

**MINUTES OF MEETING OF
THE BOARD OF DIRECTORS OF THE
WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY**

December 18, 2017

Present:

Scott Roberts, President
Fred Goff, Vice President
Ray Whisenant, Secretary
Bill Goodwin, Assistant Secretary
Don Walden, Assistant Secretary

Staff and Consultants:

Robert Pugh, General Manager
Jennifer Riechers, Program Manager
Jennifer Smith, Agency Controller
Keli Kirkley, Agency Accountant
Stefanie Albright, (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel
David Klein, (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel
Dennis Lozano (Murfee Engineering Company, Inc.), Engineer Consultant
Judith Coker, Agency Engineer
Trey Cantu, Agency Operations Manager

I. CALL TO ORDER

Director Roberts called the meeting to order at 10:00 a.m.

II. ESTABLISH QUORUM

A quorum was established. Also present were the above-referenced staff and consultants.

III. PUBLIC COMMENT

Mr. Van Orden, Just Four Paws, stated that he received a high water bill and there is no leak on his property, and he believes that there is a meter problem. He stated that there are no leaks, but that after the meter test there were no additional problems. Director Goodwin stated that during public comment the Board cannot engage the speaker, but he would consider the issue and follow up with the customer.

IV. CONSENT AGENDA

Director Goodwin asked that items IV. A, E, and F be pulled from the Consent Agenda for individual consideration.

- A. Approve minutes of November 16, 2017 regular Board Meeting and November 20, 2017 special Board meeting.**

Director Goodwin asked that the “3,000 gallons” reference on page six be changed to “4,000 gallons.”

MOTION: A motion was made by Director Goodwin to approve the November 16, 2017 regular Board meeting minutes, as amended, and November 20, 2017 special Board meeting minutes, provided as **Exhibit A**. The motion was seconded by Director Roberts.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Whisenant, Goodwin, Goff and Walden
Voting Nay: None
Absent: None

- B. Approve payment of outstanding invoices and other related bookkeeping matters.**
- C. Approve Contractor Pay Requests including:**
- 1. Lake Pointe WWTP Improvements Project, PrimeSpec Construction LLC, \$27,817.90.**
 - 2. SH71 1280 EST Project Pay Application No. 17 & Final from Phoenix Fabricators & Erectors for \$68,686.68.**
- D. Approve Service Extension Requests (SERs) including location maps for:**
- 1. Fitzhugh 83, 73 Water LUEs, 290 System.**
 - 2. Ledgestone Phase 2, 28 Water LUEs, 290 System.**
- E. Approve Murfee Engineering Co., Inc. CIP proposals including estimated impact to bond debt, Impact Fees, expenses, and rates for:**
- 1. Miscellaneous 1280 Pressure Plane Improvements Project, Home Depot Pump Station Conversion and Rehabilitation Design, Approval and Construction Administration, \$78,860.**
 - 2. West Bee Cave Pump Station Ground Storage Tank No. 2 Design, Approval and Construction Administration, \$162,350.**
 - 3. 1080 Transmission Main Easement Identification and Acquisition, and Design, Approval and Construction Administrative, \$540,140.**

Director Goodwin asked whether the Bee Cave Pump Station item related to the Bee Cave Galleria low pressure issue, to which Mr. Lozano stated that no, this proposal addressed another portion of the system. Mr. Lozano confirmed that he was going to do further investigation with the customer after the Board meeting, and would follow up to confirm whether the raw water pumps were contributing to the issues. He clarified that a part of the work order in this item will include assessment of the operation of the raw water pumps.

MOTION: A motion was made by Director Goodwin to approve the Murfee Engineering Proposals, provided as **Exhibit B**. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Whisenant, Goodwin, Goff and Walden
Voting Nay: None
Absent: None

- F. Approve CP and Y design, permitting and construction phase services proposal to extend PUA effluent infrastructure under FM 620 to Park at Bee Cave, \$43,970.**

Director Goodwin stated that this item for an effluent line did not include a map, and asked where the line would cross FM 620. Ryan Owen with CP&Y provided a map to Director Goodwin and stated that it's approximately a tenth of a mile from Highway 71.

MOTION: A motion was made by Director Goodwin to approve the CP and Y design, provided as **Exhibit C**. The motion was seconded by Director Roberts.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Whisenant, Goodwin, Goff and Walden
Voting Nay: None
Absent: None

- G. Approve Amendment to Murfee Engineering Co., Inc. Design Proposal for Raw Water Intake Pump Station Expansion and Rehabilitation, \$8,315.**
- H. Approve Revision to Non-Standard Service Agreement for Gateway to Falconhead, including location map, 69 water and wastewater LUEs, 71 System**

MOTION: A motion was made by Director Roberts to approve items B, C, D, G, and H of the Consent Agenda, provided as Exhibit D-H. The motion was seconded by Director Goodwin.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Whisenant, Goodwin, Goff and Walden
Voting Nay: None
Absent: None

V. STAFF REPORTS

A. General Manager's Report.

Mr. Pugh presented on this item, provided as Exhibit I. He stated that there were two transmission relocation projects in the last month, including the 20" transmission main at Belterra, which was completed and the relocation and lowering of the Highway 71 transmission main near Sweetwater.

Mr. Pugh stated that there was an IFAC meeting on December 6, and that the committee was notified that a new impact fee study was in process. He further stated that there was a second Customer Academy conducted for 5 customers.

B. Controller's Report.

Ms. Smith presented on this item, provided as Exhibit J. She stated that one month into the fiscal year the PUA was on-track with revenues, and there were some one-time expenses tracked and referenced in the report.

C. Engineer's Report.

1. Capital Improvements Plan Update.

This report was provided as Exhibit K. Director Walden asked about the USFWS comments regarding the raw waterline. Mr. Lozano stated that there were a lot of clarification changes requested, as well as commentary regarding ability to continue forward with construction during the nesting season. He stated there were no comments for alarm, and that he would confer with the PUA's consultant handling the USFWS issues to get additional feedback as well as an idea on the timeline for moving forward.

Director Roberts asked about the status of the TLAP permit amendment and beneficial reuse project. Mr. Lozano stated that the drinking water aspect of the project is in process. He stated that the design portion of the project is moving forward, and that sampling is being conducted in consultation with TCEQ.

D. Operations Report.

- 1. PRV Maintenance, Repair and Replacement Update.**
- 2. FM 1826 Water Main Pressure History.**

This report was provided as **Exhibit L**. Director Goodwin asked Mr. Cantu about the PRV repair program and the low pressure complaints in Rim Rock that were identified. Mr. Cantu stated that the referenced pressure was well above the state minimum, but the Rim Rock area had typically experienced higher pressure. He stated that there were only a few complaints, and that he did not see this as a long-term issue.

Mr. Cantu stated that there were 28 PRVs identified on the system, and that staff is compiling a plan for maintenance relating to these PRVs.

VI. OLD BUSINESS

At 10:58 a.m. Director Roberts announced that the Board would convene in executive session to consult with its attorney under Texas Government Code 551.071 regarding Items VII A/D; and item VI A.

At 11:56 a.m. Director Roberts announced that the Board would convene in open session and that no action had been taken in executive session.

A. Discuss, consider and take action regarding pending and/or anticipated litigation, including:

- 1. *Travis County Municipal Utility District No. 12 v. West Travis County Public Utility Agency*; in the 201st Judicial District Court, Travis County, Texas; Cause No. D-1-GN-16-002274.**
- 2. *William R. Holms v. West Travis County Public Utility Agency*; in Travis County Court of Law #2; C-1-CV-17-003601.**

This item was discussed in Executive Session.

VII. NEW BUSINESS

A. Discuss, consider and take action on easement for John Carrell Property for 1340 Transmission Main Project.

This item was discussed in executive session.

B. Discuss, consider and take action on acquiring CCN from City of Austin to facilitate Service Extension Request (SER) for Preserve at Oak Hill.

Mr. Pugh presented on this item, provided as **Exhibit M**. He stated that the CCN between Austin and the PUA bisects the development, and Austin has agreed to give their portion of the CCN in this development to the PUA.

MOTION: A motion was made by Director Roberts to authorize staff to proceed with acquiring the CCN from the City of Austin. The motion was seconded by Director Goodwin.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Whisenant, Goodwin, Goff and Walden

Voting Nay: None

Absent: None

C. Discuss WTCPUA Pre-Treatment Program Tariff requirements for grease traps including:

1. Edible Arrangements.

Mr. Pugh presented on this item, including a memo provided as **Exhibit N**. He stated that after reviewing the PUA's requirements for pretreatment, under the sink interceptors are allowed, but the sizing of the grease trap is based on the Uniform Plumbing Code (UPC). The calculations submitted by Edible Arrangements showed a need for a larger grease trap, but that if the engineer for Edible Arrangements provided different information the PUA would review the information.

Director Walden stated that there must be a disconnect if City of Austin hasn't required grease traps for similar businesses, and the PUA is following the City of Austin's process. Director Goodwin stated that the only difference between the City of Austin and the PUA's regulations regarding grease traps is that the City of Austin allows for a waiver process. Mr. Pugh confirmed that there is no waiver implemented by the PUA.

Ms. Nancy Rocha provided additional information to the Board regarding her business, provided as **Exhibit O**.

Director Whisenant stated that the only difference in implementation of the UPC for the purposes of grease traps is the waiver. He stated that he appreciates the good information provided by the customer, but the need for the pretreatment system is for the safety of the environment and health of the overall system. Director Whisenant stated that a waiver system is more appropriate where effluent quality is being exceeded, but confirmed with Mr. Pugh that requirements are being met, and not exceeded, by the PUA at this time. Mr. Pugh stated that the implementation of the pretreatment program had decreased operation costs in the wastewater system, and had decreased odor complaints. He stated his concern that a waiver system could affect the quality of wastewater, and could put the program in jeopardy as well as trigger potential compliance issues.

Ms. Rocha stated that she is not seeking a waiver, but is asking for a smaller grease trap as this was not a cost anticipated in construction costs. Mr. Pugh stated that the average cost of a grease interceptor is \$5,000 and he would estimate the total cost to be \$15,000 for installation.

Discussion ensued regarding clarification on calculating requirements for grease trap sizing. Director Roberts asked if two sink interceptors were put in, would there still be a requirement to install a larger grease trap based on the total flow and shouldn't the PUA look at the flow from

each sink. Mr. Pugh stated that he would review the UPC, and if the customer's engineer submitted information that showed that making this calculation is allowed under the UPC this could meet PUA requirements. Director Goodwin stated that in-floor drains and other drains that are not intercepted are included in the calculation, and the issue should be whether or not the PUA should stay in compliance with the UPC requirements.

Director Whisenant asked about the servicing of the individual interceptors, and Ms. Rocha stated that they are maintained by a company every 3-4 months. He stated that a waiver means an allowance that the rules do not have to be followed, and that the utility has been working to be consistent among all customers and not set such a precedent.

Director Roberts confirmed with Mr. Pugh that there likely wouldn't be issues if information was provided relating to flows on each sink, with an under sink interceptor, and that such information was compliant with the Tariff and the UPC.

Director Goodwin stated his concern that there is no way to get around the UPC on this project as the calculations are very simple, and there is no avenue to look at the issue.

MOTION: A motion was made by Director Goodwin to deny the request.

The motion failed for lack of second.

Director Goodwin confirmed with Mr. Ramirez that the grease trap that he had previously referenced (G7) was what was also referenced in the submittals and what was the original recommendation of staff. Director Roberts stated that if the customer brings information that meets the UPC code, that there is no issue.

Director Roberts stated that if individual sink interceptors are to be requested, then they would need to provide information showing that the recommendation was compliant with the UPC.

Director Walden stated that pretreatment is a serious issue that the system has been dealing with since the first commercial wastewater customer. He asked how often HEB is inspected for pretreatment, and Mr. Ramirez stated that inspection happens quarterly, and then three months after a failed inspection.

D. Discuss, consider and take action on Assignment by Lower Colorado River Authority to West Travis County Public Utility Agency of Certain Agreements and Easements related to the Spanish Oaks Development.

This item was discussed in executive session.

Mr. Klein presented the Assignment by LCRA to the WTCPUA related to the Spanish Oaks Development provided as **Exhibit P**.

MOTION: A motion was made by Director Roberts to approve subject to approval by LCRA. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Whisenant, Goodwin, Goff and Walden
Voting Nay: None
Absent: None

E. Discuss, consider and take action regarding Series 2013 Bonds refinancing and related matters.

Ms. Smith stated that this item was included in case there were any approvals needed, and at this time there was no required action. She stated that in the refunding issuance, the interest rate would be decreased, and debt service savings were estimated at \$9 million, but came in at approximately \$17 million without any extension of the terms of the bonds. She stated that both Moody's and S&P upgraded the PUA's rating as well.

Mr. Pugh stated his thanks for Garry Kimball and Jerry Kyle's work to finalize this process in a month versus the normal three months. He stated that staff and consultants had put in a great deal of work to make this happen on such a quick timeline, and that this is very good news for the ratepayers.

VIII. ADJOURNMENT

MOTION: A motion was made by Director Roberts to adjourn. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Whisenant, Goodwin, Goff and Walden
Voting Nay: None
Absent: None


The meeting adjourned at 12:08 p.m.

PASSED AND APPROVED this 18th day of January 2018.



Scott Roberts, President
Board of Directors

ATTEST:



Ray Whisenant, Secretary/Treasurer
Board of Directors