

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

November 16, 2017

**Present:**

Scott Roberts, President  
Fred Goff, Vice President  
Ray Whisenant, Secretary  
Bill Goodwin, Assistant Secretary  
Don Walden, Assistant Secretary

**Staff and Consultants:**

Robert Pugh, General Manager  
Jennifer Riechers, Program Manager  
Jennifer Smith, Agency Controller  
Keli Kirkley, Agency Accountant  
Stefanie Albright, (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel  
David Klein, (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel  
Dennis Lozano (Murfee Engineering Company, Inc.), Agency Engineer  
Judith Coker, Agency Engineer  
Pierce Powers, Agency Engineer  
Trey Cantu, Agency Operations Manager

**I. CALL TO ORDER**

Director Roberts called the meeting to order at 10:00 a.m.

**II. ESTABLISH QUORUM**

A quorum was established. Also present were the above-referenced staff and consultants.

**III. PUBLIC COMMENT**

Marco and Nancy Rocha with Edible Arrangements addressed the Board regarding concerns about grease trap requirements. Ms. Rocha stated that they were in process of locating the business within Bee Cave, and that the request for the 300 gallon grease trap exceeds the needs of the business. Mr. Rocha stated that they were addressing the Board because there is no waiver system in place. Ms. Rocha stated that most waste goes into the trash and not the sewer system. Director Whisenant asked how much yogurt, whip cream, or chocolate is used, to which Ms. Rocha says 30-40 smoothies are typically sold a day but it depends on foot traffic. She stated

that the drains have strainers to prevent solids from going down the drains. Director Roberts confirmed that the business wanted to have an under the sink mounted, in-line, grease trap. Director Whisenant stated that staff feedback would need to be obtained and that no decisions could be made on this item.

Director Roberts asked about the procedure to address the issue, to which Mr. Pugh stated that staff would need to review Tariff requirements and past practices and make a determination for the Board to consider. Mr. Pugh stated that a thorough Tariff review and comparisons were made to reach the determination that a grease trap is required.

Director Roberts asked that an item be included on the next agenda to address this issue.

Ms. Ann Thierry addressed the Board, stating that she lives in the Sunset Canyon development and she is concerned about her high water bills. She stated that her bills had been consistent for some time, and then in 2017 her bills increased, but her August use dramatically increased to \$424, when the previous August's bill had been less than \$200. She stated that she had no leaks and no additional usage, and the increase makes no sense. Ms. Thierry asked that there be some investigation into these random high bills, and that there be a more fair appeal and refund process.

Amy Beggs next addressed the Board regarding her high water bills. She stated that she had her irrigation system checked, and there were no leaks, but the pressure was high. She stated that she would like a policy change to provide more recourse, and to notify customers when there are pressure issues. Director Roberts asked staff if this area was impacted by the PRV failure, to which Mr. Pugh stated that it was. Mr. Pugh confirmed that the failed PRV occurred in September.

Director Roberts asked if high pressure could impact water use, to which Mr. Lozano stated there could be if taps were open, but irrigation systems and pools shouldn't have contributed to higher usage. Discussion ensued regarding the PRV failure, and how the pressure increased in the way it did. Mr. Lozano stated that this would likely be multiple individual PRV failures.

Director Goff stated that he believed more independent investigation needed to be reviewed. Director Goodwin confirmed that Ms. Beggs' high meter reads were prior to the PRV failure.

Director Roberts asked for a report on the next agenda regarding the 1826 waterline and wanted input on pressure readings from the previous 6 months. He asked that staff contact Greenhawe and ask for input regarding their pressure readings. He also asked what pressures the ratings of individual irrigation systems are based on.

Director Goodwin addressed the statements that pressure may have been increased to serve other developments. Director Whisenant stated that the Board had never approved any increase in pressure to increase water sales.

**IV. CONSENT AGENDA**

- A. Approve minutes of October 19, 2017 Board Meeting.**
- B. Approve payment of outstanding invoices and other related bookkeeping matters.**
- C. Approve Contractor Pay Requests including:
  - 1. Lake Pointe WWTP Improvements Project, PrimeSpec Construction LLC, \$30,640.35.****
- D. Approve Engineer’s Estimate and Contract awards, including estimated impact to bond debt, Impact Fees, expenses, and rates for:
  - 1. US 290 130 Elevated Storage Tank Project.**
  - 2. Raw Water Intake Expansion and Rehabilitation Project.**
  - 3. CFG Industries, LLC, Water Tank Painting and Pump Station Rehabilitation, \$654,500.****
- E. Approve Revised Non-Standard Service Agreement for Burba Property, 75 Water LUEs, 290 System.**

Director Walden asked to pull Item D. Director Goodwin asked to pull Item B.

**MOTION:** A motion was made by Director Goodwin to approve items A, C, and E of the Consent Agenda, provided as Exhibits A-C. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

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

Regarding Item B, Director Goodwin asked what “related bookkeeping matters” referenced, to which Ms. Smith stated the quarterly investment report was included.

**MOTION:** A motion was made by Director Goodwin to approve item B of the Consent Agenda, provided as Exhibit D. The motion was seconded by Director Goff.

The vote was taken with the following result:

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

Director Walden stated that Murfee Engineering and Lloyd Gosselink has considerable billing amounts invoiced regarding SER processing, but these two consultants track the costs by project to enable the fees to be reimbursed. He asked for a tracking report at the next meeting to reference these projects.

Director Walden addressed Item D, and asked for additional information on these projects and how they impact bonded indebtedness, fees, and rates.

Ms. Smith stated these projects are all CIP projects or included in the Facilities Fund budget, so approval to these projects will not impact future rates or fees. Director Walden asked if the projects exceeded any budgeted amounts, to which Mr. Pugh stated that to his knowledge projects were at or below the estimate. Mr. Lozano stated that the tank project had come in well under the estimate due to stiff competition.

**MOTION:** A motion was made by Director Roberts to approve Item D of the Consent Agenda, provided as Exhibit E. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

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

## V. STAFF REPORTS

### A. General Manager's Report.

Mr. Pugh presented on this item, provided as Exhibit F. Director Walden referenced the report regarding SER close out documents, and stated that a great deal of work had gone into completing these close outs. He recommended that a checklist be given at the beginning of the project to notify developers of requirements. Mr. Pugh stated that staff is planning to include the list of requirements with plan approvals.

Director Goodwin asked about the MUD 5 MOU for the easement for the raw waterline. Ms. Albright stated that there is no compensation for the easement, and that the easement had not yet been prepared. In response to a question from Director Goodwin, Ms. Albright stated that there are certain projects and repairs that were agreed to as a component of the MOU. Director Goodwin confirmed that the trail facilities to be constructed would not be maintained by the PUA.

In response to a question from Director Roberts regarding the CCNG documents, Mr. Klein addressed the changes in the Consent to Assignment document, and confirmed that the LCRA would also have to approve the document.

**B. Controller's Report.**

Ms. Smith presented this report, provided as Exhibit G. Ms. Smith stated that there were \$1.2 million dollars excess revenue over expenditures in the prior fiscal year, and that the major change was bringing the operations in house.

**C. Engineer's Report.**

**1. Capital Improvements Plan Update.**

This report was provided as Exhibit H.

**D. Operations Report.**

**1. PRV Maintenance, Repair and Replacement Update.**

This report was provided as Exhibit I. In response to a question from Director Goodwin, Mr. Cantu stated that data relating to PRVs would be relatively inexpensive, but the replacement and repair program could cost significantly more. Mr. Cantu detailed the PRV review program, and stated that PRVs would be replaced based on age as determined by appearance. Mr. Cantu stated that an 8-inch PRV would cost approximately \$10,000. In response to a question from Director Roberts, Mr. Cantu stated that the outside area of the PRV is made of cast iron.

Director Goodwin asked about an I&I problem discovered at the referenced apartment complex. Mr. Cantu stated that the PUA is looking to conduct additional tests to uncover the cross connection.

Discussion ensued regarding the line flushing system, and Mr. Cantu stated that the PUA worked closely with the TCEQ regarding this program.

**VI. OLD BUSINESS**

**A. Discuss, consider and take action regarding pending and/or anticipated litigation, including:**

**At 11:37 a.m. Director Roberts announced that the Board would convene in executive session to consult with its attorney under Texas Government Code 551.071 regarding Item VI. A.**

**At 12:06 p.m. Director Roberts announced that the Board would convene in open session and that no action had been taken in executive session.**

1. *Travis County Municipal Utility District No. 12 v. West Travis County Public Utility Agency; in the 201st Judicial District Court, Travis County, Texas; Cause No. D-1-GN-16-002274.*

This item was discussed in executive session.

2. *William R. Holms v. West Travis County Public Utility Agency; in Travis County Court of Law #2; C-1-CV-17-003601.*

This item was discussed in executive session.

## VII. NEW BUSINESS

- A. **Discuss, consider and take action on water bill complaint from Trice Humpert, 22 Long Creek Road, Austin, TX 78737.**

Mr. Trice Humpert addressed the Board regarding this item, and a memorandum was provided in the packet and included as **Exhibit J**. He stated that his July meter reading was 63,000 gallons when his average reading is 17,000. He stated that his meter is manually read, and the only issue that could explain this reading is that the meter wasn't read as there were no leaks or increase in usage. Mr. Humpert stated that there is no policy to address situations like his where there is no proof that the meter is read. In response to Director Goodwin, he wants a photo that is time-stamped with GPS readings to prove that a meter is read. Mr. Humpert confirmed that he has an irrigation system, but his yard is xeriscaped and the system is typically turned on manually. He stated that he wants Tariff language to address one-time anomalies by assessing a new rate for the water used. He stated that the District is not regulated regarding water billing by the PUC, so there is no other way to address these types of consumer concerns.

Director Goodwin stated that in his experience there was never a meter reading outside of margins, and never from a customer who didn't have an irrigation system. Director Goodwin asked Ms. Riechers as Customer Service Manager whether the same meter reader read each property twice in a row, to which she replied no. He confirmed that this is so that the meter data is recorded, and that meter readers do not have access to previous data for the same reason so that estimations are not made. Ms. Riechers confirmed that she could not imagine a meter reading scheme to commit fraud to the PUA as it would be easier to just read the meters. Director Goodwin confirmed with Ms. Riechers that Mr. Humpert's meter was flagged and re-read, with the re-reading showing that an average of 4,000 gallons per day was being used. He also confirmed that higher use was recorded in this time period, with high temperatures and no rain. Ms. Riechers stated that this high usage on this read route was not uncommon in this time period.

Mr. Humpert stated that there is no way for customers to complain on this type of billing situation and no measures for the General Manager to fall back on. Director Goodwin recommended that Hays County may be a more appropriate entity to speak to about these concerns about the PUA. Director Whisenant stated that he would be happy to speak with Mr. Humpert.

**B. Discuss, consider and take action on Amendment to Murfee Engineering Co., Inc. Work Authorizations, including:**  
**1. 1340 Water Line: Preparation/Approval of Plans and Specifications.**

This item was presented by Mr. Lozano as Exhibit K. He stated the amendment is from the change to time and materials to an “amount not to exceed” contract, and the surveying had been left out of the proposal. He confirmed the change is approximately 12%.

**MOTION:** A motion was made by Director Goodwin to approve the amendment to the Murfee Engineering Contract for the 1340 Waterline: Preparation/Approval of Plans and Specifications. The motion was seconded by Director Roberts.

The vote was taken with the following result:

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

**C. Discuss, consider and take action on Impact Fee Study Update proposal from Murfee Engineering Co., Inc.**  
**1. LUE Assessment, land use assumptions, and CIP development.**

Mr. Lozano presented on this item, provided as Exhibit L. This is the staff-approved work order for the impact fee study to go through the impact fee process.

**MOTION:** A motion was made by Director Whisenant to approve the Murfee Engineering work order for the LUE Assessment, Land Use Assumptions, and CIP Development as presented. The motion was seconded by Director Roberts.

The vote was taken with the following result:

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

**D. Discuss, consider and take action on Impact Fee Study Update proposal from Nelisa Heddin Consultants, Inc.**  
**1. Impact Fee determination.**  
**2. Impact Fee Fund policy, purposes and cash management.**

Mr. Pugh presented this item, provided as Exhibit M. He stated this the second component of the impact fee study, and confirmed for Director Whisenant that the process is laid out in state statute to address costs relating to growth.

**MOTION:** A motion was made by Director Goodwin to approve the Impact Fee Study Update proposal from Nelisa Heddin Consultants as presented. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

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

**E. Discuss, consider and take action on proposed change to PUA Personnel Policies addressing Responsibility and Authority (Chain of Command) regarding Controller position.**

Director Roberts presented these policy changes, provided as Exhibit N, stating that he requested this item to have additional checks and balances on the system as related to the position and not the person. He said there should be some independence in the Controller position. Director Walden stated that this is the only position that reports to both the General Manager and the Board, and that he wanted to ensure that the Controller is excepted from only reporting to the General Manager, and ensure that the changes match the organizational chart.

**MOTION:** A motion was made by Director Roberts to change to PUA Personnel Policies addressing Responsibility and Authority (Chain of Command) regarding Controller position, with the edits recommended by Director Walden. The motion was seconded by Director Goff.

The vote was taken with the following result:

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

**F. Discuss, consider and take action on date of December, 2017 Board Meeting.**

After discussion, the Board chose to move the December Board meeting to Monday, December 18.

**VIII. ADJOURNMENT**

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

The vote was taken with the following result:

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

The meeting adjourned at 12:06 p.m.

PASSED AND APPROVED this 18th day of December 2017.

  
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Scott Roberts, President  
Board of Directors

ATTEST:  
  
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Ray Whisenant, Secretary/Treasurer  
Board of Directors