

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

April 15, 2021

The April 15, 2021 Board of Directors meeting was held with in-person attendance and via remote access in accordance with the Governor's March 16, 2020 proclamation, as extended, suspending certain open meetings statutes in response to the current COVID-19 pandemic and statewide disaster declaration. The public was provided a toll-free number and free videoconference link to participate in the meeting.

Present:

Scott Roberts, President
Walt Smith, Secretary
Jason Bethke, Director
Jack Creveling, Director
Clint Garza, Director

Staff and Consultants:

Jennifer Riechers, Agency General Manager
Jennifer Smith, Agency Controller
Stefanie Albright, (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel
David Klein, (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel
George Murfee, (Murfee Engineering Company, Inc.), District Engineer

I. CALL TO ORDER

Director Roberts called the meeting to order at 1:00 p.m.

II. ESTABLISH QUORUM

A quorum was established with the above-referenced Directors present.

III. PUBLIC COMMENT

No public comment on non-agenda items was provided.

IV. CONSENT AGENDA

- A. Approve minutes of February 18, 2021 regular Board Meeting and the March 11, 2021 Special Board Meeting.**
- B. Approve payment of invoices and other bookkeeping matters, including:**

1. Quarterly Investment Report

C. Approve Contractor Pay Requests including:

1. Payton Construction, Pay Application 1, \$25,650.00, County Line 1308 Pump Station 1340 Conversion;
2. Payton Construction, PA 2, \$75,430.00, County Line 1308 Pump Station 1340 Conversion;
3. DN Tanks, Inc., Pay Application 7 \$63,395.44, Southwest Parkway Ground Storage Tank 1;
4. DN Tanks, Inc. Pay Application 8 \$43,609.94, Southwest Parkway Ground Storage Tank 1;
5. Austin Engineering Company, Inc., Pay Application 3 \$93,123.75 Lift Station 9 Rehab;
6. TDC2, LLC, Pay Application 1 & Final, \$71,799.20, Fiber Optic Installation between Uplands & RWI;
7. G Creek Construction, Pay Application 3 & Final, \$31,861.75, Hamilton Pool Road Pump Station Expansion;
8. Cash Construction, Pay Application 13, \$37,639.14, Raw Water Transmission Main 2.

MOTION: A motion was made by Director Roberts to approve Consent Agenda Items A-C, with the exception of Item C.8, provided as Exhibits A-C. The motion was seconded by Director Creveling.

The vote was taken with the following result:

Voting Aye: Directors Smith, Bethke, Creveling and Garza
Voting Nay: None
Abstained: None
Absent: None

Director Roberts asked to pull item C.8 for separate consideration, recognizing that there had been some concerns in Lake Pointe regarding completion of the waterline and final close out. Ms. Riechers stated that they are close to finalizing the construction, and this pay application is for work that has already been done.

Discussion ensued regarding adding in provisions to ensure that work is being done timely. And ability for PUA to fix problems if not corrected within feasible amount of time. Mr. Murfee stated that liquidated damages and retainage typically incentivizes timely completion of projects. In this

matter, there was a situation where materials dumped in a yard and not collected within a reasonable amount of time. Director Roberts directed the future contracts have language where the PUA could step in and correct situations where a contractor has damaged or is impacting private property, but the contractor has not remedied in a timely manner.

Director Bethke stated that he wanted to make sure that the PUA is coordinating with Lake Pointe MUD before the retainage is released to ensure that close out items are complete. He also asked that liquidated damages be considered in contracts of scale. Finally, he asked that staff put Cash Construction on notice that the PUA is considering contacting the surety.

MOTION: A motion was made by Director Roberts to approve Consent Agenda Item C.8, provided as Exhibit D. The motion was seconded by Director Smith.

The vote was taken with the following result:

Voting Aye: Directors Smith, Bethke, Creveling and Garza
Voting Nay: None
Abstained: None
Absent: None

V. OLD BUSINESS

A. Discuss, consider and take action regarding pending litigation, relating to the following:

1. *Weekley Homes LLP v. West Travis County Public Utility Agency, in the 200th Judicial District Court, Travis County, Texas; Cause No. D-1-GN-20-002291.*

Ms. Albright stated that no update was needed on this item.

VI. NEW BUSINESS

A. Discuss, consider and take action regarding 87th Regular Session of the Texas Legislature.

Ms. Albright presented this item. She stated that this is a standing item to update the Board with any information from the current session of the Texas Legislature. She stated that the he committees are continuing to meeting and approve bills, and that her firm continues to monitor bills that would impact the PUA. An example of such bills is legislation to provide the ability to continue to hold remote meetings after the COVID-19 pandemic suspensions of the Texas Open Meetings Act are reinstated. Another bill they are monitoring is HB 2805 regarding to the board makeup of public utility agencies. This bill has been referred to the State Affairs Committee, but has moved no further in the process. She stated they will let Ms. Riechers and the Board know if the bill has moved, but she doesn't anticipate that it will.

B. Discuss, consider and take action on Recommendation of Award for West Bee Cave Pump Station upgrades to TTE, LLC for \$160,200.

Mr. Murfee presented on this item, provided as Exhibit E. Mr. Murfee recommended approval and stated that this project is necessary to provide water to Hamilton Pool Road.

MOTION: A motion was made by Director Smith to approve an award for West Bee Cave Pump Station upgrades to TTE, LLC for \$160,200, provided as Exhibit E. The motion was seconded by Director Roberts.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Smith, Bethke, Creveling and Garza
Voting Nay: None
Abstained: None
Absent: None

C. Discuss, consider and take action on proposed Effluent Management Plan.

Director Garza presented on this item, stating that this has been discussed by the City's Economic Development Corporation regarding beautification of parks and rights of way using effluent. Director Garza stated that there is an opportunity to plan and use effluent over groundwater, and he was in favor of looking at effluent is a resource rather than something that needs to be disposed of. He stated that he wanted to look to partnering with City organizations about moving forward with this framework and determine whether it would be feasible. Director Garza stated that he wants to look into a master plan for the wastewater system and effluent management.

Director Creveling stated that there was support on the EDC for using effluent for beautification. In response to a request from Director Smith, Director Garza stated that the City is irrigating with groundwater but it is not able to keep up with the demand. Director Smith stated that the PUA needs to remain cognizant of how the effluent is used and ensure that the pricing takes into account the resource. Director Roberts asked about the infrastructure and how that would be funded, to which Director Creveling stated that the study is the first step. Director Roberts said that he wanted to ensure that Bee Cave is paying for costs relating to this project if it moves forward. Discussion ensued regarding the previous studies done relating to effluent.

Mr. Murfee detailed the current uses of treated effluent and the connection to the PUA's permits and authorizations related to wastewater and effluent. He stated that the key issue in the past was to find additional storage areas for the effluent, as well as additional areas for disposal. He then detailed plans for the direct potable reuse facility. Mr. Murfee stated that he is proposing in the CIP to relocate certain facilities to Central Park, then obtain an injection well permit to inject the produced water from the beneficial reuse project. He stated that he recommends identifying the demands for treated effluent to ensure that there is enough raw water for irrigation.

Director Bethke requested that as the PUA studies this issue, the PUA look at what the PUA will do with the water and avoid putting it in the ground or the potable supply. Director Garza agreed

that it would be beneficial to look at reducing storage area and irrigate directly. Director Smith stated that the simplest way to avoid additional storage is to treat the water to potable level and put it back through the water system.

Director Roberts stated that the Board can look at these issues, but thought that this issue was addressed by the DPR project. Mr. Murfee confirmed that the wastewater permitting portion of the DPR is finalized, and Murfee Engineering is still working with TCEQ on the water permit for the DPR. Discussion ensued regarding storage needs and cost for effluent storage. Director Bethke stated that he would rather see the water used for irrigation than be put back into the drinking water system, and that the PUA needs to be telling the public the plans for the use of the water.

Director Creveling confirmed that he wanted feedback before pursuing using DPR in the drinking water system. Director Roberts stated that ultimately, utilities should be able to discharge into the Highland Lakes. Director Smith asked why the PUA should study the use of this water, when the entities that want the water should do this type of study and present a proposal to the PUA. Director Garza stated that the City has provided irrigation needs to the PUA, and his thought behind the effluent management plan is that there are several different studies and different needs, but all are in different places.

Director Roberts stated that the most economical way to put effluent management under the control of the PUA was to do direct potable reuse. Discussion ensued regarding groundwater usage and potential aquifer areas for storage. Mr. Murfee stated that the PUA would need to reach out to the groundwater district to discuss the feasibility of recovering the injected water. Discussion ensued regarding potential options for disposal and storage for the DPR water. Director Smith asked if the Board could get a memo from Murfee Engineering on what has been done so far to frame the discussion.

Director Garza asked Ms. Riechers and Mr. Morgan whether there was a preference moving forward, to which Mr. Morgan stated that there could be a public perception issue with injecting into the potable water system. Director Roberts stated that in the past when direct potable reuse was introduced, more people were drinking water out of taps versus using bottled water. He stated that the initial shock will be there, but so long as the water is high quality the public likely won't notice. Mr. Morgan confirmed that public perception and treatment technology has changed since the early introduction of potable reuse.

Director Roberts directed Mr. Murfee to provide a memo at the next meeting and that this item be on the next agenda.

Director Garza stated that there has been a lot of work done, but a plan would encompass all that has already been done with plans to move forward that the Board can review and decide the path forward. He stated that a memo won't accomplish what he is looking for. Mr. Murfee confirmed that some information regarding demands has been looked at, but there has not been a comprehensive study or pipe plan proposed.

Director Garza stated that what he wants to do is to issue an RFQ to solicit proposals to prepare an effluent management plan to encapsulate the options previously studied.

MOTION: A motion was made by Director Garza to authorize the General Manager to solicit engineering qualifications to prepare an Effluent Management Plan. The motion was seconded by Director Creveling.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Smith, Bethke, Creveling and Garza
Voting Nay: None
Abstained: None
Absent: None

Director Roberts stated that any new contractors would not be able to represent clients in front of the PUA as the current consultants have agreed to such requirements. Director Smith stated that his concern is that such a plan could be prepared for the PUA, and then use this plan to benefit other clients. Director Roberts also stated that for the engineering consultants, he thought that any future engineers should work as subcontractors of Murfee Engineering to ensure that there is no duplication of efforts and that all consultants have access to plans and previous engineering studies prepared for the PUA. Director Garza asked about Murfee Engineering's relationship with other contractors, and whether Murfee Engineering had an issue with sharing information. Mr. Murfee stated that in the past other contractors had not asked for such information. Director Garza asked if someone came on as a subcontractor, the billing would have a 15% markup, to which Mr. Murfee stated that generally Murfee Engineering would not, and that the other alternative is to charge for time to coordinate the billing. Director Garza stated that the General Manager and the Operations Manager can manage the consultants, and this is an additional item to give Murfee Engineering to handle. Director Garza stated that his opinion is that the General Manager and Operations Manager should manage consultants.

Director Bethke stated that there is a lot of efficiencies obtained by having work under Murfee Engineering. Director Garza stated that his concern is that staff can manage a contractor relating to the effluent management plan. Director Smith stated that he would feel comfortable with Murfee Engineering having oversight over this project.

D. Discuss, consider and take action on current and future WTCPUA construction projects and engineering and management of same.

Director Garza presented on this item, stating that there are many projects ongoing and he wanted to hear from Murfee Engineering what projects are outstanding, and what the estimated completion dates are. He stated that when he recently took over managerial role at the PUA and had started looking at outstanding projects. One item is the chorine injection facility for the raw waterline to ensure that the new raw waterline can be used, and that these plans were recently turned into TCEQ. Director Roberts asked how this project was not done, to which Mr. Murfee stated that he did not know, but he had worked with Ms. Riechers to use PUA operations to address the issue. Director Murfee confirmed that a project less than \$20,000 does not have to be bid, and he

anticipated that the outside work would be under this threshold. Mr. Murfee stated that there were several situations at the water plant where “as-built” plans were not available.

Mr. Murfee stated that the other critical project is the 1080 Waterline Transmission Main that had lost priority when it was thought that additional water would not be sent down Hamilton Pool Road. He detailed plans for the improvements on Hamilton Pool Road and measures to move forward with the projects, including easement acquisition.

Mr. Murfee stated that the Hamilton Pool Road Storage Tank No. 2 is also a high priority. There is approximately 2 months of site work before the tank is constructed, and the PUA can get the pumping and piping done right at the tail end of the construction. He anticipated this would be accomplished by the first quarter of 2022. Mr. Murfee followed that he has had a history of many years working with operators, and the PUA has a wonderful group of operators to work with. Mr. Murfee stated that Hamilton Pool Road may continue to be an issue in the summer, but these improvements will go a major way to addressing these issues, and confirmed that if these projects are completed prior to summer 2022, there should be no issues.

Mr. Murfee stated that the next project would be the Hamilton Pool Road Transmission Line No. 2, and that the alignment was provided to Jim Meredith last week. The parties have a year before the PUA needs to complete the design of the line. He stated this line will run parallel to the existing 16” line, and there are likely only two locations where there will be difficulty obtaining easements.

Director Garza asked if Mr. Murfee could put the same information together for the other projects on the list.

Mr. Murfee stated that some projects relating to wastewater need to be further reviewed in light of the potential decommissioning of the Lake Pointe Wastewater Treatment Plant. He recommended having a Board decision soon on this issue to ensure that Murfee Engineering can properly plan.

E. Discuss, consider and take action on proposed projects for new CIP planning.

This item was postponed.

F. Discuss, consider and take action regarding preliminary engineering review of proposed 290 parallel transmission line.

This item was postponed.

VII. STAFF REPORTS

A. General Manager’s Report.

No discussion was held on this item.

B. Controller’s Report.

No discussion was held on this item.

C. Operations Report.

No discussion was held on this item.

D. Engineer's Report including:

1. Capital Improvements Plan Update

No discussion was held on this item.

VIII. ADJOURNMENT

MOTION: A motion was made by Director Creveling to adjourn the meeting. The motion was seconded by Director Roberts.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Smith, Bethke, Creveling, and Garza

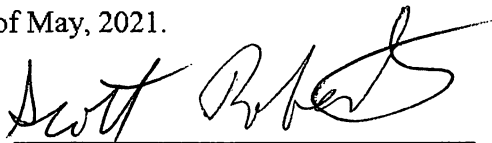
Voting Nay: None

Abstained: None

Absent: None

The meeting adjourned at 2:56 p.m.

PASSED AND APPROVED this 20th day of May, 2021.



Scott Roberts, President
Board of Directors