

MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
August 12, 2020

The regular meeting of the Public Service Board was held via telephonic, Wednesday, August 12, 2020.

PSB MEMBERS PRESENT

Christopher A. Antcliff, Member
Dr. Kristina D. Mena, Chair
Bryan Morris, Member
Terri Garcia, Secretary-Treasurer
Dee Margo, Ex-Officio Member
Henry Gallardo, Member
Dr. Ivonne Santiago, Vice-Chair

PSB MEMBERS ABSENT

PSB EMPLOYEES PRESENT

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

EPWATER EMPLOYEES PRESENT

Alan Shubert, Vice President
Marcela Navarrete, Vice President
Juan S. Gonzalez, Assistant General Counsel
Art Duran, Chief Financial Officer
Lisa Rosendorf, Chief Communications and Government Affairs Officer
Alfredo Solano, Chief Information Officer
Jillian Shipp, Executive Assistant
Jeannette Cordero, Assistant Chief Financial Officer
Gilbert Trejo, Chief Technical Officer
Israel Chavez, Senior Network Administrator
Diana Ortega, Utility Purchasing & Contract Manager
Rose Guevara, Senior Purchasing Agent
Edgar Campos, Utility Information Systems Manager
Daniel Ortiz, Assistant General Counsel
Alma De Anda, Utility Land & Water Rights Manager
James Wolff, Real Estate Manager
Angel Bustamante, Water Systems Division Manager
Mark Boldoc, Utility Business & Customer Service Manager
Felipe Lopez, Chief Operating Officer
Ivan Ibarra, Fleet Maintenance Chief
Mary Portillo, Senior Office Assistant
Paul Rivas, Chief Operating Officer

GUESTS

MEDIA

The Public Service Board meeting was called to order by Mr. Antcliff at 10:00 a.m. A quorum of its members was present after doing a roll call.

REGULAR AGENDA

1. ELECTION OF PUBLIC SERVICE BOARD OFFICERS.

Mr. Chris Antcliff explained that after two years, it was time to elect new Board officers, and opened the floor for nominations.

On a nomination and motion by Mr. Gallardo, seconded by Mayor Margo and unanimously carried, the Board elected Dr. Mena as the Public Service Board Chair.

On a nomination and motion by Mr. Gallardo, seconded by Mayor Margo and unanimously carried, the Board elected Dr. Santiago as the Public Service Board Vice-Chair. On a nomination and motion by Mr. Gallardo, seconded by Mayor Margo and unanimously carried, the Board elected Ms. Garcia as the Public Service Board Secretary-Treasurer.

CONSENT AGENDA

Mr. Balliew made introductory remarks regarding Purchasing items on consent. Mr. Morris and Ms. Garcia both had questions which Mr. Balliew addressed. On a motion made by Mr. Antcliff seconded by Dr. Santiago and unanimously carried, the Board took action on the following agenda items:

2. CONSIDERED AND APPROVED A CONTRACT FOR SUPPLIES AND MATERIALS FOR MAINTENANCE, REPAIRS AND OPERATIONS WITH CLOWE & COWAN OF EL PASO, LLC, THROUGH ESC REGION 19 CONTRACT NUMBER 20-7375, FOR AN ESTIMATED ANNUAL AMOUNT OF \$200,000 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

The Board approved a contract for supplies and materials for maintenance, repairs and operations with Clowe & Cowan of El Paso, LLC, through ESC Region 19 Contract Number 20-7375, for an estimated annual amount of \$200,000 with the option for two, one-year extensions.

3. CONSIDERD AND APPROVED AN INCREASE OF \$55,000 FOR A REVISED, ESTIMATED ANNUAL AMOUNT OF \$100,000 TO THE CURRENT MASTER CONTRACT, MCRJBORDERIN19, FOR HEAVY AND MEDIUM DUTY VEHICLE REPAIR, PARTS AND BODY SHOP SERVICES WITH RJ BORDER INTERNATIONAL, LP THROUGH ESC REGION 19 CONTRACT NUMBER 19-7332 WITH THE OPTION OF THREE, ONE-YEAR EXTENSIONS.

The Board approved an increase of \$55,000 for a revised, estimated annual amount of \$100,000 to the current Master Contract, MCRJBORDERIN19, for heavy and medium duty vehicle repair, parts and body shop services with RJ Border International, LP through ESC Region 19 Contract Number 19-7332 with the option of three, one-year extensions.

4. CONSIDERED AND APPROVED A CONTRACT FOR PUMP AND MOTOR REPAIRS WITH MUSSHORN ENTERPRISES INC. DBA B&M MACHINERY THROUGH ESC REGION 19

CONTRACT NUMBER 20-7367 IN THE ESTIMATED ANNUAL AMOUNT OF \$300,000 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

The Board approved a contract for pump and motor repairs with Musshorn Enterprises Inc. dba B&M Machinery through ESC Region 19 Contract Number 20-7367 in the estimated annual amount of \$300,000 with the option for two, one-year extensions

5. CONSIDERED AND APPROVED THE PURCHASE OF THREE 2021 INTERNATIONAL MV607 TRUCKS FROM BORDER INTERNATIONAL TRUCKS, UTILIZING THE SOURCEWELL-NAVISTAR CONTRACT NUMBER 081716-NVS, IN THE AMOUNT OF \$328,709.94

The Board approved the purchase of three 2021 International MV607 trucks from Border International Trucks, utilizing the Sourcewell-Navistar Contract Number 081716-NVS, in the amount of \$328,709.94

6. CONSIDERED AND APPROVED AN INCREASE OF \$250,500 TO THE CURRENT MASTER CONTRACT MCSOUTHWES2820, FOR MAINTENANCE, REPAIR AND OPERATION OF EQUIPMENT, SUPPLIES AND MATERIALS FOR OPERATIONS WITH SOUTHWESTERN INDUSTRIAL FASTENERS INC., THROUGH ESC REGION 19 CONTRACT NUMBER 15-7147 FOR A REVISED, ESTIMATED ANNUAL AMOUNT OF \$300,000 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

The Board approved an increase of \$250,500 to the current Master Contract MCSOUTHWES2820, for maintenance, repair and operation of equipment, supplies and materials for operations with Southwestern Industrial Fasteners Inc., through ESC Region 19 Contract Number 15-7147 for a revised, estimated annual amount of \$300,000 with the option for two, one-year extensions.

7. CONSIDERED AND APPROVED AN INCREASE OF \$250,500 TO THE CURRENT MATER CONTRACT MCELPASOPIPE20, FOR PIPE, METALS AND RELATED MATERIALS FOR OPERATIONS WITH EL PASO PIPE AND PUMP SUPPLY INC., THROUGH ESC REGION 19 CONTRACT NUMBER 15-7172 FOR A REVISED, ESTIMATED ANNUAL AMOUNT OF \$300,000 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

The Board approved an increase of \$250,500 to the current Mater Contract MCELPASOPIPE20, for pipe, metals and related materials for operations with El Paso Pipe and Pump Supply Inc., through ESC Region 19 Contract Number 15-7172 for a revised, estimated annual amount of \$300,000 with the option for two, one-year extensions.

8. CONSIDERED AND APPROVED AN INCREASE OF \$250,500 TO THE CURRENT MASTER CONTRACT MCQANNEXCORP20, FOR MAINTENANCE, REPAIR AND OPERATION OF EQUIPMENT, SUPPLIES AND MATERIALS FOR OPERATIONS WITH QANNEX CORP., THROUGH ESC REGION 19 CONTRACT NUMBER 18-7278 FOR A REVISED, ESTIMATED ANNUAL AMOUNT OF \$300,000 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

The Board approved an increase of \$250,500 to the current Master Contract MCQANNEXCORP20, for maintenance, repair and operation of equipment, supplies and materials for operations with Qannex Corp., through ESC Region 19 Contract Number 18-7278 for a revised, estimated annual amount of \$300,000 with the option for two, one-year extensions.

9. CONSIDERED AND APPROVED AN INCREASE OF \$250,001 TO THE CURRENT MASTER CONTRACT FOR INDUSTRIAL PUMPS, MOTORS, FILTERS, FLOW METERS, SALES, SERVICE AND REPAIRS WITH VMP INDUSTRIAL SALES INCORPORATED, AND APPROVE CONTRACTS WITH EL PASO PHOENIX PUMPS, INC., JOHNSTONE SUPPLY AND WISCO SUPPLY, INC. THROUGH THE ESC REGION 19 CONTRACT NUMBER 15-7188, EACH FOR AN ESTIMATED ANNUAL AMOUNT OF \$300,000 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

The Board approved an increase of \$250,001 to the current master contract for industrial pumps, motors, filters, flow meters, sales, service and repairs with VMP Industrial Sales Incorporated, and approve contracts with El Paso Phoenix Pumps, Inc., Johnstone Supply and Wisco Supply, Inc. through the ESC Region 19 Contract Number 15-7188, each for an estimated annual amount of \$300,000 with the option for two, one-year extensions.

10. CONSIDERED AND AWARDED A PROFESSIONAL SERVICES CONTRACT FOR INTERNAL AUDIT SERVICES TO PORCH & ASSOCIATES, LLC, IN THE ESTIMATED ANNUAL AMOUNT OF \$100,000, WITH THE OPTION OF TWO, ONE-YEAR EXTENSIONS

The Board awarded a professional services contract for internal audit services to Porch & Associates, LLC, in the estimated annual amount of \$100,000, with the option of two, one-year extensions

11. CONSIDERED AND APPROVED AN INCREASE OF \$350,100 TO MASTER CONTRACT, MCLONGHORNE20, FOR ELECTRICAL SERVICES WITH LONGHORN ELECTRICAL SERVICES, INC. THROUGH ESC REGION 19 CONTRACT NUMBER 17-7240 FOR A REVISED ESTIMATED ANNUAL AMOUNT OF \$400,000 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

The Board approved an increase of \$350,100 to Master Contract, MCLONGHORNE20, for electrical services with Longhorn Electrical Services, Inc. through ESC Region 19 Contract Number 17-7240 for a revised estimated annual amount of \$400,000 with the option for two, one-year extensions.

REGULAR AGENDA

12. CONSIDERED AND AUTHORIZED THE PRESIDENT/CEO TO SIGN A GRANT AGREEMENT AND ANY RELATED DOCUMENTS WITH THE TEXAS DIVISION OF EMERGENCY MANAGEMENT (TDEM) FOR FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FUNDING RELATED TO COVID-19 ELIGIBLE EXPENSES.

Mr. Art Duran, Chief Financial Officer, provided a presentation to the Board regarding this item (copy on file in Central Files). On March 25, the President of the United States issued a statewide major disaster declaration for Coronavirus Disease 2019 (COVID-19). The FEMA designation for this is DR-4485. This declaration provides funding through FEMA's Public Assistance (PA) program for the reimbursement for emergency protective measures associated with COVID-19 eligible expenses. TDEM is the agency of the State of Texas that coordinates the state emergency management program. The Utility has spent over \$1,000,000 on COVID-19 related expenses including: disinfecting services, personal protective equipment, employee screenings and testing, administrative leave and other miscellaneous expenses. Mr. Duran addressed questions from the Board regarding this item.

On a motion made by Mr. Garcia seconded by Mr. Morris and unanimously carried, the Board authorized authorize the President/CEO to sign a grant agreement and any related documents with the Texas Division of Emergency Management (TDEM) for Federal Emergency Management Agency (FEMA) funding related to COVID-19 eligible expenses.

13. CONSIDER AND AUTHORIZE THE PRESIDENT/CEO TO SIGN AN AMENDMENT TO THE AGREEMENT WITH PROJECT AMISTAD INCREASING THE TERM OF THE AGREEMENT BY TWO YEARS AND INCREASING THE SCOPE OF SERVICES TO ALLOW PROJECT AMISTAD TO PROVIDE ADDITIONAL UTILITY PAYMENT ASSISTANCE FOR ELIGIBLE EPWATER CUSTOMERS.

Ms. Lisa Rosendorf, Chief Communications & Gov't. Affairs Officer, provided a presentation to the Board regarding this item (copy on file in Central Files). In August 2018, EPWater entered into an agreement with non-profit agency Project Amistad to partner on a program to provide utility assistance to low income seniors who are at risk of disconnection. The program, which officially launched at the beginning of 2019, offers emergency payment assistance, conservation services, and money management to help this class of customers. This agreement provides the funding of up to \$200,000 annually for administrative oversight for the program. Donations and funds from a City agreement are used for any direct payment assistance. The original agreement was for two years, and the amendment would extend the agreement for an additional two years. A new provision has been added to the agreement that provides an hourly rate that would enable the utility to request services from Amistad that may be outside the original scope. Project Amistad created and is administering the program and is providing both monthly and annual reports of results. Amistad has worked well with EPWater's customer service team. Ms. Rosendorf addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Mr. Morris and unanimously carried, the Board authorized the President/CEO to sign an Amendment to the Agreement with Project Amistad increasing the term of the agreement by two years and increasing the scope of services to allow Project Amistad to provide additional utility payment assistance for eligible EPWater Customers..

14. CONSIDERED AND AWARDED A CONTRACT FOR GPS SERVICES TO THE UNIVERSITY OF TEXAS AT EL PASO FOR THE IDENTIFICATION OF CORRUGATED METAL PIPES IN THE ESTIMATED AMOUNT OF \$44,000.50; AUTHORIZE FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL RESEARCH, SURVEYING, AND GPS SERVICES IN AN ESTIMATED AMOUNT NOT TO EXCEED \$55,000, OVER A TERM OF TWO YEARS, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

Mr. Gilbert Trejo, Chief Technical Officer, provided a presentation to the Board regarding this item (copy on file in Central Files). In 2018, EPWater contracted the University of Texas at El Paso (UTEP) to identify and verify the location of existing drainage CMP in EPWater's system in the Northeast, Central, Downtown, and Westside of El Paso. This contract is to extend UTEP's services to the Eastside, Mission Valley, and any other areas in which CMP structures may be encountered. Staff worked with UTEP 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 UTEP 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 recently. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, with Dr. Santiago abstaining, the Board awarded a contract for GPS services to the University of Texas at El Paso for the identification of corrugated metal pipes in the estimated amount of \$44,000.50; authorize future task orders or amendments to be issued under this contract for additional research, surveying, and GPS services in an estimated amount not to exceed \$55,000, over a term of two years, provided that funding is available in the approved budget for the task orders or amendments.

15. CONSIDERED AND AWARDED PROFESSIONAL SERVICES CONTRACTS FOR ON-CALL PROFESSIONAL MECHANICAL, ELECTRICAL, AND PLUMBING ENGINEERING SERVICES FOR WATER, WASTEWATER, RECLAIMED WATER, STORMWATER, AND

ADMINISTRATIVE FACILITIES TO BATH ENGINEERING CORPORATION AND PARKHILL, SMITH AND COOPER, INC. EACH IN A MAXIMUM AMOUNT OF \$1,000,000 OVER A TERM OF THREE YEARS AND AUTHORIZE THE USE OF COMMERCIAL PAPER.

Mr. Trejo provided a presentation to the Board regarding this item (copy on file in Central Files). El Paso Water has 17 buildings and over 100 facilities with mechanical; electrical; heating, ventilation, and air conditioning (HVAC); power and lighting; and water/sewer piping throughout the city. There are always some that need to be rehabilitated, repaired, or replaced and this on-call services contract will be used to design rehabilitation to the mechanical, electrical, and plumbing systems at these buildings. The Architectural/Engineering Selection Advisory Committee convened on July 8, 2020, to review and recommend selection of the engineering firms for these services. The committee consisted of Ivonne Santiago, Kristina D. Mena, Bryan Morris, R. Alan Shubert, Paul Rivas, and Gilbert Trejo. Proposals were scored in the areas of minimum qualifications, proposed project team and team member experience, past project experience, and project references. Bath Engineering Corporation and Parkhill, Smith and Cooper, Inc. were selected as the firms that best meet the needs of the Utility for these important services and demonstrated excellent abilities in all the evaluated categories. The selected firms are the most qualified. Each consultant will be issued a professional services contract for a maximum amount of \$1,000,000 and each contract will be limited to three years. 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 Professional Services Contracts for On-Call Professional Mechanical, Electrical, and Plumbing Engineering Services for Water, Wastewater, Reclaimed Water, Stormwater, and Administrative Facilities to Bath Engineering Corporation and Parkhill, Smith and Cooper, Inc. each in a maximum amount of \$1,000,000 over a term of three years and authorize the use of commercial paper.

16. CONSIDERED AND AWARDED PROFESSIONAL SERVICES CONTRACTS FOR ON-CALL GEOTECHNICAL SERVICES TO CQC TESTING AND ENGINEERING, LLC; LEC ENGINEERING, INC. DBA LOI ENGINEERS; PROFESSIONAL SERVICE INDUSTRIES, INC.; AND TERRACON CONSULTANTS, INC. EACH IN A MAXIMUM AMOUNT OF \$600,000 OVER A TERM OF THREE YEARS, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Trejo provided a presentation to the Board regarding this item (copy on file in Central Files). EPWater uses geotechnical engineering firms for materials and density testing on construction projects. This contract will allow staff to respond quickly to required testing, including density testing for backfilling pipeline trenches and compressive strength testing on concrete structures. The Architectural/Engineering Selection Advisory Committee convened on July 8, 2020, to review and recommend selection of the engineering firms for the above-referenced project. The committee consisted of Ivonne Santiago, Kristina D. Mena, Bryan Morris, Marcela Navarrete, R. Alan Shubert, and Gilbert Trejo. Proposals were scored in the areas of minimum qualifications, proposed project team and team member experience, past project experience, and project references. CQC Testing and Engineering, LLC; LEC Engineering, Inc. dba LOI Engineers; Professional Service Industries, Inc.; and Terracon Consultants, Inc. were selected as the firms that best meet the needs of the Utility in these important projects and demonstrated excellent abilities in all the evaluated categories. The selected firms are the most qualified. Each consultant will be issued a professional services contract for a maximum amount of \$600,000 over the three-year contract term. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Mr. Gallardo and unanimously carried, the Board awarded Professional Services Contracts for On-Call Geotechnical Services to CQC Testing and Engineering, LLC; LEC Engineering, Inc. dba LOI Engineers; Professional Service Industries, Inc.; and Terracon Consultants, Inc. each in a maximum amount of \$600,000 over a term of three years, and authorize the use of commercial paper.

17. CONSIDERED AND AWARDED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE TCEQ MANDATED WATER SUPPLY CORROSION STUDY TO

CAROLLO ENGINEERS, INC. IN THE ESTIMATED AMOUNT OF \$300,000; AUTHORIZE FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL STUDY AND DESIGN SERVICES IN THE ESTIMATED AMOUNT OF \$50,000, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

Mr. Trejo provided a presentation to the Board regarding this item (copy on file in Central Files). For public water systems larger than 50,000 customers, the TCEQ requires a corrosion control study. EPWater has proactively been using a corrosion inhibitor (poly-orthophosphate) in our public water supply for many years with a great deal of success. This project is to conduct a formal corrosion control study using field-measured water chemistry values to optimize our corrosion control capabilities. The Architectural/Engineering Selection Advisory Committee met on July 30, 2020, to review and recommend selection of an engineering firm for the above-referenced project. The committee consisted of Bryan Morris, Marcela Navarrete, R. Alan Shubert, Paul Rivas, and Gilbert Trejo. Proposals were scored in the areas of project approach, proposed project team qualification, project experience, availability, and past project reference. The Architectural/Engineering Selection Advisory Committee discussed the proposals and determined that Carollo Engineers, Inc. meets the needs of the Utility for these important services and has demonstrated excellent abilities in all evaluated categories. This firm is the most qualified. Mr. Shubert made additional comments, while 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 a Professional Engineering Services Contract for the TCEQ mandated Water Supply Corrosion Study to Carollo Engineers, Inc. in the estimated amount of \$300,000; authorize future task orders or amendments to be issued under this contract for additional study and design services in the estimated amount of \$50,000, provided that funding is available in the approved budget for the task orders or amendments.

18. CONSIDERED BID NUMBER 34-20, FESTIVAL 2MG WATER STORAGE RESERVOIR COATING REHABILITATION, DECLARED DHME, LLC AS NON-RESPONSIVE AND AWARDED TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, LUCKINBILL, INC., IN THE AMOUNT OF \$490,467.

Mr. Trejo provided a presentation to the Board regarding this item (copy on file in Central Files). An evaluation of the condition of the Festival 2MG Tank was conducted in June 2018 by Parkhill, Smith & Cooper. It was recommended by the consultant to rehabilitate the Festival 2MG tank due to signs of additional corrosion, delamination, and structural issues. EPWater received eleven bids for this project on June 3, 2020. The bidders were Luckinbill, Inc.; NG Painting, LP; El Paso Commercial Construction, Inc. dba The Foret Companies; Riley Industrial Services, Inc.; Brandsafway Solutions, LLC; Spiess Construction Co., Inc.; DHME, LLC; Burman Construction, LLC; Viking Painting, LLC; MMI Tank and Industrial Services, Inc.; and Flozav Piping Corp. The bids ranged from \$450,000 to \$1,081,055 or 48% below to 24% above the engineer's estimate of \$871,682. Staff evaluated the bid submittal of the apparent low bidder and recommends that DHME, LLC be deemed non responsive for failure to include a bid bond in their bid package, disqualifying their bid. The project consulting engineer evaluated the qualifications of the next apparent low bidder and determined that Luckinbill, Inc. meets the minimum general requirements as well as the minimum project specific criteria as specified in the bid documents. Staff reviewed the engineer's evaluation matrix and recommends award of Bid Number 34-20, Festival 2MG Water Storage Reservoir Coating Rehabilitation to the lowest responsive, responsible bidder, Luckinbill, Inc., in the amount of \$490,467. Mr. Trejo addressed questions from the Board regarding this item. The Board heard comments from Mr. Ever Ramirez, and Ms. Lee Ann Koehler, made additional comments regarding this item, while Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Anticliff, seconded by Mayor Margo and unanimously carried, the Board considered Bid Number 34-20, Festival 2MG Water Storage Reservoir Coating Rehabilitation, declared DHME, LLC as

non-responsive and awarded to the lowest responsive, responsible bidder, Luckinbill, Inc., in the amount of \$490,467.

19. CONSIDERED BID NUMBER 24-20, LIFT STATION DECOMMISSIONING AND DEMOLITION MESQUITE TRAILS LIFT STATION (NO. 145) AND PASEOS DEL SOL LIFT STATION (NO. 147), DECLARE ROBLES 1 DEMOLITION, LLC AS NOT RESPONSIBLE; DECLARE BOTH BORDER DEMOLITION AND ENVIRONMENTAL, INC. AND PEAK INDUSTRIAL SERVICES, LLC AS NON-RESPONSIVE; AND AWARD TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, JMR DEMOLITION, LTD., IN THE AMOUNT OF \$115,596.

Mr. Trejo provided a presentation to the Board regarding this item (copy on file in Central Files). This project consists of the decommissioning and demolition of the Mesquite Trails Lift Station (No. 145) located at 1488 Dunlin Place and the Paseos Del Sol Lift Station (No. 147) located at 12498 Paseos Azul. Both lift stations are located East of Joe Battle Boulevard in far East El Paso. Demolition and removal of the lift stations are required because the area can support a gravity sewer system, which eliminates maintenance and power costs and use of land required by all lift stations. EPWater received twelve bids for this project on July 9, 2020. The bidders were Robles 1 Demolition, LLC; Border Demolition and Environmental, Inc.; Peak Industrial Services, LLC; JMR Demolition, Ltd.; Skyridge Construction, LLC; DHME, LLC; Cubic Water, LLC; MFH Environmental Corporation; Black Stallion Contractors, Inc.; Flozar Piping Corporation; Bain Enterprises dba Bain Construction; and EGL Construction Inc. The bids ranged from \$45,683.40 to \$457,114.17 or 77% below to 134% above the engineer's estimate of \$195,000. Staff evaluated the qualifications of the apparent lowest bidder and determined that Robles 1 Demolition, LLC did not meet the minimum project specific criteria, and therefore, recommend the bidder to be deemed not responsible. Staff then evaluated the bid documents of the second and third lowest bidders and found that Border Demolition and Environmental, Inc. submitted an incomplete bid form and Peak Industrial Services, LLC used the incorrect bid form when submitting their bids. Hence, the second and third lowest bidders are recommended to be deemed non-responsive. Staff then evaluated the bid documents of the fourth lowest bidder and has determined that JMR Demolition, Ltd. meets the minimum general requirements as well as the minimum project specific criteria as specified in the bid documents. Staff evaluated the Engineer's Evaluation Matrix and recommends award of Bid Number 24-20, Lift Station Decommissioning and Demolition Mesquite Trails Lift Station (No. 145) and Paseos Del Sol Lift Station (No. 147) to the lowest responsive, responsible bidder, JMR Demolition, Ltd., in the amount of \$115,596. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Ms. Garcia and unanimously carried, the Board considered Bid Number 24-20, Lift Station Decommissioning and Demolition Mesquite Trails Lift Station (No. 145) and Paseos Del Sol Lift Station (No. 147), declare Robles 1 Demolition, LLC as not responsible; declare both Border Demolition and Environmental, Inc. and Peak Industrial Services, LLC as non-responsive; and award to the lowest responsive, responsible bidder, JMR Demolition, Ltd., in the amount of \$115,596.

20. CONSIDERED AND APPROVED CHANGE ORDER 6 – BID NUMBER SW18-19, SAM SNEAD STORM DRAIN IMPROVEMENTS TO DANNY SANDER CONSTRUCTION, INC., EXTENDING THE CONTRACT DURATION BY 113 DAYS AND INCREASING THE CONTRACT AMOUNT BY \$283,535.24

Mr. Trejo provided a presentation to the Board regarding this item (copy on file in Central Files). The Sam Snead Storm Drain System project is the second phase of improvements to the Pico Norte Pond System. The first phase consisted of expanding the Pico Norte Pond to collect, capture and store the 100-year storm event runoff volume. The second phase of improvements is to help mitigate the flooding on Sam Snead Drive and the adjacent residences. During construction of the Sam Snead Storm Drain Improvements, the contractor, Danny Sander Construction, discovered that the existing 16-inch sanitary sewer force main conflicted with the alignment of the proposed gravity sewer line. The 16-inch force main is a secondary line that serves the Pico Norte Lift Station. To meet EPWater's operational needs, the 16-inch force main will need to be relocated. Staff

requested a proposal from the contractor for the additional effort. Staff negotiated the additional effort and cost of Change Order 6 submitted by Danny Sander Construction; the cost submitted is in line with current industry standards. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Gallardo, seconded by Mr. Morris and unanimously carried, the Board approved Change Order 6 – Bid Number SW18-19, Sam Snead Storm Drain Improvements to Danny Sander Construction, Inc., extending the contract duration by 113 days and increasing the contract amount by \$283,535.24

21. CONSIDERED AND APPROVED CHANGE ORDER NUMBER 3 - BID NUMBER 90-18, JONATHAN ROGERS WATER TREATMENT PLANT SURGE CONTROL IMPROVEMENTS, TO CUBIC WATER, LLC, EXTENDING CONTRACT DURATION BY 51 DAYS AND INCREASING THE CONTRACT AMOUNT BY \$214,986.85.

Mr. Trejo provided a presentation to the Board regarding this item (copy on file in Central Files). Notice to Proceed for Bid Number 90-18, Jonathan Rogers Water Treatment Plant Surge Control Improvements, was issued to Cubic Water, LLC on February 19, 2019. The project consisted of the installation of two pre-purchased surge tanks and all related piping, electrical, and appurtenances necessary to complete the installation. Piping was connected to two 30-inch gate valves installed by another contractor. During hydrostatic testing of the new 30-inch pipe, a significant break occurred. To address any potential cause of breakage, it was agreed to add additional pipe restraint and thrust blocking. This Change Order Number 3 addresses all additional material, labor, and time extension resulting from this issue. Additionally, the contract included de-watering for the new pipe installation which was not necessary. This change order also includes a credit for the unused bid item. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Morris, seconded by Ms. Garcia and unanimously carried, the Board approved Change Order Number 3 - Bid Number 90-18, Jonathan Rogers Water Treatment Plant Surge Control Improvements, to Cubic Water, LLC, extending contract duration by 51 days and increasing the contract amount by \$214,986.85.

22. CONSIDERED AND APPROVED THE EMERGENCY SERVICES TO THE UPPER VALLEY WATER TREATMENT PLANT SWITCHBOARD AND GENERATOR BREAKERS TO EATON CORPORATION IN THE AMOUNT OF \$62,466.

Mr. Art Duran, Chief Financial Officer, provided a presentation to the Board regarding this item (copy on file in Central Files). The Upper Valley Water Treatment Plant frequently experiences lightning strikes due to electrical thunderstorms which can occasionally cause power outages, especially during the monsoon season. El Paso's monsoon season typically begins late June and runs through September when both electrical and water supply demand is high in the city. Recently, operations experienced a power outage at the plant and attempts to transfer power from the back-up power generators were unsuccessful. During the transfer, it was determined that the electrical control breakers were faulty. The emergency work was performed by Eaton Corporation at the plant on July 6, 2020. Additionally, replacement breakers were ordered in preparation for future similar failures. This work helps to ensure that the plant has operational redundancy when power from El Paso Electric is not available. Eaton Corporation was selected to perform the emergency repairs based on their qualifications and past experience with similar systems. Mr. Duran addressed questions from the Board regarding this item, while Mr. Balliew made additional comments.

On a motion made by Mr. Antcliff, seconded by Ms. Garcia and unanimously carried, the Board approved the emergency services to the Upper Valley Water Treatment Plant switchboard and generator breakers to Eaton Corporation in the amount of \$62,466.

23. CONSIDERED AND APPROVED AN INCREASE OF \$50,809, FOR A REMAINING FOUR YEAR TOTAL OF \$136,259, OF THE CURRENT SOLE SOURCE MAINTENANCE CONTRACT, MCANDRITZSEP19, FOR THE FRED HERVEY WATER RECLAMATION FACILITY AND APPROVED AN ANNUAL ALLOWANCE IN THE ESTIMATED ANNUAL AMOUNT OF \$130,000; CONTINGENT UPON ANDRITZ SEPARATION, INC.'S YEARLY SUBMISSION OF SOLE SOURCE ATTESTATION DOCUMENTATION.

Mr. Duran provided information to the Board regarding this item. The Fred Hervey Plant has three Andritz Centrifuges. The centrifuges are used for solids separation as part of the sludge processing portion of the plant. All centrifuges have been refurbished over the last three years. A five-year maintenance contract was executed in 2019, with Andritz Separation Inc., for \$98,420. At that time, only two centrifuges had been rehabilitated with the third pending. The third centrifuge has been rehabilitated and is being incorporated to the maintenance contract for the four remaining years, for an additional \$50,809. The remaining four-year total for the contract would be \$136,259. The yearly cost amount is based on the type of service and replacement of critical parts for the operations of the equipment based on estimated runtime hours. In addition, staff requests the approval of an allowance for any parts, additional repairs, or expenses as needed in an estimated annual amount of \$130,000 for items and services not covered under the maintenance contract. Items not covered under the maintenance contract include but are not limited to: per diem of technicians for out of scope work and additional training, repairs and or inspection to the cyclone unit, scroll unit, bowl, shaft, bearings and freight fees to and from Andritz facilities.

On a motion made by Dr. Santiago, seconded by Mr. Antcliff and unanimously carried, the Board approved an increase of \$50,809, for a remaining four year total of \$136,259, of the current sole source maintenance contract, MCANDRITZSEP19, for the Fred Hervey Water Reclamation Facility and approved an annual allowance in the estimated annual amount of \$130,000; contingent upon Andritz Separation, Inc.'s yearly submission of sole source attestation documentation.

24. CONSIDERED AND APPROVED A SOLE SOURCE CONTRACT FOR FLOWSERVE AND VOGELSANG PUMPS, PARTS AND SERVICES WITH PIONEER EQUIPMENT INC., IN THE ESTIMATED ANNUAL AMOUNT OF \$235,500 FOR THE REMAINDER OF THE CURRENT FISCAL YEAR, WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS IN THE ESTIMATED ANNUAL AMOUNT OF \$300,000, CONTINGENT UPON PIONEER EQUIPMENT INC., PROVIDING YEARLY DOCUMENTATION ATTESTING TO THEIR SOLE SOURCE STATUS.

Mr. Duran provided information to the Board regarding this item. Pumps, motors, parts, and maintenance are routinely needed at the wastewater and water treatment plants. This contract will ensure continued operation of pumps and motors Pioneer Equipment, Inc. is the sole authorized municipal representative of Flowserve and Vogelsang pumps, parts and services for Arizona, New Mexico and El Paso. Staff evaluated the sole source documentation and determined that it met all the requirements for this sole source contract.

On a motion made by Mr. Morris, seconded by Dr. Santiago and unanimously carried, approved a sole source contract for Flowserve and Vogelsang pumps, parts and services with Pioneer Equipment Inc., in the estimated annual amount of \$235,500 for the remainder of the current fiscal year, with the option for two, one-year extensions in the estimated annual amount of \$300,000, contingent upon Pioneer Equipment Inc., providing yearly documentation attesting to their sole source status.

25. CONSIDERED AND APPROVED THE RATIFICATION OF INTERNAL REPAIRS FOR PUMPS AND MOTORS AND TRANSFORMER REBUILDS TO REMSA USA INC. FOR AN AMOUNT OF \$83,832.07.

Mr. Duran provided information to the Board regarding this item. REMSA USA Inc. provides EPWater with internal repairs of various pumps, motors and transformer rebuilds. REMSA USA Inc. has been used by

EPWater operations for internal repair services of motors and pumps and transformer rebuilds. Upon review staff found a total amount of \$83,832.07 of work has been performed by REMSA USA Inc.

On a motion made by Mr. Gallardo, seconded by Dr. Santiago and unanimously carried, the Board approved the ratification of internal repairs for pumps and motors and transformer rebuilds to REMSA USA Inc. for an amount of \$83,832.07.

26. CONSIDERED AND APPROVED A MASTER CONTRACT FOR PUMP AND MOTOR REPAIRS WITH C.L. NORTH COMPANY THROUGH ESC REGION 19 CONTRACT NUMBER 20-7375 IN THE ESTIMATED ANNUAL AMOUNT OF \$500,000 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS AND APPROVED THE RATIFICATION OF THE TWO PAID INVOICES IN THE AMOUNT OF \$70,115.76.

Mr. Duran provided information to the Board regarding this item. C.L. North Company provides EPWater with repairs to various pumps such as backwash, high lift pumps and vertical turbines as well as motor repairs. The repairs included replacement of pumping components like impellers, bowls, and shafts. There is a lead time of 12-14 weeks, as they are made to order, and not kept in inventory. This fiscal year the Utility has paid two invoices totaling \$70,115.76 for the purchase of two new pumps from C.L. North Company. Staff received and evaluated quotes from multiple companies for two separate purchases. CL North provided the lowest quotes and was selected. Staff researched and found that pump and motor repairs services are available from C.L. North Company utilizing an ESC Region 19 Allied States Cooperative Contract Number 20-7375. Staff evaluated the contract and determined that it met all the requirements for this procurement. Thru ESC Region 19 Allied States Cooperative Contract Number 20-7375, C.L. North offers a 5% discount from their catalog pricelist.

On a motion made by Mr. Anticiff, seconded by Mr. Gallardo and unanimously carried, the Board approved a master contract for pump and motor repairs with C.L. North Company through ESC Region 19 Contract Number 20-7375 in the estimated annual amount of \$500,000 with the option for two, one-year extensions and approved the ratification of the two paid invoices in the amount of \$70,115.76.

27. CONSIDERED AND AWARDED BID NUMBER 48-20, CURBSIDE RESIDENTIAL TRASH COLLECTION – WESTSIDE & EASTSIDE SERVICE AREAS TO THE SOLE, RESPONSIVE, RESPONSIBLE BIDDER, EL PASO DISPOSAL, LP, IN THE ESTIMATED ANNUAL AMOUNT OF \$1,198,080, WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

Mr. Duran provided information to the Board regarding this item. The curbside residential trash collection bid will be used to supply curbside trash collection services to westside and eastside outside city area customers. The new bid is 11% higher for the eastside service area, for Westway customers 12% higher and for Ponderosa customers 10% lower than the previous bid from 2018. EPWater received one bid from El Paso Disposal. Staff evaluated the bid and determined that the bidder met all the specifications as defined within the bid proposal. Staff recommends award to El Paso Disposal, in the estimated annual amount of \$1,198,080. Mr. Duran addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Mr. Morris and unanimously carried, the Board awarded Bid Number 48-20, Curbside Residential Trash Collection – Westside & Eastside Service Areas to the sole, responsive, responsible bidder, El Paso Disposal, LP, in the estimated annual amount of \$1,198,080, with the option for two, one-year extensions.

28. CONSIDERED AND AWARDED A PROFESSIONAL SERVICES CONTRACT FOR COACHING AND DEVELOPMENT OF KEY POSITIONS, ASSESSMENT AND RECOMMENDATIONS ON STAFFING AND REPORTING STRUCTURES, AND OTHER

SERVICES AS DIRECTED TO SBC & ASSOCIATES, INC., IN AN ESTIMATED ANNUAL AMOUNT OF \$50,000 WITH THE OPTION OF THREE, ONE-YEAR EXTENSIONS.

Mr. John Balliew, President/CEO, provided information to the Board regarding this item. The Board approved a one-year contract with SBC on May 13, 2016. The contract allowed for personalized coaching and development of key management and supervisory positions to assist them in improving their skills in effectively managing their staff. Based on the outcome of the assessments and coaching, additional services may be assigned. The consultant, Michael Smith of SBC has worked with EPWater for more than 5 years, providing coaching and development to the President/CEO, Vice Presidents and other key management positions. Mr. Smith's executive management and consulting career spans over 40 years in the areas of strategic planning, organizational assessment, executive coaching and consolidations and mergers. He has diverse experience in management consulting in industries such as water and sanitation districts, law, real estate, architecture, aviation, governmental agencies, nonprofit organizations and manufacturing. Mr. Smith's expertise and diverse services best meets EPWater's needs for an effective organizational assessment. Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Mr. Antcliff and unanimously carried, the Board awarded a professional services contract for coaching and development of key positions, assessment and recommendations on staffing and reporting structures, and other services as directed to SBC & Associates, Inc., in an estimated annual amount of \$50,000 with the option of three, one-year extensions.

29. CONSIDERED AND APPROVED A PROFESSIONAL SERVICES CONTRACT WITH REVIVE MEDICAL, PLLC FOR COVID 19 VIRAL TESTING IN THE ESTIMATED AMOUNT OF \$100,000.

Mr. Balliew provided information to the Board regarding this item. A recent rise in COVID-19 infections in El Paso and within our utility workforce, necessitates an expeditious and proactive measure to test employees for the presence of the SARS-CoV-2 virus. Unlike the antibody test contract that was approved in July 2020, the ability to perform viral tests allows for the identification of positive employees who are contagious, regardless of the individual being symptomatic or asymptomatic. It is crucial to enforce isolation of employees that are positive to prevent further spread in our critical infrastructure workforce and the community. The increase in infections has meant longer wait times for employees to be tested and to receive results. Arranging for the professional services of Revive Medical, LLC will allow employees to make an appointment for drive-thru virus testing service with results within 24-48 hours. Employees that may test include those who are symptomatic, or asymptomatic and had prolonged exposure to an individual diagnosed with COVID-19, or had potential exposure from a family member. Additionally, this will allow for the testing of outside candidates selected for employment. By receiving quicker results, employees who test negative may return to work sooner which minimizes disruption to the continuity of utility services. EPWater will continue COVID-19 testing through at least August 2021. Revive Medical, PLLC is a private El Paso company that specializes in medical standby at events like concerts and music festivals. They have partnered with a local and state certified private laboratory and have the resources and expertise to meet the needs the testing and health screening initiatives of EPWater. Other companies that were contacted to provide dedicated testing declined to provide this service. Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Mr. Antcliff, seconded by Ms. Garcia and unanimously carried, the Board approved a professional services contract with Revive Medical, PLLC for COVID 19 viral testing in the estimated amount of \$100,000.

30. CONSIDERED AND ADOPTED A RESOLUTION AWARDDING BID NUMBER 26-20, SALE OF REAL ESTATE, APPROXIMATELY 330.26 ACRES, (320.26 NET ACRES) AND LEGALLY DESCRIBED AS A PORTION OF LAURA E. MUNDY SURVEY NO. 234, CITY OF EL PASO AND EL PASO COUNTY, TEXAS, TO THE SOLE RESPONSIVE, RESPONSIBLE BIDDER HUNT

COMMUNITIES HOLDING, LLC IN THE AMOUNT OF \$11,505,000, AND AUTHORIZED THE PRESIDENT AND CEO TO FORWARD THE RECOMMENDATION TO CITY COUNCIL TO SELL THE LAND, AND TO SIGN ANY AND ALL DOCUMENTS NECESSARY TO COMPLETE THE SALE.

Mr. James Wolff, Real Estate Manager, provided a presentation to the Board regarding this item (copy on file in Central Files). On December 13, 2017, the Board determined the land totaling approximately 330.26 acres, and legally described as a portion of Laura E. Mundy Survey No. 234, City of El Paso and El Paso County, Texas, to be inexpedient to the system. This land is located in Northwest El Paso north of Trans Mountain and east of I-10. Based on an appraisal, the PSB set the minimum acceptable bid for this real estate bid at \$4,410,104. On July 17, 2020, one bid was received. The bid was evaluated, and it was determined that the bid from Hunt Communities Holding, LLC met the specifications and was the sole successful bidder. Staff recommends awarding the bid to Hunt Communities Holding, LLC in the amount of \$11,505,000. A cashier's check in the amount of 5% of the bid amount was submitted as required in the bid proposal.

On a motion made by Mr. Gallardo, seconded by Mr. Antcliff and unanimously carried, the Board adopted a resolution awarding Bid Number 26-20, Sale of Real Estate, approximately 330.26 acres, (320.26 net acres) and legally described as a portion of Laura E. Mundy Survey No. 234, City of El Paso and El Paso County, Texas, to the sole responsive, responsible bidder Hunt Communities Holding, LLC in the amount of \$11,505,000, and authorized the President and CEO to forward the recommendation to City Council to sell the land, and to sign any and all documents necessary to complete the sale.

31. MANAGEMENT REPORT:

- UTEP Gold Nugget Award-Mr. Balliew informed the Board that Ms. Marcela Navarrete, Vice-President received the Gold Nugget Award from her Alma Mater, UTEP. In 1993, Ms. Navarrete joined El Paso Water as an accountant. Throughout her 20-plus-year career with the utility, she steadily climbed the ranks and eventually became the first woman to serve as chief financial officer. Today, Ms. Navarrete is vice president of strategic, financial and management services.
- General Counsel Retirement-Mr. Balliew informed the Board that Ms. Lee Ann Koehler, General Counsel was retiring after serving the Public Service Board for four years. Mr. Balliew thanked Lee Ann for her years of service to the Public Service Board and to EPWater. Ms. Koehler thanked everyone for their support and hard work. The Board members thanked Ms. Koehler for her service and wished her the best.

32. 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 Ms. Garcia, seconded by Mr. Antcliff, and unanimously carried, the Board retired into Executive Session at 11:39 a.m., August 12, 2020, pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Section 551.071 through 551.076 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 deliberate regarding a potential land purchase for two parcels of land legally described as Socorro Grant, Block 21, portion of Tracts 28 and 28A, El Paso County, Texas, for surface water rights.

On a motion made by Mr. Antcliff, seconded by Mr. Morris and unanimously carried, the Board reconvened in open session at 11:49 a.m.

DELIBERATED REGARDING A POTENTIAL LAND PURCHASE FOR TWO PARCELS OF LAND LEGALLY DESCRIBED AS SOCORRO GRANT, BLOCK 21, PORTION OF TRACTS 28 AND 28A, EL PASO COUNTY, TEXAS, FOR SURFACE WATER RIGHTS.

Motion made by Ms. Garcia and seconded by Mr. Gallardo and carried that the President and 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.

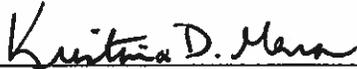
ADJOURNMENT

On a motion made by Mayor Margo, seconded by Mr. Gallardo and unanimously carried, the meeting adjourned at 11:50 a.m., August 12, 2020.

ATTEST:



Secretary-Treasurer



Kristina Mena-Chair