

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

April 18, 2019

Present:

Scott Roberts, President
Don Walden, Vice President
Ray Whisenant, Secretary
Bill Goodwin, Assistant Secretary
Eileen Brzoska, Director

Staff and Consultants:

Jennifer Riechers, Interim General Manager
Jennifer Smith, Controller
Keli Kirkley, Accountant
Judith Coker, Senior Engineer
Reuben Ramirez, Engineering Technician
Trey Cantu, Operations Manager
Stefanie Albright (Lloyd Gosselink Rochelle & Townsend, P.C.), General Counsel
David Klein (Lloyd Gosselink Rochelle & Townsend, P.C.), General Counsel
Dennis Lozano (Murfee Engineering), District Engineer

I. CALL TO ORDER

Director Roberts called the meeting to order at 10:02 a.m.

II. ESTABLISH QUORUM

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

III. PUBLIC COMMENT

No public comment was received.

IV. CONSENT AGENDA (J. Riechers)

- A. Approve minutes of March 21, 2019 regular Board Meeting.**
- B. Approve payment of invoices and other related bookkeeping matters including:**

1. **First Quarter Investment Report.**
- C. **Approve Contractor Pay Requests including:**
 1. **SJ Louis Construction of Texas., Ltd. Pay Request No. 9, \$254,918.25, 1340 Transmission Main Project.**
 2. **CFG Industries, LLC, Pay Request No. 12, \$17,387.85, Water Tank and Pump Stations Improvements Project.**
 3. **Landmark Structures I, LP, Pay Request No. 12, \$76,746.70, 1340 Elevated Storage Tank Project.**
 4. **Travis Industries, LLC, Pay Request No. 5, \$99,043.20 Uplands WTP and HS Pump Station Improvements Project.**
- D. **Approve Non-Standard Service Agreements (NSSAs) including location map for:**
 1. **Preserve at Oak Hill, 17 Water LUEs, 290 System.**
- E. **Ratify and confirm all actions taken by the Board of Directors at the October 18, 2018, November 15, 2018, December 13, 2018, January 17, 2019, February 21, 2019, and March 21, 2019 meetings of the Board of Directors.**
- F. **Ratify and confirm March 21, 2019 approval of a resolution authorizing the issuance of "West Travis County Public Utility Agency Revenue Bonds, Series 2019"; providing the terms and conditions of the bonds and resolving other matters incident and related to the issuance, payment, security, sale, and delivery of the bonds, including the approval of the distribution of an official statement relating thereto; authorizing the execution of a paying agent/registrar agreement and a bond purchase agreement; and providing an effective date for payment of the final LCRA installment payment and costs of Capital Improvement Projects.**

MOTION: A motion was made by Director Roberts to approve the Consent Agenda Items A-F, presented as Exhibits A-F. The motion was seconded by Director Goodwin.

The vote was taken with the following result:

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

V. **OLD BUSINESS**

- A. **Discuss, consider and take action regarding pending and/or anticipated litigation, including (S. Albright/D. Klein):**
 1. *William R. Holms v. West Travis County Public Utility Agency; in Travis County Court of Law #2; C-1-CV-17-003601*

2. *John Hatchett, Sandra Hatchett and JPH Capital, LLP v. West Travis County Public Utility Agency; in the 201st Judicial District Court, Travis County, Texas; Cause No. D-1-GN-18-001654 (S. Albright).*
3. *John Hatchett, Sandra Hatchett and JPH Capital, LLP v. West Travis County Public Utility Agency, No. 03-18-00668-CV in the Court of Appeals for the Third District of Texas at Austin.*
4. *John Hatchett, Sandra Hatchett and JPH Capital, LLP v. West Travis County Public Utility Agency, Civil Action No. 1:19-CV-00260 in the United States District Court for the Western District of Texas, Austin Division.*

This item was discussed in executive session.

- B. Discuss, consider, and take action on legislative efforts and legislation in the 86th Legislative Session (S. Albright).**

This item was discussed in executive session.

VI. NEW BUSINESS

At 11:30 a.m., Director Roberts announced that the Board would convene in executive session to consult with its attorney pursuant to Texas Government Code § 551.071 regarding Items V.A and B, and Item VI. B; and regarding personnel matters pursuant to Texas Government Code § 551.074 regarding Item VI. B.

At 12:14 p.m., Director Roberts announced that the Board would reconvene in open session and that no action had been taken in executive session.

- A. Discuss, consider, and take action regarding appointment of Interim General Manager, Interim General Manager duties, and WTCPUA operations.**

No discussion was held on this item.

- B. Discuss, consider, and take action regarding WTCPUA employee salaries and bonuses for FY 2019.**

This item was discussed in executive session.

- C. Discuss, consider and take action on proposed modification to WTCPUA Rules and Policies regarding Opt-Out Provision for Automatic Read Meters (AMR).**

Meredith Terrall next addressed the Board. Mr. Terrell stated that he and his family have focused on a healthy environment, and that the meters send a pulse that he feels affects this environment. He asked that the Board consider an opt-out to allow his household to encourage a safe environment.

Ms. Cary Terrall next addressed the Board. She stated that the terms of her service agreement do not allow the pollution of radio transmitted meters without consent. She cited research showing that these meters contribute to adverse health impacts. She stated that a pulse is sent from the meters every 11 months, and that she does not consent to having her property radiated by these meters. She stated that she chooses to use wired facilities in her house, and she does not consent to a wireless meter. She stated that other area utilities allow an opt-out at a reasonable fee.

Dr. Laura Pressley addressed the Board on this item. She provided her qualifications and stated that she was the consultant that worked with Austin Energy on their implemented opt-out program on wireless meters. She stated that she has a company that consults with individuals to help reduce exposure to wireless devices in the environment. She stated that every family has their own needs, and she thanked the Board for considering to allow choices in this program.

Director Goodwin stated that he would prefer to postpone consideration on this item until he has time to look into this matter and review the research provided at the Board meeting.

Director Whisenant asked that staff bring information as to how an opt-out program would impacts operational cost, and determine whether there is additional expense. Director Walden asked that staff bring an estimate of cost and time relating to manual reads relating to an opt-out program.

Director Roberts stated that he doesn't have concerns with an opt-out program, but wants to ensure that implementation is revenue-neutral.

Director Goodwin stated that he would like staff to ascertain whether the job description for a meter reader should be adjusted given implementation of AMRs, and whether an opt-out option would impact the ability to allow certain individuals with disabilities to meet the job description.

MOTION: A motion was made by Director Goodwin to postpone this item until the Board has time to look into this matter and review the research provided during the Board meeting. The motion was seconded by Director Walden.

The vote was taken with the following result:

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

D. Discuss, consider and take action on draft WTCPUA Raw Water High Turbidity Contingency Plan and Standard Operating Procedures.

Mr. Lozano stated that a draft SOP is provided in the packet as **Exhibit G** for review. He stated that there may be opportunities to pool information with other area utilities and plants, as well as an effort to coordinate in situations. Director Walden stated that the goal should be creating the best SOP possible and that this should include utilizing the information from other utilities.

Director Walden stated that he would like to see the District Engineer coordinate with local utilities to develop a draft SOP.

Mr. Lozano stated that Austin Water was conducting a full analysis of the historic event to develop a full report and recommendations.

Director Goodwin asked if AWWA had any turbidity SOP templates, to which Mr. Lozano stated that he would look into the situation.

Mr. Lozano stated that in the recent flooding circumstances, not all utilities were tested in the same manner.

E. Discuss, consider and take action on Amendment to Wholesale Water Services Agreement between WTCPUA and Lazy Nine Municipal Utility District No. 1A (S. Albright):
1. Amendment No. 5, add Delivery Point E for LTISD Middle School No. 3 Water Service.

Ms. Albright presented on this item, provided as **Exhibit H**. She stated that this amendment provides for an additional delivery point necessary to provide service under the Wholesale Agreement, as amended.

MOTION: A motion was made by Director Roberts to approve the Fifth Amendment to the Wholesale Water Services Agreement between WTCPUA and Lazy Nine Municipal Utility District No. 1A, as presented. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

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

F. Discuss, consider and take action on request from Travis County WCID No. 18 for Emergency Interconnect Agreement with WTCPUA.

Ms. Coker presented on this item, provided as **Exhibit I**. She stated that this interconnect request from the Masonwood Subdivision would be handled similarly to the interconnect request from West Cypress Hills, and would include an agreement for the District to pay for the costs of looking into the feasibility of such an agreement

Director Roberts directed Ms. Coker to bring back a funding agreement for a future meeting.

Director Walden asked Rob Callegari, engineer for TCMUD 18, whether the District had any turbidity issues in the past, to which Mr. Callegari stated that not to his knowledge.

Director Goodwin asked about the potential for a “take or pay” option, and confirmed with Ms. Coker that this is not common for an emergency interconnect agreement.

Mr. Lozano stated that there is an engineering review needed to determine what needs to be done to maintain the freshness of the water.

G. Discuss, consider, and take action regarding Water Facilities Lease Agreement with Travis County Municipal Utility District No. 22 (Provence Subdivision Phase I).

Ms. Albright presented this item, provided as **Exhibit J**, stating that the Lease is based on the template used in previous projects. She stated that Ms. Coker had flagged the need to confirm the transfer of real property associated with certain facilities to provide service to the subdivision, and that staff and consultants were in the process of discussing documentation is needed.

MOTION: A motion was made by Director Walden to postpone consideration of this item to a future meeting. The motion was seconded by Direction Whisenant.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Walden, Whisenant, Goodwin, and Brzoska

Voting Nay: None

Absent: None

H. Discuss, consider and take action on Summer Engineering Internship Position.

Director Roberts left the meeting at 10:29 a.m.

Ms. Riechers stated that the WTCPUA received an email from a student at the University of Michigan regarding an internship with the WTCPUA, and that her focus was on wastewater design. She stated that it is a three-month position and that there are likely tasks that could be provided to this intern. Ms. Coker stated that there are tasks that an intern could work on relating to projects. Mr. Walden asked if there was a possibility to provide wastewater experience, to which Ms. Coker stated that there is the opportunity for shadowing an operator.

Director Roberts returned to the meeting at 10:31 a.m.

Director Brzoska asked if this would be a paid position, to which Ms. Riechers confirmed that this would be paid and that there is no established amount to pay interns, but Ms. Smith had confirmed that this position would be in the budget.

MOTION: A motion was made by Director Walden to approve a summer engineering internship position. The motion was seconded by Director Goodwin.

The vote was taken with the following result:

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

I. Discuss, consider and take action on Resolution authorizing execution of closing documents with Lower Colorado River Authority and other matters necessary for May 1, 2019 closing under the Utility Facilities Installment Purchase Agreement.

Mr. Klein presented on this item, provided as Exhibit K. He stated that this Resolution authorizes the President to execute documents relating to the closing under the final amendment to the Utility Facilities Installment Purchase Agreement, and to make the final installment payment to the LCRA.

Mr. Klein stated that the closing needs to occur by May 1 and is planned at LCRA's office. Director Roberts stated that the closing should occur at the WTCPUA office.

MOTION: A motion was made by Director Goodwin to approve the Resolution authorizing execution of closing documents with Lower Colorado River Authority and other matters necessary for May 1, 2019 closing under the Utility Facilities Installment Purchase Agreement. The motion was seconded by Director Whisenant.

The vote was taken with the following result:

Voting Aye: Directors Roberts, Walden, Whisenant, Goodwin, and Brzoska

Voting Nay: None
Absent: None

VII. STAFF REPORTS

A. Interim General Manager's Report.

Ms. Riechers presented this item, provided as Exhibit L.

Director Goodwin asked about the Lakepointe MUD meeting and conversion of the Pleasant Panorama Park from potable to raw water. Mr. Lozano stated that the WTCPUA is looking into the pressurization relating to this project.

Director Goodwin referenced the Sweetwater potential request for additional capacity. Mr. Lozano stated that there is a contract to purchase 930 acres of land that relates to this request. Director Walden stated that the 71 system is nearly fully committed at this time and it is likely not feasible to serve an additional 800 LUEs.

Director Goodwin next addressed the request from Earl Foster regarding the potential to release TCMUD 12 from the Wholesale Agreement. Director Walden stated that there is an agreed-upon MOU and a draft agreement based on this MOU to allow TCMUD 12 to no longer be a wholesale customer of the WTCPUA and receive water service from Lakeway MUD. He stated that TCMUD 12 proposed edits that were not acceptable, and that negotiations ceased. Director Goodwin stated that the release of TCMUD 12 capacity could provide capacity for other customers, to which Director Walden confirmed that this release would occur in 3-5 years if the proposed contract is adopted.

Director Goodwin next addressed the Deer Creek Ranch Water Company request for additional capacity, and confirmed that the customer was advised that no additional capacity was available in the Hamilton Pool Road Waterline except for small infill requests.

Director Walden addressed the effluent irrigation system installation, and asked who designed it, and what it cost. Mr. Cantu provided an update on this item. He stated that the cost was less than \$5,000, and the design was done by Mr. Cantu and Murfee Engineering, and that this work was mostly done in-house.

B. Controller's Report.

Ms. Smith presented on this item, provided as Exhibit M. She stated that water revenue is trailing \$1 million dollars from prior years, but growth is higher than anticipated and she believes that revenue will be recovered over the year.

Director Walden confirmed that there is \$3,038,000 in the rate stabilization fund.

C. Engineer's Report including:

1. Capital Improvements Plan Update.

This report was provided as Exhibit N.

Director Goodwin asked Ms. Coker about the Provence, Phase I SER construction plans and what he believed was a quick turnaround by WTCPUA staff in responding to this request. Discussion ensued regarding Sections 1 and 2 for Phase 1 of the development, and potential future sections for the subdivision. She stated that comments were provided to the Developer at the end of 2018, and that feedback was needed from the developer. Ms. Smith confirmed that payment of outstanding amounts and reservation fees was paid recently.

Mr. Lozano provided a report, provided as Exhibit O. Discussion ensued regarding the County Line Pump Station (CLPS) and storage tank capacity. Director Goodwin referenced the statement in the report relating to lack of records on piping relating to the CLPS. Mr. Lozano confirmed that some of these facilities were from the Hill County Water System, previously acquired by the LCRA. Mr. Lozano confirmed that his recommendation was to locate these lines and document their location.

D. Operations Report.

Mr. Cantu presented on this item, provided as Exhibit P.

Director Walden asked how much work regarding maintenance and operation is contracted to third-party vendors. One example cited was relating to electric work, and the question posed as to why existing staff could not address these tasks. Mr. Cantu stated that some of these smaller tasks were contracted out to allow staff to focus on the more crucial operational tasks. Director Walden stated that turnover in operations is a concern that is contributing to this item. In response to a question from Director Whisenant, Mr. Cantu confirmed that contract services are used to perform some corrective actions so that staff is not consumed by them. He stated the pump and motor staff particularly have enormous maintenance responsibilities, and contractors assist with preventative maintenance tasks. Mr. Cantu confirmed that staff is able to do the work, but may have capacity issues. Discussion ensued regarding the organizational chart.

Director Brzoska thanked Mr. Cantu for his assistance with the sediment runoff from the Lake Pointe WWTP.

VIII. ADJOURNMENT

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

The vote was taken with the following result:

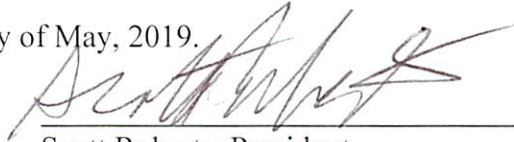
Voting Aye: Directors Roberts, Walden, Whisenant, Goodwin, and Brzoska

May 15, 2019

Voting Nay: None
Absent: None

The meeting adjourned at 12:14 p.m.

PASSED AND APPROVED this 16th day of May, 2019.



Scott Roberts, President
Board of Directors

ATTEST:



Ray Whisenant, Secretary/Treasurer
Board of Directors