

MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
January 12, 2022

The regular meeting of the Public Service Board was held in person, Wednesday, January 12, 2022.

PSB MEMBERS PRESENT

Dr. Kristina D. Mena, Chair
Christopher A. Antcliff, Secretary-Treasurer
Dr. Ivonne Santiago, Vice Chair
Charlie Intebi, Member
Bryan Morris, Member
Lisa Saenz, Member
Mayor Oscar Leeser

PSB EMPLOYEES PRESENT

Daniel Ortiz, General Counsel
John E. Balliew, P.E., President and Chief Executive Officer

EPWATER EMPLOYEES PRESENT

Marcela Navarrete, Vice President
Paul Rivas, Interim Vice President
Art Duran, Chief Financial Officer
Claudia Duran, Executive Assistant to the President/CEO
Sol Cortez, Deputy General Counsel
Gilbert Trejo, Interim Chief Operations Officer
Irazema Rojas, Interim Chief Technical Officer
Christina Montoya, Marketing and Communications Manager
Lisa Rosendorf, Chief Communications & Government Affairs Officer
Geoffrey Espineli, Engineering Division Manager
Denise Parra, Lead Public Affairs Coordinator
Felipe Lopez, Chief Operations Officer
Martin Noriega, Chief Operations Officer
Rose Guevara, Interim Purchasing and Contract Manager
Alma de Anda, Land & Water Rights Manager
Lidia Carranco, Assistant Chief Financial Officer
Martha Koester, Public Information Coordinator
Raquel Izaguirre, Support Services II
Rocio Apodaca, Senior Land and Contract Administrator
James Wolff, Real Estate Manager
Michaela Grambling, Assistant General Counsel
Jeff Tepsick, Assistant Chief Financial Officer
Gustavo Hurtado, Fiscal Operations Manager
Luz Holguin, Treasury and Property Control Manager
Robert Davidson, Contract Construction Administrator
David Ornelas, Wastewater Systems Division Manager
Alfredo Solano, Chief Information Officer
Gretchen Byram, Computer Media Specialist
Patricia Borschow, Assistant General Counsel
Pablo Mejia, Engineer Associate
Renata Renova, Engineer Associate
Ryan Stubbs, Engineer Associate
Ana Pucella, Budget and Management Analyst

GUESTS

Yolanda Giner- Municipal Management District 1
Steve Ainsa- AECOM

MEDIA

KFOX/CBS
Telemundo

The Public Service Board meeting was called to order by Dr. Mena at 8:03 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Christopher Antcliff in reciting the Pledge of Allegiance.

CONSENT AGENDA

On a single motion made by Christopher Antcliff, seconded by Dr. Santiago and unanimously carried, the Board took action on the following consent agenda items:

1. CONSIDERED AND APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETING HELD ON DECEMBER 8, 2021, SPECIAL BUDGET REVIEW MEETING HELD ON NOVEMBER 30, 2021 AND THE SELECTION COMMITTEE MEETING HELD ON DECEMBER 1, 2021.

2. CONSIDERED AND APPROVED A SOLE SOURCE CONTRACT IN ACCORDANCE WITH SECTION 252.022(A)(7)(A) OF THE TEXAS LOCAL GOVERNMENT CODE WITH AGILENT TECHNOLOGIES, INC. FOR THE PREVENTIVE MAINTENANCE AND REPAIR SERVICES OF AGILENT LABORATORY EQUIPMENT IN THE AMOUNT OF \$249,273.97, WITH AN ADDITIONAL ANNUAL ALLOWANCE OF \$60,000 FOR A TERM OF FOUR YEARS, CONTINGENT UPON VENDOR PROVIDING ANNUAL DOCUMENTATION ATTESTING TO THEIR SOLE SOURCE STATUS.

3. CONSIDERED AND APPROVED A SOLE SOURCE CONTRACT PURSUANT TO SECTION 252.022(A)(7)(A) OF THE TEXAS LOCAL GOVERNMENT CODE WITH LAKESIDE EQUIPMENT CORPORATION FOR THE PURCHASE OF THREE LAKESIDE 90-INCH SCREW PUMP UPPER BEARING ASSEMBLIES FOR REHABILITATION OF EXISTING PUMPS AT THE JONATHAN ROGERS WATER TREATMENT PLANT IN THE ESTIMATED AMOUNT OF \$126,960.

4. CONSIDERED AND APPROVED AMENDMENT NUMBER 1 TO THE PROFESSIONAL ENGINEERING SERVICES CONTRACTS FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES FOR WATER STORAGE FACILITIES AWARDED TO AECOM TECHNICAL SERVICES, INC., CONSOR ENGINEERS, LLC, FREESE AND NICHOLS, INC., MORENO CARDENAS, INC., AND PARKHILL, SMITH & COOPER, INC. TO INCREASE CAPACITY OF EACH CONTRACT IN THE ADDITIONAL AMOUNT OF \$500,000 FOR THE REMAINING CONTRACT TIME AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

5. CONSIDERED AND APPROVED AMENDMENT NUMBER 1 TO THE PROFESSIONAL ENGINEERING SERVICES CONTRACTS FOR THE ON-CALL PROFESSIONAL ENGINEERING SERVICES FOR WATER, WASTEWATER, RECLAIMED WATER, AND STORMWATER PIPELINES 24-INCH AND SMALLER AWARDED TO BROCK & BUSTILLOS, INC., CEA ENGINEERING GROUP, INC., HUITT-ZOLLARS, INC., MORENO CARDENAS, INC., AND PARKHILL, SMITH, & COOPER, INC. TO INCREASE CAPACITY OF EACH CONTRACT IN THE ADDITIONAL AMOUNT OF \$700,000 FOR THE REMAINING CONTRACT TIME AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

6. CONSIDERED AND APPROVED AMENDMENT NUMBER 1 TO THE PROFESSIONAL ENGINEERING SERVICES CONTRACTS FOR THE ON-CALL PROFESSIONAL ENGINEERING SERVICES FOR WATER AND RECLAIMED WATER DISTRIBUTION PUMP STATIONS AWARDED TO BATH ENGINEERING CORPORATION AND PARKHILL, SMITH & COOPER, INC., TO INCREASE CAPACITY OF EACH CONTRACT IN THE ADDITIONAL

AMOUNT OF \$700,000 FOR THE REMAINING CONTRACT TIME AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

7. CONSIDERED AND APPROVED AMENDMENT NUMBER 1 TO THE PROFESSIONAL ENGINEERING SERVICES CONTRACT AWARDED TO H2O TERRA, LLC FOR THE ZARAGOZA ROAD (RABE COURT TO THE MIDDLE DRAIN CANAL) SEWER MAIN REPLACEMENT PROJECT, FOR ADDITIONAL DESIGN PHASE SERVICES IN THE AMOUNT OF \$43,116 AND AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR DESIGN AND CONSTRUCTION PHASE SERVICES IN AN ESTIMATED AMOUNT OF \$400,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

REGULAR AGENDA

8. PRESENTATION TO CHRIS ANTCLIFF IN RECOGNITION OF HIS LEADERSHIP, DEDICATION AND SERVICE TO THE COMMUNITY DURING HIS TENURE ON THE PUBLIC SERVICE BOARD.

Mr. John Balliew, President and CEO provided a presentation to the Board regarding this item (copy on file in Central Files). Mr. Balliew presented a plaque to Mr. Christopher Antcliff for his hard work and dedication over the eight years on the Public Service Board, including serving as Chair during his tenure.

Mr. Antcliff spoke about his appreciation for serving on the Board and reflected on the meaningful work that is done through the PSB. Mayor Leeser, Dr. Santiago, Dr. Mena, and Bryan Morris, also spoke in recognition and appreciation for Mr. Antcliff's service and expertise and friendship on the Board.

9. CONDUCTED A PUBLIC HEARING BY THE MUNICIPAL DRAINAGE UTILITY SYSTEM'S GOVERNING BOARD TO CONSIDER A STORMWATER FEE INCREASE FOR FISCAL YEAR 2022-2023.

Claudia Duran, Executive Assistant, read into the record items 9 and 10 respectively. Dr. Mena addressed the Board that a motion is needed to open the Public Hearing regarding this item (copy on file in Central Files).

On a motion made by Mayor Leeser seconded by Mr. Morris, and unanimously carried, the Board conducted a public hearing by the Municipal Drainage Utility Systems Governing Board to consider a Stormwater fee increase for fiscal year 2022-2023.

10. CONSIDERED AND TOOK ACTION ON THE STORMWATER BUDGET TO INCLUDE, BUT NOT LIMITED TO, THE FOLLOWING ACTIONS:

A. ADOPTED THE ANNUAL STORMWATER BUDGET IN THE AMOUNT OF \$91.815 MILLION FOR FISCAL YEAR 2022-2023.

Mr. John Balliew, President and CEO provided a presentation to the Board regarding this item (copy on file in Central Files). Mr. Balliew began with presenting two options for stormwater infrastructure improvements. Alternative 1 would continue current pace of stormwater master plan implementation with completion estimated in 20 years and alternative 2 would compress master plan into 10 years. The PSB provided direction to finalize budget documents based on Alternative 2. In addition, Mr. Balliew summarized the Stormwater Budget. FY21-22, which was a total budget amount was \$48.7m with \$7.8m going to Operating, \$30.3m for Capital, and \$10.6m for Debt Service. For FY2022-23, total budget has increased to \$91.8m, with \$9.6m towards Operating, \$70.6m for Capital, and \$11.6m for Debt Service. Mr. Balliew discussed Stormwater Projects, which included projects in the far east, northeast and west sides of El Paso. Projects that were 10 to 20 years out will now be done within the next 10 years with the proposed budget. The proposed budget impact on stormwater fees for FY22-23 would be a \$0.41 increase for a residential customer from the current monthly fee of \$4.51 to the proposed fee of \$4.92. Mr. Balliew provided a 10-year outlook for stormwater fees and provided a chart for Texas city benchmarks on stormwater fees. The chart shows El Paso with the current stormwater fee in 10th out of 13 Texas cities. With the proposed increase, El Paso would be 10th out of 13 cities. Mr. Balliew answered questions from the Board on this item.

B. ADOPTED A RESOLUTION AMENDING PUBLIC SERVICE BOARD RULES AND REGULATIONS NO. 3, RATES FOR STORMWATER SERVICE, TO AMEND THE FEES.

Mr. Balliew summarized the FY22-23 proposed stormwater budget and let the PSB know that staff recommends a 9% increase to the stormwater fee. Mr. Balliew answered questions from the Board on this item.

Ms. Duran addressed the Board that there was no one from the public signed up to speak on these items.

On a motion made by Mayor Leeser seconded by Mr. Morris, and unanimously carried, the Board made a motion to close the public hearing for the Municipal Drainage Utility Systems Governing Board to consider a Stormwater fee increase for fiscal year 2022-2023.

On a motion made by Mr. Antcliff, seconded by Mr. Morris and unanimously carried, the Board adopted the Annual Stormwater Budget in the amount of \$91.815 million for Fiscal Year 2022-2023 and adopted a Resolution amending Public Service Board Rules and Regulations No. 3, Rates for Stormwater Service, to amend the fees.

11. CONSIDERED AND TOOK ACTION ON THE WATER, WASTEWATER AND RECLAIMED WATER BUDGET TO INCLUDE, BUT NOT LIMITED TO, THE FOLLOWING ACTIONS:

A. ADOPTED THE ANNUAL WATER, WASTEWATER AND RECLAIMED WATER BUDGET IN THE AMOUNT OF \$784.923 MILLION FOR FISCAL YEAR 2022-2023.

B. ADOPTED A RESOLUTION AMENDING PUBLIC SERVICE BOARD RULES AND REGULATIONS NO. 1 FURNISHING AND CONTROL OF WATER AND/OR SEWER SERVICE WITHIN THE CORPORATE LIMITS OF THE CITY OF EL PASO TO REVISE THE FOLLOWING: DEFINITIONS, CUSTOMER AND EL PASO WATER FURNISHED EQUIPMENT, AND BACKFLOW PREVENTION ASSEMBLY LOCATION.

C. ADOPTED A RESOLUTION AMENDING PUBLIC SERVICE BOARD RULES AND REGULATIONS NO. 5, RATES FOR WATER SERVICE, TO AMEND THE RATES.

D. ADOPTED A RESOLUTION AMENDING PUBLIC SERVICE BOARD RULES AND REGULATIONS NO. 6, RATES FOR SEWER SERVICE, TO AMEND THE RATES.

E. ADOPTED A RESOLUTION AMENDING PUBLIC SERVICE BOARD RULES AND REGULATIONS NO. 7 TO REVISE THE FOLLOWING: DEFINITIONS, REFUND RATES, WATER SERVICE CONNECTION CHARGES, AND REFUNDS FOR OVERSIZE.

F. ADOPTED A RESOLUTION AMENDING PUBLIC SERVICE BOARD RULES AND REGULATIONS NO. 11, FURNISHING AND CONTROL OF WATER AND/OR SEWER SERVICE OUTSIDE THE CORPORATE LIMITS OF THE CITY OF EL PASO, TO REVISE THE FOLLOWING: DEFINITIONS, CUSTOMER AND EL PASO WATER FURNISHED EQUIPMENT.

Mr. Balliew provided a presentation to the Board regarding this item (copy on file in Central Files). Mr. Balliew began his presentation emphasizing that big needs require bold solutions and identified reliability as 53%, modernization at 5%, water supplies at 5%, resiliency at 9%, growth at 19% and other at 8% and let the PSB know that the assessments done point to needed rehabilitation of water and wastewater infrastructure. In addition, system extensions are needed to meet the needs of growing areas in El Paso. Mr. Balliew let the Board know of that EPWater will be seeking more than \$100 million in funding through infrastructure bill over the next five years. A summary for the Water & Wastewater was provided. For FY21-22, the total water, wastewater and reclaimed water budget is \$459.6 million, capital budget is \$242 million, operating is at \$116.2 million, and debt service is at \$73.6 million and other at \$27.8 million. The proposed budget for FY2022-23, total amount budgeted is \$784.9 million, of that, \$131.2 million is for operating, \$538.8 million towards capital, \$85.9 million for debt service and \$29.0 million for other.

Mr. Balliew discussed the proposed bill impact for ¾” meter for residential and commercial rates. The current monthly residential water and wastewater bill is \$56.11, the proposed rate is \$62.07, which is a change of \$5.96. The current commercial water and wastewater bill is \$90.71, the proposed rate is \$100.46, which is a change of \$9.75. In summary, the total proposed budget for FY22-23 for water and wastewater is \$784.9 million. The staff recommends a 9% increase to water and a 13% increase to wastewater rates, which is slightly higher than last year's 6% and 9% projection in the Five-Year Financial Plan. The typical residential home will see a monthly bill of

around \$62.07, which is an increase of \$5.96. Mr. Balliew also discussed the savings with conservation. The Water Supply Replacement Charge (WSRC) is waived for customers (3/4" meter only) who use less than 4ccfs per month. In FY20-21, an average of 39,000 bills per month received this waiver of \$11.59, which is \$5.2 million annually saved by high-conserving customers.

Mr. Balliew presented the total proposed residential bill to the Board. For FY21-22, the current total monthly bill is \$60.62. \$4.51 is for stormwater, \$21.91 is for wastewater and \$34.20 is for water. The proposed FY22-23 is \$66.99. \$4.92 is for stormwater, \$24.77 is for wastewater and \$37.30 is for water. In addition, Mr. Balliew broke down the total residential bill with the City charges, which from a \$1 bill would be \$0.39 for solid waste, \$0.31 for water, \$0.20 for wastewater, \$0.06 payment to the City and \$0.04 for stormwater. Further, Mr. Balliew explained the EPWater payments to the City, which are 10% of water sales for a total of \$18.4 million, City franchise fee for a total of \$6.55 million and 5% of land sales for an estimated total of \$500K. For FY18-19, the City received \$18.2 million, in FY19-20, the City received \$18.9 million, in FY20-21, the City received \$23.4 million, in FY21-22, the City received \$24.2 million and it is estimated the City will received \$25.4 million in FY22-23. Mr. Balliew discussed the average residential water and wastewater bill for the ten largest Texas cities based on a survey from 2021. Corpus Christi came in at the top with a total bill of \$107.54, Austin with the bill of \$104.29, Houston at \$88.71, San Antonio at \$78.16, Plano at \$77.03, Fort Worth at \$69.94, Arlington at \$65.59, Dallas at \$60.39, Laredo at \$58.25 and El Paso at \$56.11. The proposed increase would put El Paso between Arlington and Dallas at \$62.07. Mr. Balliew also discussed the Customer Assistance Programs for EPWater Customers. In 2021, the CARES Act Assistance Program, through Project Bravo and Amistad, assisted 6,080 customers for a total of \$2.1 million. The new Low Income Household Water Assistance Program starts in January 2022 and goes through 2023 with \$3.4 million allocated by the state to El Paso County. This program is to be managed through Project Bravo. Finally, Mr. Balliew discussed the proposed changes to the rules and regulations for FY2022-23, which include, No. 1- Water and/or Sewer Services Within Corporate Limits, No. 3- Rate of Stormwater Service, No. 5- Water Service Rates, No. 6- Sewer Service Rates, No. 7- Deposits and Charges and No. 11- Water and/or Sewer Service Outside the Corporate Limits. Mr. Balliew answered questions from the Board on this item.

On a motion made by Mr. Antcliff, seconded by Mr. Morris and opposed by Mayor Leeser, the Board approved the Water, Wastewater and Reclaimed Water Budget to include but not limited to the following actions:

- a. Adopted the Annual Water, Wastewater and Reclaimed Water Budget in the amount of \$784.923 million for Fiscal Year 2022-2023.
- b. Adopted a Resolution amending Public Service Board Rules and Regulations No. 1 Furnishing and Control of Water and/or Sewer Service Within the Corporate Limits of the City of El Paso to revise the following: definitions, customer and El Paso Water furnished equipment, and backflow prevention assembly location.
- c. Adopted a Resolution amending Public Service Board Rules and Regulations No. 5, Rates for Water Service, to amend the rates.
- d. Adopted a Resolution amending Public Service Board Rules and Regulations No. 6, Rates for Sewer service, to amend the rates.
- e. Adopted a Resolution amending Public Service Board Rules and Regulations No. 7 to revise the following: definitions, refund rates, water service connection charges, and refunds for oversize.
- f. Adopted a Resolution amending Public Service Board Rules and Regulations No. 11, Furnishing and Control of Water and/or Sewer Service Outside the Corporate Limits of the City of El Paso, to revise the following: definitions, customer and El Paso Water furnished equipment.

12. CONSIDERED AND ACCEPTED EL PASO WATER'S THIRD QUARTER INVESTMENT REPORT FY 21-22 FOR THE PERIOD ENDING NOVEMBER 30, 2021.

Luz Holguin, Treasury and Property Control Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) The Public Funds Investment Act (PFIA) requires a quarterly report to be submitted. Ms. Holguin discussed the US Fed Funds Rate, the portfolio composition as of November 30, 2021 and gave a snapshot of the investment maturities. Ms. Holguin answered questions from the Board on this item.

On a motion made by Mr. Antcliff seconded by Mr. Morris and unanimously carried, the Board accepted El Paso Water's Third Quarter Investment Report FY 21-22 for the period ending November 30, 2021.

13. CONSIDERED AND ACCEPTED EL PASO WATER'S THIRD QUARTER FINANCIAL AND PERFORMANCE MEASURES REPORT FY21-22 FOR THE PERIOD ENDING NOVEMBER 30, 2021.

Jeff Tepsick, Assistant Chief Financial Officer, provided a presentation to the Board regarding this item (copy on file in Central Files.) The Public Service Board requires regular financial reporting from the President/CEO and staff on the financial condition of the Utility. Mr. Tepsick presented on the comparison of water billed for fiscal years 20-21 and 21-22 as well as stormwater and water/wastewater revenues and expenses for the period of March 1, 2021 through November 30, 2021. Mr. Tepsick answered questions from the Board on this item.

On a motion made by Ms. Saenz, seconded by Mr. Antcliff and unanimously carried, the Board accepted El Paso Water's Third Quarter Financial and Performance Measures Report FY21-22 for the period ending November 30, 2021.

14. CONSIDERED AND REJECTED THE SOLE BID RECEIVED FROM MATHESON TRI-GAS, INC. FOR BID NUMBER 05-22, LIQUID OXYGEN, AND ALLOW STAFF TO RE-BID.

Rose Guevara, Interim Utilities Purchasing and Contracts Manager, provided a presentation to the Board regarding this item. Liquid Oxygen is used for odor control at various lift stations and in the production of ozone for disinfection at the Fred Hervey Water Reclamation Plant and Jonathan Rogers Water Treatment Plant. EPWater received one bid on December 10, 2021 from Matheson Tri-Gas, Inc. Staff evaluated the sole bidder and has determined that Matheson Tri-Gas, Inc. failed to provide the following required documentation with their bid proposal: USB Drive (with Electronic Bid Tab), signed Addendums, Chemical Material Safety Data Sheet, Certificate of Chemical Analysis, Certificate of Product's Compliance. Staff recommends deeming the bid as non-responsive and re-bid. Ms. Guevara answered questions from the Board on this item.

On a motion made by Dr. Santiago, seconded by Mr. Morris and unanimously carried, the Board rejected the sole bid received from Matheson Tri-Gas, Inc. for Bid Number 05-22, Liquid Oxygen, and allowed staff to re-bid.

15. DEEMED ZTEX CONSTRUCTION, INC. AS NON-RESPONSIVE, AND CONSIDERED AND AWARDED BID NUMBER 70-21, NORTHWEST WATER DISTRIBUTION MAINS – HIGH PLAINS, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, BAIN CONSTRUCTION, INC., IN THE AMOUNT OF \$4,460,307.70.

Geoffrey Espineli, Engineering Division Manager, provided a presentation to the Board regarding this item. This project will be in Northwest El Paso and consists of the extension of a potable water line. This water main extension is developer driven. This water main extension is required to serve properties located in the Coronado Country Club #2 pressure zone. Mr. Espineli answered questions from the Board on this item.

On a motion made by Mayor Leiser seconded by Dr. Santiago and unanimously carried, the Board deemed ZITEX Construction, Inc. as non-responsive, and considered and awarded Bid Number 70-21, Northwest Water Distribution Mains – High Plains, to the lowest responsive, responsible bidder, Bain Construction, Inc., in the amount of \$4,460,307.70.

16. CONSIDERED AND AWARDED BID NUMBER 49-21, EASTSIDE PLANNED SERVICE AREA - MONTWOOD EXTENSION, 16-INCH WATER MAIN EXTENSION, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, LOS FIERRO CONSTRUCTION, INC., IN THE AMOUNT OF \$1,408,984.50.

Geoffrey Espineli, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) The Eastside Planned Service Area - Montwood Extension, 16-Inch Water Main Extension project is the second phase of the 16-inch water main extension to loop the existing 16-inch water main along Tim Floyd Street, south of Pebble Hills Boulevard, to the existing 24-inch water main along John Hayes Street. The extension of this water main is needed to provide service to new subdivisions in the far east side of El Paso. This is a developer driven project. Mr. Espineli answered questions from the Board on this item.

On a motion made by Dr. Santiago, seconded by Ms. Saenz and unanimously carried, the Board awarded Bid Number 49-21, Eastside Planned Service Area - Montwood Extension, 16-Inch Water Main Extension, to the lowest responsive, responsible bidder, Los Fierro Construction, Inc., in the amount of \$1,408,984.50.

17. CONSIDERED AND AWARDED BID NUMBER 31-21, DONIPHAN COLLECTOR TO CANUTILLO BOSQUE LIFT STATION, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, BAIN CONSTRUCTION, INC. IN THE AMOUNT OF \$3,970,537 AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Geoffrey Espineli, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) On August 8, 2018, the Public Service Board approved and authorized the President/CEO to sign an Interlocal Agreement by and between the Village of Vinton, Texas and El Paso Water Utilities-Public Service Board for the provision of wastewater services to include operation and maintenance. In this Interlocal Agreement, the Village of Vinton agreed to pay a \$2,200,000 connection fee to EPWater. The Doniphan Collector to Canutillo Bosque Lift Station project will connect the Village of Vinton's Sewer System to the Canutillo Bosque Lift Station. In addition, the Doniphan Collector will service as a collection trunk main to future projects such as the EDA Northwest Development Sewer Main Extension, the County of El Paso's Sewer Main Improvements, and future residential and commercial development. Mr. Espineli answered questions from the Board on this item.

On a motion made by Dr. Santiago, seconded by Mr. Antcliff and unanimously carried, the Board awarded Bid Number 31-21, Doniphan Collector to Canutillo Bosque Lift Station, to the lowest responsive, responsible bidder, Bain Construction, Inc. in the amount of \$3,970,537 and authorized the use of commercial paper.

18. CONSIDERED AND AWARDED PROFESSIONAL SERVICES CONTRACTS FOR THE ON-CALL STRUCTURAL ENGINEERING SERVICES - RFQ63-21, TO CONSOR ENGINEERS, LLC, FREESE AND NICHOLS, INC., AND MM STRUCTURAL ENGINEERS, INC., EACH IN AN AMOUNT NOT TO EXCEED \$1,000,000 OVER A TERM OF THREE YEARS AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Geoffrey Espineli, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) When there is damage to a Utility structure, the structure may need to be inspected by a qualified structural engineer. The On-Call services contract will be used to design repairs to Utility structures as well as any other unforeseen issues or needs that may arise.

On a motion made by Mr. Antcliff, seconded by Mayor Leeser and unanimously carried, the Board awarded professional services contracts for the On-Call Structural Engineering Services - RFQ63-21, to Consor Engineers, LLC, Freese and Nichols, Inc., and MM Structural Engineers, Inc., each in an amount not to exceed \$1,000,000 over a term of three years and authorized the use of commercial paper.

19. CONSIDERED AND AWARDED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE NORTHGATE DIVERSION CHANNEL IMPROVEMENTS, RFS 50-21 PROJECT TO AECOM TECHNICAL SERVICES, INC., FOR PRELIMINARY DESIGN PHASE SERVICES IN THE AMOUNT OF \$210,038.83; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$1,000,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

Irazema Rojas, Interim Chief Technical Officer, provided a presentation to the Board regarding this item (copy on file in Central Files.) The project area is located at the western terminus of Hondo Pass Drive in the Northeast area of El Paso, Texas. The Northgate Diversion Channel is an earthen channel on the Foothills of the Franklin Mountains intended to divert stormwater runoff toward the Northgate Dam. The structure also provides flood protection to a residential area near Hondo Pass Drive. Erosion caused by the event known as Storm 2006 resulted in a failure of the downstream embankment causing damage to downstream properties. Ms. Rojas answered questions from the Board on this item.

On a motion made by Dr. Santiago, seconded by Ms. Saenz and unanimously carried, the Board awarded a professional engineering services contract for the Northgate Diversion Channel Improvements, RFS 50-21 project to AECOM Technical Services, Inc., for preliminary design phase services in the amount of \$210,038.83; authorized future task orders or amendments to be issued under this contract for additional design and construction phase services in the estimated amount of \$1,000,000 provided that funding is available in the approved budget for the task orders or amendments.

20. CONSIDERED AND APPROVED AN INTERLOCAL AGREEMENT WITH THE TEXAS A&M ENGINEERING EXTENSION SERVICE TO PROVIDE WATER AND WASTEWATER TRAINING COURSES IN THE ESTIMATED ANNUAL AMOUNT OF \$200,000 FOR A TERM OF ONE YEAR AND THE OPTION OF TWO ONE-YEAR TERMS.

Ana Sanchez, Chief Learning Officer, provided a presentation 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. Ms. Sanchez answered questions from the Board on this item.

On a motion made by Mr. Antcliff, seconded by Dr. Santiago and unanimously carried, the Board approved an Interlocal Agreement with the Texas A&M Engineering Extension Service to provide Water and Wastewater training courses in the estimated annual amount of \$200,000 for a term of one year and the option of two one-year terms.

21. CONSIDERED AND AUTHORIZED THE PRESIDENT/CEO TO SIGN AN INTERLOCAL AGREEMENT WITH THE CITY OF EL PASO MUNICIPAL MANAGEMENT DISTRICT NO. 1 FOR THE DEVELOPMENT OF THE NORTHEAST SEWER INTERCEPTOR IN THE ESTIMATED AMOUNT OF \$5,002,450.20, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Irazema Rojas, Interim Chief Technical Officer, provided a presentation to the Board regarding this item (copy on file in Central Files.) The City of El Paso Municipal Management District No. 1 (District) is completing a development project in the Northeast that requires infrastructure to provide water and sewer services to the District. The development project includes water and sewer facilities that serve customers located within the District as well as customers located within the service area of EPWater that lie outside the boundaries of the District. Ms. Rojas answered questions from the Board on 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 Interlocal Agreement with the City of El Paso Municipal Management District No. 1 for the development of the Northeast Sewer Interceptor in the estimated amount of \$5,002,450.20, and authorized the use of commercial paper.

22. CONSIDERED AND ADOPTED A RESOLUTION ESTABLISHING THE EL PASO WATER 2020 BUILDING CONSTRUCTION TRADES WAGE RATES AND TRADE DEFINITIONS APPLICABLE TO EL PASO WATER NON-FEDERALLY FUNDED CONSTRUCTION PROJECTS AND CERTAIN FEDERALLY-FUNDED CONSTRUCTION PROJECTS.

Robert Davidson, Contract Construction Administrator, provided a presentation to the Board regarding this item. The City of El Paso adopted a resolution specifying the wage rates for each craft or type of worker for Building Construction Trades for bids of public construction contract works. The wage rates were established through a survey of wages conducted by the City of El Paso through the County of El Paso pursuant to Texas Government Code Section 2258.022(a)(1) of the Texas Government Code and in conjunction with other local governmental bodies. The Public Service Board, as the governing body of El Paso Water, will adopt the 2020 building construction wage rates by approving the resolution.

On a motion made by Mr. Antcliff, seconded by Mayor Leeser and unanimously carried, the Board adopted a resolution establishing the El Paso Water 2020 Building Construction Trades Wage Rates and trade definitions applicable to El Paso Water non-federally funded construction projects and certain federally-funded construction projects. Mr. Davidson answered questions from the Board on this item.

23. CONSIDERED AND AUTHORIZED THE PRESIDENT/CEO TO SIGN A NEW AGREEMENT WITH PROJECT BRAVO TO PROVIDE UTILITY PAYMENT ASSISTANCE FOR ELIGIBLE EL PASO WATER CUSTOMERS AS PART OF THE LOW-INCOME HOUSING AND WATER ASSISTANCE PROGRAM.

Lisa Rosendorf, Chief Communications and Government Affairs Officer, provided a presentation to the Board regarding this item. In anticipation of the new federally-funded Low Income Household Water Assistance Program (LIHWAP), last fall Project Bravo provided an agreement to EPWater that was negotiated and brought to the PSB for approval in September and was executed in October 2021. Subsequent to that, the state of Texas standardized its form agreement and Project Bravo has requested that EPWater consider the new template rather than our recently signed agreement. Pursuant to the delegated authority of the President/CEO, a notice of termination will be sent to Project Bravo for the agreement signed in October 2021. This new agreement will replace the agreement executed in October 2021. Congress established the LIHWAP to assist low-income households with water bills. The program has been funded through 2023. The LIHWAP is being administered by the U.S. Department of Health and Human Services through states, and the agencies that administer the similar energy assistance program in Texas have been tasked with also administering LIHWAP. In El Paso County, that agency is Project Bravo. Unlike the CARES Act, COVID impact is not a requirement to receive funding. This agreement will enable Project Bravo to work with EPWater customer service staff and provide assistance to eligible customers.

On a motion made by Dr. Santiago, seconded by Mr. Antcliff and unanimously carried, the Board authorized the President/CEO to sign a new agreement with Project Bravo to provide utility payment assistance for eligible El Paso Water customers as part of the Low-Income Housing and Water Assistance Program.

24. MANAGEMENT REPORT:

- **UPDATE ON FRONTERA FORCE MAIN**

Felipe Lopez, Chief Operations Officer, provided a presentation to the Board regarding this item (copy on file in Central Files.) Mr. Lopez informed the Board on the Frontera Emergency Response expenditures from August 13, 2021 to December 31, 2021, which totaled \$3.2 million. In addition, he described the Herculean efforts, which were 4 ½ months, 15 vendors, long days, weekends and significant over-time, expedited delivery of equipment and supplies and on-site manufacturing. As part of the expenditures, for Phase I of the Frontera Emergency Response, the design was done by Jacobs Engineering for a cost of \$743,658, construction was done by Oscar Renda for a total of \$12,626,914. LTD costs combined was a total of \$13,370,570. For Phase II, the design was done by Jacobs Engineering for a cost of \$310,212. Mr. Lopez showed the Board a picture of the final piece of pipe being attached for the Frontera Force Main.

- **CIS REPLACEMENT UPDATE**

Alfredo Solano, Chief Information Officer, provided a presentation to the Board regarding this item (copy on file in Central Files.) Mr. Solano discussed the program H2GO's journey. The current customer information system is over 20 years old and it has been a 2-year process to implement the new, modernized system with hundreds of employees who have been training for months. The launch date is set for March 2, 2022. The Program H2Go cutover plan includes a blackout period to convert to the new system, which will be from February 23, 2022 to March 2, 2022. The new system will be open to customers at 7 a.m. on March 2, 2022. During the blackout period, limited customer support will be available. Customers will have a new account number and will need to log in to the portal. The practice rounds will be January 21, 2022 and February 11, 2022. There will also be a stabilization support period. Ms. Christina Montoya, Marketing and Communications Manager, discussed the My Account Campaign, which is to better serve the customers, increased online payments to shorten wait times on the phone and improve customer experience and confidence in EPWater. Ms. Montoya discussed the outreach timeline and efforts such as bill inserts, IVR and back of bill, radio and digital ads, social media posts, pipeline story, news release and media interviews, website alerts and home page banners, EPWater CSR training, internal communication through Waternet and Waterwire and an animated video on how the system will work. Ms. Solano and Ms. Montoya answered question from the Board on this item.

- **VIDEOS FROM COMMUNICATIONS**

Christina Montoya, Marketing and Communications Manager, showed a video on Mr. Alan Shubert's retirement.

25. PUBLIC COMMENT: THE PSB WILL PERMIT PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA. THE CHAIR MAY IMPOSE REASONABLE TIME LIMITS FOR EACH SPEAKER.

There were no comments from the public.

EXECUTIVE SESSION

On a motion made by Dr. Santiago, seconded by Mr. Morris, and unanimously carried, the Board retired into Executive Session at 10:22 a.m., January 12, 2022, 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 551.073	Deliberation Regarding Prospective Gift
Section 551.074	Personnel Matters
Section 551.076	Deliberations Regarding Security Devices or Security Audits
Section 551.087	Deliberation Regarding Economic Development Negotiations
Section 551.089	Deliberation Regarding Security Devices or Security Audits

Discussion and action on the following:

- a. The Board will deliberate regarding whether the following property can be declared inexpedient to the water, wastewater and stormwater system: the property legally described as Cotton Addition, Block 72, Blots 1-16 and 21 – 32 and closed alley, an addition to the City of El Paso, El Paso County, Texas (551.071, 551.072).
- b. The Board will deliberate regarding whether the following property can be declared inexpedient to the water, wastewater and stormwater system: the property legally described as Upper Valley Surveys, Block 13, Tracts 15A, 15E and 16A, El Paso County, Texas (551.071, 551.072).
- c. The Board will deliberate whether approximately 1,052 acres of land in northeast El Paso can be sold or transferred to the City of El Paso or the State of Texas or whether to place a conservation easement on the land, legally described as Section 15, and a portion of Sections 9, 16, 17, and 18, Block 81, Township 1, T&P RR Surveys, City of El Paso, El Paso County, Texas. (551.071, 551.072)

On a motion made by Mr. Morris, seconded by Ms. Saenz and unanimously carried, the Board reconvened in open session at 11:14 a.m., January 12, 2022.

- a. **THE BOARD WILL DELIBERATE REGARDING WHETHER THE FOLLOWING PROPERTY CAN BE DECLARED INEXPEDIENT TO THE WATER, WASTEWATER AND STORMWATER SYSTEM: THE PROPERTY LEGALLY DESCRIBED AS COTTON ADDITION, BLOCK 72, BLOTS 1-16 AND 21 – 32 AND CLOSED ALLEY, AN ADDITION TO THE CITY OF EL PASO, EL PASO COUNTY, TEXAS (551.071, 551.072).**

Motion made by Mr. Morris and seconded by Ms. Saenz and unanimously carried, that the described land be declared inexpedient to the water, wastewater and stormwater systems and that the President and CEO be authorized to proceed in the manner approved by the Board, and in accordance with the terms and conditions specified by the Board, and thereafter to forward to the City of El Paso a recommendation to sell the property, and to sign any and all documents necessary to complete the sale of the property.

- b. **THE BOARD WILL DELIBERATE REGARDING WHETHER THE FOLLOWING PROPERTY CAN BE DECLARED INEXPEDIENT TO THE WATER, WASTEWATER AND STORMWATER SYSTEM: THE PROPERTY LEGALLY DESCRIBED AS UPPER**

VALLEY SURVEYS, BLOCK 13, TRACTS 15A, 15E AND 16A, ELL PASO COUNTY, TEXAS (551.071, 551.072).

Motion made by Mr. Morris and seconded by Ms. Saenz and unanimously carried, that the described land not be declared inexpedient to the water, wastewater and stormwater systems as recommended by EPWater staff.

- c. **THE BOARD WILL DELIBERATE WHETHER APPROXIMATELY 1,052 ACRES OF LAND IN NORTHEAST EL PASO CAN BE SOLD OR TRANSFERRED TO THE CITY OF EL PASO OR THE STATE OF TEXAS OR WHETHER TO PLACE A CONSERVATION EASEMENT ON THE LAND, LEGALLY DESCRIBED AS SECTION 15, AND A PORTION OF SECTIONS 9, 16, 17, AND 18, BLOCK 81, TOWNSHIP 1, T&P RR SURVEYS, CITY OF EL PASO, EL PASO COUNTY, TEXAS. (551.071, 551.072)**

Motion made by Mr. Morris and seconded by Ms. Saenz and unanimously carried, that a second transaction be authorized for the described land to be declared inexpedient to the stormwater system and that such land can be transferred to the City of El Paso in exchange for valid consideration in accordance with the Joint Resolution only after the President/CEO has signed a payment plan to compensate the Water Utility System for the full fair market value of the property at \$13,300/acre by using the Municipal Drainage Utility's "10% Fund" pursuant to the manner directed by the Board on July 14, 2021 as a result of preserving the land under the MOU with the City (first transaction). Further, the Board finds that:

- 1) the System requires compensation in accordance with the bond covenants,
- 2) the use of the Utility's revenues complies with Ordinance No. 016668, and
- 3) the property will continue to serve the potential dual purposes of stormwater management and the preservation of open space in its natural state through the restrictive conservation covenant filed in the real property records of El Paso County, Texas on December 21, 2021.

ADJOURNMENT

On a motion made by Ms. Saenz, seconded by Mr. Morris and unanimously carried, the meeting adjourned at 11:17 a.m., January 12, 2022.

ATTEST:



Kristina Mena, Chair



Bryan Morris, Secretary-Treasurer