

**MINUTES
PUBLIC SERVICE BOARD
CITY OF EL PASO
April 8, 2020**

The regular meeting of the Public Service Board was held via telephonic, Wednesday, April 8, 2020.

PSB MEMBERS PRESENT

Christopher A. Antcliff, Chair
Terri Garcia, Member
Dr. Ivonne Santiago, Secretary-Treasurer
Dr. Kristina D. Mena, Vice-Chair
Bryan Morris, Member
Henry Gallardo, Member
Dee Margo, Ex-Officio Member

PSB MEMBERS ABSENT

PSB EMPLOYEES PRESENT

John E. Balliew, P.E., President and Chief Executive Officer
Lee Ann Koehler, General Counsel

EPWATER EMPLOYEES PRESENT

Alan Shubert, Vice President
Marcela Navarrete, Vice President
Juan S. Gonzalez, Assistant General Counsel
Art Duran, Chief Financial Officer
Gretchen Byram, Computer Media Specialist
Lisa Rosendorf, Chief Communications and Government Affairs Officer
Alfredo Solano, Chief Information Officer
Jillian Shipp, Executive Assistant

GUESTS

MEDIA

The Public Service Board meeting was called to order by Mr. Antcliff at 8:02 a.m. A quorum of its members was present after doing a roll call.

CONSENT AGENDA

On a motion made by Ms. Garcia, seconded by Dr. Mena and unanimously carried, the Board took action on the following agenda items:

1. CONSIDERED AND APPROVED THE MINUTES OF THE REGULARLY SCHEDULED MEETING HELD ON MARCH 11, 2020, AND THE SPECIAL MEETING HELD ON MARCH 25, 2020.

The Board approved the minutes of the regularly scheduled meeting held on March 11, 2020, and the special meeting held on March 25, 2020.

2. CONSIDERED AND APPROVED A RENEWAL OF THE CONTRACT WITH CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS FOR CELL PHONE AND MOBILE

BROADBAND SERVICES WITH BUY BOARD PRICING THROUGH THE STATE OF TEXAS DIR CONTRACT NUMBER DIR-TSO-3415 FOR A CONTRACT PERIOD OF MAY 1, 2020 THROUGH APRIL 30, 2021, IN THE ESTIMATED ANNUAL AMOUNT OF \$300,000, EXCLUSIVE OF REGULATORY SURCHARGES AND FEES, WITH THE OPTION TO RENEW FOR TWO ADDITIONAL YEARS.

The Board approved a renewal of the contract with Cellco Partnership d/b/a Verizon Wireless for cell phone and mobile broadband services with buy board pricing through the State of Texas DIR Contract Number DIR-TSO-3415 for a contract period of May 1, 2020 through April 30, 2021, in the estimated annual amount of \$300,000, exclusive of regulatory surcharges and fees, with the option to renew for two additional years.

3. CONSIDERED AND APPROVED THE REPAIR OF ONE BACKWASH WATER PUMP FOR THE UVWTP FROM V.M.P. INDUSTRIAL SALES, INC. UTILIZING A ESC REGION 19 ALLIED STATES COOPERATIVE CONTRACT NUMBER 15-7188, IN THE ESTIMATED AMOUNT OF \$98,815.12.

The Board approved the repair of one backwash water pump for the UVWTP from V.M.P. Industrial Sales, Inc. utilizing a ESC Region 19 Allied States Cooperative Contract Number 15-7188, in the estimated amount of \$98,815.12.

4. CONSIDERED AND APPROVED THE PURCHASE OF ONE JOHN DEERE 772G MOTOR GRADER MODEL WITH 6WD FROM 4 RIVERS EQUIPMENT THROUGH SOURCEWELL CONTRACT NUMBER 032515-JDC, IN THE AMOUNT OF \$320,537.35.

The Board approved the purchase of one John Deere 772G motor grader model with 6WD from 4 Rivers Equipment through Sourcewell Contract Number 032515-JDC, in the amount of \$320,537.35.

5. CONSIDERED AND APPROVED THE PURCHASE OF TWO, COMPACT MULTI-TERRAIN LOADERS FROM WAGNER EQUIPMENT CO., THROUGH SOURCEWELL COOPERATIVE BUYBOARD CONTRACT NUMBER 032119-CAT, IN THE AMOUNT OF \$124,026.56.

The Board approved the purchase of two, Compact Multi-Terrain Loaders from Wagner Equipment Co., through Sourcewell Cooperative Buyboard Contract Number 032119-CAT, in the amount of \$124,026.56.

REGULAR AGENDA

6. CONSIDERED AND APPROVED A RATIFICATION OF INCURRED FEASIBILITY STUDY COSTS RELATED TO THE RIO BOSQUE RESTORATION PROJECT IN THE AMOUNT OF \$58,468.92, AND APPROVE A PAYMENT IN THE ESTIMATED AMOUNT OF \$140,000 TO THE UNITED STATES ARMY CORPS OF ENGINEERS, AND AUTHORIZED ADDITIONAL, FUTURE PAYMENTS TO UNITED STATES ARMY CORPS OF ENGINEERS IN THE ESTIMATED AMOUNT OF \$160,000 PER THE PROJECT PARTNERSHIP AGREEMENT.

Mr. Gilbert Trejo, Chief Technical Officer, provided information to the Board regarding this item. A Project Partnership Agreement between the U.S. Army Corps of Engineers (USACE) and EPWater was executed on January 17, 2014, for the Rio Bosque Restoration Project. The agreement estimated a total amount of \$433,000 as the non-federal cost-share (on a 50% federal, 50% local basis) to complete a feasibility study for the project. The project will transform the wetland project into a community park with amenities that will include earthwork, a visitor center, parking areas, trail system, foot bridges, benches, viewing scopes picnic areas and more. Utility's cost share incurred to date amounts to \$491,468.92 which is \$58,468.92 above the original estimated amount in 2014. On February 20, 2020, USACE reported the cost overrun and requested an additional \$140,000.00 to continue the feasibility study. The latest schedule anticipates the completion of the

study by mid-year 2021. At that point, EPWater would seek construction funding on a 65% federal and 35% local cost share basis. Amounts are based on USACE estimates and outlined on the Project Partnership Agreement executed January 17, 2014 between USACE and EPWater. In addition because the agreement amount to complete the study remains an estimate. Staff is requesting authorization for an additional \$160,000.00 to complete the feasibility study. Mr. Trejo addressed questions from the Board regarding this item. Mayor Margo suggested to the Chair that rather than taking a poll of ayes for each agenda item, any of those board members who oppose could voice their nay.

On a motion made by Dr. Santiago seconded by Ms. Garcia and unanimously carried, the Board approved a ratification of incurred feasibility study costs related to the Rio Bosque Restoration Project in the amount of \$58,468.92, and approve a payment in the estimated amount of \$140,000 to the United States Army Corps of Engineers, and authorized additional, future payments to United States Army Corps of Engineers in the estimated amount of \$160,000 per the Project Partnership Agreement.

7. CONSIDERED AND APPROVED AN AMENDMENT TO THE PROFESSIONAL SERVICES CONTRACT WITH TECHPM, INC. FOR PROJECT AND CONSTRUCTION MANAGEMENT SERVICES, INCREASING THE APPROVED ANNUAL CONTRACT CAPACITY BY \$600,000 FOR A TOTAL OF \$1,200,000 PER YEAR OVER THE REMAINING TWO YEARS OF THE INITIAL TERM AS WELL AS FOR THE TWO, ONE-YEAR EXTENSIONS AVAILABLE ON THE CONTRACT, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET.

Mr. Trejo provided information to the Board regarding this item. In February 2019, the Public Service Board approved a professional services contract with TechPM to provide project and construction management services to improve delivery of the Capital Improvement Program (CIP). EPWater continues to have vacancies of project and construction management personnel that have proven difficult to fill. TechPM is a provider of professional and technical human resources and has no competing or conflict of interest with EPWater or other consulting engineers who provide professional engineering services on a regular basis. In the past, TechPM has provided experienced project managers and other technical resources to EPWater to manage, design, or inspect capital improvement projects. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Gallardo seconded by Dr. Mena and unanimously carried, the Board approved an amendment to the professional services contract with TechPM, Inc. for project and construction management services, increasing the approved annual contract capacity by \$600,000 for a total of \$1,200,000 per year over the remaining two years of the initial term as well as for the two, one-year extensions available on the contract, provided that funding is available in the approved budget.

8. CONSIDERED AND APPROVED CHANGE ORDER NUMBER 14 (FINAL) – BID NUMBER 83-17, JONATHAN ROGERS WATER TREATMENT PLANT OZONE SYSTEM AND SUPPORT FACILITIES, TO KIEWIT WATER FACILITIES SOUTH CO., EXTENDING THE CONTRACT DURATION BY 101 DAYS AND INCREASING THE CONTRACT AMOUNT BY \$227,063.

Mr. Alan Shubert, Vice President, provided information to the Board regarding this item. The ozone system at the Jonathan Rogers Water Treatment Plant (JRWTP) was over 20 years old, and consisted of five air-fed ozone generators. The generators were no longer manufactured, making them difficult to maintain, thus leading to unreliable operation. The ozone system and support facilities upgrades were designed and constructed to

improve operation efficiency such as raw water and settled water ozonation for microflocculation benefits as well as taste and odor control. Change Order Number 14 is the final change order for the project and is a consolidation of all cumulative work required to achieve a complete project. Items in this change order include installing process piping insulation, re-routing of strainer drain line, additional supports to the closed loop cooling water line, additional SCADA programming, contactor deck penetration covers, modifications to the exhaust system, and the purchase of additional hardware components and equipment required. Staff evaluated Change Order Number 14 submitted by Kiewit Water Facilities South Co. and verified the effort to carry out the work, and negotiated to come to an agreeable cost. The cost submitted is in line with current industry standards.

On a motion made by Ms. Garcia seconded by Mayor Margo and unanimously carried, the Board approved Change Order Number 14 (Final) – Bid Number 83-17, Jonathan Rogers Water Treatment Plant Ozone System and Support Facilities, to Kiewit Water Facilities South Co., extending the contract duration by 101 days and increasing the contract amount by \$227,063.

9. CONSIDERED AND APPROVED TASK ORDER NUMBER 6 - DESIGN PHASE SERVICES FOR THE ADVANCED WATER PURIFICATION FACILITY TO CAROLLO ENGINEERS, INC. IN THE AMOUNT OF \$5,700,000 AND AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$300,000; PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS.

Mr. Trejo provided information to the Board regarding this item. Carollo Engineers was selected by the Public Service Board to provide permitting, design, bid, and construction phase services for the Advanced Water Purification Facility (AWPF) on July 12, 2017. Task Order Number (TO#) 1 covered the development of the preliminary engineering report and technical design reports required to proceed with drawings, specifications, and cost estimate. An amendment to TO# 1 was issued on February 14, 2018 for the additional preliminary evaluations and technical design reports. TO# 2 was issued on April 25, 2018 to perform a study associated with this project to sample and monitor the water quality of the sewer system that will eventually feed the AWPF. TO# 3 was issued on August 22, 2018 and included drawings and specifications to a 30% design level and development of a 3D model to assist with operational and design reviews. TO# 4 and 5 covered cost estimation services by a third-party estimator, preparation of a Bureau of Reclamation funding application and additional TCEQ coordination. The purpose of TO# 6 is to complete technical reports and analysis that will shape the final design of the AWPF and deliver drawings and specifications to a 90% design level and provide regulatory support services. Staff worked with Carollo Engineers to develop the scope of services required for this task order. A fee proposal associated with the scope of services was submitted, reviewed, and negotiated with the consultant for the defined scope of work. The negotiated fees are in line with the level of effort required to complete the task and consistent with similar work completed recently. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Mr. Gallardo seconded by Dr. Santiago and unanimously carried, the Board approved Task Order Number 6 - Design Phase Services for the Advanced Water Purification Facility to Carollo Engineers, Inc. in the amount of \$5,700,000 and authorized future task orders or amendments to be issued under this contract for additional design phase services in the estimated amount of \$300,000; provided that funding is available in the approved budget for the task orders or amendments.

10. CONSIDERED AND APPROVED TASK ORDER NUMBER 3 - ENGINEERING DESIGN AND CONSTRUCTION PHASE SERVICES FOR THE ROBERTO R. BUSTAMANTE WASTEWATER TREATMENT PLANT HEADWORKS IMPROVEMENTS TO CAROLLO ENGINEERS, INC. IN THE AMOUNT OF \$7,685,348; AUTHORIZED FUTURE TASK ORDERS OR AMENDMENTS TO BE ISSUED UNDER THIS CONTRACT FOR ADDITIONAL DESIGN AND CONSTRUCTION PHASE SERVICES IN THE ESTIMATED AMOUNT OF \$1,000,000, PROVIDED THAT FUNDING IS AVAILABLE IN THE APPROVED BUDGET FOR THE TASK ORDERS OR AMENDMENTS AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Trejo provided information to the Board regarding this item. In November 2018, the Public Service Board approved a professional engineering services contract with Carollo Engineers for the RRBWWTP Headworks Improvements project. Task Order Number 1 was issued for the consultant to propose alternative designs to the headworks improvements. EPWater selected the alternative to replace the existing headworks facility and to increase permitted plant flow capacity from 39 MGD to 51 MGD. In August 2019, the PSB approved Task Order Number 2 to provide conceptual design of the selected alternative and assist in solicitation of the Construction Management At Risk (CMAR) contractor. The 15% design was delivered in January 2020, and the CMAR contract bids were opened March 17, 2020. This Task Order Number 3 includes: 1) complete the project design with CMAR contractor input; 2) assist EPWater in negotiation of Guaranteed Maximum Price with CMAR contractor; and 3) provide construction phase services during construction. Carollo Engineers developed the conceptual design required for solicitation of the CMAR contractor. Staff worked with Carollo Engineers to develop the scope of services required for this phase of the project. A fee proposal associated with the scope of services was submitted, reviewed, and negotiated with the Consultant for the defined scope of work. The negotiated fees are in line with the level of effort required to complete the task and consistent with similar work completed. Mr. Trejo addressed questions from the Board regarding this item.

On a motion made by Dr. Mena seconded by Dr. Santiago and unanimously carried, the Board approved Task Order Number 3 - Engineering design and construction phase services for the Roberto R. Bustamante Wastewater Treatment Plant Headworks Improvements to Carollo Engineers, Inc. in the amount of \$7,685,348; authorized future task orders or amendments to be issued under this contract for additional design and construction phase services in the estimated amount of \$1,000,000, provided that funding is available in the approved budget for the task orders or amendments and authorized the use of commercial paper.

11. CONSIDERED AND AWARDED BID NUMBER 03-20, UPSON DRIVE WATER MAIN AND SEWER IMPROVEMENTS TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, KARLSRUHER, INC., DBA CSA CONSTRUCTORS IN THE AMOUNT OF \$2,269,996.45 AND AUTHORIZED THE USE OF COMMERCIAL PAPER.

Mr. Shubert provided information to the Board regarding this item. Water and sanitary sewer improvements are required in Sunset Heights to replace aging infrastructure in Upson Drive. EPWater will replace approximately 4,300 linear feet of water lines and 2,200 linear feet of sanitary sewer lines along Upson Drive from Heisig Avenue to Prospect Street. On February 27, 2020, four bids were received. The bidders were Karlsruhe, Inc, dba CSA Constructors; Smithco Construction, Inc.; Spiess Construction Co. Inc.; and Bain Enterprises dba Bain Construction. The bids ranged from \$2,269,996.45 to \$3,124,360.00 or 0.72% below to 36.6% above the engineer's estimate of \$2,286,444.15. The project consulting engineer, CEA Group, evaluated the qualifications of the apparent low bidder and has determined that Karlsruhe, Inc, dba CSA Constructors meets the minimum general requirements as well as the minimum project specific criteria as specified in the bid documents. Staff evaluated the Engineer's Evaluation Matrix and recommends award of Bid Number 03-20, Upson Drive Water Main and Sewer Improvements, to Karlsruhe Inc, dba CSA Constructors as the lowest responsive, responsible bidder in the amount of \$2,269,996.45.

On a motion made by Dr. Santiago, seconded by Mr. Morris and unanimously carried, the Board awarded Bid Number 03-20, Upson Drive Water Main and Sewer Improvements to the lowest responsive, responsible

bidder, Karlsruher, Inc., dba CSA Constructors in the amount of \$2,269,996.45 and authorized the use of commercial paper.

12. CONSIDERED AND AWARDED BID NUMBER 20-20, LIQUID CARBON DIOXIDE, TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER SYOXSA, INC., IN THE ESTIMATED ANNUAL AMOUNT OF \$490,000, WITH THE OPTION FOR TWO, ONE-YEAR EXTENSIONS.

Mr. Art Duran, Chief Financial Officer, provided information to the Board regarding this item. Liquid carbon dioxide is primarily used to reduce the pH levels in water, to neutralize the water after the high-lime treatment process at the Fred Hervey Water Reclamation Plant, and to remove arsenic at three booster stations. The previous bid was awarded in April 2017. This bid is 3.24% higher than the previous bid price. Two bids and three no-bids were received. Staff evaluated the bids and determined that the low bidder met all the requirements as outlined in the bid proposal. Staff recommends award to the lowest responsive, responsible bidder, SYOXSA, Inc. in the estimated annual amount of \$490,000.

On a motion made by Dr. Santiago seconded by Mr. Morris and unanimously carried, the Board awarded Bid Number 20-20, Liquid Carbon Dioxide, to the lowest responsive, responsible bidder SYOXSA, Inc., in the estimated annual amount of \$490,000, with the option for two, one-year extensions.

13. CONSIDERED AND AWARDED BID 23-20, WET AND DRY SAND AND SILT REMOVAL WITH OPTIONAL ITEM 3B TO THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER, MAJOR MOTIONS LOGISTICS, LLC IN THE ESTIMATED ANNUAL AMOUNT OF \$445,000 WITH AN OPTION FOR TWO, ONE-YEAR EXTENSIONS.

Mr. Duran provided information to the Board regarding this item. The Jonathan Rogers Water Treatment Plant uses pre-sedimentation ponds for removal of sediment, sand, and silt from river water as part of its pretreatment process. During the maintenance season this wet sand and silt must be removed from these ponds as well as from the raw water intake channel and stockpiled at a transfer point behind the plant before final disposal. Stockpiled sand and silt are then transported for disposal. The previous bid was awarded in April 2018 and the new bid is 1% lower than previous bid. Two bids were received. Bidders were asked to bid on removal of wet sand and silt (Items number 1 and 2) and optional items for the disposal of dry sand and silt to an EPWater designated site (Items number 3a and 3b). Staff evaluated the bids and determined the low bidder, Major Motions Logistics (MML) met all the requirements as outlined within the bid proposal. Staff recommends award to MML including optional item number 3b - transfer point to a contractor's disposal site as approved by EPWater. Estimated annual amount for base bid and option 3b is \$445,000. Mr. Duran addressed questions from the Board regarding this item.

On a motion made by Mr. Gallardo, seconded by Mr. Morris and unanimously carried, the Board award Bid 23-20, Wet and Dry Sand and Silt Removal with optional item 3b to the lowest responsive, responsible bidder, Major Motions Logistics, LLC in the estimated annual amount of \$445,000 with an option for two, one-year extensions.

14. CONSIDERED AND APPROVEE AN 18-MONTH EXTENSION TO THE DUE DATE FOR COMPLIANCE WITH THE 300 MG/L DISCHARGE LIMIT FOR BOD TO FEBRUARY 1, 2022.

Mr. Shubert provided information to the Board regarding this item. A resolution to clarify the surcharge and amend Rules and Regulations No. 9 to establish a 300 mg/L discharge limit for BOD was approved by the Public Service Board on August 14, 2019 and February 12, 2020 PSB meetings, respectively. Operational modifications by industrial users would have to be completed to meet the August 1, 2020 approved deadline. Representatives of most of the industrial customers where treatment is needed to meet the 300 mg/L discharge limit were contacted to evaluate what has been done thus far to meet the 300 mg/L discharge limit. Some customers have selected treatment systems and are in the process of procuring them, and some are still trying to identify a cost-effective option. Those further along in the process reported quickly that the timeline was

insufficient to ensure procurement, installation, facilitate testing, and ensure success. More are now expressing concern and reporting additional delays due to funding issues related to expenses/losses from actions taken in response to COVID-19. Mr. Shubert addressed questions from the Board regarding this item.

On a motion made by Mr. Morris seconded by Dr. Mena and unanimously carried, the Board approved an 18-month extension to the due date for compliance with the 300 mg/L discharge limit for BOD to February 1, 2022.

15. DISCUSSED AND TOOK ACTION ON AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE THE ACQUISITION OF THE ESPERANZA WATER SERVICE COMPANY'S ASSETS, AND TO SIGN ALL DOCUMENTS NECESSARY TO THE COMPLETE THE PURCHASE OF THE ASSETS, TRANSFER THE GOVERNANCE TO A PUBLIC UTILITY SYSTEM, AND TO RECEIVE PUBLIC UTILITY COMMISSION APPROVAL, IN ACCORDANCE WITH STATE LAW AND REGULATORY REQUIREMENTS.

Mr. John Balliew, President/CEO, provided information to the Board regarding this item. The Esperanza Water Service Company (Esperanza) serves 287 customers around McNary, Texas. The assets are primarily composed of a GLO lease for water production, water wells, a reverse osmosis system, pumping equipment, storage tanks, approximately 78 miles of distribution lines, and service lines and meters. The existing wells pump in excess of the system demand. Also, the lease is capable of producing substantially more water if additional wells are drilled. Esperanza has \$1.78 million in net assets as of December 31, 2019. Operating revenues for 2019 were \$358,000 with expenses of \$506,000, which includes \$153,000 of depreciation expense. EPWater staff has been analyzing this area as a potential new source of water for several years now. The owner of Esperanza is willing to sell its assets at this time, which provides an opportunity to acquire assets in a strategically located area and an opportune time. Mr. Balliew addressed questions from the Board regarding this item.

On a motion made by Mr. Morris, seconded by Dr. Mena and unanimously carried, the Board Discussed and took action on authorizing the President/CEO to negotiate the acquisition of the Esperanza Water Service Company's assets, and to sign all documents necessary to the complete the purchase of the assets, transfer the governance to a Public Utility System, and to receive Public Utility Commission approval, in accordance with state law and regulatory requirements.

16. CONSIDERED AND ACCEPTED THE EL PASO WATER'S "PRELIMINARY" FOURTH QUARTER FINANCIAL AND PERFORMANCE MEASURES REPORT FOR PERIOD ENDING FEBRUARY 29, 2020.

Mr. Duran provided information to the Board regarding this item. Mr. Duran explained the comparison of water billed for FY2018-19 & FY2019-20, both years were comparable and not much of an increase from FY2019-20 to FY2018-19. He then went on to explain the budget amount for Water and Wastewater Operating Revenues for FY19-20 was \$266,074 million, the utility came in at \$260,406 million, compared to FY18-19 came in at \$249,582 million. The Water and Wastewater Utility Operating Expenses for FY19-20 was budgeted at \$107,041 million, with the actual coming in at \$103,709 million for FY19-20 and for FY18-19 was \$104,694 million. Mr. Duran went on to discuss Water and Wastewater Capital Projects Expenditures. Total budget amount was \$185,517 million for FY19-20 with the actual coming in at \$127,333 and for FY18-19 total amount coming in at \$184,833 million. Next, Mr. Duran discussed Water and Wastewater Debt Service Coverage. The bond ordinance coming in at 1.50, with a budget for FY19-20 at 2.36, and for FY18-19 coming in at 2.17. Stormwater Utility Operating Revenues was budgeted for \$24,098 million for FY19-20, coming in at \$24,478 compared to \$24,061 million in FY18-19. The Stormwater Operating Expenses budget for FY19-20 was \$6,923 million with the actual coming in at \$6,895, compared to the \$6,603 for FY18-19. Mr. Duran then went over Stormwater Capital Expenditures, the budgeted amount for FY19-20 was \$31,009 million, with the amount of \$19,589 million compared to the \$23,565 million for FY18-19. Lastly, Mr. Duran discussed Stormwater Debt Service Coverage, bond ordinance was 1.25, the budgeted for FY19-20 is 1.90, and it came in at 1.95, and in FY18-19 it was 1.96.

On a motion made by Ms. Garcia, seconded by Mr. Morris and unanimously carried, the Board accepted the El Paso Water's "Preliminary" Fourth Quarter Financial and Performance Measures Report for period ending February 29, 2020.

17. CONSIDERED AND ACCEPTED THE 4TH QUARTER AND FISCAL YEAR-ENDING INVESTMENT REPORT FOR THE PERIOD ENDING FEBRUARY 29, 2020 AND APPROVED OF THE PSB RULES AND REGULATIONS NUMBER 10, ESTABLISHING THE INVESTMENT POLICY.

Mr. Duran provided information to the Board regarding this item. Mr. Duran began by informing the Board that the US Fed Funds Rate have been slowly decreasing and are currently at .25%. He then went on to discuss the Portfolio Composition as of February 29, 2020. CD's were at 26%, Securities at 23%, Texpool Prime at 10%, Texpool and TexStar at 9%, and lastly Money Market Funds at 23%. Mr. Duran then explained where each category stood in millions; Money Market at \$60, Texpool Prime \$29, Texpool \$24, and Texstar at \$25. The 4th quarter portfolio comparison was discussed, with a value at \$260,048,845 in FY2020 compared to \$261,263,690 in FY2019. Purchases were \$60.5 million in FY2020, and in FY2019 it was \$16.4 million, the weighted average maturity in FY2020 was 158 days, in FY2019 it was 31 days, and lastly the weighted yield was 1.60% in FY2020 compared to the 2.38% in FY2019. Mr. Duran went on to discuss benchmark analysis, the 3 month t-bill was 1.27, 6 month t-bill was 1.11, the 1 year t-bill was .97, 2 year t-bill was 0.86, and EPWater was 1.60. The interest earned comparison from fiscal year to date beginning in FY2017 was 1,200,000 million, in FY2018 it was \$2,700,000, in FY2019 it was \$4,900,000 and in FY2020 it was \$6,100,000. Mr. Duran informed the Board that a change has to be made to Rules and Regulations number 10, due to legislative changes, and the utility's internal changes, which included reorganization of the section relating to Pool and mirror the order in the PFIA, and grammatical corrections.

On a motion made by Ms. Garcia seconded by Dr. Santiago and unanimously carried, the Board accepted the 4th Quarter and Fiscal Year-Ending Investment Report for the period ending February 29, 2020 and approved of the PSB Rules and Regulations Number 10, establishing the Investment Policy.

Mr. Antcliff asked Mr. Balliew about COVID-19, and if had impacted any EPWater employees, Mr. Balliew briefly addressed this question.

18. 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.

No comments were made.

ADJOURNMENT

On a motion made by Mr. Gallardo, seconded by Mr. Morris and unanimously carried, the meeting adjourned at 9:08 a.m., April 8, 2020.

ATTEST:

Christopher Antcliff-Chair

Secretary-Treasurer