



REGULAR MEETING MINUTES
Tuesday, May 26, 2020

1. Call Meeting to Order.

President Magda C. Flores called meeting to order at 4:00 p.m.

2. Roll Call & Determination of Quorum.

Quorum existed. Meeting proceeded.

		<u>Present</u>	<u>Absent</u>	<u>Comments</u>
Ms. Magda C. Flores	President	X		
Ms. Juana Gutierrez	Vice President	X		
Ms. Thelma Quiñonez	Secretary	X		
Mr. Israel Martinez, Jr.	Member	X		Arrived at 4:46
Ms. Laura Olivas	Member	X		

District Staff:

Mr. Jose Ramirez	General Manager
Ms. Patricia Cruz	Office Manager
Ms. Romie Martinez	Inventory Dept. Manager

Consultants:

Chuck Loy	GDS ASSOCIATES, INC.
Nick Weaver	GDS ASSOCIATES, INC.
Michael O'Donnell	BIXLER & COMPANY

Visitors:

None

3. Pledge of Allegiance.

4. Take up, consider and take action on meeting agenda.

Discussion: No discussion

Motion made by Ms. Olivas to approve meeting agenda.

Seconded by Ms. Quiñonez.

Vote:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Other</u>
Ms. M. Flores	X			
Ms. J. Gutierrez	X			
Ms. T. Quiñonez	X			
Mr. I. Martinez				
Ms. L. Olivas	X			

Motion: Passed

5. Take up, consider and take action on Special Meeting Minutes for April 7, 2020.

Discussion: No discussion

Motion made by Ms. Gutierrez to approve Regular Meeting Minutes for April 7, 2020.

Seconded by Ms. Olivas.

Vote:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Other</u>
Ms. M. Flores	X			
Ms. J. Gutierrez	X			
Ms. T. Quiñonez	X			
Mr. I. Martinez				
Ms. Laura Olivas	X			

Motion: Passed



EL PASO COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 4

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FABENS, TX 79838-3880

Regular Meeting
May 26, 2020

6. **Audience comments on Agenda Items: 3-minute speaking time limit per agenda item.**
No audience comments.

7. **Audience comments on General Matters: 3-minute speaking time limit per person.**
No audience comments.

8. **Take up, consider and take action on adoption of new water and wastewater rate study as presented by GDS Associates INC.**

Discussion: Mr. Nick Weaver presented the new rate study for water and wastewater rates for FY2020-FY2030. He explained that the determination of rates was based on the current financial study of the District along with the foreseeable costs and number of customers projected being lost in the Mesa Del Norte Subdivision in the year 2021. He recommended changing the rate structure only and not the actual rate for now as the District is in a good position to cover its costs. The rate structure will change by eliminating the minimum allowance of 3000 gallons. Mr. Weaver also did a comparison to different area water utilities and found that the El Paso County Water Control & Improvement District #4 is basically in line with those in comparison. The rate study however, did not include the expense of projects lined up in the near future. GDS Associates will provide the district with a model in which changes and calculations can be made according to the District's needs.

Motion made by Ms. Gutierrez to approve the adoption of the new water and wastewater rate study as presented by GDS Associates INC. with expected changes of the additional model.

Seconded by Ms. Olivas.

<u>Vote:</u>	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Other</u>
Ms. M. Flores	X			
Ms. J. Gutierrez	X			
Ms. T. Quiñonez	X			
Mr. I. Martinez	X			
Ms. Laura Olivas	X			

Motion: Passed

9. **Take up, consider and take action on 2019 El Paso County Water Control & Improvement District No. 4 Financial Audit as presented by Bixler and Company L.L.P.**

Discussion: Mr. Michael O'Donnell reviewed the 2019 El Paso County Water Control & Improvement District No. 4 Financial Statement audit report. All records were in good order and no internal control deficiencies were found.

Motion made by Ms. Gutierrez to approve the 2019 El Paso County Water Control & Improvement District No. 4 Financial audit as presented by Bixler and Company L.L.P.

Seconded by Mr. Martinez.

<u>Vote:</u>	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Other</u>
Ms. M. Flores	X			
Ms. J. Gutierrez	X			
Ms. T. Quiñonez	X			
Mr. I. Martinez	X			
Ms. Laura Olivas	X			

Motion: Passed

10. **Take up, consider and take action on repairs to 10th St. Treated Water Booster Pumps.**

Discussion: Mr. Horacio Juarez explained that the four booster pumps at the 10th St. distribution system have been in place for 10 years and staff has done a good job at maintaining them. Pump 3 was pulled recently and checked by Alpha Southwest and found that it had its normal wear and tear. Pump #3 has



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usually given a little bit of problems when running as the lead pump and therefore recommendation by Mr. Juarez is to rehabilitate pump #3 now for a cost of \$17,856.03 and it will last for another five to ten years. Slowly but surely rehabilitate the other three pumps as the years go by or as needed. The cost to replace them with brand new pumps including installation by Alpha Southwest would run between \$37,000-\$40,000 each pump.

Motion made by Ms. Gutierrez to approve to have Alpha Southwest repair the pump and motor #3 for a total amount of \$17,856.03, and to allow the General Manager to solicit a minimum of three quotes to repair booster pumps and motors #1, 2 and 4 and to bring fourth to the Board of Directors the quotes for approval.

Seconded by Ms. Olivas.

No action required for this item.

<u>Vote:</u>	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Other</u>
Ms. M. Flores	X	_____	_____	_____
Ms. J. Gutierrez	X	_____	_____	_____
Ms. T. Quiñonez	X	_____	_____	_____
Mr. I. Martinez	X	_____	_____	_____
Ms. Laura Olivas	X	_____	_____	_____

Motion: Passed

11. Take up, consider and take action to approve a new Service Contract with CDM Smith for ongoing Professional Service.

Discussion: Mr. Juarez explained to the board members that the on-call amount of \$75,000 previously approved is running low. \$75,000 will normally last 2 years or more, however due to MDN issues 45% was used up on that alone. The \$75,000 is spent on a as needed basis for on call engineering services and charged accordingly.

No action required for this item.

Motion made by Mr. Martinez to approve the new Service Contract with CDM Smith for ongoing Professional Services in the amount of \$75,000.

Seconded by Ms. Gutierrez.

<u>Vote:</u>	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Other</u>
Ms. M. Flores	X	_____	_____	_____
Ms. J. Gutierrez	X	_____	_____	_____
Ms. T. Quiñonez	X	_____	_____	_____
Mr. I. Martinez	X	_____	_____	_____
Ms. Laura Olivas	X	_____	_____	_____

Motion: Passed

12. Kemp Smith Update.

Discussion: No update

No action required for this item

13. CDM Smith Update.

Discussion: No update

No action required for this item.

14. General Manager Report.



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Discussion:

- Collection rate for April was 95%. There were no cutoffs due to the PUC order stating no utility services may cut off during the COVID-19 pandemic. 114 accounts remain unpaid, the staff has called the customers whom remain unpaid and few have made arrangements to pay.
- Mr. Ramirez sent out an email to the Board Members advising them on closing date for the bonds. The closing date is May 20, 2020. He mentioned that per Mr. Tom Lawrence (Financial Advisor) the District will be paying \$117,000 from the debt service account at WestStar bank in the form of wire transfer to reduce the amount that is being financed
- On Thursday, May 14, 2020 Mr. Ramirez along with Mr. Juarez met up with Manuel Villalobos of Cubic Water LLC to talk about liquidated damages and pending change orders. After some discussion it was agreed that \$205,000 was a fair amount. The district currently has \$230,000 in the water project account at WestStar bank. The account will be closed after paying Cubic Water LLC and the remaining money will be deposited into the General fund account. Per Mr. Perkins at USDA-RD the remaining \$25,000 can be deposited into the General fund account since the District exceeded the matching funds due to change orders.
- On March 2, 2020 the district received a letter from TCEQ for a lead and copper non qualification. Field Operator Mr. Jesse Chacon had sent the form 2060 to all customers where the lead and copper samples were taken from. When the results were received we failed to send the form 26A to TCEQ notifying them that we had sent the letter to our customers. Form was sent on 3/11/2020 and on 5/18/2020 TCEQ sent the letter stating we are now in compliance.
- On March 9, 2020 we had a leak at JC Park that clogged the sewer line and caused standing wastewater near NW I and 3rd St. The line was jetted and the old tap removed. We had to call a honey truck to vacuum all the standing water and after it was all vacuumed staff added HTH chlorine to the whole area affected to disinfect. This is a TCEQ recommendation. TCEQ was called on 3/11/2020 to report the spillage and an inspector came to inspect the area. No issues were found. We will be receiving a letter from TCEQ stating that there are no violations. The incident was reported by one of our customers.
- The dedication ceremony for the Waste Water Treatment Plant has been scheduled for June 13, 2020 at 9 am. It is best to have the ceremony for family and friends only due to the COVID-19 pandemic. We will just have a small gathering on that day. If in the future the board decides to have another one we can.
- We are planning to bring the entire staff back on June 1st. We will be following OSHA guidelines for the re-opening. We will have a meeting that morning with staff to go over all guidelines. We will continue to have the two groups for the field staff. Mr. Madrid will be assigning the work orders by groups. We will be installing dividers for the ladies in the office. The lobby will remain closed with payments being accepted through the night drop only. The entire staff will be working full time starting June 1st.

No action required for this item.

15. Executive Session.

No items requiring Executive Session

16. Return to open session at : p.m. for possible discussion and action on Executive Session item(s).

Not applicable

17. Board Member Availability for the June 30, 2020 Regular Meeting.

Discussion: All Board Members' present will be available for the June 30, 2020 meeting.

No action required for this item.

18. Motion to adjourn.



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Discussion: No discussion

Motion made by Ms. Quiñonez to adjourn.

Seconded by Ms. Olivas.

Vote:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Other</u>
Ms. M. Flores	X			
Ms. J. Gutierrez	X			
Ms. T. Quiñonez	X			
Mr. I. Martinez	X			
Ms. Laura Olivas	X			

Motion: Passed

Meeting Adjourned at 6:05 p.m.

[Handwritten Signature]
Signature

6/23/20
Date Approved

