

MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
August 10, 2022

The regular meeting of the Public Service Board was held in person, Wednesday, August 10, 2022.

PSB MEMBERS PRESENT

Dr. Kristina D. Mena, Chair
Lisa Saenz, Member
Dr. Ivonne Santiago, Vice Chair
Charlie Intebi, Member
Bryan Morris, Secretary-Treasurer
Stefanie Block Uribarri, Member
Mayor Oscar Leeser

PSB EMPLOYEES PRESENT

John E. Balliew, P.E., President and Chief Executive Officer

PSB EMPLOYEES ABSENT

Daniel Ortiz, General Counsel

EPWATER EMPLOYEES PRESENT

Marcela Navarrete, Vice President
Paul Rivas, Vice President
Art Duran, Chief Financial Officer
Claudia Duran, Executive Assistant to the President/CEO
Sol Cortez, Deputy General Counsel
Gilbert Trejo, Chief Operations Officer
Irazema Rojas, Interim Chief Technical Officer
Lisa Rosendorf, Chief Communications & Government Affairs Officer
Felipe Lopez, Chief Operations Officer
Martin Noriega, Chief Operations Officer
Rose Guevara, Purchasing and Contracts Manager
Mirtha Solis, Purchasing Agent
Robert Davidson, Contract Construction Administrator
Gisela Dagnino, Chief Operations Officer
Ivan Ibarra, Fleet & Building Maintenance Superintendent
Patricia Borschow, Assistant General Counsel
Alejandro Vidales, Real Estate Manager
Ivan Hernandez, Engineering Division Manager
Alfredo Solano, Chief Information Officer
Edgar Campos, Information Systems Manager
Jesus Garcia, PC/LAN Specialist II
Ciara Grier, Support Services I
Luz Holguin, Assistant Chief Financial Officer
Ryan Stubbs, Capital Improvement Project Manager
Geoffrey Espineli, Engineering Division Manager
Melinda Becker, Assistant General Counsel
Michaela Ainsa, Senior Assistant General Counsel
Veronica Galindo, Water Production Manager
Richard Wilcox, Water Supply Manager

GUESTS

Ken Hall- Hazen & Sawyer

MEDIA

Danielle Prokop, El Paso Matters

The Public Service Board meeting was called to order by Dr. Mena at 8:01 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Mr. Paul Rivas in reciting the Pledge of Allegiance.

CONSENT AGENDA

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 JULY 13, 2022.

2. CONSIDERED AND APPROVED A SOLE SOURCE CONTRACT WITH MOVEX INNOVATION INC., PURSUANT TO SECTION 252.022(A)(7)(A) OF THE TEXAS LOCAL GOVERNMENT CODE FOR THE PURCHASE OF ONE REMOTE-CONTROLLED ELECTRIC MINI DOZER IN THE ESTIMATED AMOUNT OF \$181,999.

3. CONSIDERED AND APPROVED A MASTER CONTRACT FOR MAINTENANCE, REPAIR, AND OPERATION (MRO) EQUIPMENT, SUPPLIES, MATERIALS, AND SERVICES TO PSI BEARING AND HYDRAULIC SERVICE LLC THROUGH ESC REGION 19 CONTRACT NUMBER 22-7434 IN THE ESTIMATED ANNUAL AMOUNT OF \$1,500,000 DURING THE TERM OF ESC REGION 19 CONTRACT 22-7434, WHICH HAS AN END DATE OF APRIL 30, 2023, WITH FOUR ANNUAL EXTENSION OPTIONS, SHOULD ESC REGION 19 EXERCISE THE OPTION TO EXTEND.

4. CONSIDERED AND APPROVED A FIRST AMENDMENT TO THE PROFESSIONAL ENGINEERING SERVICES AGREEMENT FOR THE ON-CALL ENGINEERING SERVICES & TROUBLESHOOTING: BACK-UP POWER GENERATORS AT TREATMENT PLANTS PROJECT WITH CANFIELD ENGINEERING & INTEGRATION, LLC FOR AN ADDITIONAL AMOUNT OF \$300,000 THUS INCREASING THE CONTRACT AMOUNT TO \$825,000 FOR THE REMAINDER OF THE CONTRACT TERM EXPIRING NOVEMBER 22, 2022.

REGULAR AGENDA

5. CONSIDERED AND APPROVED THE AMENDMENT NO. 3 OF THE ESRI ENTERPRISE LICENSE AGREEMENT WITH ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE INC., A SOLE SOURCE PROVIDER OF THE GIS SOFTWARE PURSUANT TO SECTION 252.022(A)(7)(A) OF THE TEXAS LOCAL GOVERNMENT CODE, FOR A THREE-YEAR TERM RENEWAL IN THE AMOUNT OF \$675,000.

Edgar Campos, Utility Information Systems Manager, provided a presentation to the Board regarding this item. ESRI (Environmental Systems Research Institute) software products and support services are used by 17 Sections for the input, analysis, viewing, and delivery of GIS (Geographic Information System) images and geographical maps used in the day-to-day operations of the Utility. The current Enterprise License Agreement (ELA) approved by the Board in 2019 is scheduled to expire in September 2022. The Information Technology Department requests approval to renew the ELA for an additional three years. Benefits of an ELA: Centralized management and support with access to the most current versions of ESRI software, flexible deployment of software to desktops, servers, and mobile devices, lower costs per unit for the licensed software and reduced administrative expenses, and fixed annual payments. The agreement is for three years with yearly payments of \$220,000 (year one), \$225,000 (year two), and \$230,000 (year three) for a total of \$675,000. Mr. Campos answered questions from the Board on this item.

On a motion made by Mayor Leeser, seconded by Ms. Saenz, and unanimously carried, the Board approved the Amendment No. 3 of the ESRI Enterprise License Agreement with Environmental Systems Research Institute Inc., a sole source provider of the GIS software pursuant to Section 252.022(a)(7)(A) of the Texas Local Government Code, for a three-year term renewal in the amount of \$675,000.

6. CONSIDERED AND AWARDED BID NUMBER 85-22, OFFSITE VEHICLE AND EQUIPMENT REFUELING TO FLYERS ENERGY, LLC, THE SOLE RESPONSIVE, RESPONSIBLE BIDDER IN THE ESTIMATED ANNUAL AMOUNT OF \$850,000 FOR A TERM OF ONE YEAR, WITH TWO ONE-YEAR OPTIONS, PROVIDED THE FUNDING IS AVAILABLE IN THE APPROVED BUDGET.

Rose Guevara, Utility Purchasing & Contracts Manager, provided a presentation to the Board regarding this item. EPWater crews are assigned to work around the city at various locations and different construction sites. The purpose of implementing an offsite refueling program is to provide the crews with the flexibility of refueling at other designated fueling stations throughout the city. This program will improve site response time by reducing extended trips to the onsite fueling station. The previous bid was opened on March 7, 2019. The previous markup was \$0.035, and the markup in this new bid is \$0.069 per gallon. 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 85-22, Offsite Vehicle and Equipment Refueling to Flyers Energy, LLC, the sole responsive, responsible bidder in the estimated annual amount of \$850,000 for a term of one year, with two one-year options, provided the funding is available in the approved budget.

7. CONSIDERED AND AWARDED BID NUMBER 81-22, DIRT FILL MATERIAL, TO S&M PRIMERO EXPRESS LLC, THE SOLE RESPONSIVE, RESPONSIBLE BIDDER IN THE ESTIMATED ANNUAL AMOUNT OF \$438,000 FOR A TERM OF ONE YEAR WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS, PROVIDED THE FUNDING IS AVAILABLE IN THE APPROVED BUDGET.

Rose Guevara, Utility Purchasing & Contracts Manager, provided a presentation to the Board regarding this item. EPWater removes dirt and debris from various locations throughout the city. The material removed is processed and delivered back to the job location to fill excavations. The material must be free of large rocks and caliche-like material to reach a proper compaction rating, prevent sinkholes, and make the roadway safe for traffic. During this process, the debris (“debris” as defined in this bid shall mean all dirt, mud, clay, rocks, concrete, asphalt, and crushed PVC pipe, steel pipe, or concrete pipe) is collected at our processing location and disposed of by the dirt fill material vendor. The previous bid was opened on August 9, 2019. This bid is 3% higher than the previous bid. Ms. Guevara answered questions from the Board on this item.

On a motion made by Mr. Morris, seconded by Dr. Santiago, and unanimously carried, the Board awarded Bid Number 81-22, Dirt Fill Material, to S&M Primero Express LLC, the sole responsive, responsible bidder in the estimated annual amount of \$438,000 for a term of one year with the option for two one-year extensions, provided the funding is available in the approved budget.

8. CONSIDERED AND APPROVED A FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH PRECISION SOLUTIONS, LLC FOR ADDITIONAL REGULATORY COMPLIANCE SAMPLING SERVICES FOR AN ESTIMATED ADDITIONAL ANNUAL AMOUNT OF \$500,000, THUS INCREASING THE ESTIMATED ANNUAL AMOUNT OF THE CONTRACT TO \$600,000 AND TO AMEND THE TERM OF THE AGREEMENT TO ADD TWO ONE-YEAR OPTIONS AFTER THE FIRST-YEAR TERM.

Richard Wilcox, Water Supply Manager, provided a presentation to the Board regarding this item. On March 16, 2022, EPWater entered into a professional services agreement with Precision Solutions LLC for the regulatory compliance sampling and monitoring services pursuant to the President/CEO’s administrative delegated authority to enter into professional services agreement up to an amount of \$100,000. EPWater would like to expand the services of Precision Solutions LLC to complete the required regulatory compliance sampling for EPWater. Specifically, the monthly bacteriological samples for various wells, the 240 monthly distribution samples, and any other compliance sampling that may arise. The estimated annual expenditures for the amended contract is \$600,000. Mr. Wilcox answered questions from the Board on this item.

On a motion made by Mayor Leeser, seconded by Ms. Saenz and unanimously carried, the Board approved a first amendment to the professional services agreement with Precision Solutions, LLC for additional regulatory

compliance sampling services for an estimated additional annual amount of \$500,000, thus increasing the estimated annual amount of the contract to \$600,000 and amended the term of the agreement to add two one-year options after the first-year term.

9. CONSIDERED AND APPROVED CHANGE ORDER NUMBER 1 TO THE GUARANTEED MAXIMUM PRICE FOR WORK PACKAGE 2 (GMP2) FOR THE CONSTRUCTION MANAGER-AT-RISK (CMAR) CONSTRUCTION CONTRACT WITH MGC CONTRACTORS, INC. FOR THE ROBERTO R. BUSTAMANTE WASTEWATER TREATMENT PLANT HEADWORKS IMPROVEMENT PROJECT, FOR THE NEW BRIDGE AND ROADWAY, INCREASING THE GMP 2 CONTRACT AMOUNT BY AN ADDITIONAL \$2,635,988 AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Ivan Hernandez, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) The Roberto R. Bustamante Wastewater Treatment Plant (RRBWWTP) 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 RRBWWTP Headworks Improvements project. 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 packages 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. 2) Work Package 2 (GMP2) was approved on April 13, 2022, and construction on the new headworks pump station and screening facility has begun. RRBWWTP currently has one entrance/exit to the facility through an existing bridge over the Riverside Canal. The bridge was recently evaluated and downgraded based on Texas Department of Transportation (TxDOT) standards. To provide secondary access for heavy traffic and redundancy, EPWater engaged a qualified engineer, Consor Engineers, LLC, to design a secondary access bridge over the Riverside Canal. A change order is needed for Contractor to complete the work for the new bridge and roadway. Mr. Hernandez 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 Change Order Number 1 to the Guaranteed Maximum Price for Work Package 2 (GMP2) for the Construction Manager-At-Risk (CMAR) Construction Contract with MGC Contractors, Inc. for the Roberto R. Bustamante Wastewater Treatment Plant Headworks Improvement project, for the new bridge and roadway, increasing the GMP 2 contract amount by an additional \$2,635,988 and authorized the use of commercial paper.

10. CONSIDERED AND AWARDED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE EAST HIGH AND FRANKLIN EAST 1 PRESSURE ZONE IMPROVEMENTS – RFS 54-22 PROJECT TO CONSOR ENGINEERS, LLC FOR DESIGN PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$971,978.24; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$1,500,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS, 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.) The project is in the northeast area of El Paso. These improvements are part of the Northeast Water Master Plan. They are necessary to meet the increasing water supply demand due to population growth in the northeast area of El Paso. This project includes the construction of a new 5-million gallon (MG) and 3 MG ground storage tank, a 6 million gallons per day booster station, and the installation of approximately 3,000 linear feet of 30-inch water transmission main. Mr. Espineli 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 a professional engineering services contract for the East High and Franklin East 1 Pressure Zone Improvements – RFS 54-22 project to Consor Engineers, LLC for design phase services in the estimated amount of \$971,978.24; authorized future task orders or amendments to be issued under this contract for additional design and

construction phase services in the estimated amount of \$1,500,000 provided that funding is available in the approved budget for the task orders or amendments, and authorized the use of commercial paper.

11. CONSIDERED AND AWARDED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE NORTHWEST RECLAIMED WATER SYSTEM MASTER PLAN – RFS 57-22 PROJECT TO GARVER, LLC FOR STUDY PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$530,732; AND AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL STUDY PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$500,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

Geoffrey Espineli, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) The project is in the northwest area of El Paso. EPWater has been delivering reclaimed water to the community since 1963. Reclaimed water irrigates golf courses, city parks, school grounds, apartment landscapes, construction, and industrial sites. A study is needed to assess the demand and condition of the facilities and develop a master plan for the capital improvement projects needed for the reclaimed system in the Northwest area. 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 a professional engineering services contract for the Northwest Reclaimed Water System Master Plan – RFS 57-22 project to Garver, LLC for study phase services in the estimated amount of \$530,732; and authorized future task orders or amendments to be issued under this contract for additional study phase services in the estimated amount of \$500,000 provided that funding is available in the approved budget for the task orders or amendments.

12. CONSIDERED AND AWARDED RFQ 83-22 ON-CALL PROFESSIONAL APPRAISAL SERVICES TO RALPH SELLERS & ASSOCIATES, GAYLE-REID APPRAISAL SERVICES, INC., LOWERY PROPERTY ADVISORS, LLC, WILKINSON, PENDERGRAS, & ASSOCIATES, LP, AND CBRE, INC., EACH IN THE MAXIMUM AMOUNT OF \$100,000 WITH A TERM OF TWO YEARS WITH THE OPTION FOR A TWO-YEAR EXTENSION BASED ON PERFORMANCE IN THE MAXIMUM AMOUNT OF \$100,000 FOR THE OPTION PERIOD.

Alexandro Vidales, Real Estate Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) EPWater needs to retain appraisers licensed in Texas and New Mexico to assist the Utility in appraising various parcels of land. Mr. Vidales answered questions from the Board on this item.

On a motion made by Mayor Leeser seconded by Ms. Saenz, and unanimously carried, the Board awarded RFQ 83-22 On-Call Professional Appraisal Services to Ralph Sellers & Associates, Gayle-Reid Appraisal Services, Inc., Lowery Property Advisors, LLC, Wilkinson, Pendergras, & Associates, LP, and CBRE, Inc., each in the maximum amount of \$100,000 with a term of two years with the option for a two-year extension based on performance in the maximum amount of \$100,000 for the option period.

13. CONSIDERED AND ACCEPTED THE HISTORICALLY UNDERUTILIZED BUSINESS (HUB) REPORT FOR FISCAL YEAR 2021-2022 AND CONTINUE WITH THE FOLLOWING HUB PARTICIPATION GOALS: 25% FROM SMALL LOCALLY-OWNED BUSINESS ENTERPRISES, 10% FROM MINORITY-OWNED BUSINESS ENTERPRISES, 7% FROM WOMEN-OWNED BUSINESS ENTERPRISES, AND 65% PARTICIPATION FROM HUB BUSINESSES FOR GOODS AND SERVICES FROM OPERATIONS AND MAINTENANCE EXPENSES.

Rose Guevara, Utility Purchasing and Contracts Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) The PSB adopted a policy to increase HUB participation in 1992. EPWater staff solicits increased participation of small locally owned, minority, and women-owned businesses, which requires mandatory efforts by staff to contact these local businesses in procuring goods and services, and reports on EPWater's progress in this area. 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 accepted the Historically Underutilized Business (HUB) report for fiscal year 2021-2022 and continue with the following HUB participation goals: 25% from small locally-owned business enterprises, 10% from minority-owned business

enterprises, 7% from women-owned business enterprises, and 65% participation from HUB Businesses for goods and services from operations and maintenance expenses.

14. MANAGEMENT REPORT:

• **UTEP GOLD NUGGET AWARD- LISA SAENZ**

John Balliew, President and CEO, recognized Ms. Lisa Saenz for receiving the UTEP Gold Nugget Award in 2022.

• **DROUGHT RESOLUTION PURCHASES**

Irazema Rojas, Interim Chief Technical Officer, provided the board with a presentation on this item (copy on file in Central Files.) Due to the drought conditions, a public necessity exists to assure adequate drinking water supplies for El Paso Water customers. The resolution authorizes the President/CEO to enter into contracts and make purchases in accordance with exemptions to the competitive bidding statute. Drought Resolution allows El Paso Water to react faster to drought relief projects. The 2021 Drought Resolution approved on July 14, 2021 was used for 13 projects for a total of \$20,638,224.44. Projects included well drilling, well equipping, well rehabilitation, consultant services, and purchase of equipment. Contracts in progress using the 2022 PSB Drought Resolution from July 13, 2022 include \$1,234,852 to furnish and install well pumps, motors and associated pump appurtenances well 45A, 9(A, 209, 501A and 530 and \$6,600,000 for the well drilling in the northeast development. Mr. Rojas showed pictures of the current reservoir condition and Elephant Butte Reservoir.

• **CONSTRUCTION CONTRACTS UPDATE**

Irazema Rojas, Interim Chief Technical Officer, let the Board know that there were no construction contracts update since last month's update.

• **CIP UPDATE**

Irazema Rojas, Interim Chief Technical Officer, provided a presentation to the board on this item (copy on file in Central Files.) The Capital Improvements Program status summary includes for Water work complete FY to date \$33 million, work in progress to date \$76 million and additional work by end of FY \$207 million. For Wastewater work complete FY to date \$22 million, work in progress to date \$200 million and additional work by end of FY \$72 million. For Stormwater work complete FY to date \$6 million, work in progress to date \$6 million and additional work by end of FY \$53 million.

15. 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 Mayor Leeser, seconded by Dr. Santiago and unanimously carried, the Board retired into Executive Session 9:34 a.m., August 10, 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:

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| 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. Consultation with attorney on the proposed "Climate Charter" initiative petition submitted by Ground Game Texas. (551.071)

On a motion made by Mayor Leaser, seconded by Mr. Morris and unanimously carried, the Board reconvened in open session at 9:55 a.m., August 10, 2022.

- a. **CONSULTATION WITH ATTORNEY ON THE PROPOSED "CLIMATE CHARTER" INITIATIVE PETITION SUBMITTED BY GROUND GAME TEXAS. (551.071)**

No action was taken on this item.

ADJOURNMENT

On a motion made by Mayor Leaser, seconded by Mr. Morris and unanimously carried, the meeting adjourned at 9:55 a.m., August 10, 2022.

ATTEST:



Kristina Mena, Chair



Bryan Morris, Secretary-Treasurer