

MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
April 13, 2022

The regular meeting of the Public Service Board was held in person, Wednesday, April 13, 2022.

PSB MEMBERS PRESENT

Dr. Kristina D. Mena, Chair
Stefanie Block Uribarri, Member
Dr. Ivonne Santiago, Vice Chair
Lisa Saenz, Member
Charlie Intebi, Member
Bryan Morris, Secretary-Treasurer
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
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
Robert Davidson, Contract Construction Administrator
Gisela Dagnino, Engineering Division Manager
Jeff Tepsick, Assistant Chief Financial Officer
Gustavo Hurtado, Fiscal Operations Manager
Patricia Borschow, Assistant General Counsel
Melinda Becker, Assistant General Counsel
David Ornelas, Wastewater Systems Division Manager
Alejandro Vidales, Real Estate Manager
James Wolff, Real Estate Manager
Michaela Grambling, Assistant General Counsel
Alma De Anda, Land and Water Rights Manager
Ryan Stubbs, Engineer Associate
Sonia Wyatt, Code Compliance Manager
Raquel Izaguirre, Support Services II
Ciara Grier, Support Services I
Denise Parra, Public Affairs Officer

GUESTS

Maria Fernanda Urbina, Director- Hilltop Securities
Paul Braden, Bond Counsel- Norton Rose Fullbright
Terry Sharpe, El Paso International Airport
Josette Flores, Senior Assistant Attorney

Conсор Engineering
Mr. W. Tupy, Mt. Walk Home Owners Association
Mr. D. Caballero, Mt. Walk Home Owners Association

MEDIA

None

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 Ms. Saenz in reciting the Pledge of Allegiance.

CONSENT AGENDA

On a motion made by Mayor Leeser, seconded by Mr. Morris, and unanimously carried, the Board revised item 16 of the Consent Agenda as follows: replace “Amendment Number 4” with “Amendment Number 1.”

On a single motion made by Mayor Leeser 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 MARCH 9, 2022.

2. APPROVED AND ADOPTED RESOLUTIONS AUTHORIZING THE PRESIDENT/CEO'S SUBMISSION OF MULTIPLE GRANT APPLICATIONS TO THE TEXAS DEPARTMENT OF EMERGENCY MANAGEMENT IN RESPONSE TO THE FEMA HAZARD MITIGATION GRANT PROGRAM (FUNDING OPPORTUNITY FEMA-DR-4485) AND SUBMITTED 4 PROJECT PROPOSALS; AUTHORIZED EL PASO WATER'S FUNDING COMMITMENT TO ALLOCATE MATCHING FUNDS IDENTIFIED FOR EACH PROJECT IN EACH RESOLUTION; AND FURTHER AUTHORIZED THE PRESIDENT/CEO TO PROVIDE AND SIGN ANY DOCUMENTS IN CONNECTION WITH THE GRANT APPLICATIONS, GRANT AGREEMENTS AND ACCEPTANCE OF THE FUNDS FOR THESE PROJECTS.

3. CONSIDERED AND APPROVED AN INCREASE IN CAPACITY OF THE MASTER CONTRACT MCORACLEMER20-02 ISSUED TO ORACLE AMERICA, INC. FOR THE PURCHASE OF PRODUCTS AND SERVICES THROUGH ORACLE AMERICA, INC. TEXAS DIR CONTRACT NUMBER DIR-TSO-4158: USGMA-1889764, FOR AN ADDITIONAL \$750,000 TO INCREASE THE MASTER CONTRACT CUMULATIVE AMOUNT TO \$1,250,000.

4. CONSIDERED AND AWARDED BID NUMBER 14-22, ODOR CONTROL MEDIA, TO THE SOLE RESPONSIVE, RESPONSIBLE BIDDER, NORIT AMERICAS INC. IN THE ESTIMATED ANNUAL AMOUNT OF \$108,680, FOR A ONE-YEAR TERM WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET.

5. CONSIDERED AND APPROVED THE SOLE SOURCE PURCHASE IN ACCORDANCE WITH SECTION 252.022(A)(7)(A) OF THE TEXAS LOCAL GOVERNMENT CODE WITH SUEZ WTS SERVICES, USA, INC. FOR HARTWELL LIME CLARIFIER EQUIPMENT IN THE ESTIMATED AMOUNT OF \$185,980.96.

6. CONSIDERED AND APPROVED THE SOLE SOURCE CONTRACT IN ACCORDANCE WITH SECTION 252.022(A)(7)(A) OF THE TEXAS LOCAL GOVERNMENT CODE WITH HENNESSY MECHANICAL SALES, LLC FOR THE FAIRBANKS MORSE ROTATING ASSEMBLIES FOR THE RAS PUMPS, IN THE ESTIMATED AMOUNT OF \$90,564.

7. CONSIDERED AND APPROVED THE SOLE SOURCE PURCHASE IN ACCORDANCE WITH

SECTION 252.022(A)(7)(A) OF THE TEXAS LOCAL GOVERNMENT CODE WITH WAUSAU FINANCIAL SYSTEMS, INC., FOR TWO OPEX FALCON+ RED WITH SCANNERS ALONG WITH THE CONTROL EQUIPMENT AND SOFTWARE INCLUDING PROFESSIONAL SERVICES FOR INSTALLATION AND CONFIGURATION IN THE ESTIMATED AMOUNT OF \$371,116, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

8. CONSIDERED AND APPROVED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR MESA STREET, CAMILLE TO CRESTMONT, 24-INCH WATER TRANSMISSION LINE - PART 2 PROJECT TO HUITT-ZOLLARS, INC., FOR ADDITIONAL CONSTRUCTION PHASE SERVICES IN THE AMOUNT OF \$266,896; AND AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN AN ESTIMATED AMOUNT OF \$250,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

9. CONSIDERED AND APPROVED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE WESTWIND/IH-10/RESLER 24-INCH WATER MAIN EXTENSION - PART 2 PROJECT, WITH PARKHILL, SMITH & COOPER, INC., FOR THE ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN THE AMOUNT OF \$139,754; AND AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN AN ESTIMATED AMOUNT OF \$500,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

10. CONSIDERED AND APPROVED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE FRED HERVEY WATER RECLAMATION PLANT CLARIFIER REHABILITATION - PART 2 PROJECT WITH PARKHILL, SMITH & COOPER, INC., FOR DESIGN AND CONSTRUCTION PHASE SERVICES IN THE AMOUNT OF \$278,634; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$1,700,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

11. CONSIDERED AND APPROVED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE CANAL WTP 54-INCH DISCHARGE LINE AND PUMP STATION - PART 2 PROJECT TO CDM SMITH INC. FOR THE ADDITIONAL DESIGN PHASE SERVICES IN THE AMOUNT OF \$476,087; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN AN ESTIMATED AMOUNT OF \$1,500,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

12. CONSIDERED AND APPROVED AMENDMENT NUMBER 1 TO THE PROFESSIONAL ENGINEERING SERVICES CONTRACT AWARDED TO MOLZEN-CORBIN & ASSOCIATES, INC. FOR ADDITIONAL CONSTRUCTION PHASE SERVICES FOR THE MOUNTAIN PARK NUMBER 1 TO MOUNTAIN PARK NUMBER 2 WATER LINE EXTENSION PROJECT IN THE AMOUNT OF \$276,764.64; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$250,000, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS, AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

13. CONSIDERED AND APPROVED AMENDMENT NUMBER 1 TO THE PROFESSIONAL ENGINEERING SERVICES CONTRACT AWARDED TO CONSOR ENGINEERS, LLC FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES FOR THE SUNSET RESERVOIR REHABILITATION PROJECT IN THE AMOUNT OF \$228,119.94; 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 AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

14. CONSIDERED AND APPROVED AMENDMENT NUMBER 1 TO THE PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE ROBERTO R. BUSTAMANTE WASTEWATER TREATMENT PLANT HEADWORKS IMPROVEMENTS – PART 2 PROJECT WITH CAROLLO ENGINEERS, INC. FOR THE CONSTRUCTION ADMINISTRATION SERVICES IN THE AMOUNT OF \$1,970,193; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION ADMINISTRATION SERVICES IN THE ESTIMATED AMOUNT OF \$6,000,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE ADDITIONAL TASK ORDERS OR AMENDMENTS.

15. CONSIDERED AND APPROVED AMENDMENT NUMBER 1 TO PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE ROBERTO R. BUSTAMANTE WASTEWATER TREATMENT PLANT HEADWORKS IMPROVEMENTS – CONSTRUCTION MANAGER-AT-RISK PROJECT WITH JACOBS ENGINEERING GROUP INC. FOR THE CONSTRUCTION MANAGEMENT SERVICES IN THE AMOUNT OF \$3,450,593; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION ADMINISTRATION SERVICES IN THE ESTIMATED AMOUNT OF \$2,000,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE ADDITIONAL TASK ORDERS OR AMENDMENTS.

16. CONSIDERED AND APPROVED AMENDMENT NUMBER 4 TO THE PROFESSIONAL ENGINEERING SERVICES CONTRACT WITH CDM SMITH INC. FOR THE WATER TRANSMISSION MAIN REPLACEMENT AT GAS LINE CROSSINGS, LEE TREVINO DRIVE AND N. YARBOROUGH DRIVE PROJECT FOR CONSTRUCTION PHASE SERVICES IN THE AMOUNT OF \$979,438; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN AN ESTIMATED AMOUNT OF \$250,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

REGULAR AGENDA

17. APPROVED AND ADOPTED A RESOLUTION AMENDING THE LANGUAGE OF RULES AND REGULATIONS NO. 2 TO REFLECT CURRENT EPWATER PROCESSES AND CHANGES TO SECTION VI. PENALTIES AND ENFORCEMENT.

Sonia Wyatt, Code Compliance Manager provided a presentation to the Board regarding this item (copy on file in Central Files.) Proposed amendments to Rules and Regulations No. 2 reflect current processes and changes to Section VI Penalties and Enforcement that will enhance the EPWater's enforcement process for the protection of the Municipal Separate Storm Sewer System (MS4).

On a motion made by Mayor Leeser seconded by Ms. Saenz, and unanimously carried, the Board adopted a Resolution amending the language of Rules and Regulations No. 2 to reflect current EPWater processes and changes to Section VI. Penalties and Enforcement.

18. APPROVED AND ADOPTED A RESOLUTION REQUESTING THAT THE EL PASO CITY COUNCIL AUTHORIZE THE ISSUANCE OF UP TO \$25,330,000 OF CITY OF EL PASO, TEXAS, MUNICIPAL DRAINAGE UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 2022A TO PAY OFF \$25,000,000 IN DIRECT FUNDED REVOLVING LOAN NOTES AND FUND

INTEREST AND RELATED TRANSACTION COSTS, PROVIDED THAT CERTAIN PARAMETERS APPROVED BY THE CITY'S BOND ORDINANCE ARE MET.

Ms. Maria Urbina, Hilltop Securities Managing Director, provided a presentation to the Board regarding this item (copy on file in Central Files.) EPWater currently has a Direct Funded Revolving Loan (DFRL) with Bank of America N.A. for the Municipal Drainage Utility Notes Program in the amount of \$25,000,000. The DFRL is a short-term variable note financing tool utilized by the Utility to finance a portion of its Capital Improvement Program. City of El Paso, Texas, Municipal Drainage Utility System Revenue Refunding Bonds, Series 2022A will pay off \$25,000,000 of DFRL outstanding notes. Ms. Urbina answered questions from the Board on this item.

On a motion made by Mayor Leeser, seconded by Dr. Santiago, and unanimously carried, the Board adopted a resolution requesting that the El Paso City Council authorize the issuance of up to \$25,330,000 of City of El Paso, Texas, Municipal Drainage Utility System Revenue Refunding Bonds, Series 2022A to pay off \$25,000,000 in Direct Funded Revolving Loan notes and fund interest and related transaction costs, provided that certain parameters approved by the City's bond ordinance are met.

19. CONSIDERED AND AWARDED ON-CALL PROFESSIONAL REAL ESTATE BROKERAGE SERVICES AGREEMENTS FOR THE SALE OF REAL PROPERTY IN TEXAS AND NEW MEXICO TO CBRE, REP COMMERCIAL REAL ESTATE, AND RJL REAL ESTATE CONSULTANTS, FOR A PERIOD OF ONE YEAR WITH THE OPTION OF THREE ONE-YEAR RENEWALS, FOR AN ANNUAL AMOUNT NOT TO EXCEED \$100,000 PER YEAR FOR EACH FIRM.

James Wolff, Real Estate Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) EPWater has a need to retain real estate brokers licensed in Texas and New Mexico to assist the Utility in disposing of inexpedient parcels of land. Pursuant to Texas legislature, public entities such as EPWater, have the option to sell property through a licensed broker in addition to the option of using the sealed competitive bid process. Mr. Wolff answered questions from the Board on this item.

On a motion made by Mayor Leeser seconded by Dr. Santiago, and unanimously carried, the Board awarded On-Call Professional Real Estate Brokerage Services Agreements for the sale of real property in Texas and New Mexico to CBRE, REP Commercial Real Estate, and RJL Real Estate Consultants, for a period of one year with the option of three one-year renewals, for an annual amount not to exceed \$100,000 per year for each firm.

20. CONSIDERED AND APPROVED A PROFESSIONAL SERVICES CONTRACT, IN ACCORDANCE WITH SECTION 252.022(A)(4) OF THE TEXAS LOCAL GOVERNMENT CODE WITH CONSOR ENGINEERS, LLC TO PROVIDE CONSTRUCTION OUTREACH SERVICES, FOR AN ANNUAL ESTIMATED AMOUNT OF \$150,000, FOR A TWO-YEAR TERM, WITH THE OPTION TO RENEW FOR TWO, ONE-YEAR TERMS, PROVIDED THAT FUNDING IS AVAILABLE IN THE BUDGET AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Christina Montoya, Marketing & Communications Manager, provided a presentation to the Board regarding this item (copy on file in Central Files). With the significant increase in construction projects authorized this year and in future years as part of the Capital Improvement Program, EPWater staff has considered how best to make sure that each impacted neighborhood receives the sufficient proactive outreach related to construction projects, which may include public meetings, emails, newsletters, door-hangers and other type of communication. This function is typically managed internally by the EPWater Communications staff in consultation with the Engineering division, but the number of projects anticipated in the next few years will require additional resources. Ms. Montoya answered questions from the Board on this item.

On a motion made by Mayor Leeser, seconded by Dr. Santiago, and unanimously carried, the Board approved a professional services contract, in accordance with Section 252.022(a)(4) of the Texas Local Government Code with CONSOR Engineers, LLC to provide construction outreach services, for an annual estimated amount of \$150,000, for a two-year term, with the option to renew for two, one-year terms, provided that funding is available in the budget and authorized the use of commercial paper.

21. CONSIDERED AND APPROVED A SOLE SOURCE PURCHASE OF TRIPLEX LINERS FOR SANITARY SEWER MANHOLES IN ACCORDANCE WITH SECTION 252.022(A)(7) OF THE

TEXAS LOCAL GOVERNMENT CODE WITH INFRASTRUCTURE REHABILITATION USA, INC., IN THE ESTIMATED AMOUNT OF \$1,200,000 FOR THE FIRST YEAR, AND AUTHORIZED TWO ONE-YEAR RENEWALS FOR THE ESTIMATED ANNUAL AMOUNT OF \$2,000,000, CONTINGENT UPON VENDOR PROVIDING ANNUAL DOCUMENTATION ATTESTING TO THEIR SOLE SOURCE STATUS.

Geoffrey Espineli, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files). The EPWater collection system has deteriorated manholes due to hydrogen sulfide, excess stormwater, and heavy traffic. A program to rehabilitate manholes are in place to avoid the failure of manholes. In January 2021, the Public Service Board approved a sole source purchase of Triplex Liners from Infrastructure Rehabilitation USA, Inc. In 2021, 19 manholes were rehabilitated with Cured-In-Place Triplex Liners. This year, EPWater would like to rehabilitate 100 manholes in the Northwest area of El Paso. Mr. Espineli answered questions from the Board on this item.

On a motion made by Mayor Leeser seconded by Mr. Morris, and unanimously carried, the Board approved a sole source purchase of Triplex Liners for Sanitary Sewer Manholes in accordance with Section 252.022(a)(7) of the Texas Local Government Code with Infrastructure Rehabilitation USA, Inc., in the estimated amount of \$1,200,000 for the first year, and authorized two one-year renewals for the estimated annual amount of \$2,000,000, contingent upon vendor providing annual documentation attesting to their sole source status.

22. CONSIDERED AND AWARDED BID NUMBER 34-22, LIQUID OXYGEN - REBID, TO THE SOLE RESPONSIVE, RESPONSIBLE BIDDER, MATHESON TRI-GAS, INC. IN THE ESTIMATED ANNUAL AMOUNT OF \$597,100 FOR A TERM OF ONE YEAR, WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET.

Rose Guevara, Purchasing and Contracts Manager, provided a presentation to the Board on this item (copy on file in Central Files.) 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. The previous bid was awarded October 29, 2018, and the new bid is 4% higher than the previous bid. Ms. Guevara answered questions from the Board on this item.

On a motion made by Mayor Leeser, seconded by Dr. Santiago and unanimously carried, the Board awarded Bid Number 34-22, Liquid Oxygen - Rebid, to the sole responsive, responsible bidder, Matheson Tri-Gas, Inc. in the estimated annual amount of \$597,100 for a term of one year, with the option for two, one-year extensions provided that funding is available in the approved budget.

23. CONSIDERED AND AWARDED BID NUMBER 20-22, SODIUM HYPOCHLORITE 10% AND 12.5% TO DPC INDUSTRIES INC DBA DIXIE PETRO-CHEM, INC. TO THE SOLE RESPONSIVE, RESPONSIBLE BIDDER, IN THE ESTIMATED ANNUAL AMOUNT OF \$936,990 FOR A TERM OF ONE-YEAR WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET.

Rose Guevara, Purchasing and Contracts Manager, provided a presentation to the Board on this item. The 10% sodium hypochlorite is used by the wastewater treatment plants for cleaning the scrubbers and for odor control. The 12.5% sodium hypochlorite is utilized by the water treatment plants for disinfection of the drinking water. The previous bid was awarded on October 13, 2020, and the new bid is 20% higher due to increase in quantities and price.

On a motion made by Mayor Leeser, seconded by Dr. Santiago, and unanimously carried, the Board awarded Bid Number 20-22, Sodium Hypochlorite 10% and 12.5% to DPC Industries Inc dba Dixie Petro-Chem, Inc. to the sole responsive, responsible bidder, in the estimated annual amount of \$936,990 for a term of one-year with the option for two one-year extensions, provided that funding is available in the approved budget.

24. CONSIDERED AND AWARDED BID NUMBER 24-22, WATER TRANSMISSION MAIN REPLACEMENT AT GAS LINE CROSSINGS LEE TREVINO DRIVE AND N. YARBROUGH DRIVE TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, BAIN CONSTRUCTION,

INC., IN THE AMOUNT OF \$10,177,680 AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Irazema Rojas, Chief Technical Officer, provided a presentation to the Board regarding this item (copy on file in Central Files.) EPWater has been proactively replacing critical pipeline infrastructure with high consequence of failure. EPWater has concerns on the conditions of existing large diameter pipelines that are prone to corrosion located in areas where stray currents from nearby cathodic protection systems accelerate the deterioration of the pipe material. In East El Paso, there are four Steel Cylinder Concrete Pipe (SCCP) water transmission mains crossing several major gas corridors that were identified as critical and were selected for replacement due to this concern. The four gas line crossings are located along Lee Trevino Drive and Yarbrough Drive. Additionally, a cast-iron water main located along Viscount Boulevard at Airway Boulevard will also be replaced due to age. Ms. Rojas answered questions from the Board on this item.

On a motion made by Mayor Leeser, seconded by Dr. Santiago, and unanimously carried, the Board awarded Bid Number 24-22, Water Transmission Main Replacement at Gas Line Crossings Lee Trevino Drive and N. Yarbrough Drive to the lowest responsive, responsible bidder, Bain Construction, Inc., in the amount of \$10,177,680 and authorized the use of commercial paper.

25. CONSIDERED AND APPROVED CHANGE ORDER NUMBER 4 – BID NUMBER 33-21, REHABILITATION OF REDD ROAD RESERVOIR TO SPIESS CONSTRUCTION COMPANY INC., INCREASING THE CONTRACT PRICE BY \$146,078.08 TO ACCOUNT FOR THE PROCUREMENT OF 30-INCH VALVES NEEDED FOR THE PROJECT AND INCREASED THE CONTRACT TIME BY 14 DAYS.

Irazema Rojas, Chief Technical Officer, provided a presentation to the Board on this item (copy on file in Central Files.) The Redd Road Reservoir is a 4 million gallon steel ground reservoir built in 1993 and is part of the Coronado Country Club 1 Pressure Zone. The Public Service Board awarded the construction bid to rehabilitate the reservoir to Spiess Construction Company Inc. during the August 2021 Public Service Board meeting. During construction activities, it was determined that the existing 30-inch gate valves used to isolate the tank are malfunctioning and need to be replaced. These 30-inch gate valves are necessary to allow for the isolation of the tank and pump station from the rest of the system for inspection and maintenance. In anticipation of the long lead time for delivery of these valves, a work directive was issued to the contractor for the procurement of these needed valves. This Change Order request is to account for the cost incurred in the procurement of the valves and the effort required to install. Ms. Rojas answered questions from the Board on this item.

On a motion made by Mayor Leeser, seconded by Dr. Santiago and unanimously carried, the Board approved Change Order Number 4 – Bid Number 33-21, Rehabilitation of Redd Road Reservoir to Spiess Construction Company Inc., increasing the contract price by \$146,078.08 to account for the procurement of 30-inch valves needed for the project and increased the contract time by 14 days.

26. CONSIDERED AND APPROVED A GUARANTEED MAXIMUM PRICE AMENDMENT TO THE CONSTRUCTION MANAGER-AT-RISK (CMAR) CONSTRUCTION CONTRACT WITH MGC CONTRACTORS, INC., FOR THE ROBERTO R. BUSTAMANTE WASTEWATER TREATMENT PLANT HEADWORKS IMPROVEMENTS PROJECT TO ACCEPT THE GUARANTEED MAXIMUM PRICE FOR WORK PACKAGE 2 (GMP2) IN THE AMOUNT OF \$108,692,574.

Irazema Rojas, Chief Technical Officer, provided a presentation to the Board on this item (copy on file in Central Files.) The Roberto R. Bustamante Wastewater Treatment Plant (RRBWWT) headworks was originally built in 1992 and replaced in 2002. The plant is in the process of a capacity upgrade by replacing the existing headworks. In July 2020, the Public Service Board approved a Pre-Construction Services Agreement with MGC Contractors, Inc. to serve as the CMAR for the RRBWWT Headworks Improvements project. The pre-construction services to be provided include: design development, field investigations, construction cost estimating, project value engineering, integrated project schedule, advice on construction means and methods, and sequencing of the work. The CMAR contractor, at the 90% design submittal, was to develop a Guaranteed Maximum Price (GMP) proposal to construct the work in accordance with the construction agreement. Staff decided to implement the construction of the project in more than one CMAR work package to begin the improvements as soon as possible and not wait for the completion of the design - a benefit to using the CMAR method for project delivery. The work packages

are as follows: 1) Work Package 1 will improve the grit chambers, associated yard piping, and required demolition and site work. A GMP 1 was accepted by EPWater on August 11, 2021 for this work and is currently under way. It is scheduled for completion mid-Fiscal Year (FY) 2023-24. 2) Work Package 2 will construct the new headworks pump station and addition to the screening facility. A GMP 2 has been developed through the consolidation of four procurement packages issued out for competitive bidding and being presented to the EPWater for consideration. The schedule for Work Package 2 will begin in June 2022 with an estimated completion date of mid-FY 2025-26. 3) Work Package 3 will construct a new electrical and control building and is programmed to be constructed concurrently with Work Package 2 once accepted by EPWater and completed mid-FY 2025-26. GMP 3 will be proposed for this work. This current proposed action is for Work Package 2, GMP 2. Ms. Rojas answered questions from the Board on this item.

On a motion made by Mayor Leeser, seconded by Dr. Santiago, and unanimously carried, the Board approved a Guaranteed Maximum Price Amendment to the Construction Manager-At-Risk (CMAR) Construction Contract with MGC Contractors, Inc., for the Roberto R. Bustamante Wastewater Treatment Plant Headworks Improvements project to accept the Guaranteed Maximum Price for Work Package 2 (GMP2) in the amount of \$108,692,574.

27. CONSIDERED AND APPROVED A FIRST AMENDMENT TO THE PROFESSIONAL ENGINEERING AND REMEDIATION SERVICES CONTRACT WITH ESSCO ENVIRONMENTAL, INC. FOR ADDITIONAL SERVICES FOR THE EMERGENCY REMEDIATION OF WILL RUTH PONDING AREA PROJECT, IN THE ESTIMATED AMOUNT OF \$864,466 PURSUANT TO CHAPTER 2254 OF THE TEXAS GOVERNMENT CODE, SECTION 252.022(A)(2) OF THE TEXAS LOCAL GOVERNMENT CODE, PROCUREMENT NECESSARY TO PRESERVE AND PROTECT THE PUBLIC HEALTH AND SAFETY OF THE MUNICIPALITY'S RESIDENTS AND SECTION 252.022(A)(3) OF THE TEXAS LOCAL GOVERNMENT CODE, PROCUREMENT NECESSARY BECAUSE OF UNFORESEEN DAMAGE TO PUBLIC MACHINERY, EQUIPMENT OR OTHER PROPERTY.

Gisela Dagnino, Stormwater Chief Operations Officer, provided a presentation to the Board on this item (copy on file in Central Files.) The Will Ruth Ponding Area will span 25 acres and will hold approximately 93 million gallons of stormwater. During the design phase, Essco Environmental, Inc. (ESSCO) performed an environmental site assessment within the limits of the proposed ponding area. The final report recommended further evaluation of one specific area discovered during the investigation identified as an old landfill. After further investigation, ESSCO proceeded to remove identified hazardous and non-hazardous material. During the remediation, extra zones of hazardous material were discovered beyond the initial investigations. ESSCO then delineated a much larger zone within the ponding area to a depth of 55-ft. ESSCO was then awarded an emergency contract by the Public Service Board on September 8, 2021, to remediate the material, but during excavation additional zones of impacted material were encountered under construction debris that were not identifiable until exposed. Ms. Dagnino answered questions from the Board on this item.

On a motion made by Mr. Morris, seconded by Dr. Santiago, and unanimously carried, the Board approved a First Amendment to the professional engineering and remediation services contract with ESSCO Environmental, Inc. for additional services for the Emergency Remediation of Will Ruth Ponding Area project, in the estimated amount of \$864,466 pursuant to Chapter 2254 of the Texas Government Code, Section 252.022(a)(2) of the Texas Local Government Code, procurement necessary to preserve and protect the public health and safety of the municipality's residents and Section 252.022(a)(3) of the Texas Local Government Code, procurement necessary because of unforeseen damage to public machinery, equipment or other property.

28. CONSIDERED AND AUTHORIZED THE PRESIDENT/CEO TO ENTER INTO AN AGREEMENT WITH THE UNITED STATES ARMY CORPS OF ENGINEERS FOR THE CLARDY FOX PUMP STATION IMPROVEMENTS PROJECT, WITH AN ESTIMATED EPWATER CONTRIBUTION AMOUNT OF \$1,275,000; AUTHORIZED THE PRESIDENT/CEO TO EXECUTE FUTURE AMENDMENTS TO THE AGREEMENT IN AN ESTIMATED AMOUNT OF \$500,000, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET.

Gisela Dagnino, Stormwater Chief Operations Officer, provided a presentation to the Board on this item (copy on file in Central Files.) The project area is located between Loop 375 Border Highway and the Rio Grande in south

central El Paso, Texas. The Clardy Fox Pump Station (Pump Station) was constructed in the 1990s. Due to insufficient funds, the pump station was not constructed to its full capacity. The City of El Paso is currently performing street and drainage improvements to various streets within the watershed upstream of the Pump Station. These improvements will increase the flow received by the Pump Station, thus making it crucial to bring the Pump Station to its full design capacity. Ms. Dagnino answered questions from the Board on this item.

On a motion made by Dr. Santiago, seconded by Mr. Morris, and unanimously carried, the Board authorized the President/CEO to enter into an Agreement with the United States Army Corps of Engineers for the Clardy Fox Pump Station Improvements project, with an estimated EPWater contribution amount of \$1,275,000; authorized the President/CEO to execute future amendments to the Agreement in an estimated amount of \$500,000, provided that funding is available in the approved budget.

29. CONSIDERED AND AUTHORIZED THE PRESIDENT/CEO TO ENTER INTO AN AGREEMENT WITH THE UNITED STATES ARMY CORPS OF ENGINEERS FOR THE NORTHGATE DIVERSION CHANNEL IMPROVEMENTS, WITH AN ESTIMATED EPWATER CONTRIBUTION AMOUNT OF \$1,350,000; AUTHORIZED THE PRESIDENT/CEO TO EXECUTE FUTURE AMENDMENTS TO THE AGREEMENT IN AN ESTIMATED AMOUNT OF \$500,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET.

Gisela Dagnino, Stormwater Chief Operations Officer, provided a presentation to the Board on 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 storm water 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. In January 2022, the Public Service Board awarded a professional engineering services contract to AECOM for improvements to the earthen channel. In March, the USACE approved a grant funding opportunity for design and construction of the improvements. Ms. Dagnino answered questions from the Board on this item.

On a motion made by Ms. Saenz, seconded by Dr. Santiago and unanimously carried, the Board authorized the President/CEO to enter into an Agreement with the United States Army Corps of Engineers for the Northgate Diversion Channel Improvements, with an estimated EPWater contribution amount of \$1,350,000; authorized the President/CEO to execute future amendments to the Agreement in an estimated amount of \$500,000 provided that funding is available in the approved budget.

30. CONSIDERED AND ACCEPTED THE EPWATER'S PRELIMINARY FOURTH QUARTER FINANCIAL AND PERFORMANCE MEASURES REPORT FOR PERIOD ENDING FEBRUARY 28, 2022.

Jeff Tepsick, Assistant Chief Financial Officer, provided a presentation to the Board on 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 answered questions from the Board on this item.

On a motion made by Dr. Santiago, seconded by Ms. Saenz, and unanimously carried, the Board accepted EPWater's Preliminary Fourth Quarter Financial and Performance Measures Report for period ending February 28, 2022.

31. CONSIDERED AND ACCEPTED EPWATER'S FOURTH QUARTER AND FISCAL YEAR-ENDING INVESTMENT REPORT FOR THE PERIOD ENDING FEBRUARY 28, 2022, AND APPROVED THE PSB RULES AND REGULATIONS NUMBER 10, ESTABLISHING THE INVESTMENT POLICY.

Luz Holguin, Treasury and Property Control Manager, provided a presentation to the Board on this item (copy on file in Central Files.) The Public Funds Investment Act (PFIA) requires a quarterly report to be submitted and an annual review of the entity's Investment Policy.

On a motion made by Dr. Santiago, seconded by Mr. Morris, and unanimously carried, the Board accepted EPWater's Fourth Quarter and Fiscal Year-Ending Investment Report for the period ending February 28, 2022.

On a motion made by Dr. Santiago, seconded by Ms. Saenz, and unanimously carried, the Board and approved the PSB Rules and Regulations Number 10, establishing the Investment Policy.

32. PRESENTATION ON HOMESERVE COMPANY SERVICE LINE WARRANTY PROGRAM.

Brian Davis, from HomeServe, provided a presentation to the Board on this item. HomeServe Company has been a partner with the NLC for 15 years. They provide a service line warranty program that customers can elect to participate in to protect their service lines. Over 1,200 U.S. cities participate, including Los Angeles, San Diego, Las Vegas, Phoenix and Arlington. Mr. Davis answered questions from the Board on this item.

No action was taken on this item.

33. MANAGEMENT REPORT:

• **CONSTRUCTION CONTRACTS UPDATE**

Irazema Rojas, Chief Technical Officer, provided a presentation to the Board regarding this item (copy on file in Central Files.) Pursuant to the authorization granted to the President/CEO by the Public Service Board through a resolution passed during the February 9, 2022 regular board meeting, staff evaluated the qualifications of the respective apparent low bidder and determined that the minimum general requirements as well as the minimum project specific criteria as specified in the respective bid documents were met. One bid was awarded- Bid 13-22 for the Mountain Park 1 Pump Station to Mountain Park 2 Waterline Extension of 2,600 LF of 24-inch and 3,900 LF of 120-inch waterlines between 2 pump stations. The bid date was March 3, 2022 and the duration of the project is 250 days for a total of \$4,399,950.

26. 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.

Two individuals were signed up for public comment, Mr. Tupy and Mr. Caballero from the Mt. Walk Home Owners Association.

EXECUTIVE SESSION

On a motion made by Dr. Santiago, seconded by Mr. Morris and unanimously carried, the Board retired into Executive Session 10:23 a.m., April 13, 2022, pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Section 551.071 through 551.089 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 the purchase of the real property legally described as follows: 75 feet on Canal Street and 170 feet beginning 424.4 feet southeast of the southwest corner of Block Z, SANTA FE ADDITION, an addition to the City of El Paso, El Paso County, Texas. (Approx. 0.2927 acres, or 12,750.012 sq. ft.) (551.071, 551.072).
- b. The Board will deliberate regarding whether Well 506A, located on El Paso International Airport property, can be declared inexpedient to the water, wastewater and stormwater system and thereafter be sold and transferred to the City of El Paso. (551.071, 551.072).
- c. Consultation with legal counsel regarding Utility bonds. (551.071).

On a motion made by Ms. Saenz seconded by Dr. Santiago and unanimously carried, the Board reconvened in open session at 11:24 a.m., April 13, 2022.

- a. **THE BOARD WILL DELIBERATE REGARDING THE PURCHASE OF THE REAL PROPERTY LEGALLY DESCRIBED AS FOLLOWS: 75 FEET ON CANAL STREET AND 170 FEET BEGINNING 424.4 FEET SOUTHEAST OF THE SOUTHWEST CORNER OF BLOCK Z, SANTA FE ADDITION, AN ADDITION TO THE CITY OF EL PASO, EL PASO COUNTY, TEXAS. (APPROX. 0.2927 ACRES, OR 12,750.012 SQ. FT.) (551.071, 551.072).**

Motion made by Bryan Morris and seconded by Mayor Leeser 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 to sign any and all documents necessary to complete the purchase of the property.

- b. **THE BOARD WILL DELIBERATE REGARDING WHETHER WELL 506A, LOCATED ON EL PASO INTERNATIONAL AIRPORT PROPERTY, CAN BE DECLARED INEXPEDIENT TO THE WATER, WASTEWATER AND STORMWATER SYSTEM AND THEREAFTER BE SOLD AND TRANSFERRED TO THE CITY OF EL PASO. (551.071, 551.072).**

Motion made by Bryan Morris and seconded by Mayor Leeser that Well 506A 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, to sign any and all documents necessary to complete the sale of the property to the City of El Paso.

- c. **CONSULTATION WITH LEGAL COUNSEL REGARDING UTILITY BONDS. (551.071).**

No action was taken on this item.


ADJOURNMENT

On a motion made by Mayor Leeser, seconded by Mr. Morris and unanimously carried, the meeting adjourned at 11:35 a.m., April 13, 2022.

ATTEST:



Kristina Mena, Chair



Bryan Morris, Secretary-Treasurer