 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Ms. Lee Ann Koehler, 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:

1. CONSIDERED AND APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETINGS HELD ON OCTOBER 10, 2018.

The Board approved the October minutes.

2. CONSIDERED AND APPROVED THE PURCHASE AND INSTALLATION OF NEW HVAC EQUIPMENT FOR THE HAWKINS OFFICE BUILDING FROM TRANE U.S. INC. DBA TRANE THROUGH THE ESC REGION 19 ALLIED STATES COOPERATIVE CONTRACT NUMBER 18-7293, IN THE AMOUNT OF \$248,617.69.

The Board approved the purchase and installation of new HVAC equipment for the Hawkins Office Building from Trane U.S. Inc. dba Trane through the ESC Region 19 Allied States Cooperative Contract Number 18 7293, in the amount of \$248,617.69.

3. CONSIDERED AND APPROVED THE PURCHASE OF TWO SKID STEERS AND TWO HAULING/DUMP TRAILERS FROM WAGNER EQUIPMENT COMPANY THROUGH TEXAS BUY BOARD TASB CONTRACT NUMBER 515-16, IN THE AMOUNT OF \$149,680.

The Board approved the purchase of two skid steers and two hauling/dump trailers from Wagner Equipment Company through Texas Buy Board TASB Contract Number 515-16, in the amount of \$149,680.

4. CONSIDERED AND AWARDED BID NUMBER 104-18, WATER JETTING AND VACUUM SOIL EXTRACTION SERVICES, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, AMERICHoice CONSTRUCTION LLC., IN THE ESTIMATED ANNUAL AMOUNT OF \$74,200, WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

The Board awarded Bid Number 104-18, Water Jetting and Vacuum Soil Extraction Services, to the lowest responsive, responsible bidder, Americhoice Construction LLC., in the estimated annual amount of \$74,200, with the option for two, one-year extensions.

5. CONSIDERED AND AUTHORIZED THE RENEWAL OF THE ENGAGEMENT OF SCOTTHULSE, PC TO PROVIDE SPECIALIZED OUTSIDE LEGAL SERVICES RELATED TO REAL ESTATE TRANSACTIONS.

The Board authorized the renewal of the engagement of ScottHulse, PC to provide specialized outside legal services related to real estate transactions.

REGULAR AGENDA

6. PRESENTATION OF THE SAFEST SECTION OF THE QUARTER AWARDS (3RD QUARTER 2018).

Ms. Christina Montoya, Marketing and Communications Manager, presented the Board with information regarding the Safest Section of the Quarter Awards for the Third Quarter of 2018. The awards recognize the sections with the lowest accident rate for July, August and September. The sections were accident free during the third quarter. The members of each section performed their jobs safely as a group and as individuals. Mr. Roe and Mr. Balliew presented awards to Martin Ortiz for the Roberto R. Bustamante Wastewater Treatment Plant, Ed Pulido for Water Distribution, Veronica Galindo for Water Production and Richard Wilcox for Laboratory Services.

7. PRESENTED THE GOVERNMENT FINANCE OFFICERS ASSOCIATION'S (GFOA) DISTINGUISHED BUDGET PRESENTATION AWARD FOR THE FY 2018-19 BUDGET.

Ms. Montoya presented the award to Mr. Art Duran, Chief Financial Officer, who accepted the award on behalf of El Paso Water. The GFOA's Certificate of Achievement is the highest award in governmental budgeting and its attainment represents a significant accomplishment by a government and its management. The Utility first received this award for its FY1999-2000 Budget. The Utility has now received this award for 20 consecutive years. In order to receive this award, a governmental entity must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting.

8. CONSIDERED AND AUTHORIZED THE PRESIDENT/CEO TO SIGN AN INTERLOCAL AGREEMENT WITH THE HUNT INSTITUTE FOR GLOBAL COMPETITIVENESS AT THE UNIVERSITY OF TEXAS AT EL PASO TO PROVIDE STATISTICAL ANALYSIS AND ECONOMIC ASSESSMENT SERVICES FOR EL PASO WATER, IN THE ESTIMATED AMOUNT OF \$200,000.

Ms. Lisa Rosendorf, Chief Communications and Government Affairs Officer, presented a PowerPoint display to the Board regarding this item (copy on file in Central Files). For a number of years, EPWater employed an economist to provide various statistical and economic assessments and to oversee externally contracted economic reports. The utility no longer has that in-house capability. In determining how best to meet the need, the utility identified UTEP's Hunt Institute for Global Competitiveness as having the skillset and qualifications capable of producing multiple reports in a timely manner and at a reasonable cost. PSB member Dr. Santiago abstained from voting in regard to this item. Ms. Rosendorf addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Mr. Roe and unanimously carried, the Board considered and authorized the President/CEO to sign an Interlocal Agreement with the Hunt Institute for Global Competitiveness at the University of Texas at El Paso to provide statistical analysis and economic assessment services for El Paso Water, in the estimated amount of \$200,000.

9. CONSIDERED AND APPROVED A MEMORANDUM OF AGREEMENT WITH THE TEXAS A&M ENGINEERING EXTENSION SERVICE (TEEX) TO PROVIDE WATER/WASTEWATER

TRAINING COURSES AND OSHA SAFETY COURSES FROM JANUARY 1, 2019, THROUGH DECEMBER 31, 2021, IN THE ESTIMATED TOTAL AMOUNT OF \$560,000.

Ms. Ana Sanchez, Utility Human Resources Manager, presented information to the Board regarding this item. Certified TEEEX instructors will provide technical training for continuing education credits to maintain Texas Commission on Environmental Quality (TCEQ) mandated certifications for water and wastewater operators. TEEEX instructors provide training and materials at the TecH₂O training facility, thereby eliminating travel costs while providing face-to-face quality training. They also transmit all student training information to TCEQ. For at least the past 25 years, TEEEX has successfully provided El Paso Water with the required technical training to maintain state-mandated licenses. The proposed agreement also allows El Paso Water to provide smaller utilities the ability to attend training locally. This agreement includes additional safety classes and covers training from January 1, 2019, to December 31, 2021. Ms. Sanchez addressed questions from the Board.

On a motion made by Mr. Roe, seconded by Dr. Mena and unanimously carried, the Board approved a Memorandum of Agreement with the Texas A&M Engineering Extension Service (TEEX) to provide Water and Wastewater training courses from January 1, 2019, to December 31, 2021, in the estimated amount of \$560,000.

10. CONSIDERED AND APPROVED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE ROBERTO R. BUSTAMANTE WASTEWATER TREATMENT PLANT HEADWORKS IMPROVEMENTS TO CAROLLO ENGINEERS INC. FOR ENGINEERING PLANNING SERVICES IN THE AMOUNT OF \$368,561.15; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL PLANNING AND DESIGN SERVICES IN THE ESTIMATED AMOUNT OF \$140,000, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

FLOOR ADMENTMENT READ INTO RECORD TO REVISE THE AMOUNT AUTHORIZED FOR FUTURE TASK ORDERS TO \$800,000. Mr. Gilbert Trejo, Chief Technical Officer, presented a PowerPoint display to the Board regarding this item (copy on file in Central Files). At the October 2018 PSB meeting, the Board approved an emergency professional services and construction contracts to procure individual contracts related to emergency repairs required at the Bustamante Wastewater Treatment Plant headworks lift station. These immediate repairs will reduce the risk of equipment failure and allow the lift station to continue operating. The purchase orders and contracts required to conduct those immediate repairs have been executed and the work is underway. This project will address the long-term solution for the Bustamante lift station head works facility. The selected consultant will complete an assessment of the existing headworks lift station, including assessment of the concrete structures, and corrosion of the mechanical and electrical equipment. The assessment will determine whether the existing lift station can be salvaged through a series of major maintenance and rehabilitation projects or, if the existing structure and equipment are unsalvageable, requiring a new headworks lift station. This award is for the assessment and any design, bid and construction phase services associated with the recommended solution. Mr. Trejo addressed questions from the Board regarding this item. Mr. Balliew, President and CEO, made additional comments.

On a motion made by Mr. Gallardo, seconded by Dr. Mena and unanimously carried, the Board approved a Professional Engineering Services Contract for the Roberto R. Bustamante Wastewater Treatment Plant Headworks Improvements to Carollo Engineers Inc. for engineering planning services in the amount of \$368,561.15 and authorized future task orders or amendments to be issued under this contract for additional planning and design services in the estimated amount of \$800,000, provided that funding is available in the approved budget for the task orders or amendments.

11. CONSIDERED AND APPROVED TASK ORDER NUMBER 2 TO THE PROFESSIONAL

ENGINEERING SERVICES CONTRACT AWARDED TO MORENO CARDENAS INC. FOR CONSTRUCTION PHASE SERVICES FOR THE VISTA DEL ESTE 2.5 MG AND RANCHOS REAL 2.0 MG ELEVATED STORAGE TANKS IN THE AMOUNT OF \$636,166; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN AN ESTIMATED AMOUNT OF \$65,000, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

Mr. Trejo presented a PowerPoint display to the Board regarding this item (copy on file in Central Files). The Vista Del Este 2.5 million gallon (MG) and Ranchos Real 2.0 MG Elevated Water Storage Tanks are needed to serve the far east portions of the Tierra Del Este and Homestead Developments in El Paso County. The Vista Del Este tank will be constructed along the future extension of Vista Del Este Drive past Edgemere Boulevard and will provide additional water storage to the East Montana Pressure Zone. The Ranchos Real tank will be constructed near the intersection of Pebble Hills Boulevard and John Hayes Street and will provide additional storage to the Loop 375 – Joe Battle Pressure Zone. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Ms. Garcia and unanimously carried, the Board approved Task Order Number 2 to the Professional Services Contract awarded to Moreno Cardenas Inc. for construction phase services for the Vista Del Este 2.5 MG and Ranchos Real 2.0 MG Elevated Storage Tanks in the amount of \$636,166; authorized future task orders or amendments to be under this contract for additional design and construction phase services in an estimated amount of \$65,000; provided that funding is available in the approved budget for the task orders or amendments.

12. CONSIDERED AND AWARDED BID NUMBER 78-18, YANDELL/WYOMING WATER TRANSMISSION LINE, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, SPIESS CONSTRUCTION COMPANY, INC., IN THE AMOUNT OF \$1,555,218, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Trejo presented a PowerPoint display to the Board regarding this item (copy on file in Central Files). The existing 24-inch and 20-inch water transmission lines along Yandell Drive and Wyoming Avenue, from Poplar Street to Raynor Street, have endured numerous main breaks along their entire length with the most recent occurring in January 2018. These water transmission mains were installed in 1969 and 1973. The replacement project consists of the installation of approximately 3,113 feet of 24-inch through 16-inch ductile iron water line and 920 feet of 8-inch and 6-inch PVC water line. EPWater received six bids for this project on September 11, 2018. The bidders were Spiess Construction, Spartan Construction of TX, Karlsruher dba CSA Constructors, Danny Sander Construction, Allen Concrete, and Bain Enterprises dba Bain Construction. The bids ranged from \$1,555,218 to \$2,213,756, or 10 percent to 56 percent above the engineer's estimate of \$1,419,669. The project consulting engineer, Huitt-Zollars, evaluated the qualification information submitted by the apparent low bidder and has determined Spiess Construction meets all of the minimum general requirements as well as all of the minimum project specific criteria as specified in the bid documents. Staff evaluated the engineer's evaluation matrix and recommends award of Bid Number 78-18, Yandell/Wyoming Water Transmission Line, to Spiess Construction as the lowest responsive, responsible bidder in the amount of \$1,555,218.

On a motion made by Dr. Santiago seconded by Ms. Garcia and unanimously carried, the Board awarded Bid Number 78-18, Yandell/Wyoming Water Transmission Line, to the lowest responsive, responsible bidder, Spiess Construction Company Inc., in the amount of \$1,555,218, and authorized the use of commercial paper.

13. CONSIDERED AND APPROVED TASK ORDER NUMBER 2 TO THE PROFESSIONAL SERVICES CONTRACT AWARDED TO HUITT-ZOLLARS INC., FOR CONSTRUCTION PHASE SERVICES FOR THE YANDELL/WYOMING WATER TRANSMISSION LINE IN THE AMOUNT OF \$174,932 AND AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION

PHASE SERVICES IN AN ESTIMATED AMOUNT OF \$30,000, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

Mr. Trejo presented a PowerPoint display to the Board regarding this item (copy on file in Central Files). The existing 24-inch and 20-inch water transmission lines along Yandell Drive and Wyoming Avenue, from Poplar Street to Raynor Street, have endured numerous main breaks and leaks along their entire length with the most recent occurring in January 2018. These water transmission mains were installed in 1969 and 1973. The replacement project consists of the installation of approximately 3,113 feet of 24-inch through 16-inch ductile iron water line and 920 feet of 8-inch and 6-inch PVC water line. In April 2014, the Public Service Board awarded an engineering contract to Huitt-Zollars for the design and bid phase services for this project. With the design complete and the construction contract to be awarded in November 2018, based on their qualifications, staff recommends continuing to work with Huitt-Zollars on the subsequent construction phase services. A fee proposal associated for the defined scope of work was submitted, reviewed and negotiated with the consultant. The negotiated fee is in line with the level of effort required to complete the task and consistent with similar work recently completed.

On a motion made by Mr. Gallardo, seconded by Ms. Garcia and unanimously carried, the Board approved Task Order Number 2 to the Professional Services Contract awarded to Huitt-Zollars Inc., for construction phase services for the Yandell/Wyoming Water Transmission Line in the amount of \$174,932 and authorized future task orders or amendments to be issued under this contract for additional design and construction phase services in an estimated amount of \$30,000, provided that funding is available in the approved budget for the task orders or amendments.

14. CONSIDERED AND AWARDED BID NUMBER 48-18, TIM FLOYD STREET 16-INCH WATER MAINS (HIGH/LOW PRESSURE) TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, CMD ENDEAVORS INC., IN THE AMOUNT OF \$793,770, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Trejo presented a PowerPoint display to the Board regarding this item (copy on file in Central Files). Portions of the Tierra Del Este developments in far east El Paso continue to expand. The proposed 16-inch water transmission mains will be used to provide service to these developing areas and will draw water from the East Montana and Joe Battle Pressure Zones. The 16-inch water transmission mains will be extended along the future extension of Tim Floyd Street, near the intersection of Edgemere Boulevard and Pebble Hills Boulevard. EPWater received nine bids for this project on September 24, 2018. The bidders were CMD Endeavors, Karlsruher dba CSA Constructors, ZTEX Construction, Bain Enterprises dba Bain Construction, Spartan Construction of TX, Danny Sander Construction, Spiess Construction, S&M Constructors and Allen Concrete. The bids ranged from \$793,770 to \$1,502,680.99 or 38 percent below to 18 percent above the engineer's estimate of \$1,274,646. Staff evaluated the qualifications of the apparent low bidder and determined that CMD Endeavors meets the minimum general requirements as well as the minimum project specific criteria as specified in the bid documents. Staff recommends award of Bid Number 48-18, Tim Floyd Street 16-Inch Water Mains (High/Low Pressure) to CMD Endeavors as the lowest responsive, responsible bidder in the amount of \$793,770. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago, seconded by Ms. Garcia and unanimously carried, the Board awarded Bid Number 48-18, Tim Floyd Street 16-Inch Water Mains (High/Low Pressure) to the lowest responsive, responsible bidder, CMD Endeavors Inc., in the amount of \$793,770 and authorized the use of commercial paper.

15. CONSIDERED AND AWARDED BID NUMBER 105-18 LIQUID OXYGEN, TO THE SOLE RESPONSIVE, RESPONSIBLE BIDDER, MATHESON TRI-GAS INC., IN THE ESTIMATED ANNUAL AMOUNT OF \$298,750 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

Ms. Rose Guevara, Senior Purchasing Agent, provided information to the Board regarding this item. This chemical is used for odor control at various lift stations and in the production of ozone for disinfection at the

Fred Hervey Water Reclamation Plant. The previous bid was awarded on November 11, 2015. The new bid is 3 percent higher than the previous bid. Ms. Irazema Rojas addressed questions from the Board regarding this item. One bid was received. Staff evaluated the bid and determined that the sole bidder meets all the requirements as outlined within the bid proposal. Therefore, staff recommends award to the sole bidder, Matheson Tri-Gas. Ms. Guevara addressed questions from the Board regarding this item.

On a motion made by Mr. Gallardo, seconded by Dr. Mena and unanimously carried, the Board awarded Bid Number 105-18 Liquid Oxygen to the sole responsive, responsible bidder, Matheson Tri-Gas Inc. in the estimated annual amount of \$298,750 with the option for two, one-year extensions.

16. CONSIDERED AND AWARDED BID NUMBER, 101-18 BARRICADES AND TRAFFIC CONTROL SERVICES TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, LEEDSMANN CONSTRUCTION INC. DBA TRAFFIC CONTROL SPECIALISTS, IN THE ESTIMATED ANNUAL AMOUNT OF \$465,238 WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS.

Ms. Guevara provided information to the Board regarding this item. Traffic control services are used by all field repair and construction crews to provide shoulder, lane and street closures to ensure safe work zones for work crews and vehicular traffic. Previous bid was awarded on November 8, 2017. The new bid, when adjusted for the increased quantities, has resulted in a 2 percent decrease in the bid unit prices. Two bids were received, Leedsmann Construction Inc. dba Traffic Control Specialists for \$465,238 and Contractors Barricade Service Inc. dba Apache Barricade & Sign for \$528,817.50. Staff evaluated the bids and determined that the low bidder met all specifications as defined within the bid proposal. Therefore, staff recommends award to Leedsmann Construction Inc. dba Traffic Control Specialists in the estimated annual amount of \$465,238. Ms. Guevara addressed questions from the Board regarding this item.

On a motion made by Mr. Gallardo, seconded by Dr. Mena and unanimously carried, the Board awarded Bid Number 101-18 Barricades and Traffic Control Services to the lowest responsive, responsible bidder, Leedsmann Construction Inc. dba Traffic Control Specialists, in the estimated annual amount of \$465,238 with the option for two one-year extensions.

17. CONSIDERED AWARDED BID NUMBER 106-18, TRENCH SAFETY EQUIPMENT TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, EL PASO TRENCH SAFETY, INC., IN THE ESTIMATED ANNUAL AMOUNT OF \$325,853.53 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

Ms. Guevara provided information to the Board regarding this item. This service is utilized for renting trench safety equipment for use on water, wastewater and stormwater line excavations. The previous bid was awarded on December 13, 2017. Increases to the line item quantities and the addition of new line items have been incorporated into the new bid. With the quantity changes and the new line items, the new bid increased by 92%. Three bid proposals were received from El Paso Trench Safety, Inc., Trench Shore Rentals and United Rentals (North America), Inc. Staff evaluated the bids and determined that the low bidder met all specifications as defined within the bid proposal. Staff recommends award to El Paso Trench Safety, Inc. in the estimated annual amount of \$325,853.53.

On a motion made by Mr. Roe, seconded by Ms. Garcia and unanimously carried, the Board awarded Bid Number 106-18 Trench Safety Equipment to the lowest responsive, responsible bidder, El Paso Trench Safety, Inc., in the estimated annual amount of \$325,853.53 with the option for two, one-year extensions.

18. CONSIDERED AND APPROVED A RATIFICATION OF BID NUMBER 73-17, SODIUM CHLORITE 25% AWARDED TO EVOQUA WATER TECHNOLOGIES LLC., IN THE AMOUNT OF \$62,181.60.

Ms. Guevara provided information to the Board regarding this item. Chlorine dioxide is a primary disinfectant used at the Canal Water Treatment Plant. Chlorine dioxide is produced with Sodium Chlorite and Chlorine gas. Three bids were received for Bid 73-17, Sodium Chlorite 25%. Bids were evaluated, and Evoqua Water Technologies was found to be the lowest responsive, responsible bidder with a total bid of \$46,800. This bid was awarded by the Purchasing Agent to Evoqua Water Technologies on January 22, 2018, as it was below the \$50,000 threshold for PSB award. In the 2018 water season start-up, plant personnel had to run these chlorine dioxide generators for a longer period than anticipated and additional sodium chlorite had to be purchased. This additional purchase added 32.87 percent to the original contract amount of \$46,800 for a new total of \$62,181.60. Ms. Guevara addressed questions from the Board regarding this item. Mr. Balliew made additional comments.

On a motion made by Dr. Santiago, seconded by Mr. Gallardo and unanimously carried, the Board approved a ratification of Bid Number 73-17 Sodium Chlorite 25% awarded to Evoqua Water Technologies LLC., in the amount of \$62,181.60.

19. CONSIDERED AND APPROVED A SOLE SOURCE PURCHASE OF TUBE SETTLER MEDIA FOR THE CANAL WATER TREATMENT PLANT FROM WWater TECH INC. IN THE AMOUNT OF \$349,500.

Ms. Guevara provided information to the Board regarding this item. Tube settlers are used to aid in the settling of suspended particles in the secondary settling basins at the Canal WTP. The tube settler media in the tube settlers at the Canal WTP has reached its useful life and needs replacement. It has become worn and brittle with age and exposure to the elements since its installation in 2007. Brentwood Industries is the sole source provider of this tube settler media, and WWaterTech Inc. is the exclusive sales representative in Texas for Brentwood Industries. Ms. Guevara addressed questions from the Board regarding this item.

On a motion made by Mr. Roe, seconded by Dr. Santiago and unanimously carried, the Board approved a sole source purchase of tube settler media for the Canal Water Treatment Plant from WWater Tech Inc. in the amount of \$349,500.

20. CONSIDERED AND APPROVED A SOLE SOURCE CONTRACT FOR THE OVERHAUL OF FOUR BLOWERS AT THE HASKELL R. STREET WASTEWATER TREATMENT PLANT WITH HOWDEN ROOTS LLC., IN THE ESTIMATED AMOUNT OF \$123,138 AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Ms. Guevara provided information to the Board regarding this item. Howden was on site in October 2018 performing an inspection and adjustment to the existing blowers. Upon opening the first blower, it was determined that the blower had problems with the diffuser vane system. Howden recommended a Class I overhaul of the existing four blowers. The blowers are a critical part of the wastewater treatment process, and this rehabilitation will allow for full operation of the existing blowers with less operations and maintenance problems. The overhaul and repair will improve the blower redundancy and operations, as this will increase the air production by eliminating the vane system restrictions. All original equipment manufacturer parts, service, installation and startup costs are included and will be performed by Howden Roots, the sole source provider. Staff evaluated the equipment overhaul proposal and determined that it met all the requirements for this procurement.

On a motion made by Dr. Santiago, seconded by Mr. Roe and unanimously carried, the Board approved a sole source for the overhaul of four blowers at the Haskell R. Street Wastewater Treatment Plant with Howden Roots LLC., in the estimated amount of \$123,138 and authorized the use of commercial paper.

21. CONSIDERED AND APPROVED A SOLE SOURCE CONTRACT TO PURE TECHNOLOGIES INC., TO CONDUCT AN ELECTROMAGNETIC CONDITION ASSESSMENT OF THREE SEGMENTS OF THE 48- INCH DIAMETER, CROSS-CITY FEEDER

TOTALING 2.5 MILES IN LENGTH IN THE AMOUNT OF \$227,150 AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Felipe Lopez, Distribution and Collection Systems Division Manager, provided information to the Board regarding this item. The Utility continues to assess the condition of its older transmission mains to determine which pipe segments need replacement or rehabilitation before these main segments start showing evidence of severe distress, such as leaks and breaks. A 2006 CH2MHill study identified and prioritized specific pipeline projects for future assessment and possible replacement. Six of the top 10 priority projects identified are part of the 48-inch diameter, cross-city feeder transmission system. Assessment of the entire 12.4 mile length of the cross-city feeder has been scheduled for completion over a period of six years. This year's assessment is the fourth of seven assessments scheduled. Other technologies are available that will detect leaks in the pipe and detect hairline cracking or other evidence of surface distress inside the pipe, but these technologies do not detect the number and location of broken wires. Pure Technologies holds the patents for Electromagnetic Inspection (EMI) inspection and is the only company that offers EMI. The EMI tool used by Pure Technologies uses a tethered, self-propelled robotic inspection vehicle that has electromagnetic, closed-circuit television and sonar sensors on-board. It can achieve inspection deployments of over 5,000 linear feet using a fiber optic tethering cable. The electromagnetic sensors provide data for locating and quantifying the breaks in the pre-stress wire.

On a motion made by Mr. Roe, seconded by Dr. Mena and unanimously carried, the Board approved a sole source contract to Pure Technologies Inc., to conduct an electromagnetic condition assessment of three segments of the 48-inch diameter, cross-city feeder totaling 2.5 miles in length in the amount of \$227,150, and authorized the use of commercial paper.

22. PRESENTATION OF THE UPDATED LAND USE ASSUMPTIONS RELATED TO IMPACT FEES.

Ms. Adriana Castillo, Engineering Division Manager, provided information to the Board regarding this item. On March 24, 2009, City Council adopted the Land Use Assumption (LUA) and Capital Improvement Plan (CIP). A requirement of Local Government Code 395, Financing Capital Improvements required by New Development, is to update the LUA and CIP at least every five years. In 2014, the updated LUA and CIP were approved/adopted by City Plan Commission (CPC), Capital Improvements Advisory Committee (CIAC), City Council and the Public Service Board (PSB). EPWater and the City of El Paso are currently working on updating the LUA and CIP for the 2019 five-year update. The updated LUA and CIP must be approved/adopted by CPC, CIAC, City Council and the PSB. EPWater's staff is currently analyzing the updated LUA to determine the effect on CIP. Changes to the CIP will be reflected in a proposed updated CIP and Impact Fees. Mr. Balliew made additional comments regarding this item.

No action was taken.

23. MANAGEMENT REPORT:

- Ozone Replacement Project at Johnathan W. Rogers Plant - Mr. Fernie Rico, Chief Operations Officer, presented information regarding this project to the Board. Mr. Rico gave some background regarding the plant, it was designed in 1990 and began treating water in 1993. As per the EPA Safe Drinking Water Act of 1974, there are several rules that must be followed; Surface Water Treatment Rule from June 1989, Filter Backwash Recycling Rule June 2001, Long Term 1 Enhanced Surface Water Treatment Rule January 2002, and Long Terms 2 Enhanced Surface Water Treatment Rule January 2006. Mr. Rico went on to discuss the advantages of Ozone. It is a more powerful oxidant than chlorine and chlorine dioxide. It removes 90 percent of taste and odor, enhanced settling through microflocculation and it is produced onsite. Mr. Rico went on to discuss how Ozone is currently produced, which is by an air-fed system. Dielectric tubes (528 per generator) convert dry air to ozone. Mr. Rico did mention that it is not as efficient as liquid oxygen. Mr. Rico discussed ozone improvement; higher efficiency in ozone production, cost efficiency, less operations and maintenance, and a

smaller footprint. Mr. Rico showed a slide with the old generators versus the new generators. The old generators were five each at 900 ppd totaling 4500 ppd, whereas the new generators are three each at 1225 ppd totaling 3675 ppd. The layout of the new placement for the generators was also shown, with the new layout providing more square footage. Mr. Rico also showed a slide showing the ozone location at the Johnathan W. Rogers plant. The project cost is \$19,275,014, with the bulk of the cost going toward construction at \$17,037,750 and design and bid phase at \$1,137,891. As of today, the project is 46 percent complete based on calendar days. Final completion is expected August 20, 2019. Mr. Rico addressed questions from the board regarding this item. Mr. Balliew made additional comments.

- Rogers Plant 25th Anniversary Video - Ms. Lisa Rosendorf, Chief Communications and Government Affairs Officer, presented the 25th Anniversary Plant video. The video included interviews with current employees and what they remember when they started working at the plant, and how the plant has grown and expanded over the past 25 years. Mr. Balliew made additional comments.
- FY18 Accomplishments-CIP Highlights - Ms. Irazema Rojas, Capital Improvements Projects Manager, presented information regarding this project to the Board. Ms. Rojas began her presentation with securing our water supply and the steps EPWater is taking for the upcoming year via importation, the purchases of land and water rights, treatment with improvements to the Kay Bailey Hutchison Desalination Plant, Advanced Purification preliminary design and new well drilling. Items that are currently under construction for securing out water supply is drought resolution on well drilling and equipping, and water well equipment replacement. Continuing with the water supply, Ms. Rojas discussed the Dell City acquisition of nine properties totaling approximately 64,702 acres. Four additional properties, totaling approximately 3,662 acres, are under contract. In regards to treatment for our water supply, the improvements being done at KBH are completed parallel relief pipelines. And lastly for our water supply, new well drilling. We normally have six wells drilled annually, but per the drought resolution, an additional seven wells were added. Ms. Rojas discussed Supporting City Growth and the water storage that is needed: North 2 (3MG) Elevated tank. One of three tanks needed to support growth and improve water pressure in the Mesquite Hill subdivision. Pipelines that will support Borderland-Strahan Waterline phase 1, Eastside Planned Service Area waterline extensions and Montana East waterline extensions. Also under city growth are projects that are currently under construction. In regards to storage, there is the Ranchos Real (2MG) water tank, Vista del Este (2.5MG) water tank and Franklin East 1A (3MG) water tank. Also under construction are pipelines for the Tim Floyd water line extension. Ms. Rojas also went over Improving Infrastructure Reliability and the completed storage construction; Zaragoza ground tank rehabilitation, and Jackson ground tank reconstruction. Moving on to completed treatment construction, Haskell plant clarifier, digester cover, mixer, heating, belt filter press were finished. Hervey plant sludge bedliner, blowers, automation. Also, the Bustamante plant blower overhaul and the Haskell plant blower engine were addressed under improving infrastructure reliability. Next, Ms. Rojas went over completed pipeline construction: Pershing from Alta to Altura and Desert South waterline. Other major completed construction projects were Emergency Backup Power for Water Systems Phase 4 and Airport Well-field Electrical Improvements Phase 1. This is construction of a new underground electrical distribution system. The pipelines that are currently under construction are George Dieter at Rex Baxter and Montwood, Pipeline Replacement Program Phase 8, Yandell/Wyoming Waterline, Roseway Waterline, Air Release Valve Rehabilitation, Boone Street Interceptor Phase 2A, and Doniphan Collector to Canutillo Bosque lift station. Next, Ms. Rojas went over lift stations that are under construction: Canutillo Vacuum Pits Removal phases 1-2, Wastewater Lift Stations Reconstruction (3), and Canutillo Bosque Wastewater

Lift Station and force main. Also addressed were Treatment Under Construction including Rogers Ozone Generation, Surge Protection systems, KBH Surface Injection Facility Tank, Canal Water Treatment Plant Discharge Main Tunnel, Haskell Street Plant Upgrades Headworks Piping, Fred Hervey Plant Digester and Blower Rehabilitation. Another major construction item is the Meter Replacement program, in which meters are being replaced city-wide to ensure the safety of our employees. An area that Ms. Rojas addressed was Supporting Transportation Improvements, which included the completed pipeline construction of Clardy Fox Area Street Improvements (city). Some projects that are under construction in that same area are: GO-10 Project (Bid 2016), Border Highway Expansion (Bid 2106), FM 659 Montwood/Zaragoza Interchange (9/18), Montana from Global Reach to Tierra Este (Bid 10/18), I-10 Connect (11/18), Loop 375 from Montana to Spur 601 (2/19), City of El Paso Alameda from Presa to Ivey Project. In regards to Stormwater Flood Control, the storage completed construction are: Dam 9 Upgrade (Denver Avenue), San Diego Dam, Louisiana Dam, Saipan Pond Drainage Improvements. The next area that was discussed was Conveyance Completed Construction; Franklin Conduit Rehabilitation, Ridge View/High Ridge Channel Improvements, West Hills Unit 23 Drainage Improvements and Clark Street Drainage Improvements. Ms. Rojas showed a slide regarding West Hills Unit 23 Storm System Improvements. Items that are under storage construction are: Copia Pond and Discharge Conduit, Grand Teton Pond Improvements, Kentucky Dam, Silver Springs Dam, and Thomas Manor Pond and Pump Station. Ms. Rojas then discussed the Water Systems Capital Improvements concerning cost. The projected amount for Water Resources was \$95 million, and the actual budgets was \$85 million. The projected amount for storage was \$17 million, actual budget was \$18 million, the projected amount for treatment was \$19 million, the actual budget was \$21 million, and finally other major projects were projected at \$28 million and the actual budget was \$42 million. Ms. Rojas also went over the numbers for Wastewater Systems. The projected amount for Pump Stations were \$7 million, and the actual budget was \$8 million. For pipelines, the projected amount was \$17 million, actual budget was \$22 million, the treatment amount projected amount was \$27 million, and the actual budgeted was \$22 million. Other majors came in at a projected amount of \$5 million, with the actual budgeted at \$7 million. Next, Ms. Rojas discussed Stormwater funds starting with Storage: Projected amount was \$18 million, and the actual budget at \$15 million. Conveyance came in at \$8 million projected, with the actual budget at \$14 million. Other major coming in at \$5 million, and the actual budget at \$5 million. Ms. Rojas and Mr. Balliew addressed questions from the Board.

24. 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 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 9:33 a.m., November 14, 2018, pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Chapter 551, Subchapter D to discuss 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 receive an update and deliberate regarding potential land purchases for the Will Ruth Pond Project.

b. Section 551.072 Deliberation Regarding Real Property

The Board will deliberate regarding a potential land purchase legally described as the East 75 feet of the West 150 feet of Tract 2, and a portion of the West 75 feet of Tract 2, Block 7, Del Norte Acres, El Paso, El Paso County, Texas, for a future well site.

c. Section 551.072 Deliberation Regarding Real Property

The Board will deliberate regarding a potential land purchase legally described as Public School Land, E ½ of Section 35, and NW ¼ & N ½ of NE ¼ of Section 34, Block 119, Hudspeth County, Texas.

d. Section 551.071 Consultation with Attorney

The Board will consult with its attorneys regarding Cause No. 2017DCV1101, Mesa Executive Park, L.P. v. The City of El Paso, Texas through the El Paso Water Utilities Public Service Board, Ana Ruelas dba Ruga Trucking.

e. Section 551.072 Deliberation Regarding Real Property; Section 551.071

The Board will receive an update and consult with its attorneys concerning the transfer of land located in Sections 9-21, Block 81, and in Sections 7, 17-20 and 30, Block 80, Township 1, Texas and Pacific Railroad Company Surveys, City of El Paso, County of El Paso, Texas, (approximately 2,313 acres).

On a motion made by Ms. Garcia, seconded by Dr. Santiago and unanimously carried, the Board reconvened in open session at 10:51 a.m., November 14, 2018.

UPDATED AND DELIBERATED REGARDING POTENTIAL LAND PURCHASES FOR THE WILL RUTH POND PROJECT.

On a motion made by Dr. Mena, seconded by Ms. Garcia and carried, that the El Paso Water Utilities President and CEO be authorized to proceed with the acquisition of land and relocation 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.

DELIBERATED REGARDING A POTENTIAL LAND PURCHASE LEGALLY DESCRIBED AS THE EAST 75 FEET OF THE WEST 150 FEET OF TRACT 2, AND A PORTION OF THE WEST 75 FEET OF TRACT 2, BLOCK 7, DEL NORTE ACRES, EL PASO, EL PASO COUNTY, TEXAS, FOR A FUTURE WELL SITE.

On a motion made by Dr. Mena, seconded by Ms. Garcia and carried, that the El Paso Water Utilities President and CEO be authorized to proceed with the acquisition of land relocation 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.

DELIBERATED REGARDING A POTENTIAL LAND PURCHASE LEGALLY DESCRIBED AS PUBLIC SCHOOL LAND, E ½ OF SECTION 35, AND NW ¼ & N ½ OF NE ¼ OF SECTION

34, BLOCK 119, HUDSPETH COUNTY, TEXAS.

On a motion made by Dr. Mena, seconded by Ms. Garcia and carried, that the El Paso Water Utilities President and CEO be authorized to proceed with the acquisition of land 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.

CONSULTED WITH ITS ATTORNEYS REGARDING CAUSE NO. 2017DCV1101, MESA EXECUTIVE PARK, L.P. V. THE CITY OF EL PASO, TEXAS THROUGH THE EL PASO WATER UTILITIES PUBLIC SERVICE BOARD, ANA RUELAS DBA RUGA TRUCKING.

No action was taken.

RECEIVED AN UPDATE AND CONSULTED WITH ITS ATTORNEYS CONCERNING THE TRANSFER OF LAND LOCATED IN SECTIONS 9-21, BLOCK 81, AND IN SECTIONS 7, 17-20 AND 30, BLOCK 80, TOWNSHIP 1, TEXAS AND PACIFIC RAILROAD COMPANY SURVEYS, CITY OF EL PASO, COUNTY OF EL PASO, TEXAS, (APPROXIMATELY 2,313 ACRES).

On a motion made by Dr. Mena, seconded by Ms. Garcia, that the El Paso Water Utilities Public Service Board confirms that its intent that the MOUs with the City of El Paso for the Land Development and the Land Transfer to be effective only if the Great Wolf Project is consummated and if the Project does not occur, the land shall remain in or revert to the PSB's land inventory and no transfer shall take place.

ADJOURNMENT

On a motion made by Dr. Santiago, seconded by Ms. Garcia and unanimously carried, the meeting adjourned at 10:53 a.m., November 14, 2018.

ATTEST:



Secretary-Treasurer



Christopher Antcliff, Chair