

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

November 15, 2018

Present:

Scott Roberts, President
Don Walden, Vice President
Ray Whisenant, Secretary
Bill Goodwin, Assistant Secretary
Eileen Brzoska, Director

Staff and Consultants:

Robert Pugh, General Manager
Jennifer Smith, Controller
Keli Kirkley, Accountant
Jennifer Riechers, Customer Service Manager
Judith Coker, Senior Engineer
Pierce Powers, Staff Engineer
Reuben Ramirez, Engineering Technician
Trey Cantu, Operations Manager
Nelisa Heddin, Financial Rate Consultant
Stefanie Albright (Lloyd Gosselink Rochelle & Townsend, P.C.), General Counsel
David Klein (Lloyd Gosselink Rochelle & Townsend, P.C.), General Counsel
Dennis Lozano (Murfee Engineering), District Engineer

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

No public comment was received.

IV. CONSENT AGENDA (R. PUGH)

- A. Approve minutes of October 18, 2018 regular Board Meeting.
- B. Approve payment of invoices and other related bookkeeping matters.
- C. Approve Contractor Pay Requests including:
 - 1. SJ Louis Construction of Texas., Ltd. Pay Request No. 4, \$90,664.97, 1340 Transmission Main Project.

2. **CFG Industries, LLC, Pay Request No. 9, \$21,185.00, Water Tank and Pump Stations Improvements Project.**
 3. **Landmark Structures I, LP, Pay Request No. 7, \$288,111.25, 1340 Elevated Storage Tank Project.**
 4. **Payton Construction, Inc. Pay Request No. 9, \$188,071.50, Raw Water Intake Pump Station Expansion and Upgrade.**
 5. **Austin Underground, Pay Request No. 1, Revision 1, \$257,288.50, Lakepointe Manhole Rehabilitation Project.**
 6. **Austin Underground, Pay Request No. 3 and Final, \$13,900, Lakepointe Manhole Rehabilitation Project.**
- D. Approve audited Developer Reimbursement in the amount of \$55,740, David Weekley Homes, for Burba Property.**
- E. Approve Service Extension Request (SER) (System) (Location Map) for:**
1. **Forbes Tract, 107 Water LUEs, 290 System.**
- F. Approve Non-Standard Service Agreements (NSSAs) including Location Map for:**
1. **Spillman Ridge Townhomes, 88 Water and Wastewater LUEs, 71 System.**
- G. Approve purchase of replacement vehicles for PUA Operations Fleet through Buy Board approved vendor Caldwell Country and declare replaced vehicles as surplus property:**
1. **Replace PUA Unit 001, 2008 Ford 150, ½ Ton Pick-up, Extended Cab, with 2018 Ford F150 ½ Ton Pick-up, 4 x 2 Super Cab (Extended Cab), \$24,905.**
 2. **Replace PUA Unit 005, 2002 Chevrolet 1500 ½ Ton Pick-up, Extended Cab, with 2018 Ford F150 ½ Ton Pick-up, 4 x 2 Super Cab (Extended Cab), \$24,905.**

MOTION: A motion was made by Director Goodwin to approve the Consent Agenda, provided as **Exhibits A - G**. The motion was seconded by Director Brzoska.

The vote was taken with the following result:

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

V. STAFF REPORTS

- A. General Manager’s Report (R. Pugh).**

Mr. Pugh presented on this item, with the report provided as **Exhibit H**. Director Walden asked about the appraisal referenced in Item 16 of the report regarding the discussions between the WTCPUA and the Nature Conservancy regarding the Southwest Parkway Pump Station. He inquired whether habitat reserved on the referenced property was in perpetuity or whether the land could be sold in the future. Mr. Lozano stated that obligations relating to this property had been discussed since the report was prepared, and he anticipated that a revised report will be released. Mr. Lozano stated that the land is owned by The Nature Conservancy and this appraisal is part of the organization's administrative process. He stated that this process is related to the set development permit from the City of Austin, and the restrictions on the use of the property at issue.

Director Goodwin asked about Item 21 relating to wholesale agreements and confirmed that the Deer Creek Office Center had obtained certification of OEM compliance.

B. Controller's Report (J. Smith) including:
1. Quarterly investment report.

Ms. Smith presented the Controller's Report, provided as **Exhibit I**. She presented the Quarterly Investment Report, provided as **Exhibit J**, as required by State law.

C. Engineer's Report (D. Lozano/J. Coker) including:
1. Capital Improvements Plan Update.

Mr. Lozano presented this item, provided as **Exhibit K**.

D. Operations Report (T. Cantu).

Mr. Cantu presented on this item, provided as **Exhibit L**. He gave an update on the turbidity issues experienced in October following flooding in Lake Austin, and stated that staff were preparing a report to anticipate future responses for similar situations.

VI. OLD BUSINESS

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

1. *William R. Holms v. West Travis County Public Utility Agency; in Travis County Court of Law #2; C-1-CV-17-003601 (S. Albright).*
2. *John Hatchett, Sandra Hatchett and JPH Capital, LLP v. West Travis County Public Utility Agency; in the 201st Judicial District Court, Travis County, Texas; Cause No. D-1-GN-18-001654 (S. Albright).*

This item was discussed in executive session.

B. Discuss, consider and take action on WTCPUA Ethics Policy regarding acceptance of gifts (S. Roberts).

This item was presented by Director Roberts, provided as Exhibit M. He stated that the requested changes were to allow Board members to purchase meals for staff as guests.

MOTION: A motion was made by Director Roberts to approve the WTCPUA Ethics Policy regarding acceptance of gifts, provided as Exhibit M. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

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

VII. NEW BUSINESS

At 10:19 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 Items VII. A/B/C/D/G.

At 12:55 p.m., Director Roberts announced that the Board would convene in open session and that no action had been taken in closed session.

Director Walden left the meeting during executive session.

- A. Discuss, consider and take action on proposal from Lloyd Gosselink Rochelle & Townsend, P.C. to assist WTCPUA in legislative session monitoring, communication and reporting (D. Walden/R. Pugh/S. Albright).**

Ms. Albright presented a proposal for legislative services, provided as Exhibit N.

MOTION: A motion was made by Director Goodwin to approve the proposal from Lloyd Gosselink Rochelle & Townsend, P.C. to assist in legislative session monitoring, communication and reporting, provided as Exhibit N. The motion was seconded by Director Roberts.

The vote was taken with the following result:

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

- B. Discuss, consider and take action on FY2019 Rate Study, including (J. Smith/N. Heddin):**
- 1. Review retail and wholesale rate calculation methodology.**

2. **Call Public Hearing for consideration at January 17, 2019 Board Meeting, as applicable.**

This item was discussed in executive session.

- C. **Discuss, consider and take action regarding Wholesale Water Supply Agreement Between the WTCPUA and the City of Dripping Springs, and related water service issues in Hays County (S. Roberts).**

This item was discussed in executive session.

- D. **Discuss, consider and take action regarding Water Supply Analysis and Planning in Hays County, including:**
 1. **Engineering Services Proposal estimate from Murfee Engineering Company, Inc. (S. Roberts).**

This item was discussed in executive session.

- E. **Discuss, consider and take action on Murfee Engineering Company additional fee requests including (D. Lozano):**
 1. **1340 Water Line: Additional Services, \$50,000.00.**
 2. **Raw Water Line No. 2, Permitting, ACI Consulting, \$31,652.00.**

Mr. Lozano presented this item, provided as **Exhibit O**. He stated that Item 1 was brought back because the file had previously been scrambled, and that this item had slightly exceeded the budget.

MOTION: A motion was made by Director Roberts to approve the 1340 Water Line fee request for additional services in the amount of \$50,000.00. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

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

Mr. Lozano stated that Item 2, provided as **Exhibit P**, is for additional consulting for ACI for the Raw Waterline No. 2 project. Director Walden asked if there was any item that Mr. Lozano disagreed with in ACI's memo, to which Mr. Lozano stated that there was nothing that he disagreed with in the memo, but had no opinion about the substantiation of the hours spent and the dollars requested. Discussion ensued regarding the invoices provided, and the information regarding the format of the request. Director Goodwin stated that ACI was hired for the expertise in USFWS issues, and questioned whether anything referenced in the memo should have been anticipated given this expertise. Director Walden stated that he understood the challenges of working with USFWS on this type of project, but he requested that the manager of this project go through the individual invoices.

MOTION: A motion was made by Director Walden that this item be deferred for backup invoicing to be reviewed, and directed that the request be brought back to the next meeting. The motion was seconded by Director Goodwin.

The vote was taken with the following result:

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

Director Whisenant asked if the fees that had been requested were reasonable given the overall responsibility of the project, to which Mr. Lozano stated he would need to review the invoicing to confirm.

F. Discuss, consider and take action on recommendation to enter into annual Generator Service Agreement between Generator Field Services LLC and WTCPUA in the amount of \$20,492 (T. Cantu).

Mr. Cantu presented this item, provided as Exhibit Q. He stated that the annual service to be performed was not included, but this service had already been provided by the current vendor. He stated that this vendor is slightly higher, but the hourly rates are lower than the current vendor.

Director Goodwin flagged a typo in the agreement, to which Mr. Cantu stated that the proposal would be corrected.

MOTION: A motion was made by Director Walden to approve the annual Generator Service Agreement between Generator Field Services LLC and WTCPUA in the amount of \$20,492. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

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

G. Discuss, consider and take action on Letter Agreement with Lake Pointe Homeowners' Association regarding Raw Waterline No. 2 (S. Albright).

This item was discussed in executive session.

VIII. ADJOURNMENT


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

The vote was taken with the following result:

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

The meeting adjourned at 1:09 p.m.

PASSED AND APPROVED this 13th ^{December} ~~November~~, 2018.


~~Scott Roberts, President~~ Donald Walden,
Board of Directors Vice President

ATTEST:

Ray Whisenant, Secretary/Treasurer
Board of Directors