

**MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
September 13, 2023**

The regular meeting of the Public Service Board was held in person, Wednesday, September 13, 2023

PSB MEMBERS PRESENT

Dr. Ivonne Santiago, Chair
Charlie Intebi, Secretary-Treasurer
Stefanie Block Uribarri, Member
Lisa Saenz, Member
Mayor Oscar Leeser

PSB MEMBERS ABSENT

Bryan Morris, Vice-Chair
Dr. Kristina D. Mena. Member

PSB EMPLOYEES PRESENT

John E. Balliew, P.E., President and Chief Executive Officer
Sol Cortez, Deputy General Counsel

EPWATER EMPLOYEES PRESENT

Ana Sanchez, Vice President
Art Duran, Chief Financial Officer
Claudia Duran, Executive Assistant to the President/CEO
Irazema Rojas, Chief Technical Officer
Gisela Dagnino, Chief Operations Officer
Martin Noriega, Chief Operations Officer
Ciara Grier, Support Services I
Rose Guevara, Purchasing and Contracts Manager
Luz Holguin, Assistant Chief Financial Officer
Christina Montoya, Communications and Marketing Manager
Michaela Ainsa, Senior Assistant General Counsel
Alma De Anda, Land and Water Rights Manager
Alex Vidales, Real Estate Manager
Ruben Rodriguez, Environmental Compliance Manager
Scott Reinert, Water Resources Manager
Edgar Campos, Assistant Chief Information Officer
Alfredo Solano, Chief Information Officer
Osvaldo Palacios, Utility Applications Manager
Patricia Borschow, Assistant General Counsel

GUESTS

None

MEDIA

None

The Public Service Board meeting was called to order by Dr. Santiago at 8:06 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Angel Bustamante in reciting the Pledge of Allegiance.

CONSENT AGENDA

On a motion made by Ms. Saenz and seconded by Mr. Intebi, items 4, 5, and 8 was pulled from the Consent Agenda and placed into the Regular Agenda.

On a single motion made by Mayor Leeser and seconded by Dr. Mena 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 AUGUST 9, 2023.

2. CONSIDERED AND REJECTED THE PROPOSALS RECEIVED FOR RFP 74-23 IT CONSULTING SERVICES.

3. CONSIDERED AND APPROVED THE CONSENT TO ASSIGNMENT OF CONTRACT RFP79-22 QUICKLIME FROM AUSTIN WHITE LIME COMPANY, LTD. TO LHOIST NORTH AMERICA, INC.

6. CONSIDERED AND APPROVE AN INCREASE IN CAPACITY OF MASTER CONTRACT MC0000504, ISSUED TO AMERICHOICE CONSTRUCTION LLC FOR THE PURCHASE OF MAINTENANCE, REPAIR, AND OPERATION (MRO) EQUIPMENT, SUPPLIES, MATERIALS OF SERVICES THROUGH ESC REGION 19 ALLIED STATES COOPERATIVE CONTRACT NO. 22-7434 BY AN ADDITIONAL \$800,000 TO INCREASE THE EXISTING MASTER CONTRACT CUMULATIVE AMOUNT TO \$1,300,000, AND AUTHORIZED THE ISSUANCE OF FUTURE MASTER CONTRACTS IN THE AMOUNT OF \$1,300,000 FOR THE TERM OF ESC REGION 19 ALLIED STATES COOPERATIVE CONTRACT NO. 22-7434 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET.

7. CONSIDERED AND APPROVED AN INCREASE IN CAPACITY OF MASTER CONTRACT NUMBER MC0000377 ISSUED TO A+ METAL ENTERPRISES INC., FOR MRO EQUIPMENT, SUPPLIES, MATERIALS AND SERVICES, THROUGH ESC REGION 19 ALLIED STATES COOPERATIVE CONTRACT NUMBER 22-7423 BY AN ADDITIONAL \$500,000 TO INCREASE THE EXISTING MASTER CONTRACT CUMULATIVE AMOUNT TO \$1,000,000 AND AUTHORIZED THE ISSUANCE OF MASTER CONTRACTS IN THE ANNUAL AMOUNT OF \$1,000,000 FOR THE TERM OF THE ESC REGION 19 ALLIED STATES COOPERATIVE 22-7423 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGETS.

9. CONSIDERED AND AWARDED PROFESSIONAL ENGINEERING CONTRACTS FOR ON-CALL PROFESSIONAL MECHANICAL, ELECTRICAL, AND PLUMBING ENGINEERING SERVICES FOR WATER, WASTEWATER, RECLAIMED WATER, STORMWATER, AND ADMINISTRATIVE FACILITIES – RFQ 54-23 TO BATH GROUP, LLC DBA BATH ENGINEERING CORPORATION, CAROLLO ENGINEERS, INC., FREESE AND NICHOLS, INC., AND PARKHILL, SMITH AND COOPER, INC. FOR AN AMOUNT NOT TO EXCEED \$1,500,000 FOR EACH FIRM WITH A TERM OF THREE YEARS AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

10. CONSIDERED AND AWARDED PROFESSIONAL SERVICES CONTRACTS FOR ON-CALL GEOTECHNICAL SERVICES – RFQ 55-23 TO ATLAS TECHNICAL CONSULTANTS, LLC, CQC TESTING AND ENGINEERING, LLC, PROFESSIONAL SERVICE INDUSTRIES, INC., TERRACON CONSULTANTS, INC., AND WSP USA ENVIRONMENT AND INFRASTRUCTURE, INC. FOR AN AMOUNT NOT TO EXCEED \$1,000,000 FOR EACH FIRM WITH A TERM OF THREE YEARS AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

11. CONSIDERED AND APPROVED A PROFESSIONAL ENGINEERING SERVICES CONTRACT FOR THE JOHN T. HICKERSON WATER RECLAMATION FACILITY MEDIUM VOLTAGE UPGRADE AND BACKUP POWER GENERATOR - PART 2 PROJECT WITH FREESE AND NICHOLS INC. FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN THE AMOUNT OF \$1,790,624.85 AND AUTHORIZE FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION 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 APPROVED AMENDMENT 2 TO THE PROFESSIONAL ENGINEERING SERVICES CONTRACT WITH BLACK AND VEATCH CORPORATION FOR THE WATER AND WASTEWATER ELECTRIC POWER RELIABILITY EVALUATION – PART 2 PROJECT IN THE AMOUNT OF \$1,266,000; AND AUTHORIZE FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT IN AN ESTIMATED AMOUNT OF \$500,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

13. CONSIDERED AND APPROVED CHANGE ORDER NUMBER 1 – BID NUMBER 64-22, NORTH 1 RESERVOIR ROOF REHABILITATION AND CIELO VISTA 0.1 MG GROUND STORAGE TANK AND REPLACEMENT AND ELEVATED TANK LADDER AND SAFETY IMPROVEMENTS TO SMITHCO CONSTRUCTION, INC. INCREASING THE CONTRACT AMOUNT BY \$145,048.85 AND EXTENDING THE CONTRACT DURATION BY 143 DAYS.

14. CONSIDERED AND APPROVED CHANGE ORDER NUMBER 4–BID NUMBER 17-21, PHOSPHATE FEEDING FACILITIES AT FIVE BOOSTER STATION SITES TO SMITHCO CONSTRUCTION, INC. INCREASING THE CONTRACT AMOUNT BY \$295,544.31 AND EXTENDING THE CONTRACT DURATION BY 430 DAYS; AUTHORIZE THE USE OF COMMERCIAL PAPER.

REGULAR AGENDA

4. CONSIDERED AND APPROVED A RESOLUTION SUPPORTING THE CITY OF EL PASO'S SUBMISSION OF A GRANT APPLICATION TO THE TEXAS MILITARY PREPAREDNESS COMMISSION FOR A DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT IN THE AMOUNT OF \$4,500,000 FOR THE MCGREGOR RANGE BOOSTER STATION PROJECT; AUTHORIZED EPWATER'S FUNDING COMMITMENT TO ALLOCATE MATCHING FUNDS OF \$4,500,000 FOR THE PROJECT IF GRANT FUNDS ARE AWARDED; AND FURTHER AUTHORIZED THE PRESIDENT/CEO TO PROVIDE AND SIGN ANY DOCUMENTS IN CONNECTION WITH THE GRANT APPLICATION, MEMORANDUM OF UNDERSTANDING WITH THE CITY OF EL PASO FOR THE PROJECT, GRANT AGREEMENT AND ACCEPTANCE OF THE FUNDS FOR THIS PROJECT.

Lisa Rosendorf, Chief Communications & Government Affairs Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) EPWater provides Fort Bliss with water service for McGregor Range, which is used for military training and testing weapons systems, equipment, and tactics. An EPWater booster station is required to pump the water from our system through a dedicated water line that runs through Fort Bliss to reach McGregor Range (north of Fort Bliss). This booster station is aging and in need of replacement. The Texas Military Preparedness Commission (TMPC) offers grants for municipal projects that benefit the military base, and this fits the criteria through the Defense Economic Adjustment Assistance Grant. EPWater desires to submit a grant application through the City of El Paso for the McGregor Range Booster Station project. Ms. Rosendorf 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 resolution supporting the City of El Paso's submission of a grant application to the Texas Military Preparedness Commission for a Defense Economic Adjustment Assistance Grant in the amount of \$4,500,000 for the

McGregor Range Booster Station project; authorized EPWater's funding commitment to allocate matching funds of \$4,500,000 for the project if grant funds are awarded; and further authorized the President/CEO to provide and sign any documents in connection with the grant application, Memorandum of Understanding with the City of El Paso for the project, grant agreement and acceptance of the funds for this project.

5. CONSIDERED AND AUTHORIZED THE PRESIDENT/CEO TO SIGN AN INTERLOCAL AGREEMENT WITH THE CAMINO REAL REGIONAL MOBILITY AUTHORITY FOR THE CONSTRUCTION OF WATER AND WASTEWATER INFRASTRUCTURE LOCATED WITHIN THE JOHN HAYES STREET EXTENSION PHASE I PROJECT WITH THE ESTIMATED EPWATER FUNDING CONTRIBUTION IN THE AMOUNT OF \$8,602,317 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 Camino Real Regional Mobility Authority (CRRMA) received funding for the John Hayes Street Extension Phase I project. Through this project, EPWater will fund the construction of 8-inch to 36-inch water mains, which will provide service to future commercial and residential developments. EPWater hired CEA Engineering Group, Inc., to prepare design drawings for this project and to coordinate with the CRRMA. On July 25, 2023, the CRRMA opened bids, which included the design drawings and selected a contractor. The CRRMA Base Bid II for the water main installation cost is \$7,602,317 plus an additional \$600,000 for construction engineering, inspection, and testing and \$400,000 in contingency for potential change orders. EPWater's total estimated contribution will be \$8,602,317. Mr. Hernandez answered questions from the Board on this item.

On a motion made by Mayor Leeser, seconded by Mr. Intebi, and unanimously carried, the Board authorized the President/CEO to sign an Interlocal Agreement with the Camino Real Regional Mobility Authority for the construction of water and wastewater infrastructure located within the John Hayes Street Extension Phase I project with the estimated EPWater funding contribution in the amount of \$8,602,317 and authorized the use of commercial paper.

8. CONSIDERED AND AWARDED RFP 37-23 RATE CONSULTING SERVICES TO RAFTELIS FINANCIAL CONSULTANTS, INC., AND AUTHORIZED PRESIDENT/CEO OR DESIGNEE TO ENTER INTO A SERVICES AGREEMENT FOR A COMPREHENSIVE WATER AND WASTEWATER COST OF SERVICE AND RATE DESIGN STUDY ANALYSIS IN THE AMOUNT OF \$155,400.

Art Duran, Chief Financial Officer, provided a presentation to the Board regarding this item (copy on file in Central Files.) Rate consulting services are used by the Utility to calculate annual water, wastewater, reclaimed water, and stormwater rates and fees. EPWater solicited proposals to perform a comprehensive Cost of Service and Rate Design Study with the following objectives for the Water and Wastewater Utility: Evaluate and create a cost-of-service analysis assessing the different customer class cost of service compared to revenues generated by each class. Develop new rate models to support the results of the Cost of Service Study, provide alternative rate structures, and provide different rate design scenarios.

On a motion made by Mayor Leeser, seconded by Lisa Saenz, and unanimously carried, the Board awarded RFP 37-23 Rate Consulting Services to Raftelis Financial Consultants, Inc., and authorized President/CEO or designee to enter into a Services Agreement for a comprehensive water and wastewater cost of service and rate design study analysis in the amount of \$155,400.

15. CEO MONTHLY UPDATE REGARDING UTILITY MANAGEMENT AND/OR OPERATIONS

- **EPWATER'S STRATEGIC PLAN**
- **TEXAS COMMISSION ON ENVIRONMENTAL QUALITY AGREED ORDER**
- **"IMPERSONATION IS A CRIME" JOINT MEDIA EVENT WITH EL PASO COUNTY SHERIFF'S OFFICE, EL PASO POLICE DEPARTMENT, AND THE BETTER BUSINESS BUREAU**

John, Balliew, President and CEO, provided a presentation to the Board regarding this item (copy on file in Central Files.)

16. 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.

17. CONSIDERED AND AWARDED RFP 27-23, DEWATERING POLYMER, TO POLYDYNE, INC., IN THE ESTIMATED ANNUAL AMOUNT OF \$600,000 FOR A TERM OF ONE YEAR WITH THE OPTION FOR FOUR, ONE-YEAR EXTENSIONS PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET.

Angel Bustamante, Water Systems Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) Dry polymer is used for the dewatering of solids at the Haskell R. Street Wastewater Treatment Plant (WWTP), Roberto R. Bustamante WWTP, Hickerson WWTP, and the Fred Hervey Water Reclamation plant. Dewatering of solids is important to reduce the volume and weight transported to the monofill. The four polymers currently used are Clarifloc CE-2017 for the Roberto Bustamante WWTP; Clarifloc-CE 2015 for Haskell Street WWTP; Clarifloc CE-476B for the Fred Hervey WRP; and Clarifloc CE-1529 for John Hickerson WWTP. Mr. Bustamante 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 RFP 27-23, Dewatering Polymer, to Polydyne, Inc., in the estimated annual amount of \$600,000 for a term of one year with the option for four, one-year extensions provided that funding is available in the approved budget.

18. CONSIDERED AND APPROVED CHANGE ORDER NO. 1 BID NO. 12-22 MONTANA EAST 36-INCH WATER LINE EXTENSION PH. II (HOMESTEAD, RANCHOS REAL PUMP STATION TO EDGEMERE BOULEVARD) TO OSCAR RENDA CONTRACTING, INC. INCREASING THE CONTRACT AMOUNT BY \$2,337,299.44; EXTENDING THE CONTRACT DURATION BY 130 DAYS; 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.) In June 2022, the Public Service Board (PSB) awarded a construction bid to Oscar Renda Contracting, Inc., to construct a new 36-inch concrete steel cylinder transmission main pipeline that will convey water from the proposed Ranchos Real Pump Station located near John Hayes Street and Pebble Hills Boulevard to the intersection of Vista Del Este Street and Edgemere Boulevard. During the design phase, the typical and necessary boundary surveys required were performed to provide an adequate alignment for the project. All research indicated that Tim Floyd Street was a dedicated City of El Paso (City) street, as shown on available subdivision plat information. However, during construction, it became evident that the apparent street right-of-way had not been entirely accepted by the City, was still under the control of the developer, and no work would be allowed. The contractor had to demobilize until accepted by City staff. EPWater staff met with City staff and the developer on several occasions resulting in Tim Floyd Street being turned over to the City and EPWater continuing with the project. The proposed change order is to cover costs associated with the delay due to an unaccepted street right-of-way, which includes labor and equipment, stand-by costs, loss of productivity rate, material escalation, and demobilization and remobilization to the job site. Additionally, the construction of the Ranchos Real booster pump station is underway under a different contract. This project requires the installation of a section of the proposed 36-inch water line into the new pump station site, where the alignment is through the existing access road into the site. Staff is recommending a strategic change to the proposed installation method where the installation will be performed via a bore in lieu of an open-cut to maintain accessibility to our facility. This change order increases the contract amount by \$2,337,299.44 (22.37% increase to contract price) and adds 130 days to the contract time. Mr. Hernandez answered questions from the Board on this item.

On a motion made by Ms. Saenz, seconded by Mr. Intebi and unanimously carried, the Board approved Change Order No. 1 Bid No. 12-22 Montana East 36-Inch Water Line Extension Ph. II (Homestead, Ranchos Real Pump Station to Edgemere Boulevard) to Oscar Renda Contracting, Inc. increasing the contract amount by \$2,337,299.44; extending the contract duration by 130 days; and authorized the use of commercial paper.

19. APPROVED A RESOLUTION REQUESTING CITY COUNCIL TO AUTHORIZE THE ISSUANCE OF \$8,680,000 OF CITY OF EL PASO WATER AND SEWER SYSTEM REVENUE BONDS SERIES 2023A THROUGH THE ECONOMICALLY DISTRESSED AREAS PROGRAM ACCOUNT OF THE TEXAS WATER DEVELOPMENT FUND II TO FINANCE FIRST-TIME CUSTOMER WASTEWATER CONNECTIONS FOR THE RESIDENTS OF THE MONTANA VISTA COLONIA.

Jeff Tepsick, Assistance Chief Financial Officer, provided a presentation to the Board regarding this item (copy on file in Central Files.) The Public Service Board (Board), acting on behalf of the City of El Paso (City), filed an application seeking financial assistance in the amount of \$28,930,096 from the Economically Distressed Areas Program (EDAP) Account of the Texas Water Development Fund II to finance Phase II of the project to provide residents first-time wastewater services through connections to 775 households of the Montana Vista colonia. On June 6, 2023, the Texas Water Development Board (TWDB) adopted a resolution approving a commitment to the Board, acting on behalf of the City, for financial assistance in the form of the proposed purchase of \$8,680,000 of City of El Paso, Texas, Water and Sewer Revenue Bonds, Series 2023A, and a grant of \$20,250,096. Mr. Tepsick 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 resolution requesting City Council to authorize the issuance of \$8,680,000 of City of El Paso Water and Sewer System Revenue Bonds Series 2023A through the Economically Distressed Areas Program Account of the Texas Water Development Fund II to finance first-time customer wastewater connections for the residents of the Montana Vista Colonia.

20. MANAGEMENT REPORT:

• CONSTRUCTION CONTRACTS UPDATE

Irazema Rojas, Utility Chief Technical Officer, provided a presentation to the Board on this item (copy on file in Central Files.) The Planned Waterline Replacement Program Phase 13- Cedar Grove bid opened on July 13, 2023 and the project duration is 415 days. Five bids were received, and the bid was awarded to CMD Endeavors, Inc for \$4,866,788. Corrugated Metal Pipe Condition Assessment and Replacement Program: Piedras Street; Cypress Avenue South Alley to Paisano bid opened on June 21, 2023 and the project duration is 150 days. Four bids were received, and the bid was awarded to Black Stallion Contractors for \$591,776.26.

• PEOPLESOFT HR PHASE II PROJECT STATUS REPORT

Oswaldo Palacios, Utility Applications Manager, provided a presentation to the Board on this item (copy on file in Central Files.) All components are on track to be deployed by October 31 in preparation for the open enrollment in November. There was a budget reduction of \$244,442, which is attributed to reduced scope, time, and materials. Phase II features include open enrollment online and integration with payroll.

• SERVLINER PROGRAM UPDATE

Lidia Carranco, Assistant Chief Financial Officer, provided a presentation to the Board on this item (copy on file in Central Files.) HomeServe offers coverage for excess water consumption for leaks and was approved in January 2023. Customers can opt out if they would like. To date, the savings to the customer and EPWater has been \$851,444 for residential and \$44,857 for non-residential customers.

• VIDEO FROM COMMUNICATIONS

Christina Montoya, Marketing and Communications Manager, presented the video to the Board regarding the Trust Your Tap campaign.

EXECUTIVE SESSION

On a motion made by Ms. Saenz seconded by Mayor Leeser and unanimously carried, the Board retired into Executive Session 9:29 a.m., September 13, 2023, 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. In re: Aqueous Film-Forming Foams Products Liability Litigation - United States Judicial Panel on Multi-District Litigation - MDL NO. 2873 (551.071)

On a motion made by Mayor Leeser, seconded by Ms. Block-Uribarri and unanimously carried, the Board reconvened in open session at 10:07 a.m., September 13, 2023.

- a. **IN RE: AQUEOUS FILM-FORMING FOAMS PRODUCTS LIABILITY LITIGATION - UNITED STATES JUDICIAL PANEL ON MULTI-DISTRICT LITIGATION - MDL NO. 2873 (551.071)**

No action was taken on this item.

ADJOURNMENT

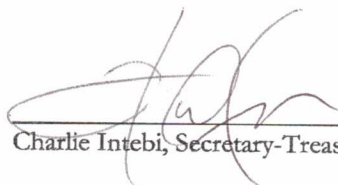
On a motion made by Ms. Saenz, seconded by Mayor Leeser and unanimously carried, the meeting adjourned at 10:08 a.m., September 13, 2023.

ATTEST:



Digitally signed by Ivonne Santiago
DN: cn=Ivonne Santiago, o=University of
Texas at El Paso, ou=Department of Civil
Engineering, email=Isantiago@utep.edu,
c=US
Date: 2023.10.12 09:51:01 -06'00'

Dr. Ivonne Santiago, Chair



Charlie Intebi, Secretary-Treasurer