



el paso
WATER

PUBLIC SERVICE BOARD MEETING

AGENDA ITEM

REGULAR MEETING

Wednesday, October 14, 2026

SUBJECT

Services Agreement with Borderplex Alliance for planning services in the annual amount of \$250,000 for a two-year term.

BACKGROUND

El Paso Water (EPWater) has been designated by the State of Texas as the regional water planning authority for the El Paso region. The Borderplex Alliance is a nonprofit organization dedicated to economic development in the El Paso-Las Cruces-Ciudad Juárez region. EPWater has previously entered into agreements with the Borderplex Alliance to provide planning services. The planning services are intended to guide EPWater policy to ensure the orderly development of EPWater and city land areas. The planning services also supports economic development initiatives, assist in identifying potential buyers and/or lessees for EPWater-owned property, includes collaboration on long-range water, wastewater and infrastructure planning, and supports state and federal funding and advocacy efforts. The agreement reflects an updated scope of services with a clearer focus on very large water users and associated metrics.

PRIOR PSB ACTION

- On February 14, 2024, the Public Service Board approved a Services Agreement between El Paso Water and the Borderplex Alliance for planning services, in accordance with Section 252.022(a)(4) of the Texas Local Government Code, including continued implementation of an economic development plan specific to EPWater in the annual amount of \$250,000 for a two-year term.
- On February 12, 2025, the Borderplex Alliance presented its annual report to the Public Service Board regarding activities and accomplishments under the two-year Services Agreement approved on February 14, 2024.
- On December 10, 2025, the Borderplex Alliance provided an annual presentation to the Public Service Board regarding regional economic development and collaboration with EPWater.

UTILITY KPI ALIGNMENT

Total Water Supply

EVALUATION PROCESS

EPWater desires to continue making significant progress in promoting a healthy local economy, maximizing business opportunities, and supporting the productive use of land owned and/or controlled by EPWater. The Borderplex Alliance will continue to provide planning services, assist with economic development initiatives, support collaboration related to EPWater's long-range water, wastewater and infrastructure planning, help identify potential buyers and/or lessees for EPWater-owned property, and assist with state and federal funding and advocacy efforts. These services are expected to provide continued benefit to EPWater, its ratepayers, and the El Paso region.

FINANCIAL IMPLICATIONS

This expenditure is part of the approved budget.

PROPOSED ACTION REQUESTED

Consider and approve a Services Agreement between El Paso Water and the Borderplex Alliance for planning services, in accordance with Section 252.022(a)(4) of the Texas Local Government Code in the annual amount of \$250,000 for a two-year term, for a total amount of \$500,000.

SUPPORTING DOCUMENTATION PROVIDED

- Services Agreement

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

SERVICES AGREEMENT

This Services Agreement (this “Agreement”) is made and entered by and between the El Paso Water Utilities Public Service Board, hereinafter referred to as “EPWater”, and the Borderplex Alliance, a bi-national economic initiative, hereinafter referred to as “Borderplex”. Borderplex and EPWater may be hereinafter referred to collectively as the “Parties” or individually as a “Party”.

RECITALS

WHEREAS, EPWater has been designated by the Texas Legislature as the regional water planning authority and has developed and implemented a comprehensive plan to assure adequate long-term drinking water supplies for the region; and

WHEREAS, as the largest single landowner in the region, EPWater has a significant impact on the residential, commercial and industrial development in the area to include the development of commercial and industrial locations where water can be made available for use; and

WHEREAS, Borderplex’s mission is to improve and maintain a healthy local economy by recruiting business and industry to the region consisting of El Paso, Texas, portions of southern New Mexico and the State of Chihuahua, Mexico; and

WHEREAS, Borderplex and EPWater desire to enter into a mutually beneficial agreement to maximize the economic impact of Borderplex and EPWater and to develop an economic development plan specific to EPWater; and

WHEREAS, the services performed by Borderplex for EPWater pursuant to this Agreement constitute planning services primarily intended to guide EPWater policy to ensure the orderly development of EPWater and city land areas; and

WHEREAS, pursuant to Section 252.022(a)(4) of the Texas Local Government Code, planning services are exempt from the bidding requirements under the Texas Local Government Code; and

WHEREAS, EPWater enters into this Agreement pursuant to the action of the Public Service Board on October 14, 2026, approving this Agreement.

NOW THEREFORE, for and in consideration of the mutual promises, obligations, and benefits contained herein, EPWater and Borderplex agree as follows:

AGREEMENT

1. Scope of Services. Borderplex shall engage and employ its best efforts in cooperation with EPWater to provide the following key planning services during the term of the Agreement to include the following:
 1. Concentrated and significant efforts of marketing and promotion of EPWater owned land holdings in the region to potential investors, buyers and /or lessees.
 2. Promote the EPWater community development initiatives, rate increases and infrastructure investments.
 3. Accomplish a close collaboration on economic development planning, particularly alignment with EPWater's 50-year water plan, wastewater planning, and capital improvement plans, as amended from time to time. All potential economic development projects, including projects that involve Very Large Water Users, must be evaluated early in the process by Borderplex and EPWater for water and wastewater demand, infrastructure requirements, conservation opportunities, and economic value so that growth remains sustainable and does not create unreasonable costs for existing EPWater customers. The term Very Large Water Users is defined in EPWater Rules and Regulations No. 5. Borderplex is responsible for achieving the goals and metrics found in Exhibit "A".
 4. Join in close collaboration on Borderplex business development projects.
 5. Participation through membership on the Borderplex Executive Committee and its Board of Directors.
 6. Assistance with state and federal governmental entities and other treaty-created agencies to include development of legislative and regulatory strategy.
 7. Advise and assist in securing federal and state funding for infrastructure development programs and identifying new sources of revenue.

Borderplex shall submit an annual report to EPWater detailing Borderplex's prior year's services and deliverables under this Agreement. The first annual report is due on or about January 15, 2027, and the second annual report is due on or about January 14, 2028.

Borderplex warrants and certifies that its personnel and Chief Executive Officer have the necessary expertise and professional acumen to accomplish the provision of the services and actions as set out hereinabove. Borderplex and EPWater will work together in a mutual and cooperative timely manner to accomplish the success of its mutual objectives.

2. Term. The term of this Agreement shall be for two years with an effective date beginning on March 1, 2026 and ending on February 29, 2028, unless terminated sooner as permitted in this Agreement.
3. Payment of Services. EPWater shall pay Borderplex an annual amount of \$250,000 for the services performed during each year of the term of this Agreement. Payment will be made by EPWater on or about March 1 of every year of the term of this Agreement. EPWater's payment for the second year of the Agreement is due on March 1, 2027.

4. Invoicing. Borderplex shall submit to EPWater invoices in writing via email to the following email address: purchasing.info@epwater.org

EPWater agrees to pay invoices for all services performed in accordance with Chapter 2251 of the Texas Government Code. The total amount paid to Borderplex shall be the amount contracted herein, except by written amendment to this Agreement, executed by both Parties.

5. Fringe Benefits. No benefits will be provided to Borderplex by EPWater.
6. Independent Contractor Relationship. Nothing contained herein shall be construed as creating the relationship of employer and employee between EPWater and Borderplex. Borderplex's employees shall be deemed at all times to be independent contractors employed by Borderplex. EPWater shall not be subject to any obligations or liabilities of Borderplex incurred in the performance of this Agreement. Borderplex is an independent contractor and nothing contained herein will constitute or designate Borderplex or any of its employees as employees of EPWater. Neither Borderplex nor its employees will be entitled to any of the benefits established for EPWater employees, nor be covered by the EPWater's Workers' Compensation Program.

7. **INDEMNIFICATION.**

BORDERPLEX OR ITS INSURER WILL INDEMNIFY, DEFEND AND HOLD EPWATER, ITS OFFICERS, AGENTS AND EMPLOYEES, HARMLESS FOR AND AGAINST ANY AND ALL THIRD-PARTY CLAIMS, CAUSES OF ACTION, LIABILITY, DAMAGES, OR EXPENSE, (INCLUDING BUT NOT LIMITED TO ATTORNEY FEES AND COSTS) TO THE EXTENT ARISING FROM BORDERPLEX'S OR ITS EMPLOYEES', AGENTS', OR SUBCONTRACTORS' NEGLIGENT ACTS OR OMISSIONS, WILLFUL MISCONDUCT, OR BREACH OF THIS AGREEMENT IN PERFORMING THE SERVICES UNLESS SUCH CLAIM RESULTS SOLELY FROM OR SOLELY INVOLVES NEGLIGENCE, OR ALLEGATIONS OF NEGLIGENCE ON THE PART OF EPWATER, ITS OFFICERS, AGENTS, OR EMPLOYEES. WITHOUT MODIFYING THE CONDITIONS OF PRESERVING, ASSERTING OR ENFORCING ANY LEGAL LIABILITY AGAINST EPWATER, EPWATER WILL PROMPTLY FORWARD TO BORDERPLEX EVERY DEMAND, NOTICE, SUMMONS OR OTHER PROCESS RECEIVED BY EPWATER IN ANY CLAIM OR LEGAL PROCEEDING CONTEMPLATED HEREIN. BORDERPLEX WILL 1) INVESTIGATE OR CAUSE THE INVESTIGATION; 2) NEGOTIATE OR CAUSE TO BE NEGOTIATED THE CLAIM AS BORDERPLEX MAY DEEM EXPEDIENT; AND 3) DEFEND OR CAUSE TO BE DEFENDED ON BEHALF OF EPWATER ALL SUITS FOR DAMAGES EVEN IF GROUNDLESS, FALSE OR FRAUDULENT, BROUGHT BECAUSE OF SUCH CLAIM. BORDERPLEX WILL PAY ALL JUDGMENTS FINALLY ESTABLISHING LIABILITY OF EPWATER IN ACTIONS DEFENDED BY BORDERPLEX PURSUANT TO THIS SECTION ALONG WITH ALL ATTORNEYS' FEES AND COSTS INCURRED BY EPWATER INCLUDING INTEREST ACCRUING TO THE DATE OF PAYMENT BY BORDERPLEX, AND PREMIUMS ON ANY APPEAL BONDS. EPWATER, AT ITS ELECTION, WILL HAVE THE RIGHT TO

PARTICIPATE IN ANY SUCH NEGOTIATIONS OR LEGAL PROCEEDINGS TO THE EXTENT OF ITS INTEREST. EPWATER WILL NOT BE RESPONSIBLE FOR ANY LOSS OF OR DAMAGE TO BORDERPLEX'S PROPERTY FROM ANY CAUSE.

8. Termination.

- (a) Either Party may terminate this Agreement at any time for convenience by providing written notice to the other Party.
- (b) The provisions of sections 7, 9 and 10(i) of this Agreement shall survive the termination of this Agreement and remain in full force and effect thereafter.

9. Confidentiality and Data Ownership

- (a) Borderplex understands that in the performance of the work under this Agreement, Borderplex may have access to confidential information owned or controlled by EPWater, and that such information may contain proprietary details, disclosures, or sensitive information which disclosure to or use by an unauthorized third party will be damaging and/or illegal. Borderplex agrees that all information disclosed by EPWater to Borderplex or information that Borderplex has access to which is owned or controlled by EPWater shall be held in confidence and used only in performance of services under this Agreement. This includes, but is not limited to, EPWater equipment, systems, software, infrastructure, system configurations and data. Any requests for information related to this Agreement shall be forwarded to EPWater.
- (b) Borderplex understands that EPWater is subject to the Texas Public Information Act ("Act") and that EPWater will follow all the requirements of the Act. EPWater will not be liable for disclosure of information pursuant to the Act, applicable law or under court order.
- (c) All final presentations, drawings, models, designs, formulas, methods, documents, and tangible items prepared for and submitted to EPWater by Borderplex in connection with the services rendered under this Agreement shall belong exclusively to EPWater and shall be deemed to be works made for hire (the "Deliverable Items"). To the extent that any of the Deliverable Items may not, by operation of law, be works made for hire, Borderplex hereby assigns to EPWater a no-cost, perpetual right of ownership in the Deliverable Items, and EPWater shall have the right to obtain and hold in its own name any registration, and any other registrations and similar protection which may be available in the Deliverable Items. Borderplex agrees to give EPWater or its designees all assistance reasonably required to perfect such rights.
- (d) Property of EPWater. Borderplex agrees that promptly upon the expiration or termination of this Agreement, or upon the request of EPWater, Borderplex shall return to EPWater all Deliverable Items, including, without limitation, all confidential information together with all copies and abstracts thereof.

10. Miscellaneous.

- (a) Borderplex affirms the following:

- (i) Borderplex affirms it does not boycott Israel and will not boycott Israel during the term of this Agreement.
- (ii) In accordance with Chapter 2276 of the Texas Government Code, Borderplex affirms it does not boycott energy companies and will not boycott energy companies during the term of this Agreement.
- (iii) In accordance with Section 2274.002 of the Texas Government Code, Borderplex does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.
- (iv) Borderplex affirms it is not a foreign-owned company that is owned or controlled by citizens of or directly controlled by the government of China, Iran, North Korea, Russia or a designated country pursuant to Chapter 2275 of the Texas Government Code. Additionally, Borderplex affirms it is not a company that is headquartered in China, Iran, North Korea, Russia or a designated country pursuant to Chapter 2275 of the Texas Government Code.
- (v) Borderplex affirms that it is not a company that is identified on a list prepared and maintained pursuant to Chapters 2252 and 2270 of the Texas Government Code and is not engaged in business with Iran, Sudan, or terrorist organizations.

(b) Notices.

All notices shall be made in writing and may be given by personal delivery or by mail. Notices sent by mail shall be addressed to the designated responsible person or office:

TO EPWater:

El Paso Water - Public Service Board
Attn: President/CEO
1154 Hawkins Boulevard
El Paso, TX 79925

TO Alliance:

Borderplex Alliance
Attn: CEO
123 W. Mills Ave., Suite 320
El Paso, TX 79901

When so addressed, notices shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the responsible person or office to whom notices are to be sent, provided reasonable notice is given.

- (c) Severability. The sections, paragraphs, sentences, clauses, and phrases of this Agreement are severable and, if any phrase, clause, sentence, paragraph, or section of this contract should be declared invalid by a final decision of a court of competent jurisdiction, such invalidity will not affect any of the remaining provisions of the Agreement.

(d) Captions. The captions of this Agreement are for information purposes only and shall in no way affect the substantive terms or conditions of this Agreement.

(e) Successor and Assigns. This Agreement shall be binding on EPWater and Borderplex and their successors and assigns. Neither Party may assign, sublet, or transfer its interest in this Agreement without the written consent of the other. Any attempted assignment or delegation by Borderplex will be wholly void and totally ineffective for all purposes unless made in conformity with this paragraph.

(f) No Waiver. No claim or right arising out of a breach of this Agreement can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved Party.

(g) Approval Is Not Release. Approval by EPWater shall not constitute nor be deemed release of the responsibility and liability of Borderplex, its employees, subcontractors, agents and consultants for the accuracy and competency of the work produced by Borderplex, its employees, subcontractors, agents and consultants as a result of this Agreement; nor shall such approval be deemed to be an assumption of such responsibility by EPWater for any defect in the work prepared by Borderplex, its employees, subcontractors, agents and consultants as a result of this Agreement.

(h) Compliance with Laws. Borderplex shall comply with all Federal, State, and local laws and ordinances applicable to the work covered hereunder and all applicable rules and regulations promulgated by all local, state and national boards, bureaus and agencies.

(i) Governing Law and Venue. For the purpose of determining place of agreement and the law governing same, this Agreement is entered into in the City and County of El Paso, State of Texas, and shall be governed by the laws of the State of Texas. Venue and jurisdiction of any suit or right or cause of action arising under or in connection with this contract shall be exclusively in a court of competent jurisdiction sitting in El Paso County.

(j) Amendments. This Agreement may be amended prior to its expiration by mutual written consent of the Parties.

(k) Recitals. The recitals are hereby incorporated to this Agreement by reference.

11. Signatory Warranty.

The El Paso Water Utilities Public Service Board has authorized its President and CEO to enter into this Agreement with Borderplex Alliance on its behalf. The Borderplex Alliance, acting by its Board of Directors has authorized its Chief Executive Officer to enter into this Agreement with the El Paso Water Utilities Public Service Board on its behalf.

12. Entire Agreement.

This Agreement is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their contract. No course of prior dealings between the parties and no usage of the trade will be relevant to supplement or explain

any term used in this Agreement. Acceptance or acquiescence in a course of performance rendered under this Agreement will not be relevant to determine the meaning of this Agreement even though the accepting or acquiescing Party has knowledge of the performance and opportunity for objection.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, duly authorized representatives of the parties have signed in confirmation of this Agreement with the Effective Date being the date that EPWater signs this Agreement, as evidenced by EPWater's signature:

EPWater:
El Paso Water Utilities
Public Service Board

John E. Balliew
President/CEO

Date: _____

APPROVED AS TO FORM:

Daniel Ortiz
General Counsel

The Borderplex Alliance:

Jon Barela, CEO

Exhibit A

Goals and Performance Metrics

Purpose. Establish measurable expectations for evaluating economic development projects, particularly very large water users, so that growth supports long-term water reliability, infrastructure affordability, and community value.

Measure early identification, utility coordination, water and wastewater efficiency, infrastructure impact, and economic value per unit of water—not simply the number of businesses recruited.

Goal	Performance Metric	Target
Identify water and wastewater intensive projects early	Percentage of prospects completing a preliminary water-use assessment	100% of projects above the established threshold
Improve utility coordination	Percentage of very large water-user projects referred to EPWater before incentives or commitments are offered	100%
Confirm water availability, wastewater capacity and infrastructure review	Percentage of applicable projects receiving a written utility capacity review	100% before final approval
Promote water-efficient development	Percentage of very large users submitting a water-efficiency and conservation plan	100%
Measure economic benefit relative to water demand	Jobs, payroll, capital investment, tax revenue, or economic output per acre-foot of annual water use	Establish minimum benchmarks by industry
Reduce potable-water demand	Percentage of eligible projects evaluating reclaimed water, brackish water, reuse, or other nonpotable sources	100%
Improve forecast accuracy	Difference between projected and actual annual water use after operations begin	Within an established tolerance, such as 10%-15%
Protect infrastructure affordability	Estimated infrastructure cost and identified funding source for each qualifying project	No unidentified costs before agreements are approved
Ensure accountability	Percentage of applicable incentive agreements containing water-use reporting and performance provisions	100% when water demand is material
Monitor cumulative demand	Total projected and actual water and wastewater demand from recruited projects	Annual reporting