

**MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
February 12, 2020**

The regular meeting of the Public Service Board was held Wednesday, February 12, 2020, 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, Member
Dr. Ivonne Santiago, Secretary-Treasurer
Dr. Kristina D. Mena, Vice-Chair
Bryan Morris, Member
Dee Margo, Ex-Officio Member

PSB MEMBERS ABSENT

Henry Gallardo, Member

PSB EMPLOYEES PRESENT

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

EPWATER EMPLOYEES PRESENT

Marcela Navarrete, Vice President
Juan S. Gonzalez, Assistant General Counsel
Art Duran, Chief Financial Officer
Gretchen Byram, Computer Media Specialist
Lisa Rosendorf, Chief Communications and Government Affairs Officer
Jillian Shipp, Executive Assistant
Rose Guevara, Senior Purchasing Agent
Robert Davidson, Contract Construction Administrator
Christina Montoya, Marketing and Communications Manager
Carlos Briano, Lead Public Affairs Coordinator
Jeanette Cordero, Assistant Chief Financial Officer
Jeff Tepsick, Assistant Chief Financial Officer
Ivan Hernandez, Engineering Division Manager
Geoffrey Espineli, Engineering Division Manager
Gilbert Trejo, Chief Technical Officer
Martin Noriega, Stormwater and Fleet Maintenance Division Manager
Gonzalo Cedillos, Senior Technical Advisor
Yesenia Castro, Utility Engineer Associate
Richard Wilcox, Laboratory Manager
Sergio Castro, Superintendent of Haskell R. Street Wastewater Treatment Plant
Mason Burrough, Facilities Maintenance Supervisor
Severo Borrego, Instrumentation Control Manager
Zulema Jamis, Secretary
James Wolff, Real Estate Manager
Nancy Nye, Pretreatment Manager

GUESTS

Wendie Canfield, Canfield Engineering
Ben Canfield, Canfield Engineering
Michael G. Mclean, Gerron Davis
Bert Juarez, Molzen Corbin
Jerry Paz, Molzen Corbin
Florencio Lozano, RM Wright
Randy Wright, RM Wright
Joshua Alcantara, Geometrics Engineering
Serena Harper, FXSA
Alberto Mata Jr., Walter P. Moore
Esteban Escobedo, Clowe & Cowan
Andrew Wong, Molzen Corbin
Pam Faraone, Citizen
John Barela, CEO of Borderplex Alliance

MEDIA

The Public Service Board meeting was called to order by Mr. Antcliff at 8:04 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

Mr. Morris requested to have items numbers 2 and 3 moved from consent agenda to regular agenda. On a motion made by Mr. Morris, seconded by Ms. Garcia and unanimously carried, the Board moved items numbers 2 and 3 to regular agenda.

On a motion made by Ms. Garcia, seconded by Dr. Mena 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 DECEMBER 11, 2019, AND JANUARY 8, 2020.

The Board approved the minutes of the regularly scheduled meetings held December 11, 2019 and January 8, 2020.

4. CONSIDERED AND APPROVED A RESOLUTION AUTHORIZING THE PRESIDENT/CEO'S SUBMISSION OF AN AGRICULTURAL WATER CONSERVATION GRANT APPLICATION TO THE TEXAS WATER DEVELOPMENT BOARD IN THE AMOUNT \$85,550.

The Board approved approve a Resolution authorizing the President/CEO's submission of an Agricultural Water Conservation Grant Application to the Texas Water Development Board in the amount \$85,550.

REGULAR AGENDA

2. CONSIDERED AND APPROVED A PURCHASE ORDER TO EL PASO PHOENIX PUMPS FOR THE EMERGENCY REPAIRS OF FOUR HIGH SERVICE PUMPS FOR THE ROBERTSON/UMBENHAUER WATER TREATMENT PLANT IN THE ESTIMATED AMOUNT OF \$93,072, UTILIZING THE ESC REGION 19 ALLIED STATES COOPERATIVE CONTRACT NO. 15-7188.

Ms. Rose Guevara, Senior Purchasing Agent, provided information to the Board regarding this item. The Robertson/Umbenhauer Water Treatment Plant (WTP) has three finished water pump stations with a total of 10 pumps that supply water to Central El Paso customers. Four Goulds brand high-service pumps were inspected after the 2019 surface water season because of inefficient pumping. Once the disassembly and inspections were completed, it was discovered that the pumping components were worn out on all four pumps and were sent for immediate repair because of the long lead time for parts. The rehabilitation of Goulds pumps was available from El Paso Phoenix Pumps, utilizing the ESC Region 19 Allied States Cooperative Contract Number 15-7188. Staff solicited and evaluated a quote from El Paso Phoenix Pumps and determined that it met all the requirements for the repairs. The quote included a 45% discount from the manufacturer's list price and a 90-day warranty on all repairs. A purchase order for the emergency repair service was issued to El Paso Phoenix Pumps in the estimated amount of \$93,072. Ms. Guevara 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 a purchase order to El Paso Phoenix Pumps for the emergency repairs of four high-service pumps for the Robertson/Umbenhauer Water Treatment Plant in estimated amount of \$93,072, utilizing the ESC Region 19 Allied States Cooperative Contract No. 15-7188.

3. CONSIDERED AND APPROVED THE PURCHASE OF A NEW AVIGILON SURVEILLANCE SYSTEM FROM PYROCOM SYSTEMS, INC. UTILIZING THE REGION 19 ALLIED STATES COOPERATIVE, CONTRACT NUMBER 17-7221 IN THE AMOUNT OF \$205,486.

Ms. Guevara provided information to the Board regarding this item. The purpose of this contract is to replace and upgrade the existing surveillance system at the Jonathan Rogers Water Treatment Plant. The current system has 31 cameras and is an aged system with inadequate infrastructure to support an upgrade. The Avigilon surveillance system offered by PyroCom Systems, Inc. will enhance the security posture with high-definition images, night-vision capability and a 30-day storage. A total of 31 cameras will be installed at the facility. The installation of a new Avigilon surveillance system is available from PyroCom Systems, Inc., utilizing the Region 19 Allied States Purchasing Cooperative, Contract Number 17-7221. Staff solicited and evaluated a quote from PyroCom Systems, Inc. and determined that the quote met all the requirements for this procurement. Staff recommends the purchase be made from PyroCom Systems, Inc. in the amount of \$205,486. The quote includes a 15% discount from the manufacturer's list price, and PyroCom Systems, Inc. will provide a one-year parts and labor warranty. Ms. Guevara addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago, seconded by Ms. Garcia and unanimously carried, the Board approved the purchase of a new Avigilon surveillance system from PyroCom Systems, Inc., utilizing the Region 19 Allied States Cooperative, Contract Number 17-7221 in the amount of \$205,486.

5. PRESENTATION OF THE SAFEST SECTION OF THE QUARTER (FOURTH QUARTER 2019).

Ms. Christina Montoya, Marketing and Communications Manager, presented the Board with information regarding the Safest Section of the Quarter Awards for the Fourth Quarter of 2019. The awards are for the sections with the lowest accident rate for the months of October, November and December 2019. These sections were accident-free during the fourth quarter. All the members of these sections have performed their jobs safely as a group and as individuals and deserve special recognition. Mr. John Balliew, President and CEO, presented the award for the Haskell R. Street Wastewater Treatment Plant to Sergio Castro, Superintendent. Next, the award for Building Maintenance and was presented to Mason Burrough, Facilities Maintenance Supervisor; the award for SCADA was presented to Severo Borrego, Instrumentation Control Manager; and the last award for Laboratory Services was presented to Richard Wilcox, Laboratory Manager.

6. CONSIDERED AND APPROVED THE RECOMMENDATION OF LA POSADA HOME, INC.,

AS THE UTILITY'S STRATEGIC PARTNER FOR 2020.

EPWater has been a long-term community partner in supporting charitable organizations since its inception in 1952. The Public Service Board (PSB) approved the Strategic Partnerships and Alliances with Non-Profit Organizations Administrative Policy in 2009. The policy allows the PSB to select one charitable organization a year for a fundraising project. EPWater receives requests throughout the year to support local and charitable causes. An employee committee comprised of individuals from various EPWater departments made site visits and evaluated seven candidates for this year's strategic partner. After careful thought and consideration, the employee committee is recommending La Posada Home, Inc., which is a transitional living shelter that has been providing services to families affected by domestic violence since 1986. Their program provides services to women with children, and their main goal is to assist these families to re-establish their self-confidence and accomplish long-term goals and become independent when they move into their own home. The funds raised by EPWater employees will be used for this program. Ms. Yesenia Castro introduced Ms. Monica Barrera, Executive Director of the La Posada home. Ms. Barrera thanked the Board for the opportunity and provided background of La Posada home. Mr. Balliew took time to thank the committee members for the Charity of Choice.

On a motion made by Mr. Morris, seconded by Dr. Mena and unanimously carried, the Board approved the recommendation of La Posada Home, Inc. as the Utility's Strategic Partner for 2020.

7. CONSIDERED AND APPROVED A RESOLUTION AUTHORIZING THE PRESIDENT/CEO TO SIGN A TWO-YEAR AGREEMENT BETWEEN EL PASO WATER AND THE BORDERPLEX ALLIANCE TO IMPLEMENT AN ECONOMIC DEVELOPMENT PLAN SPECIFIC TO EPWATER IN THE ANNUAL AMOUNT OF \$250,000.

Ms. Marcela Navarrete, Vice President, introduced Mr. John Barela, CEO of The Borderplex Alliance. Mr. Barela provided a presentation to the Board regarding this item (copy on file in Central Files). EPWater has been designated by the State of Texas as the regional water planning agency for the El Paso region. The Borderplex Alliance is a nonprofit organization dedicated to economic development in the El Paso-Las Cruces-Ciudad Juárez region. The organization has proposed an economic development plan specific to EPWater. EPWater and Borderplex Alliance have an existing Economic Development Plan Agreement in effect through February 2020. Under this new two-year agreement, to begin March 1, 2020, the primary emphasis will be for the Borderplex Alliance to assist EPWater in identifying potential buyers and/or lessees for EPWater-owned property. EPWater wants to make significant strides in promoting a healthy, vigorous local economy that maximizes business opportunities and the use of land owned and/or controlled by EPWater. Implementing a plan specific to EPWater is expected to return significant benefits to the Utility, its ratepayers and the citizens of the El Paso region. Furthermore, EPWater has had a role in determining which industries are recruited to the region based on water and wastewater issues. Mayor Margo made additional comments.

On a motion made by Mayor Margo, seconded by Dr. Mena and unanimously carried, the Board approve a Resolution authorizing the President/CEO to sign a two-year agreement between the El Paso Water and the Borderplex Alliance to implement an economic development plan specific to EPWater in the annual amount of \$250,000.

8. CONSIDERED AND AUTHORIZED THE PRESIDENT/CEO TO SIGN AN AGREEMENT WITH THE CAMINO REAL REGIONAL MOBILITY AUTHORITY SPECIFYING THE TERMS AND CONDITIONS, INCLUDING REIMBURSEMENT OF COSTS FOR THE CONSTRUCTION OF WATER AND WASTEWATER INFRASTRUCTURE LOCATED WITHIN THE PELLICANO DRIVE WIDENING PROJECT IN THE ESTIMATED AMOUNT OF

\$3,067,434.50; PROVIDED THAT THE AGREEMENT IS IN ACCORDANCE WITH THE TERMS AND CONDITIONS APPROVED BY THE PUBLIC SERVICE BOARD AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Ivan Hernandez, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files). The Camino Real Regional Mobility Authority (CRRMA) received funding for the Pellicano Drive Widening project. EPWater will construct 8-inch to 24-inch water and wastewater mains that will provide service to future commercial and residential developments. EPWater hired CEA Engineering Group to prepare design drawings for this project and to coordinate with the CRRMA. The design drawings were included with the CRRMA bid package. On November 5, 2019, the CRRMA opened bids and selected a contractor. Sufficient funds are available in Account Numbers 2608 (Water) and 2607 (Wastewater), and the funding sources are the Commercial Paper Fund and the Improvement Fund, respectively. The CRRMA Base Bid II and Base Bid III for the water and wastewater mains installation is \$2,413,838.90, plus an additional \$412,211.71 for construction engineering, inspection and testing, and \$241,383.89 in contingency for potential change orders. EPWater's total estimated contribution will be \$3,067,434.50. Mr. Hernandez and Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Mr. Morris, seconded by Ms. Garcia and unanimously carried, the Board authorized the President/CEO to sign an Agreement with the Camino Real Regional Mobility Authority specifying the terms and conditions, including reimbursement of costs for the construction of water and wastewater infrastructure located within the Pellicano Drive Widening project in the estimated amount of \$3,067,434.50; provided that the agreement is in accordance with the terms and conditions approved by the Public Service Board and authorized the use of commercial paper.

9. CONSIDERED AND APPROVED A RATIFICATION OF INCURRED CONSTRUCTION COSTS RELATED TO THE EMERGENCY EFFLUENT PIPING REPAIRS AT THE HASKELL R. STREET WASTEWATER TREATMENT PLANT IN THE AMOUNT OF \$3,476,573.94 AND AUTHORIZED FUTURE PAYMENTS OR AMENDMENTS TO BE ISSUED UNDER THIS EMERGENCY REPAIRS AUTHORIZATION FOR ONGOING CONSTRUCTION SERVICES IN THE ESTIMATED AMOUNT OF \$773,426.06 FOR AN ESTIMATED TOTAL AMOUNT OF \$4,250,000 AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Gilbert Trejo, Chief Technical Officer, provided a presentation to the Board regarding this item (copy on file in Central Files). Notice to Proceed for Bid Number 47-18, Haskell Wastewater Treatment Plant (WWTP) Effluent Piping Improvements was issued to Spiess Construction Co., Inc. on August 14, 2018. On September 6, 2018, the existing 66-inch effluent line at the headworks ruptured and leaked large amounts of wastewater. Emergency repairs to the effluent line were completed February 19, 2019. The emergency by-pass remained in place until completion of the project since the set up for the repair was identical to the original project requirements. This item summarizes all costs related to these emergency repairs and associated work. R.M. Wright Construction, which was mobilized onsite for a different project, provided support work to contain and clean the spill, secure the site, temporarily repair the ruptured line, and assess the pipe condition, for \$335,792. In addition, R.M Wright incurred material, labor, and equipment damages on their ongoing project within the plant as a result of the rupture, in the amount of \$53,179. Rain for Rent provided by-pass pumping services to contain the leak and continued providing by-pass pumping to complete the original contract work in the amount paid to date of \$2,715,614.87. An estimated \$773,426.06 in additional by-pass pumping is needed to complete the project. Wyler Industrial Works fabricated and installed steel patch plates along the pipe as well as fabricated

a steel beam support system to secure the construction site for \$18,324.64. Northwest Pipe provided and delivered the pipe and fittings necessary to repair or replace portions of the pipe for \$117,600. Pro Pipe cleaned and televised the inside of the pipes to allow for a condition assessment for \$107,200. Spiess Construction provided support work to contain and clean the spill and secure the site for \$128,863.43. Staff worked with all contractors and suppliers to develop a scope of work, evaluate options, assess incurred costs and damages, and negotiated to come to agreeable and justifiable costs. Costs submitted are in line with current industry trends.

On a motion made by Dr. Santiago seconded by Mr. Morris and unanimously carried, the Board approved a ratification of incurred construction costs related to the emergency effluent piping repairs at the Haskell R. Street Wastewater Treatment Plant in the amount of \$3,476,573.94 and authorized future payments or amendments to be issued under this Emergency Repairs authorization for ongoing construction services in the estimated amount of \$773,426.06 for an estimated total amount of \$4,250,000 and authorized the use of commercial paper.

10. CONSIDERED AND AWARDED THE SOLE SOURCE PURCHASES OF A LOCAL CONTROL PANEL REPLACEMENT AT THE FRED HERVEY WATER RECLAMATION PLANT IN THE ESTIMATED AMOUNT OF \$106,700; REPAIRS TO BLOWERS NO. 1 AND NO. 2 AT THE JOHN T. HICKERSON WATER RECLAMATION FACILITY IN THE ESTIMATED AMOUNT OF \$159,666; A SERVICE AGREEMENT IN THE ANNUAL AMOUNT OF \$91,902.40 AND AN ANNUAL ALLOWANCE OF \$800,000 OVER A TERM OF FIVE YEARS TO HOWDEN ROOTS, LLC; CONTINGENT UPON HOWDEN ROOTS, LLC PROVIDING YEARLY DOCUMENTATION ATTESTING TO THE STATUS OF ITS PROPRIETARY OR PATENTED TECHNOLOGIES, PROCESSES, AND PARTS; AND AUTHORIZED THE USE OF COMMERCIAL PAPER AS NEEDED.

Mr. Trejo provided a presentation to the Board regarding this item (copy on file in Central Files). Aeration blowers are critical to all wastewater treatment plant operations. The Roberto Bustamante Wastewater Treatment Plant (WWTP) and John T. Hickerson Water Reclamation Facility (WRF) have four, 26+ year old Roots blowers; the Haskell R. Street Wastewater Treatment Plant (WWTP) has four, 22-year-old Turblex blowers; and the Fred Hervey Water Reclamation Plant (WRP) has two Turblex blowers that are 30 and 3 years old. Howden is the original manufacturer of the Roots and Turblex blower units and is the only factory-authorized service center for the blowers. The procurement falls within the exemptions found in 252.022(a) (7) (A) of the Texas Local Government Code, which allows for a procurement from one source because of patents, copyrights, secret processes or natural monopolies. Staff evaluated quotes received from Howden for the control panel, bearings and shaft replacements, as well as the maintenance agreement and determined that they met all our requirements. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Dr. Santiago seconded by Dr. Mena and unanimously carried, the Board awarded the sole source purchases of a Local Control Panel Replacement at the Fred Hervey WRP in the estimated amount of \$106,700; repairs to Blowers No. 1 and No. 2 at the John T. Hickerson Water Reclamation Facility in the estimated amount of \$159,666; a service agreement in the annual amount of \$91,902.40 and an annual allowance of \$800,000 over a term of five years to Howden Roots, LLC; contingent upon Howden Roots, LLC providing yearly documentation attesting to the status of its proprietary or patented technologies, processes and parts; and authorized the use of commercial paper as needed.

11. CONSIDERED AND AWARDED BID NUMBER 11-20, HYDROGEN CHLORIDE, TO THE SOLE RESPONSIVE, RESPONSIBLE BIDDER, SYOXSA, INC., IN THE ESTIMATED ANNUAL AMOUNT OF \$57,080, WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

Rose Guevara, Senior Purchasing Agent, provided information to the Board regarding this item. Hydrogen Chloride Technical Size Y is used for cleaning the diffusers inside the aeration basins to improve air transfer,

which improves efficiency at the John T. Hickerson Water Reclamation Facility and the Haskell_R. Street Wastewater Treatment Plant. The previous bid was awarded as an informal bid February 21, 2017. Line-item quantities were increased in the new bid, and the new bid price decreased by 4.9% from the latest bid prices. One bid and a no-bid were received. Staff evaluated the bid and determined that the bidder met all the specifications as defined within the bid proposal. Staff recommends award to SYOXSA, Inc. in the estimated annual amount of \$57,080.

On a motion made by Mayor Margo, seconded by Ms. Garcia and unanimously carried, the Board awarded Bid Number 11-20, Hydrogen Chloride, to the sole responsive, responsible bidder, SYOXSA, Inc. in the estimated annual amount of \$57,080, with the option for two, one-year extensions.

12. CONSIDERED AND AWARDED BID NUMBER 06-20 TRASH COLLECTION SERVICE – EL PASO WATER FACILITIES, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, EL PASO DISPOSAL, LP., IN THE ANNUAL ESTIMATED AMOUNT OF \$118,762.12 WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

Ms. Guevara provided information to the Board regarding this item regarding trash collection services for different-sized containers utilized at various EPWater facility sites. The previous bid was awarded January 11, 2017. Line-item quantities were increased, and a location was added in the new bid. The new bid decreased by 0.6%. Two bids were received. Staff evaluated the bids and determined that the low bidder met all the requirements as outlined within the bid proposal. Staff recommends award to the lowest responsive, responsible bidder, El Paso Disposal, LP in the estimated annual amount of \$118,762.12. Ms. Guevara addressed questions from the Board regarding this item.

On a motion made by Mayor Margo seconded by Mr. Morris and unanimously carried, the Board award Bid Number 06-20 Trash Collection Service – El Paso Water Facilities, to the lowest responsive, responsible bidder, El Paso Disposal, LP., in the annual estimated amount of \$118,762.12 with the option for two, one-year extensions.

13. CONSIDERED BID NUMBER 125-19, WINDOW WASHING FOR EL PASO WATER FACILITIES, DECLARED BELLA LUNA ENGINEERING AND BUILDING MAINTENANCE AS NOT RESPONSIBLE, AND AWARDED TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER A-ONE JANITORIAL LLC., IN THE ESTIMATED ANNUAL AMOUNT OF \$61,196, WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

Staff requested to have this item deleted from the agenda.

On a motion made by Ms. Garcia, seconded by Mayor Margo and unanimously carried, the Board approved to delete this item from the agenda.

14. CONSIDERED AND APPROVED A RESOLUTION AWARDED BID NUMBER 123-19, SALE OF REAL ESTATE, CONSISTING OF APPROXIMATELY 49.156 ACRES, LEGALLY DESCRIBED WITHIN SECTION 28, TOWNSHIP 15 SOUTH RANGE 5 WEST, NEW MEXICO PRINCIPAL MERIDIAN, SIERRA COUNTY, NEW MEXICO, TO THE SOLE RESPONSIVE, SUCCESSFUL BIDDER, JAMES MONTOYA, IN THE AMOUNT \$221,202, AND AUTHORIZED THE PRESIDENT/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 April 11, 2018, the Board determined the land totaling approximately 49.156 acres and legally described within Section 28, Township 15 South Range 5 West, New Mexico Principal Meridian, Sierra County, New Mexico, to be inexpedient to the system. This land is in Sierra County, New Mexico. The bid opening was

held Friday, January 31, 2020. One bid was received. Based on an appraisal, the PSB set the minimum acceptable bid for this real estate bid at \$221,202. Approximately 108 potential bidders were notified, and one bid was received. The bid was evaluated, and it was determined that the bid from James Montoya met the specifications and was the sole successful bidder. Staff recommends awarding to James Montoya in the amount of \$221,202. A check in the amount of 5% of the bid amount was submitted as required in the bid proposal.

On a motion made by Dr. Santiago seconded by Dr. Mena and unanimously carried, the Board approved a Resolution awarding Bid Number 123-19, Sale of Real Estate, consisting of approximately 49.156 acres, legally described within Section 28, Township 15 South Range 5 West, New Mexico Principal Meridian, Sierra County, New Mexico, to the sole responsive, successful bidder, James Montoya, in the amount \$221,202, and authorized the President/CEO to forward the recommendation to City Council to sell the land, and to sign any and all documents necessary to complete the sale.

15. CONSIDERED AND ADOPTED A RESOLUTION AMENDING RULES AND REGULATIONS NO. 6, NO. 9 AND NO. 15, TO INCREASE BOD AND TSS SURCHARGES, WASTEWATER DISCHARGE PERMIT FEES, AND TO IMPLEMENT NEW TCEQ STREAMLINING REQUIREMENTS AND INDUSTRY'S BEST PRACTICES CONCERNING DISCHARGE OF WASTEWATER INTO THE WASTEWATER SYSTEM.

Ms. Nancy Nye, Pretreatment Manager, provided a presentation to the Board regarding this item (copy on file in Central Files). At the August 2019 PSB Meeting, the Board was advised that the current biochemical oxygen demand (BOD) and total suspended solids (TSS) surcharges for discharged wastewater, referenced in Rules and Regulations No. 6, should be reviewed to reflect EPWater's current costs associated with discharged wastewater. In addition to reviewing these surcharges, EPWater staff reviewed the discharge permit fees contained in Rules and Regulations No. 6. Rules and Regulations No. 9 and No. 15, dealing with discharge of wastewater into the wastewater system and the management of fats, oils and greases (FOG), must be updated to reflect TCEQ streamlining requirements and industry's best practices concerning discharge of wastewater. Staff recommends revisions to Rules and Regulations No. 6, No. 9 and No. 15 to implement new TCEQ requirements and industry's best practices dealing with discharge of wastewater into the wastewater system and the management of FOG. In addition, an analysis of the permit fee for wastewater discharge and surcharge fees for each pound of BOD in excess of 300 parts per million (ppm) and an additional surcharge for each pound of total suspended solids (TSS) in excess of 300 ppm was completed. The new calculated BOD surcharge is increasing from 15 cents to 27 cents and the TSS surcharge from 14 cents to 29 cents. Also, the new calculated wastewater discharge permit fee is increasing as follows: non-categorical industrial user (CIU) current is \$218; the proposed will be \$2,150, with a change of \$1,932. As far as the CIU, the current is \$1,090, and the proposed amount to be \$3,925, with a change of \$2,835. Ms. Nye addressed questions from the Board regarding this item.

On a motion made by Ms. Garcia, seconded by Mayor Margo and unanimously carried, the Board adopted a Resolution amending Rules and Regulations No. 6, No. 9 and No. 15, to increase BOD and TSS surcharges, Wastewater Discharge Permit Fees, and to implement new TCEQ streamlining requirements and industry's best practices concerning discharge of wastewater into the wastewater system.

16. MANAGEMENT REPORT:

- Update on the Use of Professional Engineering On-Call Contracts – Mr. Geoffrey Espineli, Engineering Division Manager began his presentation with some background; in 2015-2016, El Paso Water established the On-Call Contract as an alternative procurement for professional services in addition to the conventional A/E Selection through Request-for-Submittal (RFS) process. The On-Call Contract system improved the efficiency of Engineering Management on implementing the design phase of the capital projects. It also expedites professional services for emergent

projects, permitting the Utility to be timely and responsive on addressing failing infrastructure. Mr. Espineli then showed a chart of the process using on-call vs. RFS execution. RFS involves scoping meeting. Issuing RFS, involves short list Statement of Qualifications (SOQ), selection committee, scoping meeting with A/E, Board action, contract execution and task order execution. This takes typically 22 weeks and involves 49 staff members. An on-call involves a scoping meeting with A/E and task order execution. It typically takes three weeks, and eight staff members. He then went on to discuss when to use on-call or RFS. For on-call, we use it when it's emergent, narrow scope, low-mid dollar amount, low-risk project and single phased project. For RFS, it is when its broad scope, high dollar amount, multi-discipline of A/E is needed, high risk project, and long-term or multi-phased project. Mr. Espineli went over several projects that were done using on-call between 2015-2017, from number of contracts, budget, number of task orders and percent of utilization. In 2017, the on-calls were renewed. Mr. Espineli showed a chart from 2017-2019 regarding the same information. Mr. Espineli showed a few examples of projects that were done using the RFS process, such as the Roberto Bustamante Plant Headworks Improvement, estimated at \$70 million, alternative delivery and considered high-risk. Another example was the Northeast/Dyer Lift Station, 5 million gallons a day, with an estimated cost of \$6 million, multi-discipline A/E that required Fort Bliss/railroad coordination. Mr. Espineli showed examples of projects of on-call contract: The Jail-Annex Lift Station Decommissioning was considered emergent because of the Texas Department of Transportation Montana widening project, estimated at \$200,000. Next was the Franklin East Water Transmission Line, a project estimated at \$2.5 million. The scope is new pipeline on undeveloped land to provide water supply on planned development in the Northeast area and is considered a low-risk project, but time-sensitive.

- Sam Snead Stormwater Project Video - Ms. Christina Montoya presented the video regarding the Sam Snead Stormwater Project.

17. 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 Mayor Margo, and unanimously carried, the Board retired into Executive Session at 9:29 a.m., February 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 whether the following property can be declared inexpedient to the water system:
A portion of Lots 1 and 3, and Lots 2 and 4, Block 8, Womble Addition to the City of El Paso, El Paso County, Texas.
- b. **Section 551.072. Deliberation regarding Real Property**
The Board will deliberate regarding whether the following property can be declared inexpedient to the water system:
Approximately 20,948 acres in Culberson County, consisting of all or partial sections of Township 7 and 8, Block 65, and all or partial sections of PSL, Block 77, and PSL Part I and PSL Part II, Block 63, also known as the Wild Horse Ranch.
- c. **Section 551.071 Consultation with Attorney**
The Board will deliberate with its attorneys regarding Cause No. 2019DCV4116, The City of El Paso v. Rosario Diaz.
- d. **Section 551.074 Personnel Matters**
Annual Performance Review of President/CEO.

On a motion made by Mayor Margo, seconded by Mr. Morris and unanimously carried, the Board reconvened in open session at 9:39 a.m., February 12, 2020.

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

Motion made by Dr. Santiago, seconded by Dr. Mena and carried that the property generally described as a portion of Lots 1 and 3, and Lots 2 and 4, Block 8, Womble Addition to the City of El Paso, El Paso County, Texas, is hereby declared inexpedient to the water system; and that the President/CEO be authorized to sign a Memorandum of Understanding transferring the property to the City of El Paso for park purposes in accordance with the terms specified by the Board, and in accordance with the Joint Resolution between the City of El Paso and the PSB concerning land transfers.

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

Motion made by Dr. Santiago, seconded by Dr. Mena and carried that the described land known as Wild Horse Ranch be declared inexpedient to the water system 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 City of El Paso a recommendation to sell the property through the sealed bidding process, and to obtain an appraisal for the property and set the minimum bid price at the appraised value, and to sign any and all documents necessary to complete the sale of the property.

CONSULTED WITH ATTORNEY

No Action

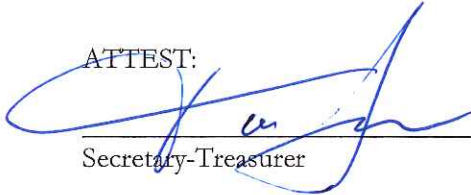
ANNUAL PERFORMANCE REVIEW OF THE PRESIDENT/CEO

Motion made by Dr. Santiago, seconded by Mayor Margo, and carried that this item be moved to the next regularly scheduled Board meeting.

ADJOURNMENT

On a motion made by Dr. Santiago, seconded by Ms. Garcia and unanimously carried, the meeting adjourned at 9:41 a.m., February 12, 2020.

ATTEST:



Secretary-Treasurer



Christopher Anccliff-Chair