

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

February 15, 2018

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
Garry Kimball (Specialized Public Finance), Agency Financial Advisor
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 10:02 a.m.

II. ESTABLISH QUORUM

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

III. PUBLIC COMMENT

Mr. Li addressed the Board regarding a high water bill that he had that related to a broken water pipe. He stated that he wasn't aware of the leak, and it wasn't identified until the bill was received, and stated that he was concerned that the bill was received so long after the reading. Ms. Riechers confirmed for the Board that the leak was discovered in the customer's irrigation system.

IV. CONSENT AGENDA

- A. Approve minutes of January 18, 2018 regular Board Meeting.
- B. Approve payment of outstanding invoices and other related bookkeeping matters.
- C. Approve Service Extension Requests (SERs) including location map for:
 - 1. Beerburg Brewery, 11 water LUEs, 290 System.
- D. Approve developer reimbursement for Bee Cave Oaks Development, \$27,893.
- E. Approve 30% developer reimbursement for CCNG, Spanish Oaks Section VIII, \$581,021.37.
- F. Ratify Reclaimed Water Use Agreement with St. Croix Capital Advisors, LLC for Gateway to Falconhead.
- G. Authorize General Manager to approve assignment of reimbursement rights from CCNG Development, Inc. to Comerica Bank.
- H. Approve Second Amendment to Non-Standard Service Agreement for extension of time for the Park at Bee Cave.
- I. Approve purchase of operations truck with capacity to tow trailer with mini-excavator or backhoe, 2018 Ford F350 4 x 2 Supercab, from Buy Board vendor Caldwell Country, \$36,825.
- J. Approve Professional Services Agreement with Murfee Engineering Co., Inc. for CIP Project: 1240 Conversion at the County Line Pump Station, \$5,120, including location map, 290 system.
- K. Approve aware of construction contract for CIP Project for 1340 Transmission Main to S.J. Louis of Texas, Ltd. For \$2,313,549.42, including location map, 290 System.

MOTION: A motion was made by Director Whisenant to approve the consent agenda as presented, except that the invoices are approved as corrected by the Finance Committee, and provided as Exhibits A-K. The motion was seconded by Director Roberts.

The vote was taken with the following result:

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

Director Goodwin addressed Item K and asked Mr. Lozano about the award of a construction contract, which is going to the third largest bidder. Mr. Lozano stated that the tightness of the bids was out of the ordinary, and there were some reservations about the lowest bid. He stated that SJ Louis has a long relationship with the PUA, and that they were confident that they could handle the scope of the project. Mr. Lozano stated that the main issue with the second bidder was demonstration of working with pipes larger than 16 inches in diameter, and that this work can be complicated so experience is important. Given the tight spread in the two bids and based on these other factors, the recommendation was made to select SJ Louis.

In response to a question from Director Whisenant, Mr. Lozano stated that the bid amounts came in within range of the anticipated budget.

Director Walden arrived at 10:06 am.

V. STAFF REPORTS

A. General Manager's Report.

Mr. Pugh presented on this item, provided as Exhibit L.

B. Controller's Report.

Ms. Smith presented this report, provided as Exhibit M and stated that the finances were on track with where the PUA should be.

C. Engineer's Report including:

- 1. Capital Improvements Plan Update.**
- 2. Impact Fee Study Update.**

This report was provided as Exhibit N. In response to a question from Director Roberts, Mr. Pugh stated that the CIP was planned for review in November. Mr. Lozano stated that his firm is working on the CIP now, and some of the preliminary results are included in the CIP and Impact Fee Study Update. The plan is to bring a recommendation to the Board before the end of the year, and anticipated implementation at the end of 2018 or early 2019.

Director Roberts stated that the PUA is not an infinite capacity utility and asked that the idea be explored to determine the amount of capacity needed for CIP projects, and ensure that treatment plant capacity is allocated for that project. Director Roberts asked that the engineer look into this issue.

D. Operations Report.

This report was provided as **Exhibit O**. Director Roberts asked about the high pressure problems in 2017 and asked if there was a log of the timing of these pressure fluctuations. Discussion ensued with Mr. Cantu regarding the PUA's logs relating to pressure.

VI. OLD BUSINESS

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.*

This item was discussed in executive session.

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 regarding Amendment to Purchasing Policy for recurring purchases and related matters.

Ms. Smith presented this item, provided as **Exhibit P**. She stated that staff determined that there were some clarifications needed regarding recurring bills and payment information.

Director Goodwin addressed a comment by Mr. Pugh included in the document, and Mr. Pugh confirmed that the provision at issue was removed as redundant.

Director Roberts asked about a replacement issue for a CIP project, and asked that such replacement needs to be addressed by the applicable engineer that designed the project to ensure that design requirements are met. Mr. Pugh stated that this is part of the PUA's standard operating procedures.

MOTION: A motion was made by Director Goodwin to approve the Amendment to Purchasing Policy for recurring purchases and related matters. The motion was seconded by Director Goff.

The vote was taken with the following result:

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

B. Discuss, consider and take action on aged meter replacement policy including replacement plan for manual read meters.

Mr. Pugh addressed this item, providing backup as Exhibit Q. He stated that the PUA currently does not have a general policy regarding aging meter replacement. He stated that there are valuable benefits to the PUA and to customers in providing automatic read meters (AMRs) that are not available with manual read meters. Director Goodwin stated that there had been some balking at the cost of the AMRs by the Board in the past, but there is a real benefit to having data logs from a customer information perspective.

Director Goodwin stated that the AMRs that the PUA has are not 15 years old yet, but there have been some problems getting data logs. Mr. Pugh stated that the issue in these situations is typically a battery being run down as these batteries typically have a 10 year warranty. Mr. Pugh stated that the 15 year replacement is for the meter itself, and the register that uses the battery doesn't affect the accuracy of the meter. He recommended maintaining the 15 year replacement for meters due to cost considerations.

Ms. Smith confirmed that funding for this program would come from the Facilities Fund.

Director Walden stated that if the PUA were to change out all of the meters in one year, then the PUA would be setting up all the meters to be aging at the same time in 15 years which could be a burdensome cost to the PUA in the long-term. Director Whisenant stated that he would support a two year program.

Director Goff stated that this replacement program should be conducted on a more even basis.

Director Goodwin asked if this program would be onerous from a customer service standpoint, to which Ms. Riechers stated that she did not think it would be.

MOTION: A motion was made by Director Roberts to approve the aged meter replacement policy, including replacement plan for manual read meters, with the goal of accomplishing full implementation in two years. 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

Director Whisenant stated that as a part of this policy, the PUA look to the circumstances of the meter when customers make complaints regarding usage.

C. Discuss, consider and take action on amendments to WTCPUA Service and Development Policies.

At 10:44 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 Item VI. A and VII. C.

At 11:42 a.m., Director Roberts announced that the Board would convene in open session and that no action had been taken.

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:

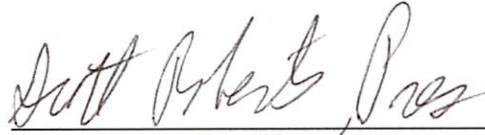
Voting Aye: Directors Roberts, Whisenant, Goodwin, Goff and Walden

Voting Nay: None

Absent: None

The meeting adjourned at 11:42 a.m.

PASSED AND APPROVED this 15th day of March 2018.

A handwritten signature in dark ink, appearing to read "Scott Roberts", written over a horizontal line.

Scott Roberts, President
Board of Directors

ATTEST:

A handwritten signature in blue ink, appearing to read "Ray Whisenant", written over a horizontal line.

Ray Whisenant, Secretary/Treasurer
Board of Directors