

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

January 24, 2017

Present:

Scott Roberts, President
Fred Goff, Vice President
Don Walden, Assistant Secretary

Staff and Consultants:

Rob Pugh, General Manager
Curtis Wilson, District Engineer
Jennifer Smith, Agency Controller
Stefanie Albright (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel
Dennis Lozano, Murfee Engineering Company

I. CALL TO ORDER

Director Roberts called the meeting to order at 10:04 a.m.

II. ESTABLISH QUORUM

A quorum was established. All directors were present, except for Directors Whisenant and Goodwin. Also present were the above-referenced consultants.

III. NEW BUSINESS

- A. Discuss, consider and take action regarding authorization of purchase of raw water intake facilities, including raw water pumps and motors.

Ms. Albright addressed the Board and stated that there are no procurement statutes applicable to the PUA, but recommended that the Board use as guidance the procurement provisions in Chapter 49 of the Texas Water Code. For projects such as the one before the Board where there is an urgent need to purchase goods without bidding requirements, Ms. Albright suggested that the Board ensure that one of the exceptions to bidding requirements under Chapter 49 is present.

Director Walden stated that he understands that there is no requirement to bid, but it is a public entity that needs to put importance on transparency and a process should be established to make purchases. He stated that this is an urgent matter that may result in loss of water in the summer due to the lead time to order. He recommended that at least three vetted vendors be looked at with an invitation to bid, but due to the urgent nature and threat to health and safety, publication bidding procedures not be pursued for these materials.

Director Walden stated that he wanted Murfee Engineering to be involved in the specifications of the pumps and motors. He stated that this project shouldn't be bid because of the current situation with the pumps and the threat to public health and safety from the lead time to publish and obtain bids and order pumps.

Director Roberts stated that the first priority is not losing water capacity in the summer, and then second to be consistent with the PUA's proposed plan for capital projects.

Mr. Lozano stated that the current proposal previously considered was to purchase one pump "like in kind" and purchase a second expanded pump. Discussion ensued regarding the age of pumps and timing of replacements.

Mr. Pugh stated that Pump No. 1 is out of service and will be pulled for inspection and possible repair, which will take at least 2 months. Pump No. 2 has an extremely worn shaft and is only used when needed. Pump No. 3 has a motor that is out, but the repair should be made quickly. He stated that in January he was made aware that Pump Nos. 4 and 5 were spraying water. The preliminary feedback is that the shafts and bearings need to be replaced in these two pumps, but that they will be operational through the summer. The recommendation is to let Pump Nos. 4 and 5 run through the summer, and then next fall take them down one by one for repair. In response to a question for Director Walden, Mr. Lozano explained that these two leaking pumps had not yet been repaired due to the condition of Pump Nos. 1-3.

Mr. Pugh stated that the PUA has identified a preferred vendor, and there is a possibility that getting additional quotes would delay the purchase by several weeks. Mr. Lozano explained that pump selections had been made, but specifications had not been prepared.

Director Goff asked whether a premium would be paid by single-sourcing, to which Mr. Lozano stated that in his opinion going with Smith Pumps would not result in a premium due to Murfee Engineering's past dealings with Smith Pumps.

Director Roberts confirmed that Pump No. 1 would be taken out, and the motor used for Pump No. 3. Then the plan is to replace Pump No. 2. The plan is to have Pump No. 1 rehabilitated if possible for redundancy, but the pump position would be replaced with a new expanded pump.

Director Roberts confirmed that the Pump No. 1 replacement would be bid, and that the item to be approved today would be the like in kind replacement of Pump No. 2. He confirmed that the work on Pumps Nos. 2 and 3 would be ready for the summer, and the remainder of the work will take place in the winter.

Director Roberts asked if Pump No. 2 had been ordered, to which Mr. Lozano confirmed that only bids had been selected. Director Walden asked that the contractor be given a schedule for completion and provisions to ensure that the schedule is adhered to.

MOTION: A motion was made by Director Roberts and seconded by Director Goff to approve, due to the urgent necessity and potential threat to public health, replacement of Pump No. 2 in the amount of \$132,275 from Smith Pump Company, Inc., direct staff to negotiate a contract with a completion schedule with damages for failure to complete according to schedule.

The vote was taken with the following result:

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

After discussion relating to the specifications of the project, Director Roberts recommended that staff and consultants have some additional negotiation room should there be other contingencies in the replacement project.

MOTION: A motion was made by Director Roberts and seconded by Director Walden to amend the previous motion to give PUA staff a budget not to exceed \$150,000 to replace Pump No. 2.

The vote was taken with the following result:

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

Director Walden asked that a report be included at future Board meetings to give an in-depth update on the project.

B. Discuss, consider and take action regarding purchase of water treatment plant security upgrades.

MOTION: A motion was made by Director Roberts and seconded by Director Walden to take action regarding the purchase of water treatment plant security upgrades.

The vote was taken with the following result:

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

IV. ADJOURNMENT

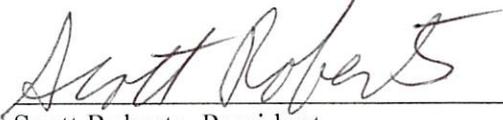
MOTION: A motion was made by Director Walden to adjourn. The motion was seconded by Director Roberts.

The vote was taken with the following result:

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

The meeting adjourned at 10:56 a.m.

PASSED AND APPROVED this 16th day of February 2016.



Scott Roberts, President
Board of Directors

ATTEST:


Ray Whisenant, Jr., Secretary/Treasurer
Board of Directors