

**MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
November 10, 2021**

The regular meeting of the Public Service Board was held in person, Wednesday, November 10, 2021.

PSB MEMBERS PRESENT

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

PSB EMPLOYEES PRESENT

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

EPWATER EMPLOYEES PRESENT

Alan Shubert, Vice President
Marcela Navarrete, Vice President
Art Duran, Chief Financial Officer
Claudia Duran, Executive Assistant to the President/CEO
Sol Cortez, Deputy General Counsel
Lisa Rosendorf, Chief Communications & Government Affairs Officer
Geoffrey Espineli, Engineering Division Manager
Gisela Dagnino, Engineering Division Manager
Paul Rivas, Chief Operations Officer
Denise Parra, Lead Public Affairs Coordinator
Martin Noriega, Chief Operations Officer
Felipe Lopez, Chief Operations Officer
Rose Guevara, Senior Purchasing Agent
Alma de Anda, Land & Water Rights Manager
Lidia Carranco, Assistant Chief Financial Officer
Martha Koester, Public Information Coordinator
Irazema Rojas, Capital Improvement Program Manager
Ivan Hernandez, Engineering Division Manager
Laura Foster, Project Consultant
Ciara Grier, Support Services I
Patricia Borschow, Assistant General Counsel
Alejandro Vidales, Real Estate Manager
Michaela Grambling, Assistant General Counsel
Ana Sanchez, Chief Learning Officer
Robert Davidson, Contract Construction Administrator

GUESTS

Anthony Tarquin, UTEP Professor
Eugenio Mesta, Exigo
Guillermo Delgado, H2O-Terra
Oscar Ramirez, H2O-Terra
Ferne Rico

MEDIA

Danielle Prokop, El Paso Matters

The Public Service Board meeting was called to order by Dr. Mena at 8:00 a.m. A quorum of its members was present. After a moment of silence, those in attendance joined Marcela Navarrete in reciting the Pledge of Allegiance.

CONSENT AGENDA

On a single motion made by Mayor Leeser, seconded by Mr. Antcliff 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 OCTOBER 13, 2021.

2. CONSIDERED AND APPROVED A PROFESSIONAL ENGINEERING SERVICES CONTRACT WITH MM STRUCTURAL ENGINEERS, INC. FOR THE OLD SPANISH TRAIL SPILLWAY RECONSTRUCTION PROJECT FOR CONSTRUCTION PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$164,616; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN AN ESTIMATED AMOUNT OF \$100,000 PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

3. AUTHORIZED THE ISSUANCE OF JOB ORDER CONTRACTS ON AN AS-NEEDED BASIS UTILIZING ESC REGION 19 ALLIED STATES COOPERATIVE CONTRACT NUMBER 21-7411 TO ALL AWARDED CONTRACTORS, IN THE CUMULATIVE, ANNUAL AMOUNT NOT TO EXCEED \$4,000,000, DURING THE TERM OF REGION 19 CONTRACT NUMBER 21-7411, WHICH HAS AN END DATE OF JUNE 30, 2022, WITH TWO ONE-YEAR EXTENSION OPTIONS, SHOULD REGION 19 EXERCISE THE OPTION TO EXTEND; AUTHORIZED THE USE OF COMMERCIAL PAPER AND THAT THE PRESIDENT/CEO OR DESIGNEE MAY SIGN ANY RELATED DOCUMENTATION TO EFFECTUATE EACH PURCHASE ORDER OF \$500,000 AND UNDER, INCLUDING EPWATER SUPPLEMENTAL TERMS AND CONDITIONS. JOB, TASK, OR PURCHASE ORDERS THAT EXCEED \$500,000 WILL REQUIRE ADDITIONAL BOARD APPROVAL.

REGULAR AGENDA

4. PRESENTATED THE EPWATER COMMUNITY PARTNER AWARD TO DR. TARQUIN.

John Balliew, President/CEO, provided a presentation to the Board regarding this item. Mr. Balliew spoke of Dr. Tarquin's accomplishments and contributions to EPWater.

5. CONSIDERED AND APPROVED CHANGE ORDER NUMBER 12 (FINAL) – BID NUMBER SW18-19, SAM SNEAD STORM DRAIN IMPROVEMENTS WITH DANNY SANDER CONSTRUCTION, INC., DECREASING THE CONTRACT AMOUNT BY \$135,116.32.

Ivan Hernandez, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) The Sam Snead Storm Drain System is the second phase of improvements to the Pico Norte Pond System. The first phase consisted of expanding the Pico Norte Pond to collect, capture, and store the 100-year storm event run-off volume. The second phase is Sam Snead Drive, a 4-lane roadway collector which currently collects, captures, and conveys stormwater run-off via surface flow into the Pico Norte Pond. This project will reduce flooding on Sam Snead Drive and the adjacent residences. Due to abnormal monsoonal-weather conditions, the project suffered severe damage and delays. Subsequently, in August 2021, the contract with Danny Sander Construction, Inc. was terminated for convenience pursuant to the President/CEO's delegated authority. Pursuant to Article 15.03 of the General Conditions of the contract documents, the Contractor is entitled to reimbursement for all costs accrued up to the effective date of the contract termination. This Change Order will complete the close-out requirements of this contract. The Public Service Board (PSB) adopted a resolution for emergency city-

wide repairs to stormwater systems during the July 14, 2021 PSB meeting (Resolution). Pursuant to the Resolution, EPWater entered into an emergency construction contract with Jordan Foster Construction, LLC to complete the Sam Snead Storm Drain Improvements Project. Mr. Hernandez answered questions from the Board on this item.

On a motion made by Dr. Santiago, seconded by Mayor Leeser and unanimously carried, the Board approved Change Order Number 12 (Final) – Bid Number SW18-19, Sam Snead Storm Drain Improvements with Danny Sander Construction, Inc., decreasing the contract amount by \$135,116.32.

6. CONSIDERED AND AWARDED A PROFESSIONAL ARCHITECTURAL SERVICES CONTRACT FOR THE MAIN ADMINISTRATION BUILDING FOR EL PASO WATER UTILITIES AND THE PUBLIC SERVICE BOARD – RFQ23-21, TO EXIGO ARCHITECTURE, LLC FOR PROGRAMMING, CMAR PROCUREMENT SELECTION AND CONCEPT DESIGN SERVICES IN THE AMOUNT OF \$399,929; AND AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$4,200,000, 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.) In 2015 through early 2020, EPWater retained consultants to study options for accommodating the growing executive and administrative functions, which currently occupy EPWater's Main Administration Building at 1154 Hawkins. The resulting work recommended an architectural program based on 20-year projections. Further programming and site analyses concluded that constructing a new headquarters building at 1154 Hawkins would be the most feasible and appropriate solution. In response, EPWater released RFQ23-21 in February 2021, calling for a new building to be designed for the existing Hawkins site. The RFQ requested an Architectural/Engineering (AE) team to redevelop the site, update programming studies, and provide full design phase, bidding, and construction administration services for a new 75,000 square foot building. Mr. Espineli answered questions from the Board on this item.

On a motion made by Mr. Antcliff, seconded by Dr. Santiago and unanimously carried, the Board awarded a professional architectural services contract for the Main Administration Building for El Paso Water Utilities and the Public Service Board – RFQ23-21, to Exigo Architecture, LLC for programming, CMAR procurement selection and concept design services in the amount of \$399,929; and authorized future task orders or amendments to be issued under this contract for additional design and construction phase services in the estimated amount of \$4,200,000, provided that funding is available in the approved budget for the task orders or amendments and authorized the use of commercial paper.

7. CONSIDERED AND AWARDED REQUEST FOR PROPOSAL NUMBER 58-21, CATHODIC PROTECTION MAINTENANCE AND SUPPORT SERVICES, TO UNIVERSAL TECHNICAL RESOURCE SERVICES, INC. DBA UTRS, INC. IN THE ESTIMATED ANNUAL AMOUNT OF \$750,000 FOR A TERM OF ONE YEAR WITH THE OPTION OF TWO ONE-YEAR EXTENSIONS; AND THAT THE PRESIDENT/CEO OR DESIGNEE IS AUTHORIZED TO SIGN ANY RELATED DOCUMENTS.

Geoffrey Espineli, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) EPWater has 79 reservoirs and 186 miles of steel pipe that have cathodic protection systems to minimize corrosion. Over time cathodic protection systems require maintenance and sometimes complete replacement. EPWater solicited proposals for Cathodic Protection Maintenance and Support Services in order to have an available vendor to provide the services needed to maintain cathodic protection for all EPWater facilities.

On a motion made by Dr. Santiago, seconded by Mr. Antcliff and unanimously carried, the Board awarded Request for Proposal Number 58-21, Cathodic Protection Maintenance and Support Services, to Universal Technical Resource Services, Inc. dba UTRS, Inc. in the estimated annual amount of \$750,000 for a term of one year with the option of two one-year extensions; and that the President/CEO or designee is authorized to sign any related documents.

8. CONSIDERED AND APPROVED A SOLE SOURCE SERVICES AGREEMENT, IN ACCORDANCE WITH SECTION 252.022(A)(7)(A) OF THE TEXAS LOCAL GOVERNMENT CODE, WITH KANDO ENVIRONMENTAL SERVICES INC. FOR THE WASTEWATER CONTAMINATION SENSORS PHASE II PROJECT IN THE ESTIMATED ANNUAL AMOUNT OF \$600,000 FOR A TERM OF ONE YEAR WITH THE OPTION OF THREE ONE-YEAR RENEWALS.

Geoffrey Espineli, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) Kando Environmental Services Inc., Clear Upstream Solutions (CUS) sensors are deployed inside manholes and detect pollutant discharge events, monitor wastewater quality parameters in real time, can collect discharge samples for analysis and can be used to track sources of pollutant discharge. This awareness enables the Utility to approach the sources, create data-based and effective action to reduce pollution. EPWater's goal of reducing the amount of unpermitted discharges will serve to lower stress on the wastewater conveyance network and on wastewater treatment plants (WWTP). In March of 2020, the Public Service Board approved an agreement with Kando Environmental Services Inc. to deploy CUS sensors inside the manholes within the service area of the Robert R. Bustamante WWTP. CUS is being used for effective source control by receiving advanced notification of pollution events in the network and at the WWTP's. CUS has been supporting EPWater's efforts in securing continuous treatment of wastewater, securing water quality by providing actionable insights, and early notifications in the Bustamante WWTP sewer shed since 2020. EPWater desires to expand the deployment of CUS sensors to the entire service area of all wastewater treatment plants through this second phase of the Wastewater Contamination Sensors Project.

On a motion made by Mr. Antcliff, seconded by Ms. Saenz and unanimously carried, the Board approved a sole source services agreement, in accordance with Section 252.022(a)(7)(A) of the Texas Local Government Code, with Kando Environmental Services Inc. for the Wastewater Contamination Sensors Phase II Project in the estimated annual amount of \$600,000 for a term of one year with the option of three one-year renewals.

9. DEEMED CORE & MAIN NON-RESPONSIVE AND AWARDED BID NUMBER 56-21 FIRE HYDRANTS TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, CLOWE & COWAN OF EL PASO, LLC, IN THE ESTIMATED ANNUAL AMOUNT OF \$410,895 FOR A ONE-YEAR TERM WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS

Rose Guevara, Senior Purchasing Agent, provided a presentation to the Board regarding this item. EPWater's water distribution system includes approximately 11,500 fire hydrants that must be maintained. New fire hydrants are needed to replace existing non-operable, obsolete or damaged fire hydrants and for new installations. The previous bid was awarded on September 12, 2018, and the new bid pricing offered is a 34% increase from the previous bid. Ms. Guevara answered questions from the Board on this item.

On a motion made by Mr. Antcliff, seconded by Mr. Morris and unanimously carried, the Board deemed Core & Main non-responsive and awarded Bid Number 56-21 Fire Hydrants to the lowest responsive, responsible bidder, Clowe & Cowan of El Paso, LLC, in the estimated annual amount of \$410,895 for a one-year term with the option for two, one-year extensions.

10. CONSIDERED AND ADOPTED AN EMERGENCY STORMWATER SYSTEM RESOLUTION AUTHORIZING THE PRESIDENT/CEO OR DESIGNEE TO CONTINUE TO CONTRACT AND PURCHASE WITHOUT FURTHER ACTION OF THE PUBLIC SERVICE BOARD, PURSUANT TO ALLOWABLE EXEMPTIONS TO THE BID STATUTE UNDER SECTION 252.022(A) OF THE TEXAS LOCAL GOVERNMENT CODE.

Gisela Dagnino, Engineering Division Manager, provided a presentation to the Board regarding this item (copy on file in Central Files.) In the months of June-August 2021, severe rain events impacted the entire city. In some areas, the rain storms surpassed the intensities from the monsoonal storms in 2006, precipitating as much as 6 inches of rain. These rain events caused significant stormwater runoff, overflows, blockages, and water stagnation, resulting in damage to facilities owned by EPWater. While damage to the stormwater system continues to be assessed, facilities already identified as having been damaged include but are not limited to: Sam Snead Storm Drain System, High Ridge Channel, Mesa Park Dr Arroyo (Flow Path 20A), Hickerson WRF, Ojo De Agua Channel,

Keystone Dam Access Road, Magdalena Pond, Franklin Crest Flume, and Canterbury Channel (Flow Path 21A). Ms. Dagnino answered questions from the Board on this item.

On a motion made by Ms. Saenz, seconded by Mr. Morris and unanimously carried, the Board adopted an Emergency Stormwater System Resolution authorizing the President/CEO or designee to continue to contract and purchase without further action of the Public Service Board, pursuant to allowable exemptions to the bid statute under Section 252.022(a) of the Texas Local Government Code.

11. MANAGEMENT REPORT:

- **CURRENT STATUS OF PAVEMENT CUTS**

Felipe Lopez, Utility Chief Operations Officer, provided a presentation to the Board regarding this item (copy on file in Central Files.) Mr. Lopez showed a graph that demonstrated the cumulative paving requests beginning in June 2019 and going through September 2021. The graph demonstrated that the requests, as of September of 2021, at a 95% completion rate. In another graph, Mr. Lopez showed the steel plates on City or County streets from May 2021 to November 2021. The graph depicts the number of steel plates, which have been significantly reduced. In addition, the number of steel plates older than six months and the number of sites with plates older than six months are currently at zero.

- **FRONTERA FORCE MAIN UPDATE**

Alan Shubert, Vice President, provided a presentation to the Board regarding this item (copy on file in Central Files.) In the presentation, Mr. Shubert updated the Board with the Plan of Action for the Frontera Force Mains. There are continued breaks along the south pipeline, which include the new south pipe break on October 25, 2021. The south line has been abandoned due to the breaks and its unreliability. Continuation of the new pipeline, which is at 85% as well as the by-pass and dewatering operations, which are still on-going at the Frontera Lift Station. A picture was shown to depict the existing Frontera Force Main, the new alignment and what has been installed. In addition, Mr. Shubert discussed the spill mitigation plan. For wastewater discharged into the river, the lift station by-pass is now a 96" stormwater pipe, the discharge into the river at the outfall is located along Doniphan and Hillside, the wastewater and groundwater discharge flow is approximately at 10MGD and discharge will continue until the new pipeline is complete. The Mitigation Plan includes coordination with TCEW, IBWC, Border Patrol and EPCWID #1. Part of the Plan includes capturing 100% wastewater flow from the river and convey it to the Bustamante and Haskell Plans for treatment. Currently, approximately 12.5 MGC is being removed out of the river at two diversion locations. In addition, water quality sampling and testing of the water along the river continues, video documentation of the river using drone technology on a weekly basis also continues and an initial environmental assessment is being performed. Mr. Shubert spoke of the continued commitment, which includes acceleration of replacement line, execution of mitigation impacts, transparency with the public and stake holders, working with neighbors and designing of the next phase of the force main replacement, which is underway.

- **VIDEOS FROM COMMUNICATIONS**

Denise Parra, Public Affairs Officer, showed two videos focusing on the projects and cleanup that took place after the summer 2021 storms.

12. 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 Mr. Morris, and unanimously carried, the Board retired into Executive Session at 9:05 a.m., November 10, 2021, pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Section 551.071 through 551.076 to discuss the following:

Section 551.071	Consultation with Attorney
Section 551.072	Deliberation Regarding Real Property
Section 551.073	Deliberation Regarding Prospective Gift
Section 551.074	Personnel Matters
Section 551.076	Deliberations Regarding Security Devices or Security Audits
Section 551.087	Deliberation Regarding Economic Development Negotiations
Section 551.089	Deliberation Regarding Security Devices or Security Audits

Discussion and action on the following:

- a. Whether the property legally described as 3 VALLEY CREST COMMERCIAL PARK NELY TRIA of 2 & SLY PT of 3 (179.55' on ST-IRREG on SLY-341.68' on WLY-509.7' on NLY) (101756.53 SQ FT) City of El Paso, El Paso County, Texas, can be declared inexpedient to the water system. (551.071) (551.072)
- b. The claim of Ranchos Real XV, LLC for the Tierra Del Este Unit 90 Project. (551.071)
- c. Annual Performance Review and Employment Agreement of the President/CEO, John E. Balliew. (551.071) (551.074)

On a motion made by Mr. Morris, seconded by Dr. Santiago and unanimously carried, the Board reconvened in open session at 10:05 a.m., November 10, 2021.

- a. **WHETHER THE PROPERTY LEGALLY DESCRIBED AS 3 VALLEY CREST COMMERCIAL PARK NELY TRIA OF 2 & SLY PT OF 3 (179.55' ON ST-IRREG ON SLY-341.68' ON WLY-509.7' ON NLY) (101756.53 SQ FT) CITY OF EL PASO, EL PASO COUNTY, TEXAS, CAN BE DECLARED INEXPEDIENT TO THE WATER SYSTEM. (551.071) (551.072)**

Motion made by Christopher Antcliff and seconded by Bryan Morris and unanimously carried, that the described land 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 the City of El Paso a recommendation to sell the property, and to sign any and all documents necessary to complete the sale of the property.

- b. **THE CLAIM OF RANCHOS REAL XV, LLC FOR THE TIERRA DEL ESTE UNIT 90 PROJECT. (551.071)**

Motion made by Christopher Antcliff and seconded by Dr. Santiago and unanimously carried, that the President/CEO, in consultation with the General Counsel's Office, be authorized to settle the claim of Ranchos Real XV, LLC for the Tierra Del Este Unit 90 Project in accordance with the direction and settlement authority provided by the Public Service Board.

- c. **ANNUAL PERFORMANCE REVIEW AND EMPLOYMENT AGREEMENT OF THE PRESIDENT/CEO, JOHN E. BALLIEW. (551.071) (551.074)**

Motion made by Christopher Antcliff and seconded by Dr. Santiago and unanimously carried, that the Public Service Board has deliberated on the annual evaluation and performance of the President/CEO and determined that the President/CEO has performed above average and exceeded the Board's expectations; however, at this time, we are not authorizing a performance-based increase to the

President/CEO's annual current salary; and further authorizes the following amendments to the employment agreement:

- 1) That the President/CEO receive a 7.5% percent longevity pay increase to annual salary based on the fact that he has not ever in the past received longevity pay;
- 2) That any salary increase provided by the Public Service Board to the President/CEO shall be effective at the start of the next pay period following this review;
- 3) That the President/CEO shall be eligible to receive across the board pay increases, longevity/service time pay increases, or other similar pay increases including but not limited to lump-sum payments that the Board provides to other employees of El Paso Water and for cost-of-living adjustments, which are authorized;
- 4) That in the event of mutual termination or in the event that the Board decides not to renew the President's employment agreement, but not in the event of termination for cause, the Board agrees to pay the President's sick leave balance up to a maximum amount allowed by law, which will not exceed of twelve (12) months of salary; and
- 5) The board authorizes the extension of the term of the employment agreement with the President/CEO by one year to terminate January 1, 2026 with a one-year option as contained in a prior amendment.

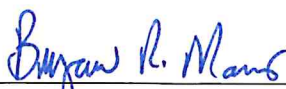
ADJOURNMENT

On a motion made by Mr. Morris, seconded by Mr. Antcliff and unanimously carried, the meeting adjourned at 10:10 a.m., November 10, 2021.

ATTEST:



Kristina Mena, Chair



Bryan Morris, Secretary-Treasurer