

MEMORANDUM

TO: South Texas Water Authority Board of Directors  
FROM: Brandon Barrera, President  
DATE: February 22, 2021  
SUBJECT: Meeting Notice and Agenda for the South Texas Water Authority

A Regular Meeting of the STWA Board of Directors is scheduled for:

**Tuesday, March 2, 2021**  
5:30 p.m.  
South Texas Water Authority  
2302 East Sage Road, Kingsville, Texas

The Board will consider and act upon any lawful subject which may come before it, including among others, the following:

**PLEASE NOTE:** THIS MEETING WILL BE HELD BY REMOTE ACCESS ONLY IN ACCORDANCE WITH THE MARCH 16, 2020 ORDER BY GOVERNOR ABBOTT TEMPORARILY SUSPENDING CERTAIN REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT TO ADVANCE THE GOAL OF LIMITING FACE-TO-FACE MEETINGS TO SLOW THE SPREAD OF COVID-19. NO PERSONS WILL BE AT THE MEETING LOCATION AND NO EQUIPMENT WILL BE AT THE MEETING FOR ACCESS TO THE MEETING. HOWEVER, MEMBERS OF THE PUBLIC MAY ACCESS THIS MEETING BY TELEPHONE AND PARTICIPATE IN THE MEETING BY CALLING ONE OF THE FOLLOWING TOLL-FREE NUMBERS AND ENTERING THE MEETING ID AND PASSWORD BELOW:

**(877) 853-5257 or (888) 475-4499**  
**MEETING ID: 881 6150 0685 PASSWORD: 238760**

PLEASE SEE THE AUTHORITY'S WEBSITE AT [WWW.STWA.ORG](http://WWW.STWA.ORG) FOR THE MEETING PACKET.

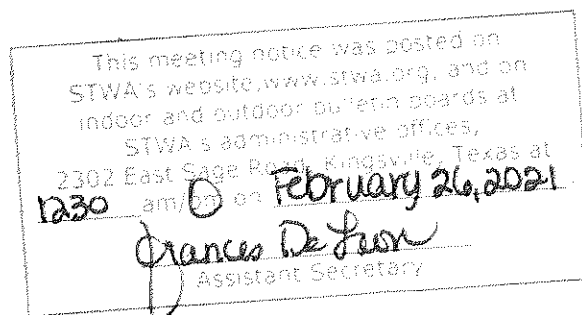
Agenda

1. Call to order.
2. Citizen comments. This is an opportunity for citizens to address the Board of Directors concerning an issue of community interest that is not on the agenda. Comments on the agenda items must be made when the agenda item comes before the Board. The President may place a time limit on all comments. The response of the Board to any comment under this heading is limited to making a statement of specific factual information in response to the inquiry, or, reciting existing policy in response to the inquiry. Any deliberation of the issue is limited to a proposal to place it on the agenda for a later meeting.
3. New Board member's oath of office.
4. Approval of Minutes. (Attachment 1)
5. Treasurer's Report/Payment of Bills. (Attachment 2)

6. Nueces County project for construction of Banquete Pump Station to serve the Nueces Water Control and Improvement District #5 (Banquete) and Nueces Water Supply Corporation. (Attachment 3)
7. City of Bishop – Easement for Bishop East Pump Station. (Attachment 4)
8. Any and all actions necessary or convenient to facilitate the new executive director recruitment process. (Attachment 5)
9. Wholesale Water Supply Contract with the City of Corpus Christi. (Attachment 6)
10. STWA Long-Term Goals. (Attachment 7)
11. Quotes for zinc anode purchase for STWA 42-inch waterline cathodic protection project. (Attachment 8)
12. Discuss and act on STWA social media. (Attachment 9)
13. February 2021 winter storm/freeze event.
14. Adjournment.

The Board may go into closed session at any time when permitted by Chapter 551, Government Code. Before going into closed session, a quorum of the Board must be assembled in the meeting room, the meeting must be convened as an open meeting pursuant to proper notice, and the presiding officer must announce that a closed session will be held and must identify the sections of Chapter 551, Government Code, authorizing the closed session.

BB/CGS/fdl  
Attachments



ATTACHMENT 1

Approval of Minutes

SOUTH TEXAS WATER AUTHORITY  
Regular Board of Directors Meeting  
January 26, 2021  
Minutes

(This meeting was held remotely by phone and Zoom.)

Board Members Present:

Brandon Barrera  
Jose Graveley  
Imelda Garza  
Rudy Galvan, Jr.  
Patsy Rodgers  
Kathleen Lowman

Board Members Absent:

Lupita Perez

Staff Present:

Carola G. Serrato  
Frances De Leon  
Jo Ella Wagner  
Dony Cantu  
Nigel Gomez

Guests Present:

Luke Womack, John Womack &  
Co., P.C.

1. Call to Order.

Mr. Brandon Barrera, Board President, called the Regular Meeting of the STWA Board of Directors to order at 5:36 p.m. A quorum was present.

2. Citizen Comments.

Mr. Barrera opened the floor to citizen's comments. No comments were made.

3. Proposed Fiscal Year 2020 Audit.

Mr. Luke Womack, John Womack & Co., P.C. reviewed the Fiscal Year 2020 Audit with the Board and reported that all records were in order and the Authority's financial position continued to strengthen. He added that there was nothing negative to report and thanked staff for their work.

4. Resolution 21-01. Resolution accepting the Fiscal Year 2020 Audit prepared by John Womack & Co., P.C. of Kingsville, Texas.

Mr. Galvan made a motion to approve Resolution 21-01. Mr. Graveley seconded the motion. All voted in favor.

5. Approval of Minutes.

Mr. Galvan made a motion to approve the minutes of the December 8, 2020 Regular Meeting and the December 22, 2020 Special Meeting as presented. Ms. Rodgers seconded. The motion passed by unanimous vote.

6. Treasurer's Report/Payment of Bills.

The following reports were presented for the Board's consideration:

STWA Investment Report for Quarter ended December 31, 2020  
Treasurer's Report for period ending November 30, 2020  
Revenue Fund Income Statement for period ending November 30, 2020  
Tax Fund Income Statement for period ending November 30, 2020  
Special Services Income Statement for period ending November 30, 2020  
STWA Revenue Fund Balance Sheet – November 30, 2020  
STWA Revenue Fund GL Account Summary Report as of November 30, 2020  
STWA Debt Service Fund Income Statement for period ending November 30, 2020  
STWA Debt Service Fund Balance Sheet – November 30, 2020  
STWA Debt Service Fund GL Account Summary Report as of November 30, 2020  
STWA Capital Projects Fund Income Statement for period ending November 30, 2020  
STWA Capital Projects Fund Balance Sheet – November 30, 2020  
STWA Capital Projects Fund GL Account Summary Report as of November 30, 2020  
Treasurer's Report for period ending December 31, 2020  
Revenue Fund Income Statement for period ending December 31, 2020  
Tax Fund Income Statement for period ending December 31, 2020  
Special Services Income Statement for period ending December 31, 2020  
STWA Revenue Fund Balance Sheet – December 31, 2020  
STWA Revenue Fund GL Account Summary Report as of December 31, 2020  
STWA Debt Service Fund Income Statement for period ending December 31, 2020  
STWA Debt Service Fund Balance Sheet – December 31, 2020  
STWA Debt Service Fund GL Account Summary Report as of December 31, 2020  
STWA Capital Projects Fund Income Statement for period ending December 31, 2020  
STWA Capital Projects Fund Balance Sheet – December 31, 2020  
STWA Capital Projects Fund GL Account Summary Report as of December 31, 2020  
FY 2020 Cathodic Protection Expenses Breakdown  
2012 Bond Election Report  
Anticipated vs. Actual Water Rate Charged  
City of Driscoll Payment Plan Summary  
Maintenance & Technical Report from O&M Supervisor  
Cathodic Protection Update

The following outstanding invoices were presented for Board approval:

- LNV, Inc. \$ 2,175.00
- Kevin Kieschnick, Nueces County Tax A/C \$ 3,254.74

Finance Manager Jo Ella Wagner pointed out that the Texpool December interest rate on the Quarterly Report was incorrect and should be 0.0909 instead of 0.9090. She also noted that the date on the December Treasurer's Report was changed to reflect December 31 instead of December 30. The content of these reports remained the same. Mr. Galvan asked about the progress of the cathodic protection project. Ms. Serrato responded that the crew has completed about two-thirds of Contract 2. She added that she expects the project to continue at least one to

one-and-a-half years because test stations are also being installed and a consultant will need to test the work to make sure everything is working as expected. A motion was made by Mr. Galvan and seconded by Mr. Graveley to approve the Quarterly Report and Treasurer's Reports with Ms. Wagner's changes and to approve payment of the bills as presented. The motion carried.

7. Update on purchase of camera system.

Ms. Serrato reported that all of the needed components for the camera system have been received by the vendor and installation should begin tomorrow, January 27<sup>th</sup>. No Board action was necessary.

8. Nueces County project for construction of Banquete Pump Station to serve the Nueces County Water Control and Improvement District #5 (Banquete) and Nueces Water Supply Corporation.

Ms. Serrato presented Invoice #4 from Nueces County in the amount of \$112,667.10 and requested approval for payment of the invoice. She reported that the second shutdown had gone smoothly and that she expects the project to be complete very soon. Ms. Graveley made a motion to authorize payment of Invoice #4 in the amount of \$112,667.10. Ms. Rodgers seconded. All voted in favor.

9. Quotes for demolition of Banquete Pump Station elevated storage tank.

Ms. Serrato presented a quote from Camacho Demolition for demolition of the elevated storage tank at the Banquete Pump Station in the amount of \$41,985 for demolition of the tank only and \$43,985 for the tank and concrete base. The other two companies that were contacted have not provided quotes. Ms. Serrato stated that the Board can either choose to table or to approve the one quote. Mr. Bill Flickinger of Willatt & Flickinger has advised that if the project is less than \$75,000, STWA is in compliance with bidding requirements as long as the three bids were solicited. Mr. Galvan made a motion to approve the quote from Camacho Demolition for removal of the tank only but without leaving any bolts protruding from the foundation. Mr. Graveley seconded. All voted in favor.

10. City of Bishop – Easement for Bishop East Pump Station.

Ms. Serrato reported that the STWA and City of Bishop negotiation committees met and reached agreement on the remaining items including an amount of \$28,852 to be used on Section III of the Bishop East Pump Station easement. The City representatives indicated that their legal counsel Gerald Benadum reviewed the document and did not recommend any changes. The City Council will meet on January 27<sup>th</sup> to consider the easement. Ms. Serrato stated that if the City Council approves the easement, it will be presented to the STWA Board for approval at the next meeting. No action was taken by the Board.

11. Approval of Annexation of Certain Lands to the South Texas Water Authority.
  - a. Carlos Ysassi, III, Tract 25, Cyndie Park Unit 2 in Nueces County, Texas.

Ms. Serrato stated that approval of Resolution 21-02 finalizes the annexation process for this property and she recommended adoption of the resolution.

12. Resolution 21-02. Resolution approving Annexation of Certain Lands to the South Texas Water Authority. (Carlos Ysassi, III).

Mr. Galvan made a motion to adopt Resolution 21-02. The motion was seconded by Ms. Lowman and passed unanimously.

13. Ray Associates, Inc. proposal for recruitment of Executive Director.

The Board reviewed the proposal from Katherine Ray, Ray Associates, Inc. (RAI). Ms. Serrato stated that the recruitment process would take about three months. The cost is \$30,000 invoiced at \$10,000 per month with estimated additional expenses of \$2,000. RAI is ready to begin working on recruitment in a month. She suggested arranging a special meeting for the Board to discuss their expectations with Ms. Ray. Mr. Barrera asked about other companies that can provide recruitment services and if RAI would consider a reduction in the cost. Ms. Serrato explained that RAI is experienced in recruitment for positions in this industry and she added that she would ask Ms. Ray about assisting with some of the work to possibly reduce the cost. Mr. Graveley made a motion to authorize Ms. Serrato to negotiate an agreement with RAI. Ms. Garza seconded and the motion carried.

14. Wholesale Water Supply Contract with the City of Corpus Christi.

Ms. Serrato presented proposed changes to the City of Corpus Christi's draft water supply contract. The proposed changes include deleting the take or pay clause and only agreeing to pay the City's monthly minimum, and reducing the amount referred to in Quantity section of the contract. Mr. Galvan made a motion to authorize legal counsel to provide the revised draft to Corpus Christi Assistant City Attorney Lisa Aguilar with the understanding that it is a preliminary draft and has not been formally approved by the Board. Ms. Lowman seconded. All voted in favor.

15. Nueces County Water Control and Improvement District #5 Wholesale Water Supply Contract and Contract for Operation and Maintenance of Facilities.

Ms. Serrato said that NCWC&ID #5 has not met to discuss the contracts. She had nothing further to report.

16. Personnel Policies – Selection of Sections for Possible Revisions.

Ms. Serrato provided a copy of the STWA Personnel Policies and asked if the Board is still in favor of making changes to the policies. Mr. Galvan stated that he feels that the policies should be reviewed from time to time. Ms. Garza commented that since a new executive director will be hired in the next few months it would be best to wait because they likely want to review the

policies and make needed changes. Ms. Garza made a motion to table this item until a new executive director is hired. Mr. Galvan seconded. All voted in favor.

17. STWA Long-Term Goals.

Mr. Galvan stated that he feels that setting goals prior to hiring the new executive director could be helpful to them. He added that he is interested in extending STWA's coverage area as far as possible. Since STWA was built as a regional system, he feels it should be able to serve as large a region as possible. He also added that a new building and equipment barn should also be included in future planning. Ms. Serrato noted that long-term plans have been established in the past and pointed out that one of the goals is being accomplished as wholesale customers become independent and enter into agreements with STWA to maintain their pump stations. New software should help with allocating expenses and adjusting the Handling Charge as needed. She also stated that expansion has been discussed previously and the new director will need to know what the Board expects for STWA. Mr. Graveley asked about expanding to the Riviera area. Ms. Serrato responded that the Board has previously discussed extending service to Riviera and that an election to annex the area would be required. Mr. Graveley suggested forming a committee to discuss long-term goals. The Board unanimously consented to having Mr. Graveley, Mr. Galvan, Mr. Barrera, Ms. Serrato and Ms. Wagner serve on the committee. Mr. Galvan also requested an alternate member but there were no other volunteers.

18. Personnel Policies – Pandemic Guidelines.

Ms. Serrato stated that she recommends a change on Page 4 of the Pandemic Guidelines. She to clarify that a negative viral test is needed in order to return to work. Mr. Galvan made a motion to adopt the COVID-19 or Other Pandemic/Infectious Disease Guidelines. Ms. Garza second. All were in favor.

19. Board of Directors Training.

Ms. Serrato requested the Board's feedback on training topics for the Board and whether they preferred to wait for in-person training. Mr. Galvan asked if there was any on-demand training available to they could go through it at their convenience. Ms. Serrato responded that she would resend the links she previously provided by email and STWA can reimburse the cost. She added that the training is broad and not necessarily specific for water supply corporations or reclamation districts. The Board agreed that if they want to take classes, they will and Ms. Serrato agreed to provide the training links.

20. Management hourly pay.

Ms. Serrato stated that in her opinion this issue is a result of the previous changes made to procedures for hiring of management personnel. She added that under the circumstances, she believes the manager who brought this up should receive an adjustment in pay. The Finance Manager has not requested a pay adjustment. Ms. Serrato also pointed out that discussion will be held in open session because the Executive Director no longer holds the authority to set this salary. She added that she prepared a detailed analysis on salaries in case the Board decides to return this authority to her. Mr. Galvan questioned the manner in which the O&M pay rate was



set and stated that the salary that was offered was specifically for applicant Jacob Hinojosa. Ms. Serrato responded that she perceived it as the salary for the position. Mr. Graveley stated that the motion he made was for the offer to Mr. Hinojosa and Mr. Barrera agreed. Mr. Barrera also stated that raises are normally given at budget time. Ms. Serrato added that some raises are granted at other times per board approved policies such as raises for reaching longevity milestones and earning certifications. Mr. Galvan made a motion to freeze raises until the pandemic is over and a new Executive Director is hired. Mr. Graveley seconded. Mr. Galvan rescinded his motion and made a new motion to give no merit raises for the purposes of just giving employees a raise and to only give raises for anniversaries, licenses and probation outside of budget time. The motion was not seconded. Ms. Serrato stated that raises are being handled in that manner already. Business/Risk Manager Frances De Leon stated that she would have approached this matter even if it was Mr. Hinojosa who had been hired. She stated that she understands the Board's stance on not approving raises outside of the budget process, but in her opinion, a raise was given to the position when it was offered to Mr. Hinojosa at such a high pay rate because no previous O&M Supervisor had ever received such a high pay rate. When asked by Mr. Galvan why she had not requested a raise before, Ms. De Leon responded that she had not because she is not that type of person unless she feels she has been wronged. Ms. Lowman made a motion to authorize the proposed pay rate for the Business/Risk Manager and Ms. Rodgers seconded. The motion failed with two votes in favor and four opposed.

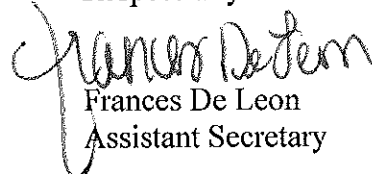
21. Expiration of Families First Coronavirus Response Act and carryover of employee FFCRA leave balances.

Ms. Serrato stated that the FFCRA expired on December 31, 2020 and was not extended by Congress. She requested that the Board consider approve extending the Act's guidelines and keeping the current FFCRA employee balances. Ms. Lowman made a motion that the current FFCRA balances for employees remain and be used per the Act's guidelines. Mr. Galvan seconded. All voted in favor.

22. Adjournment.

With no further business to discuss, Mr. Galvan made a motion to adjourn the meeting at 7:51 p.m. Ms. Garza seconded. The motion passed by unanimous vote.

Respectfully submitted,

  
Frances De Leon  
Assistant Secretary

SOUTH TEXAS WATER AUTHORITY  
Public Hearing Minutes  
January 26, 2021  
(This meeting was held remotely by phone and Zoom.)

Board Members Present:

Brandon Barrera  
Jose Graveley  
Imelda Garza  
Rudy Galvan, Jr.  
Patsy Rodgers  
Kathleen Lowman

Board Members Absent:

Lupita Perez

Staff Present:

Carola G. Serrato  
Frances De Leon  
Jo Ella Wagner  
Dony Cantu  
Nigel Gomez

Guests Present:

Luke Womack, John Womack &  
Co., P.C.

1. Call to Order.

Mr. Brandon Barrera, Board President, called the Public Hearing of the STWA Board of Directors to order at 5:30 p.m.

2. Petition for Addition of Certain Lands to the South Texas Water Authority.

a. Carlos Ysassi, III, Tract 25, Cyndie Park Unit 2 in Nueces County, Texas

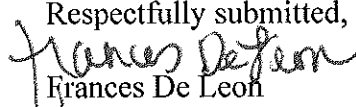
Ms. Serrato stated that the property owner approached the Nueces Water Supply Corporation requesting service outside of the Authority's district boundaries. The resolution approving annexation will be presented at the Regular Board Meeting. Approval of the annexation petition enables the landowner to receive service and pay in-district rates to the Nueces Water Supply Corporation, and allows the property to become taxable.

3. Public Comment.

Mr. Barrera called for public comment. No comments from the public were made.

4. Adjournment.

With no further business to discuss, Mr. Galvan made a motion to adjourn the Public Hearing at 5:35 p.m. Ms. Rodgers seconded and all voted in favor.

Respectfully submitted,  
  
Frances De Leon  
Assistant Secretary

ATTACHMENT 2

Treasurer's Report/Payment of Bills

**SOUTH TEXAS WATER AUTHORITY**  
**Treasurer's Report**  
**For Period Ending January 31, 2021**

**STWA Water Sales:**

<u>Entity</u>	<u>Water Usage (1,000 g)</u>	<u>Cost of Water from City of Corpus Christi \$2.631209 per 1000 g</u>	<u>Handling Charge @ \$0.426386/1000g</u>	<u>Incremental Increase @ \$0.426386/1000g</u>	<u>Out of District Surcharge and Pass-Thru Credit</u>	<u>Total Due</u>
Kingsville	5,026	\$13,224.46	\$2,143.02	\$0.00	\$0.00	\$15,367.47
Bishop	4,137	\$10,885.31	\$1,763.96	\$0.00	\$0.00	\$12,649.27
Agua Dulce	1,643	\$4,322.94	\$700.53	\$0.00	\$0.00	\$5,023.48
RWSC	7,936	\$20,881.27	\$3,383.80	\$0.00	\$0.00	\$24,265.07
Driscoll	3,113	\$8,190.95	\$1,327.34	\$0.00	\$0.00	\$9,518.29
NCWCID #5	1,991	\$5,239.13	\$849.00	\$849.00	\$815.01	\$7,752.14
NWSC	12,833	\$33,767.12	\$5,471.94	\$0.00	\$0.00	\$39,239.06
<b>TOTAL</b>	<b>36,679</b>	<b>\$96,511.19</b>	<b>\$15,639.59</b>	<b>\$849.00</b>	<b>\$815.01</b>	<b>\$113,814.79</b>

**Water Cost and Usage for Period of:**

	<b>12/31/20</b>	<b>to</b>	<b>01/31/21</b>
City of Corpus Christi Invoice for Cost of Water Purchased:			\$83,935.58
Gallons of Water Recorded by City of Corpus Christi:			31,900,000
Gallons of Water Recorded by STWA from Customer's Master Meters:			36,679,410
Water Loss Percentage:			-14.98%

**Annual Usage for FY 2021**

	<b>Annual</b>
Gallons of Water Recorded by City of Corpus Christi:	171,900,000
Gallons of Water Recorded by STWA from Customer's Master Meters:	178,248,190
Water Loss Percentage: (year to date)	-3.69%

**REVENUE FUND  
INCOME STATEMENT  
FOR PERIOD ENDING JANUARY 31, 2021**

**33.33%**

	MONTHLY	YEAR TO DATE	2021 ADOPTED BUDGET	% OF 2021 ADOPTED BUDGET	2020 YEAR TO DATE	2020 FINAL BUDGET
<b>REVENUES</b>						
Water Service Revenue	96,511	452,754	1,400,631	32%	455,588	1,414,144
Handling Charge Revenue	15,640	76,003	229,295	33%	76,249	238,579
Premium Incremental Increase	849	3,153	6,500	49%	15,941	23,200
Surcharge - Out of District	666	2,662	7,986	33%	2,596	9,660
Interest Income	343	1,584	22,000	7%	14,743	26,525
Interest - Note	0	2,003	0		0	0
Other Revenue						
Operating & Maintenance Fees	873	3,649	0	0%	0	0
Miscellaneous Revenues	682	2,653	12,000	22%	5,259	46,000
<b>TOTAL REVENUES</b>	<b>115,563</b>	<b>544,460</b>	<b>1,678,412</b>	<b>32%</b>	<b>570,376</b>	<b>1,758,108</b>
<b>EXPENDITURES</b>						
<b>Water Service Expenditures:</b>						
Bulk Water Purchases	83,936	436,240	1,400,631	31%	448,957	1,414,144
<b>Payroll Costs</b>						
Salaries & Wages - Perm. Employees	27,411	113,534	342,332	33%	119,557	363,524
Salaries & Wages - Part-Time	128	453	1,736	26%	401	832
Overtime - NWSC	0	0	0	0%	0	0
Stand-by Pay - NWSC	0	0	0	0%	0	0
Overtime - RWSC	0	0	0	0%	0	0
Stand-by Pay - RWSC	0	0	0	0%	0	0
Overtime - STWA	1,790	6,724	23,500	29%	8,632	23,000
Stand-by Pay - STWA	50	400	1,300	31%	450	1,300
Employee Retirement Premiums	3,111	20,400	51,973	39%	21,382	60,815
Group Insurance Premium	14,682	51,168	176,907	29%	81,613	160,156
Unemployment Compensation	55	37	933	4%	40	1,612
Workers' Compensation	(573)	11,156	6,654	168%	12,346	7,309
Car Allowance	500	2,000	6,000	33%	2,000	6,000
Hospital Insurance Tax	300	1,435	4,112	35%	1,497	4,379
<b>Supplies &amp; Materials</b>						
Repairs & Maintenance	8,412	62,977	126,000	50%	45,985	127,500
Meter Expense	0	0	5,000	0%	2,500	9,250
Tank Repairs	0	35,794	38,000	94%	45,000	45,000
Major Repairs	0	0	25,000	0%	0	25,000
<b>Other Operating Expenditures:</b>						
<b>Professional Fees</b>						
Legal	1,854	4,596	30,000	15%	18,263	39,000
Auditing	0	9,475	9,475	100%	9,454	9,454
Engineering	0	0	12,500	0%	0	22,535
Management & Consulting	0	0	7,500	0%	0	7,500
Inspection	1,525	3,100	6,000	52%	1,900	2,000
Banquete Overhead Tank Demolition	0	0	35,000	0%	0	35,000
<b>Consum Supplies/Materials</b>						
Postage	205	2,095	7,500	28%	931	2,607
Printing/Office Supplies	373	8,602	30,000	29%	6,862	17,235
Janitorial/Site Maintenance	469	3,589	8,400	43%	1,912	6,000
Fuel/Lubricants/Repairs	2,063	11,405	30,000	38%	13,861	37,087
Chemicals/Water Samples	3,915	10,135	52,500	19%	14,246	45,500
Safety Equipment	0	0	1,500	0%	0	3,800
Small Tools	26	900	2,000	45%	532	2,000

	MONTHLY	YEAR TO DATE	2021 ADOPTED BUDGET	% OF 2021 ADOPTED BUDGET	2020 YEAR TO DATE	2020 FINAL BUDGET
Recurring Operating Costs						
Telephone/Communications	1,173	4,479	14,000	32%	4,757	15,555
Utilities	6,764	22,459	110,000	20%	26,022	95,000
D & O Liability Insurance	0	1,448	3,500	41%	1,276	3,250
Property Insurance	0	41,366	47,300	87%	43,973	43,975
General Liability	0	4,484	3,200	140%	1,830	1,850
Auto Insurance	0	3,089	2,450	126%	2,443	2,500
Travel/Training/Meetings	199	1,666	18,000	9%	1,970	5,500
Rental-Equipment/Uniforms	0	510	5,000	10%	250	5,250
Dues/Subscriptions/Publication	562	2,529	15,000	17%	4,098	15,000
Pass Through Cost	0	371	400	93%	0	100
Educational Materials	0	0	0	0%	0	0
Miscellaneous						
Miscellaneous Expenditures	512	2,990	7,500	40%	3,315	8,250
Total Administrative & Operations Exp.	159,441	881,607	2,668,803	33%	948,255	2,675,769
Capital Outlay						
Capital Acquisition	(69,828)	123,965	242,763	51%	91,226	254,340
Engineering	0	0	0	0%	7,750	8,610
TOTAL EXPENDITURES (w/o D.S. exp.)	89,613	1,005,573	2,911,566	35%	1,047,231	2,938,719
Excess (Deficiencies) of Revenue Over Expenditures	25,950	(461,113)	(1,233,154)	37%	(476,855)	(1,180,611)
OTHER FINANCE SOURCE (USES)						
Transfer to Other Funds						
Transfer from Tax Account	(978,690)	(978,690)	(1,523,651)	64%	(952,675)	(1,471,795)
Extra Ordinary Income						
Disposition of Assets (Surplus Sale)	0	0	(1,500)	0%	0	(1,500)
TOTAL OTHER FINANCING SOURCES (USES)	(978,690)	(978,690)	(1,525,151)	64%	(952,675)	(1,473,295)
EXCESS (DEFICIENCIES) OF REVENUES OVER OTHER SOURCES (USES)						
	1,004,640	517,576	291,997		475,820	292,684
NET INCOME	1,004,640	517,576	291,997		475,820	292,684

**TAX FUND  
INCOME STATEMENT  
FOR PERIOD ENDING JANUARY 31, 2021**

33.33%

	MONTHLY	YEAR TO DATE	2021 ADOPTED BUDGET	% OF 2021 ADOPTED BUDGET	2020 YEAR TO DATE	2020 FINAL BUDGET
<b>REVENUES</b>						
Ad-Valorem - Current	472,949	1,016,908	1,556,828	68%	985,891	1,491,975
Delinquent Tax Revenue	3,246	13,682	30,000	43%	13,391	31,575
Penalty & Interest - Tax Accounts	1,192	4,395	19,000	19%	4,533	23,535
Miscellaneous	0	0	0	0%	0	8
<b>TOTAL TAXES &amp; INTEREST</b>	<b>477,387</b>	<b>1,034,985</b>	<b>1,605,828</b>	<b>67%</b>	<b>1,003,815</b>	<b>1,547,093</b>
<b>EXPENDITURES</b>						
Tax Collector Fees	2,658	49,811	55,106	99%	44,848	50,120
Appraisal Districts	111	6,485	27,071	26%	6,292	25,170
<b>TOTAL EXPENDITURES</b>	<b>2,769</b>	<b>56,296</b>	<b>82,177</b>	<b>75%</b>	<b>51,140</b>	<b>75,290</b>
Transfer to General Fund	978,690	978,690	1,523,651	66%	952,675	1,471,803
<b>EXCESS REVENUES &amp; OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES</b>	<b>(504,071)</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>

**SPECIAL SERVICES  
INCOME STATEMENT  
FOR PERIOD ENDING JANUARY 31, 2021**

33.33%
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	MONTHLY	YEAR TO DATE	2021 ADOPTED BUDGET	% OF 2021 ADOPTED BUDGET	2020 YEAR TO DATE	2020 FINAL BUDGET
<b>REVENUES</b>						
Ricardo Water Supply Corporation	23,902	93,416	315,894	30%	88,830	310,782
Nueces Water Supply Corporation	32,884	121,000	310,725	36%	103,399	335,543
<b>TOTAL REVENUES</b>	<b>56,786</b>	<b>214,416</b>	<b>626,619</b>	<b>33%</b>	<b>192,229</b>	<b>646,325</b>
<b>EXPENDITURES</b>						
Personnel	23,449	101,271	332,983	32%	117,440	320,964
Overhead	23,547	88,695	293,636	32%	87,713	273,137
<b>TOTAL EXPENDITURES</b>	<b>46,996</b>	<b>189,966</b>	<b>626,619</b>	<b>32%</b>	<b>205,153</b>	<b>594,101</b>
<b>EXCESS REVENUES &amp; OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES</b>	<b>9,790</b>	<b>24,450</b>	<b>0</b>		<b>(12,924)</b>	<b>52,224</b>



**South Texas Water Authority  
Balance Sheet  
January 31, 2021**

**ASSETS**

**Current Assets**

STWA - General	\$	211,403.99	
STWA - Payroll		45,979.36	
STWA - Operations		54,850.24	
Petty Cash		150.00	
TexPool - STWA General		3,041,036.29	
Due From Capital Projects Fund		288,573.79	
Due from Debt Service Fund		117.49	
Due from D.S. -Collect Service		10,228.25	
Tax Accounts Receivable		190,036.39	
Allowance for Uncollect Taxes		(88,575.35)	
Service accts receivable		197,450.52	
Interlocal Rec-Bishop		745.55	
Interlocal Rec-Driscoll		1,691.05	
Interlocal Rec-Ricardo		5,570.34	
Interlocal Rec-Nueces		15,916.70	
Interlocal Rec. - Tax Assessor		138,136.31	
Inventory		19,660.50	
Notes Receivable-Not Current		85,095.81	
Notes Receivable - Current		29,059.41	
Prepaid Expenses		31,089.28	
<b>Total Assets</b>	\$		4,278,215.92

**LIABILITIES AND FUNDS EQUITY**

**Current Liabilities**

Trade Accounts Payable	\$	141,289.72	
Salaries & Wages Payable		5,136.32	
Hospital Ins Tax Payable		(3.27)	
Withholding Taxes Payable		231.79	
Unemployment Comp. Pbl.		294.65	
Miscellaneous Payables		2,763.99	
Compensated Absences		17,875.87	
Deferred tax revenue		101,461.04	
Due to Debt Service Fund		754.01	
Due to Capital Projects Fund		9,815.84	
<b>Total Liabilities</b>			279,619.96

**Fund Equity**

Unassigned Fund Balance		3,436,908.48	
Assigned Fund Bal. - Inventory		19,660.50	
Current Earning		542,026.98	
<b>Total Fund Equity</b>			3,998,595.96
<b>Total Liabilities &amp; Fund Equity</b>	\$		4,278,215.92

**South Texas Water Authority  
GI Account Summary Report  
As of: January 31, 2021**

<u>Account Description</u>	<u>Beginning Balance</u>	<u>Debit Change</u>	<u>Credit Change</u>	<u>Net Change</u>	<u>Ending Balance</u>
<b>Current Assets</b>					
STWA - General	124,392.87	\$ 476,974.12	\$ (389,963.00)	\$ 87,011.12	\$ 211,403.99
STWA - Payroll	31,200.84	50,010.98	(35,232.46)	14,778.52	45,979.36
STWA - Operations	35,480.84	50,014.96	(30,645.56)	19,369.40	54,850.24
Petty Cash	150.00	0.00	0.00	0.00	150.00
Transfers	0.00	400,000.00	(400,000.00)	0.00	0.00
TexPool - STWA General	2,953,345.53	387,690.76	(300,000.00)	87,690.76	3,041,036.29
Due From Capital Projects Fund	59,315.39	229,258.40	0.00	229,258.40	288,573.79
Due from Debt Service Fund	91.58	25.91	0.00	25.91	117.49
Due from D.S. -Collect Service	9,606.44	621.81	0.00	621.81	10,228.25
Tax Accounts Receivable	190,036.39	0.00	0.00	0.00	190,036.39
Allowance for Uncollect Taxes	(88,575.35)	0.00	0.00	0.00	(88,575.35)
Service accts receivable	201,459.41	153,066.02	(157,074.91)	(4,008.89)	197,450.52
Interlocal Rec-Bishop	545.15	417.20	(216.80)	200.40	745.55
Interlocal Rec-Driscoll	1,736.46	872.57	(917.98)	(45.41)	1,691.05
Interlocal Rec-Ricardo	9,124.71	4,474.07	(8,028.44)	(3,554.37)	5,570.34
Interlocal Rec-Nueces	11,709.63	15,916.70	(11,709.63)	4,207.07	15,916.70
Interlocal Rec. - Tax Assessor	48,000.99	138,136.12	(48,000.80)	90,135.32	138,136.31
Notes Receivable - Current	29,059.41	0.00	0.00	0.00	29,059.41
Prepaid Expenses	31,089.28	31,089.28	(31,089.28)	0.00	31,089.28
Inventory	19,660.50	0.00	0.00	0.00	19,660.50
Notes Receivable-Not Current	85,095.81	0.00	0.00	0.00	85,095.81
<b>Total Assets</b>	<b>3,752,525.88</b>	<b>1,938,568.90</b>	<b>(1,412,878.86)</b>	<b>525,690.04</b>	<b>4,278,215.92</b>
<b>Current Liabilities</b>					
Trade Accounts Payable	(127,409.08)	267,978.32	(281,858.96)	(13,880.64)	(141,289.72)
Salaries & Wages Payable	(2,564.16)	2,564.16	(5,136.32)	(2,572.16)	(5,136.32)
Hospital Ins Tax Payable	3.24	1,430.25	(1,430.22)	0.03	3.27
Withholding Taxes Payable	(231.79)	4,426.44	(4,426.44)	0.00	(231.79)
Emply Retire Prem Payable	0.00	12,867.52	(12,867.52)	0.00	0.00
Unemployment Comp. Pbl.	(320.16)	82.54	(57.03)	25.51	(294.65)
Miscellaneous Payables	(4,008.98)	11,457.73	(10,212.74)	1,244.99	(2,763.99)
Compensated Absences	(17,875.87)	0.00	0.00	0.00	(17,875.87)
Deferred tax revenue	(101,461.04)	0.00	0.00	0.00	(101,461.04)
Due to Debt Service Fund	(604.53)	0.00	(149.48)	(149.48)	(754.01)
Due to Capital Projects Fund	(9,815.84)	0.00	0.00	0.00	(9,815.84)
<b>Total Liabilities</b>	<b>(264,288.21)</b>	<b>300,806.96</b>	<b>(316,138.71)</b>	<b>(15,331.75)</b>	<b>(279,619.96)</b>
<b>Fund Equity</b>					
Unassigned Fund Balance	(3,436,908.48)	0.00	0.00	0.00	(3,436,908.48)
Assigned Fund Bal. - Inventory	(19,660.50)	0.00	0.00	0.00	(19,660.50)
<b>Total Fund Equity</b>	<b>(3,456,568.98)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(3,456,568.98)</b>
<b>Totals</b>	<b>31,668.69</b>	<b>\$ 2,239,375.86</b>	<b>\$ (1,729,017.57)</b>	<b>\$ 510,358.29</b>	<b>\$ 542,026.98</b>

**DEBT SERVICE FUND  
INCOME STATEMENT  
FOR PERIOD ENDING JANUARY 31, 2021**

**33.33%**

	MONTHLY	YEAR TO DATE	2021 ADOPTED BUDGET	% OF 2021 ADOPTED BUDGET	2020 YEAR TO DATE	2020 FINAL BUDGET
<b>REVENUES</b>						
Ad-Valorem - Current	106,226	228,404	366,898	64%	237,157	359,300
Delinquent Tax Revenue	835	3,509	9,500	40%	3,780	8,680
Penalty & Interest - Tax Accounts	294	1,117	5,500	22%	1,113	5,050
Out-of-District Surcharge	149	598	1,772	31%	624	1,950
Interest on Temporary Investments	15	43	4,250	2%	762	1,850
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	0%	<u>0</u>	<u>1</u>
<b>TOTAL TAXES &amp; INTEREST</b>	<b>107,519</b>	<b>233,672</b>	<b>387,920</b>	<b>62%</b>	<b>243,436</b>	<b>376,831</b>
<b>OTHER FINANCING SOURCES</b>						
Excess Bond Proceeds	<u>0</u>	<u>0</u>	<u>0</u>	0%	<u>0</u>	<u>0</u>
<b>TOTAL OTHER FINANCE SOURCES</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>TOTAL REVENUE AND OTHER     FINANCE SOURCES</b>	<b>107,519</b>	<b>233,672</b>	<b>387,920</b>	<b>62%</b>	<b>243,436</b>	<b>376,831</b>
<b>EXPENDITURES</b>						
Fiscal Agent Fees	0	0	200	0%	0	200
Bond Interest Expense	0	0	113,250	0%	0	117,850
Bond Principal Payments	0	0	235,000	0%	0	230,000
Tax Collector Fees	597	11,355	12,371	94%	10,788	12,056
Appraisal District Fees	25	1,456	6,077	24%	1,513	6,054
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	0%	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<b>622</b>	<b>12,812</b>	<b>366,898</b>	<b>3%</b>	<b>12,301</b>	<b>366,160</b>
<b>EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES</b>	<b>106,897</b>	<b>220,860</b>	<b>21,022</b>		<b>231,135</b>	<b>10,671</b>

**STWA Debt Service Fund  
Balance Sheet  
January 31, 2021**

**ASSETS**

**Current Assets**

Debt Service Acct. - TexPool	\$ 265,672.06
Due from General	754.01
Interlocal Rec.-Tax Assessors	31,037.29
Taxes Receivable	53,435.76
Allowance for Uncollectibles	(11,370.61)

**Total Current Assets** 339,528.51

**Other Assets**

**Total Other Assets** 0.00

**Total Assets** \$ 339,528.51

**LIABILITIES AND FUNDS EQUITY**

**Current Liabilities**

Deferred Tax Revenue	\$ 42,065.15
Due to General Fund	10,345.74

**Total Current Liabilities** 52,410.89

**Long-Term Liabilities**

**Total Long-Term Liabilities** 0.00

**Total Liabilities** 52,410.89

**Funds Equity**

Fund Balance	66,257.98
Net Income	220,859.64

**Total Funds Equity** 287,117.62

**Total Liabilities & Funds Equity** \$ 339,528.51

STWA Debt Service Fund  
 GI Account Summary Report  
 As of: January 31, 2021

<u>Account Number</u>	<u>Account Description</u>	<u>Beginning Balance</u>	<u>Debit Change</u>	<u>Credit Change</u>	<u>Net Change</u>	<u>Ending Balance</u>
10400	Debt Service Acct. - TexPool	178,502.41	\$ 87,169.65	\$ 0.00	\$ 87,169.65	\$ 265,672.06
12200	Due from General	604.53	149.48	0.00	149.48	754.01
13001	Interlocal Rec.-Tax Assessor	10,811.61	31,037.29	(10,811.61)	20,225.68	31,037.29
13300	Taxes Receivable	53,435.76	0.00	0.00	0.00	53,435.76
13301	Allowance for Uncollectibles	(11,370.61)	0.00	0.00	0.00	(11,370.61)
21700	Deferred Tax Revenue	(42,065.15)	0.00	0.00	0.00	(42,065.15)
24000	Due to General Fund	(9,698.02)	0.00	(647.72)	(647.72)	(10,345.74)
39100	Fund Balance	(66,257.98)	0.00	0.00	0.00	(66,257.98)
<b>Totals</b>		<u>113,962.55</u>	<u>\$ 118,356.42</u>	<u>\$ (11,459.33)</u>	<u>\$ 106,897.09</u>	<u>\$ 220,859.64</u>

**CAPITAL PROJECTS FUND  
INCOME STATEMENT  
FOR PERIOD ENDING JANUARY 31, 2021**

**33.33%**

	MONTHLY	YEAR TO DATE	2021 ADOPTED BUDGET	% OF 2021 ADOPTED BUDGET	2020 YEAR TO DATE	2020 FINAL BUDGET
<b>REVENUES</b>						
Bond Proceeds	0	0	0	0%	0	758
Interest Income	36	205	7,850	3%	5,049	7,775
Other Income	0	0	0	0%	0	10,000
TOTAL REVENUE AND OTHER FINANCE SOURCES	36	205	7,850	1%	5,049	18,533
 <b>EXPENDITURES</b>						
Right of Way Acquisition	0	0	0	0%	0	0
Engineering Fees	2,175	2,175	0	0%	0	0
Construction Costs	216,443	216,443	305,000	71%	0	305,000
42" Line-Cathodic Protection	10,640	56,219	150,000	37%	39,988	150,000
Pipeline Condition Assessment	0	0	0	0%	1,052	0
Legal & Administrative Fees	0	0	0	0%	0	0
Cost of Bond Issuance	0	0	0	0%	0	0
Miscellaneous Fees	<u>0</u>	<u>0</u>	<u>10,000</u>	0%	<u>0</u>	<u>10,000</u>
TOTAL EXPENDITURES	229,258	274,837	465,000	59%	41,040	465,000
 <b>EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES</b>						
	(229,222)	(274,633)	(457,150)		(35,991)	(446,467)

**STWA Capital Projects Fund  
Balance Sheet  
January 31, 2021**

**ASSETS**

**Current Assets**

TexSTAR - Construction Fund	\$	726,046.86	
Due from General Fund		9,815.84	
Total Current Assets			735,862.70

**Property and Equipment**

Total Property and Equipment			0.00

**Other Assets**

Total Other Assets			0.00

Total Assets	\$	735,862.70	
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**LIABILITIES AND FUNDS EQUITY**

**Current Liabilities**

Due to General Fund	\$	288,573.80	
Total Current Liabilities			288,573.80

**Long-Term Liabilities**

Total Long-Term Liabilities			0.00

Total Liabilities			288,573.80
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**Fund Balance**

Fund Balance		721,921.43	
Net Income		(274,632.53)	

Total Fund Balance			447,288.90
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Total Liabilities & Fund Balance	\$	735,862.70	
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STWA Capital Projects Fund  
 GI Account Summary Report  
 As of: January 31, 2021

<u>Account Number</u>	<u>Account Description</u>	<u>Beginning Balance</u>	<u>Debit Change</u>	<u>Credit Change</u>	<u>Net Change</u>	<u>Ending Balance</u>
11300	TexSTAR - Construction	726,010.92	\$ 35.94	\$ 0.00	\$ 35.94	\$ 726,046.86
12100	Due from General Fund	9,815.84	0.00	0.00	0.00	9,815.84
2400	Due to General Fund	(59,315.40)	0.00	(229,258.40)	(229,258.40)	(288,573.80)
39100	Fund Balance	(721,921.43)	0.00	0.00	0.00	(721,921.43)
Totals		<u>(45,410.07)</u>	<u>\$ 35.94</u>	<u>\$ (229,258.40)</u>	<u>\$ (229,222.46)</u>	<u>\$ (274,632.53)</u>



**CATHODIC PROTECTION  
FY2021**

	<b>Payroll</b>	<b>Construction Materials &amp; Engineering</b>	<b>Total</b>
October 2020	\$10,239.29	\$8,885.90	\$19,125.19 Due from Capital Projects Fund
November 2020	\$10,404.64	\$1,040.36	\$11,445.00 Due from Capital Projects Fund
December 2020	\$14,089.46	\$919.33	\$15,008.79 Due from Capital Projects Fund
January 2021	\$10,442.64	\$218,815.76	\$229,258.40 Due from Capital Projects Fund
February 2021	\$0.00	\$0.00	\$0.00 Due from Capital Projects Fund
March 2021	\$0.00	\$0.00	\$0.00 Due from Capital Projects Fund
April 2021	\$0.00	\$0.00	\$0.00 Due from Capital Projects Fund
May 2021	\$0.00	\$0.00	\$0.00 Due from Capital Projects Fund
June 2021	\$0.00	\$0.00	\$0.00 Due from Capital Projects Fund
July 2021	\$0.00	\$0.00	\$0.00 Due from Capital Projects Fund
August 2021	\$0.00	\$0.00	\$0.00 Due from Capital Projects Fund
September 2021	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u> Due from Capital Projects Fund
Totals	\$45,176.03	\$229,661.35	\$274,837.38





**CATHODIC PROTECTION  
MATERIALS**

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	10/1/18	Beginning Balance			
52101	Repairs & Maint-42" line	10/15/18	FERGUSON ENTERPRISES, INC #61 - MASTIC	277.50		
52101	Repairs & Maint-42" line	10/19/18	W. W. Grainger, Inc. - AIR CHISEL SCALER, MULTIMETER	730.26		
52101	Repairs & Maint-42" line	10/23/18	CITIBANK CORPORATE CARD - Wire dispenser, wire, electrode, Cu-Sulfate	441.35		
52101	Repairs & Maint-42" line	10/23/18	W. W. Grainger, Inc. - chisel	11.07		
52101	Repairs & Maint-42" line	10/26/18	CITIBANK CORPORATE CARD - Harbor Freight Tools CP	46.38		
52101	Repairs & Maint-42" line	10/26/18	CORPUS CHRISTI ELECT. CO - Splice kit, wire, tape etc.	407.55		
52101	Repairs & Maint-42" line		Current Period Change	1,914.11		1,914.11
		10/31/18	Ending Balance			1,914.11

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	11/1/18	Beginning Balance			
52101	Repairs & Maint-42" line	11/5/18	CORPUS CHRISTI ELECT. CO - Fuse- CP Rectifiers	152.20		
52101	Repairs & Maint-42" line	11/6/18	CITIBANK CORPORATE CARD - CP Supplies- Tools and Accessories	370.02		
52101	Repairs & Maint-42" line	11/7/18	W. W. Grainger, Inc. - Canvas Cover	164.69		
52101	Repairs & Maint-42" line	11/8/18	McCOY'S BUILDING SUPPLY CENTER - CP Supplies	15.48		
52101	Repairs & Maint-42" line	11/9/18	LOWE'S BUSINESS ACCOUNT - shoval, tarp straps, ratchet bag, ladder	272.54		
52101	Repairs & Maint-42" line	11/16/18	LOWE'S BUSINESS ACCOUNT - Test leads	15.19		
52101	Repairs & Maint-42" line	11/19/18	McCOY'S BUILDING SUPPLY CENTER - Fogger and screws-	18.32		
52101	Repairs & Maint-42" line	11/28/18	LOWE'S BUSINESS ACCOUNT - Cord Storage and Plastic Clamps CP	9.85		
	Thompson Pipe Grinders	11/16/18		1,083.60		
	Corrpro Companies	11/26/18		466.98		
	Repairs & Maint-42" line		Current Period Change	2,568.87		2,568.87
		11/30/18	Ending Balance			4,482.98

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	12/1/18	Beginning Balance			
52101	Repairs & Maint-42" line	12/6/18	LOWE'S BUSINESS ACCOUNT - CP - Tools	50.27		
52101	Repairs & Maint-42" line	12/10/18	O'REILLY AUTO SUPPLY - Filter Wrench -CP use	11.99		
52101	Repairs & Maint-42" line	12/21/18	O'REILLY AUTO SUPPLY - track hoe items	47.99		
52101	Repairs & Maint-42" line	12/27/18	LOWE'S BUSINESS ACCOUNT - CP TOOLS	20.87		
52101	Repairs & Maint-42" line		Current Period Change	131.12		131.12
		12/31/18	Ending Balance			4,614.10

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	1/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	1/2/19	CITIBANK CORPORATE CARD - Kubota L3901 Tractor with loader Rental	525.00		
52101	Repairs & Maint-42" line	1/11/19	Petty Cash - CP - CC Electronics - clips	31.00		
52101	Repairs & Maint-42" line	1/15/19	LOWE'S BUSINESS ACCOUNT - CP washer bolts Nuts, and tool box	74.97		
52101	Repairs & Maint-42" line	1/21/19	O'REILLY AUTO SUPPLY - Adapter- CP	14.99		
52101	Repairs & Maint-42" line	1/21/19	LOWE'S BUSINESS ACCOUNT - TOOL BAGS MATERIALS	95.03		
52101	Repairs & Maint-42" line	1/23/19	PRAXAIR DISTRIBUTION INC - Welder's helmet	239.95		
52101	Repairs & Maint-42" line	1/24/19	CITIBANK CORPORATE CARD - tools- bolts, gang blank cover	62.55		
52101	Repairs & Maint-42" line	1/28/19	O'REILLY AUTO SUPPLY - Battery charger	35.98		
52101	Repairs & Maint-42" line		Current Period Change	1,079.47		1,079.47
		1/31/19	Ending Balance			5,693.57

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
		2/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	2/1/19	CORPUS CHRISTI ELECT. CO - cathodic wire	351.00		
52101	Repairs & Maint-42" line	2/11/19	McCOY'S BUILDING SUPPLY CENTER - Masonry cement type S, marking spray	20.03		
52101	Repairs & Maint-42" line	2/26/19	McCOY'S BUILDING SUPPLY CENTER - winged wire nuts	10.56		
52101	Repairs & Maint-42" line		Current Period Change	381.59		381.59
		2/28/19	Ending Balance			6,075.16

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	3/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	3/1/19	CORRPRO COMPANIES, INC. - Test Stations Actual pipe with Electrical	422.11		
52101	Repairs & Maint-42" line	3/5/19	McCOY'S BUILDING SUPPLY CENTER - CP Sand	19.65		
52101	Repairs & Maint-42" line	3/5/19	McCOY'S BUILDING SUPPLY CENTER - Cement CP	28.49		
52101	Repairs & Maint-42" line	3/8/19	CORPUS CHRISTI ELECT. CO - Splice kit	215.00		
52101	Repairs & Maint-42" line	3/12/19	TRACTOR SUPPLY CREDIT PLAN - Flux Coat Bronze-Brazing Rod not for welding but for t	16.99		
52101	Repairs & Maint-42" line	3/18/19	McCOY'S BUILDING SUPPLY CENTER - CP Test Stations, Treated pine	54.20		
52101	Repairs & Maint-42" line	3/19/19	LOWE'S BUSINESS ACCOUNT - Wire connectors- CP Test Stations	17.82		
52101	Repairs & Maint-42" line	3/19/19	W. W. Grainger, Inc. - silicone sealant	4.08		
52101	Repairs & Maint-42" line	3/19/19	W. W. Grainger, Inc. - Color reflector 3" (50)	86.50		
52101	Repairs & Maint-42" line	3/20/19	McCOY'S BUILDING SUPPLY CENTER - screws/bolts ? CP	8.67		
52101	Repairs & Maint-42" line	3/20/19	CORPUS CHRISTI ELECT. CO - CP Test Stations- straps / bolts	124.98		
52101	Repairs & Maint-42" line	3/28/19	LOWE'S BUSINESS ACCOUNT - test stations self tap screws and lumber	91.09		
52101	Repairs & Maint-42" line	3/29/19	CORRPRO COMPANIES, INC. - Cott Big Fink - Test Stations Actual piping for the Test Stat	1,148.86		
52101	Repairs & Maint-42" line		Current Period Change			2,238.44
		3/31/19	Ending Balance			8,313.60

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	4/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	4/8/19	W. W. Grainger, Inc. - Color reflectors for Test Stations	69.20		
52101	Repairs & Maint-42" line	4/9/19	PRAXAIR DISTRIBUTION INC - Welding Rods CP-50pounds	170.00		
52101	Repairs & Maint-42" line	4/9/19	CORPUS CHRISTI ELECT. CO - Test Stations materials	98.85		
52101	Repairs & Maint-42" line	4/30/19	THOMPSON PIPE GROUP-PRESSURE - Bonding clips (200)	1,023.47		
11900	Corrpro Companies	4/16/19	CORRPRO COMPANIES, INC. - 500 Anodes	42,625.00		
52101	Repairs & Maint-42" line		Current Period Change			43,986.52
		4/30/19	Ending Balance			52,300.12
52101	Repairs & Maint-42" line	5/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	5/1/19	LOWE'S BUSINESS ACCOUNT - cement and hex bolts	17.75		
52101	Repairs & Maint-42" line	5/3/19	TRACTOR SUPPLY CREDIT PLAN - Brazing Rod	16.99		
52101	Repairs & Maint-42" line	5/17/19	CITIBANK CORPORATE CARD - 2 55# Rapid Set Mortar	32.80		
52101	Repairs & Maint-42" line	5/17/19	CORPUS CHRISTI ELECT. CO - #10 Stranded blue wire (500 ft)	97.50		
52101	Repairs & Maint-42" line	5/31/19	CITIBANK CORPORATE CARD - Concrete mix, electric tape	87.24		
52101	Repairs & Maint-42" line		Current Period Change	252.28		252.28
		5/31/19	Ending Balance			52,552.40

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	6/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	6/4/19	CITIBANK CORPORATE CARD - dealer electric- splice kits	38.00		
52101	Repairs & Maint-42" line	6/10/19	CORPUS CHRISTI ELECT. CO - Wire connectors	247.40		
52101	Repairs & Maint-42" line	6/12/19	W. W. Grainger, Inc. - Reflective strips	5.58		
52101	Repairs & Maint-42" line	6/14/19	CITIBANK CORPORATE CARD - Rapid set concrete mix	25.60		
52101	Repairs & Maint-42" line	6/18/19	McCOY'S BUILDING SUPPLY CENTER - Rustpre Spray Black	5.16		
52101	Repairs & Maint-42" line	6/25/19	LOWE'S BUSINESS ACCOUNT - Test Stations	21.21		
52101	Repairs & Maint-42" line	6/27/19	McCOY'S BUILDING SUPPLY CENTER - Screws for test stations	17.34		
52101	Repairs & Maint-42" line		Current Period Change	360.29		360.29
		6/30/19	Ending Balance			52,912.69

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	7/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	7/8/19	McCOY'S BUILDING SUPPLY CENTER - Black enamel paint for ARV	34.12		
52101	Repairs & Maint-42" line	7/15/19	CORPUS CHRISTI ELECT. CO - nylon wire 500 foot roll	92.50		
52101	Repairs & Maint-42" line	7/19/19	CITIBANK CORPORATE CARD - Home Depot- Wire connectors	18.84		
52101	Repairs & Maint-42" line	7/26/19	HOSE of SOUTH TEXAS - Wormgear clamps for ARV openings	86.38		
52101	Repairs & Maint-42" line	7/29/19	CITIBANK CORPORATE CARD - 3 - 60lbs bags Rapid Set Concrete Mix	38.40		
52101	Repairs & Maint-42" line		Current Period Change	270.24		270.24
		7/31/19	Ending Balance			53,182.93

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	8/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	8/13/19	McCOY'S BUILDING SUPPLY CENTER - Flat washers, hex nuts	18.31		
52101	Repairs & Maint-42" line	8/30/19	CITIBANK CORPORATE CARD - Rapid set concrete mix & screws	45.16		
52101	Repairs & Maint-42" line		Current Period Change	63.47		63.47
		8/31/19	Ending Balance			53,246.40

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	9/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	9/3/19	CORRPRO COMPANIES, INC. - Test station	710.00		
52101	Repairs & Maint-42" line	9/3/19	CORRPRO COMPANIES, INC. - Added 5 more	160.00		
52101	Repairs & Maint-42" line	9/5/19	CORPUS CHRISTI ELECT. CO - 100 sure splice kits	215.00		
52101	Repairs & Maint-42" line	9/6/19	CITIBANK CORPORATE CARD - water proof wire connectors	18.84		
52101	Repairs & Maint-42" line		Current Period Change	1,103.84		1,103.84
		9/30/19	Ending Balance			54,350.24

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	10/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	10/23/19	McCOY'S BUILDING SUPPLY CENTER - Treated Pine- CP Posts for test stations	37.31		
52101	Repairs & Maint-42" line	10/23/19	CORPUS CHRISTI ELECT. CO - Split Bolts (20) Brass Wire connector for test stations	30.16		
52101	Repairs & Maint-42" line	10/30/19	W. W. Grainger, Inc. - Erosion Control Blanket- 42" line	722.78		
52101	Repairs & Maint-42" line		Current Period Change	790.25		790.25
		10/30/19	Ending Balance			55,140.49

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	11/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	11/11/19	TRACTOR SUPPLY CREDIT PLAN - Brazing Rod- CP	16.99		
52101	Repairs & Maint-42" line	11/12/19	TRACTOR SUPPLY CREDIT PLAN - Brazing rods-CP	15.99		
52101	Repairs & Maint-42" line	11/15/19	McCOY'S BUILDING SUPPLY CENTER - Safety Yellow Paint	34.12		
52101	Repairs & Maint-42" line	11/25/19	CITIBANK CORPORATE CARD - Rapid set cement-CP	51.20		
52101	Repairs & Maint-42" line		Current Period Change	118.3		118.3
			Ending Balance			55258.79

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	12/1/19	Beginning Balance			
52101	Repairs & Maint-42" line	12/10/19	CITIBANK CORPORATE CARD - home depot Concrete mix-	28.25		
52101	Repairs & Maint-42" line	12/18/19	W. W. Grainger, Inc. - Test Stations- Color reflector	42.80		
52101	Repairs & Maint-42" line	12/23/19	LOWE'S BUSINESS ACCOUNT - Treated lumberCP Stations	32.15		
52101	Repairs & Maint-42" line		Current Period Change	103.20		103.20
			Ending Balance			55,361.99

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	1/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	1/6/20	LOWE'S BUSINESS ACCOUNT - Wire twist, conn yellow	2.93		
52101	Repairs & Maint-42" line	1/6/20	CITIBANK CORPORATE CARD-- RAPID SET CONCRETE MIX	38.40		
52101	Repairs & Maint-42" line	1/13/20	CITIBANK CORPORATE CARD - RAPID SET CONCRETE MIX	38.40		
52101	Repairs & Maint-42" line	1/16/20	THOMPSON PIPE GROUP-PRESSURE - Bonding clips 200	800.00		
52101	Repairs & Maint-42" line	1/20/20	TRACTOR SUPPLY CREDIT PLAN - Brazin Rods for Anodes	31.98		
52101	Repairs & Maint-42" line	1/21/20	CITIBANK CORPORATE CARD - Home Depot-Rapid set cement	128.00		
52101	Repairs & Maint-42" line	1/22/20	LOWE'S BUSINESS ACCOUNT - self drill screws	12.31		
52101	Repairs & Maint-42" line		Current Period Change	1,052.02		1,052.02
			Ending Balance			56,414.01

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	2/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	2/7/20	CITIBANK CORPORATE CARD - Rapid Cement, seft tapping screws	142.76		
52101	Repairs & Maint-42" line	2/11/20	CORPUS CHRISTI ELECT. CO - clip connector and straps for test stations	349.94		
52101	Repairs & Maint-42" line		Current Period Change	492.70		492.70
			Ending Balance			56,906.71

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	3/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	3/4/20	Pace Analytical Services, LLC - Soil Test on 42	82.00		
52101	Repairs & Maint-42" line	3/4/20	CORPUS CHRISTI ELECT. CO - Sure splice kit w/ wire nuts	430.00		
52101	Repairs & Maint-42" line	3/11/20	Core & Main - 1 gal Bitumastic-3	156.00		
52101	Repairs & Maint-42" line	3/17/20	CORPUS CHRISTI ELECT. CO - THHn10 BluSol- Wires for Bonding clips	92.50		
52101	Repairs & Maint-42" line	3/18/20	PRAXAIR DISTRIBUTION INC - Acetylene	67.25		
52101	Repairs & Maint-42" line	3/26/20	LOWE'S BUSINESS ACCOUNT - 4x4x8 treated and Quickcrete	132.28		
52101	Repairs & Maint-42" line		Current Period Change	960.03		960.03
			Ending Balance			57,866.74

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	4/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	4/1/20	TRACTOR SUPPLY CREDIT PLAN - Brazing rods	16.99		
52101	Repairs & Maint-42" line	4/1/20	TRACTOR SUPPLY CREDIT PLAN - Alum Electro	19.99		
52101	Repairs & Maint-42" line	4/14/20	CITIBANK CORPORATE CARD - Stuart Steel Protection - anodes CP project	34,350.00		
52101	Repairs & Maint-42" line	4/23/20	TRACTOR SUPPLY CREDIT PLAN - BRAZING ROD-BONDING CLIPS	15.99		
52101	Repairs & Maint-42" line	4/30/20	THOMPSON PIPE GROUP-PRESSURE - Bonding clips	815.78		
52101	Repairs & Maint-42" line		Current Period Change	35,218.75		35,218.75
		4/30/20	Ending Balance			93,085.49
Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	5/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	5/7/20	LOWE'S BUSINESS ACCOUNT - reflector screws	9.49		
52101	Repairs & Maint-42" line	5/14/20	TRACTOR SUPPLY CREDIT PLAN - Brazing rods	31.98		
52101	Repairs & Maint-42" line	5/20/20	CITIBANK CORPORATE CARD - Rapid set concrete	76.80		
52101	Repairs & Maint-42" line	5/26/20	TRACTOR SUPPLY CREDIT PLAN - Cut off wheel metal	6.38		
52101	Repairs & Maint-42" line		Current Period Change	124.65		124.65
		5/31/20	Ending Balance			93,210.14
Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	6/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	6/1/20	THOMPSON PIPE GROUP-PRESSURE - Bonding clips	498.00		
52101	Repairs & Maint-42" line	6/2/20	CITIBANK CARD- MUELLER CO, 3"X10' REFLECTOR METAL	188.50		
52101	Repairs & Maint-42" line	6/23/20	PRAXAIR DISTRIBUTION INC - WELDING RODS	166.00		
52101	Repairs & Maint-42" line	6/26/20	CORPUS CHRISTI ELECT. CO - CATHODIC WIRE	253.50		
52101	Repairs & Maint-42" line	6/26/20	CORPUS CHRISTI ELECT. CO - FAST ACTING FUSE	69.66		
52101	Repairs & Maint-42" line		Current Period Change	1,175.66		1,175.66
		6/30/20	Ending Balance			94,385.80
Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	7/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	7/6/20	THOMPSON PIPE GROUP-PRESSURE - Bonding clips Was in dispute due to shipping fee J:	862.42		
52101	Repairs & Maint-42" line	7/29/20	McCOY'S BUILDING SUPPLY CENTER - nuts & bolts (CP)	10.88		
52101	Repairs & Maint-42" line		Current Period Change	873.30		873.30
		7/31/20	Ending Balance			95,259.10
Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance

No materials purchased in August 2020

95,259.10



Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	9/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	9/1/20	TRACTOR SUPPLY CREDIT PLAN - Gas Mount Air Compressor W/ service plan-Theft repla	2,489.98		
52101	Repairs & Maint-42" line	9/1/20	LOWE'S BUSINESS ACCOUNT - Replacement tools for Trailer and air Compressor=Theft req	131.25		
52101	Repairs & Maint-42" line	9/1/20	TRACTOR SUPPLY CREDIT PLAN - Tools replaced after Theft- Grease Gun	33.97		
52101	Repairs & Maint-42" line	9/4/20	PRAXAIR DISTRIBUTION INC - WELDER THEFT REPLACEMENTS	5,507.85		
52101	Repairs & Maint-42" line	9/10/20	TRACTOR SUPPLY CREDIT PLAN - TOOL BOX- THEFT REPLACEMENT	366.97		
52101	Repairs & Maint-42" line	9/10/20	LOWE'S BUSINESS ACCOUNT - CP TOOL REPLACEMENT	136.67		
52101	Repairs & Maint-42" line	9/11/20	McCOY'S BUILDING SUPPLY CENTER - 13" Ratchet tiedown	14.75		
52101	Repairs & Maint-42" line	9/11/20	McCOY'S BUILDING SUPPLY CENTER - Flat bar steel	21.22		
52101	Repairs & Maint-42" line	9/11/20	McCOY'S BUILDING SUPPLY CENTER - REPLACE THEFT EQUIPMENT- MATERIAL- 5	44.19		
52101	Repairs & Maint-42" line	9/14/20	CORPUS CHRISTI ELECT. CO - 200 Northstar sure splice kits w/ wrie nut	430.00		
52101	Repairs & Maint-42" line	9/25/20	PRAXAIR DISTRIBUTION INC - Torch cylinders	99.02		
52101	Repairs & Maint-42" line		Current Period Change	9,275.87		9,275.87
		9/30/20	Ending Balance			104,534.97

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	10/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	10/10/20	EXQUIO VILLARREAL WELDING INC - Construct and weld ladders for test stations. (Bond	6,050.00		
52101	Repairs & Maint-42" line	10/14/20	Hydromax - Anode Bond repair-North of Cr 14	2,575.00		
52101	Repairs & Maint-42" line	10/16/20	TRACTOR SUPPLY CREDIT PLAN - CP Inventory	13.98		
52101	Repairs & Maint-42" line	10/19/20	CITIBANK CORPORATE CARD - CP Inventory	137.42		
52101	Repairs & Maint-42" line	10/19/20	CORPUS CHRISTI ELECT. CO - Wire for test stations	109.50		
52101	Repairs & Maint-42" line	10/31/20	CP EXPENSES			
52101	Repairs & Maint-42" line		Current Period Change	8,885.90		8,885.90
		10/31/20	Ending Balance			113,420.87

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	11/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	11/10/20	TRACTOR SUPPLY CREDIT PLAN - Braze Rods for CP Clips	15.99		
52101	Repairs & Maint-42" line	11/24/20	W. W. Grainger, Inc. - Center mount reflectors- Test stations	77.20		
52101	Repairs & Maint-42" line	11/25/20	CDW GOVERNMENT, INC.- CP Laptop and case	898.86		
52101	Repairs & Maint-42" line	11/25/20	McCOY'S BUILDING SUPPLY CENTER - Treated pine for Test Stations	48.31		
52101	Repairs & Maint-42" line	11/30/20	CP MATERIALS			
52101	Repairs & Maint-42" line		Current Period Change	1,040.36		1,040.36
		11/30/20	Ending Balance			114,461.23

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	12/1/20	Beginning Balance			
52101	Repairs & Maint-42" line	12/4/20	CORPUS CHRISTI ELECT. CO - Wire connectors	30.16		
52101	Repairs & Maint-42" line	12/4/20	CORPUS CHRISTI ELECT. CO - CP Supplies	18.62		
52101	Repairs & Maint-42" line	12/7/20	THOMPSON PIPE GROUP-PRESSURE - 200.00 steel bonding clips	840.00		
52101	Repairs & Maint-42" line	12/23/20	TRACTOR SUPPLY CREDIT PLAN - ELECTRIC TAPE, TERMINAL RING, QUICK COUP	30.55		
52101	Repairs & Maint-42" line	12/31/20	DECEMBER MATERIALS			
52101	Repairs & Maint-42" line		Current Period Change	919.33		919.33
		12/31/20	Ending Balance			115,380.56

Account ID	Account Description	Date	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	1/1/21	Beginning Balance			
52101	Repairs & Maint-42" line	1/5/21	TRACTOR SUPPLY CREDIT PLAN - 2 Brazen Rods	31.98		
52101	Repairs & Maint-42" line	1/8/21	CITIBANK CORPORATE CARD - Waterproof wire connect	9.42		
52101	Repairs & Maint-42" line	1/20/21	TRACTOR SUPPLY CREDIT PLAN - Term ring- P Sendejo	13.98		
52101	Repairs & Maint-42" line	1/20/21	CITIBANK CORPORATE CARD - Concrete Bags or Wire connectors for CP	142.28		
11900	Capital Acquisition	1/31/21	CAPITAL PROJECTS CONTRIBUTION- New Banquete Pump Station	216,443.10		
11900	Engineering	1/6/21	LNV, INC. - 42" Transmission Main Line Mapping	2,175.00		
			Current Period Change	218,815.76		218,815.76
		1/31/21	Ending Balance			334,196.32

**SOUTH TEXAS WATER AUTHORITY  
2012 BOND ELECTION**

<b>Cost of Bond Issuance:</b>	<b>\$107,386.40</b>	
<b>Proposition #1: REGIONAL WATERLINE</b>	<b>\$1,900,000.00</b>	<b>36.54%</b>
<b>Proposition #2: KINGSVILLE PUMP STATION</b>	<b>\$2,925,000.00</b>	<b>56.25%</b>
<b>Proposition #3: BISHOP FACILITY</b>	<b><u>\$375,000.00</u></b>	<b><u>7.21%</u></b>
<b>TOTAL BOND PROCEEDS:</b>	<b>\$5,307,386.40</b>	<b>100.00%</b>

<b>Cost of Bond Issuance</b>		
Financial Advisory Fee (First Southwest)	\$30,385.00	
Computer Structure Fee (for bidding securities)	\$6,000.00	
Bond Counsel - Leroy Grawunder (MP&H)	\$39,000.00	
Attorney General - State Fees and Review	\$5,110.00	
Standard & Poor's - Rating Agency	\$11,000.00	
Paying Agent - Bank processing bonds/paid semi annually	\$200.00	
Document Preparation/Printing	\$5,000.00	
Miscellaneous	\$1,973.90	
Accrued Interest - use to make first Debt Payment	<u>\$8,717.50</u>	
<b>TOTAL Cost of Bond Issuance</b>	<b>\$107,386.40</b>	

**Proposition #1: REGIONAL WATERLINE**

36.54%

	Engineer Estimate	Contract Amount	Amount Expended	Amount Remaining
TOTAL PROPOSITION #1:	<b>\$1,900,000.00</b>			\$1,900,000.00
Engineering: HDR		\$209,300.00	\$209,300.00	\$1,690,700.00
Construction: Lewis Construction		\$1,035,100.00	\$1,035,100.00	
Change Order #1		\$4,320.85	\$0.00	
Change Order #2		\$30,815.17	\$30,815.17	
Change Order #3		-\$5,100.00	-\$5,100.00	
Change Order #4		\$13,954.16	\$13,954.16	
		<u>\$1,079,090.18</u>	<u>\$1,074,769.33</u>	
ROW Acquisition:		<u>\$57,436.31</u>	<u>\$57,436.31</u>	
		\$1,136,526.49	\$1,132,205.64	
Verizon Wireless - Prepay			\$4,688.46	
Verizon Wireless - Additional amount due			\$911.04	
J. V. Oilfield			<u>\$3,528.80</u>	
			\$1,141,333.94	\$549,366.06
HDR Pipeline Condition Assessment		\$105,900.00	\$100,605.00	\$448,761.06
HDR LAS Booster -Driscoll		\$71,100.00	\$31,998.00	\$416,763.06
LAS Booster - Construction		\$369,000.00	\$369,000.00	
Change Order #1		\$45,586.84	\$45,586.84	
Change Order #2		\$1,705.00	\$1,705.00	
Change Order #3		<u>\$10,650.00</u>	<u>\$10,650.00</u>	
		\$426,941.84	\$426,941.84	-\$10,178.78
Rock Engineering			\$1,051.00	
Rock Engineering			\$201.00	
Rock Engineering			<u>\$2,026.00</u>	
			\$3,278.00	-\$13,456.78
Non-Construction Related Costs:		<u>\$22,650.42</u>	<u>\$20,031.42</u>	
TOTAL Proposition #1	\$1,900,000.00	\$1,763,118.75	\$1,933,488.20	<b>-\$33,488.20</b>

**Proposition #2: KINGSVILLE PUMP STATION**

56.25%

	Engineer Estimate	Contract Amount	Amount Expended	Amount Remaining
<b>TOTAL PROPOSITION #2</b>	<b>\$2,925,000.00</b>			
<b>Construction Related Costs:</b>	<b>\$2,242,000.00</b>			\$2,242,000.00
<b>PreLoad - 1 million gallon ground storage tank</b>		\$1,319,700.00		
Change Order #1		-\$4,802.06		
Change Order - Liquidated Damages		<u>-\$66,295.39</u>		
Ground Storage Tank - PreLoad		\$1,248,602.55 *	\$1,206,897.95	
Final - Payment #8 - Liquidated damages			<u>\$41,704.60</u>	
			<b>\$1,248,602.55</b>	
Mission Automated - additional work on mixing system (not a subcontractor of PreLoad)			\$1,750.00	
Rock Engineering - Soil samples			<u>\$1,521.50</u>	
			<b>\$1,251,874.05</b>	
<b>Liquidated Damages</b>				
Liquidated Damages - HDR Eng.		\$48,000.00		
Mission Automated		\$11,854.14		
Reimburse STWA-water/employee overtime		<u>\$6,441.25</u>		
<b>Total Liquidated Damages</b>		\$66,295.39		
<b>Total Construction cost of Ground Storage Tank</b>			<b>\$1,318,169.44</b>	\$923,830.56
<b>ACP - New Kingsville Pumps</b>		\$295,000.00	\$295,000.00	
Change Order #1		\$12,310.75	\$12,310.75	
Odessa Pumps		<u>\$20,162.00</u>	<u>\$20,162.00</u>	
		\$327,472.75	\$327,472.75	\$596,357.81
<b>D &amp; H United Fueling Solutions - Generator</b>		\$123,586.38	\$123,586.39	
				<b>\$472,771.42</b>
<b>Engineering Costs:</b>	<b>\$560,500.00</b>			\$560,500.00
HDR Engineering - GST*		\$234,800.00	\$234,800.00	
HDR Engineering - Kingsville Pumps		\$91,600.00	\$91,600.00	
LNV - Generator		\$30,000.00	<u>\$30,000.00</u>	
			\$356,400.00	<b>\$204,100.00</b>
<b>Non-Construction Related Costs:</b>	<b>\$122,500.00</b>	\$0.00	\$30,836.54	<b>\$91,663.46</b>
<b>TOTAL Proposition #2</b>	<b>\$2,925,000.00</b>		<b>\$2,086,898.23</b>	<b>\$768,534.88</b>

**Proposition #3: BISHOP FACILITY**

7.21%

	Engineer Estimate	Contract Amount	Amount Expended	Amount Remaining
<b>Construction Related Costs:</b>	<b>\$277,100.00</b>			\$277,100.00
Mercer - Bishop West Pumps		\$109,900.00	\$109,900.00	
Change Order: Change Order #1 - Paint Building		\$3,996.50	\$3,996.50	
Change to WYE		<u>\$3,700.00</u>	<u>\$3,700.00</u>	
		\$117,596.50	\$117,596.50	\$159,503.50
<b>Engineering Costs:</b>	<b>\$69,300.00</b>			
LNV Engineering		\$52,200.00	\$52,200.00	\$17,100.00
<b>Non-Construction Related Costs:</b>	<b>\$28,600.00</b>		\$3,952.55	\$24,647.45
				<b>\$201,250.95</b>

<b>TOTAL</b>	<b>\$936,297.63</b>
<b>INTEREST EARNINGS</b>	<b>\$73,597.77</b>
<b>MISCELLANEOUS INCOME</b>	<b>\$9,816.00</b>
<b>BALANCE</b>	<b>\$1,019,711.40</b>
<b>CATHODIC PROTECTION</b>	<b>\$355,978.48</b>
<b>NEW BANQUETE PUMP STATION</b>	<b>\$216,443.10</b>
<b>REMAINING BOND FUNDS</b>	<b>\$447,289.82</b>

INV DATE	VENDOR	INV #	DESCRIPTION	STATUS	AMOUNT
1/1/2021	H & E Equipment Services	95590048	LED Tower Lights	pending	\$6,150.00
1/21/2021	DPC Industries, Inc.	777000168	3-Fiberglass Chlorine Buildings	pending	\$34,533.00
1/29/2021	Willatt & Flickinger, PLLC		January Legal	pending	\$1,814.00
2/4/2021	City of Corpus Christi		January Water Usage	paid	\$83,935.58
2/26/2021	Willatt & Flickinger, PLLC		February Legal	pending	\$660.20
					\$127,092.78

# H&E EQUIPMENT SERVICES.

H&E Equipment Services, Inc.  
7500 Pecue Lane  
Baton Rouge, LA 70809-5107

RECEIVED

JAN 19 2021

SOUTH TEXAS WATER AUTHORITY

4891 1 MB 0.439 E0101X I0111 D7041822839 S2 P7950107 0001:0001



SOUTH TEXAS WATER AUTHORITY  
2302 E SAGE RD  
KINGSVILLE TX 78363-3328



<b>Statement</b>	<b>01/01/2021</b>
<b>Amount (USD)</b>	<b>\$6,150.00</b>
Customer #	7093995
Remit to	H&E Equipment Services, Inc. PO Box 849850 Dallas, TX 75284-9850
Electronic payments	Bank of America ACH Routing: 111000012 Wire Routing: 026009593 Checking Account: 3752208209

Date	Invoice	PO Number	Detail	Amount	Balance
12/30/2020	95690048	Credit Card	CORPUS CHRISTI, TX 78409	\$6,150.00	\$6,150.00

*Corpus Christi*

*361-937-6500*

*Rentals*

*(Credit) Dallas 866-322-6577*

1-30	31-60	61-90	Over 90	Total Due
\$6,150.00	\$0.00	\$0.00	\$0.00	\$6,150.00

**THANK YOU FOR YOUR BUSINESS**

TO VIEW AND PAY ONLINE [he-equipment.com/billing](http://he-equipment.com/billing) USE THIS TOKEN GGF VLK MFX



**CUSTOMER**

<b>REMIT TO</b>	DPC INDUSTRIES, INC. P.O. BOX 301023 DALLAS, TX 75303-1023			DIRECT INQUIRIES TO: DPC INDUSTRIES, INC. 5245 SUNBELT CORPUS CHRISTI, TX 78408 361-289-6947			INVOICE NUMBER MUST APPEAR ON YOUR REMITTANCE		
								Invoice No. 777000168-21	
Customer No. 77963200		Date ordered 11/20/2020		Salesperson Manzano, Edward		Bill of Lading No. 7077-20-002507-2		Invoice and Ship Date 1/21/2021	
Ordered By 361-592-9323				Customer P.O. No. 13692		Terms Net 30		Ship To 77963201	
S O L D  T O	SOUTH TEXAS WATER AUTH - KINGSVILLE 2302 E. SAGE ROAD KINGSVILLE, TX 78363				S H I P  T O	SOUTH TEXAS WATER AUTH - KINGSVILLE KINGSVILLE WELL KINGSVILLE, TX 78363			
F.O.B. TERMS FOB DESTINATION			TERMS OF DELIVERY PREPAID & ABSORBED			CARRIER UPS GROUND			
Qty shipped	Description				Quantity	Units	Unit Price	Amount	
3	Chemical Feed Equipment 3 Fiberglass enclosure buildings with Windows				3	EA	10,000.0000	30,000.00	
3	Chemical Feed Equipment Panic Hardware				3	EA	1,011.0000	3,033.00	
1	FREIGHT				1	EA	1,500.0000	1,500.00	
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p style="font-size: 2em; margin: 0;">RECEIVED</p> <p style="font-size: 1.2em; margin: 0;">FEB 08 2021</p> <p style="font-size: 0.8em; margin: 0;">SOUTH TEXAS WATER AUTHORITY</p> </div>							<div style="border: 1px solid black; padding: 5px; display: inline-block; transform: rotate(-5deg);"> <p style="font-size: 2em; margin: 0;">POSTED</p> </div>		
						FUEL SURCHARGE		0.00	
						FREIGHT		0.00	
						TAX		0.00	
						SUBTOTAL		34,533.00	
Returnable Container Deposit Charges									
Less Deposit Charges on Containers Returned									
PLEASE PAY THIS AMOUNT PLEASE INCLUDE INVOICE NUMBER ON CHECK								\$34,533.00	

PLEASE SHIP EMPTY RETURNABLE CONTAINERS PROMPTLY - NO MERCHANDISE RETURNABLE WITHOUT WRITTEN CONSENT

**WILLATT & FLICKINGER, PLLC**  
**ATTORNEYS AT LAW**

12912 HILL COUNTRY BLVD., SUITE F-232 • AUSTIN, TEXAS 78738 • (512) 476-6604 • FAX (512) 469-9148

January 29, 2021

Ms. Carola Serrato  
Executive Director  
South Texas Water Authority  
2302 E. Sage Road  
Kingsville, Texas 78363

POSTED

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FOR PROFESSIONAL SERVICES RENDERED since the date of last billing:

GENERAL

BILL FLICKINGER

- 01/04/21      Emails with Frances De Leon on Notice of Hearing on annexation petition. (0.2 Hours).
- 01/08/21      Emails with Carola Serrato on proposed exhibit to easement with City of Bishop. (0.2 Hours).
- 01/11/21      Continue revisions to proposed amendment to Corpus Christi Wholesale Water Supply Contract. (4.1 Hours). Email to Carola Serrato providing redline draft of same for her preliminary review. (0.2 Hours).
- 01/20/21      Telephone conference with Carola Serrato on current redline draft of contract with Corpus Christi for treated water and on status of Bishop easement. (0.3 Hours).
- 01/25/21      Telephone conference with Carola Serrato on modifications to City of Bishop easement to make proper reference to the exhibit. (0.2 Hours). Telephone conference with Carola Serrato on proposals for demolition of storage tank. (0.2 Hours).

Attorney BF: 5.4 Hours

ALLISON NIX

- 01/06/21      File Eminent Domain Report with the Comptroller. (0.3 Hours).

Legal Assistant AN: 0.3 Hours

January 29, 2021

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Attorney BF: 5.4 Hours @ \$325.00 per hour	\$1,755.00
Attorney MM: 0 Hours @ \$325.00 per hour	
Legal Assistant AN: 0.3 Hours @ \$115.00 per hour	\$34.50

CLIENT EXPENSES

25 Photocopies @ \$0.20 each	\$5.00	
39 Color photocopies @ \$0.50 each	\$19.50	
		Total Client Expenses
		\$24.50
		TOTAL AMOUNT DUE
		\$1,814.00

**WILLATT & FLICKINGER, PLLC**  
**ATTORNEYS AT LAW**

12912 HILL COUNTRY BLVD., SUITE F-232 • AUSTIN, TEXAS 78738 • (512) 476-6604 • FAX (512) 469-9148

February 26, 2021

**VIA ELECTRONIC TRANSMISSION ONLY**

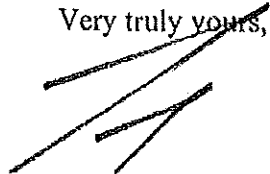
Ms. Carola Serrato  
Executive Director  
South Texas Water Authority  
2302 E. Sage Road  
Kingsville, Texas 78363

**Re: Billing for Professional Services Rendered**

Dear Carola:

Enclosed is our bill for professional services rendered since the date of last billing for South Texas Water Authority.

Very truly yours,

A handwritten signature in black ink, consisting of several overlapping, slanted lines that form the name 'Bill Flickinger'.

Bill Flickinger

BF/jc  
Enclosure

cc: Ms. Jo Ella Wagner (Via Email Only)

**WILLATT & FLICKINGER, PLLC**  
**ATTORNEYS AT LAW**

12912 HILL COUNTRY BLVD., SUITE F-232 · AUSTIN, TEXAS 78738 · (512) 476-6604 · FAX (512) 469-9148

February 26, 2021

Ms. Carola Serrato  
Executive Director  
South Texas Water Authority  
2302 E. Sage Road  
Kingsville, Texas 78363

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FOR PROFESSIONAL SERVICES RENDERED since the date of last billing:

GENERAL

BILL FLICKINGER

- 02/09/21 Telephone conference with Carola Serrato on possible new director and possible conflicts of interest requiring disclosure. (0.2 Hours).
- 02/12/21 Telephone conference with Carola Serrato on agenda for next Board meeting and process for seeking candidate for Executive Director. (0.3 Hours).
- 02/13/21 Rough draft email to Lisa Aguilar on draft City of Corpus Christi contract. (0.3 Hours). Continue revising redline draft of Corpus Christi contract. (0.4 Hours). Email to Carola Serrato with draft email to Lisa Aguilar and revised redline draft for her review and receive her response. (0.2 Hours).
- 02/26/21 Email to Carola Serrato on typos found in City of Bishop easement document. (0.3 Hours).

Attorney BF: 1.7 Hours

JENIFFER CONCIENNE

- 02/10/21 Telephone conference with Carola Serrato on appointment of new director and filing of necessary paperwork. (0.2 Hours).
- 02/11/21 Send email to Carola Serrato on appointment of new directors and attaching Affidavit and Conflict of Interest forms. (0.5 Hours).

Legal Assistant JC: 0.7 Hours

WILLATT & FLICKINGER, PLLC

February 26, 2021

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Attorney BF: 1.7 Hours @ \$325.00 per hour	\$552.50
Attorney MM: 0 Hours @ \$325.00 per hour	
Legal Assistant JC: 0.7 Hours @ \$115.00 per hour	\$80.50

CLIENT EXPENSES

31 Photocopies @ \$0.20 each \$6.20

42 Color photocopies @ \$0.50 each \$21.00

Total Client Expenses \$27.20

TOTAL AMOUNT DUE \$660.20

**ANTICIPATED (BUDGETED) vs. ACTUAL WATER RATE CHARGED**

	ANTICIPATED (BUDGETED) CHARGES			ACTUAL CHARGES			Difference: Actual vs. Budgeted
	Handling Charge	CC Cost	Total	Handling Charge	CC Cost	Total	
Oct-20	\$0.426386	\$2.5122	\$2.9385	\$0.426386	\$2.510093	\$2.936479	-\$0.0021
Nov-20	\$0.426386	\$2.5135	\$2.9399	\$0.426386	\$2.513835	\$2.940221	\$0.0003
Dec-20	\$0.426386	\$2.5138	\$2.9401	\$0.426386	\$2.527490	\$2.953876	\$0.0137
Jan-21	\$0.426386	\$2.6249	\$3.0513	\$0.426386	\$2.631209	\$3.057595	\$0.0063
Feb-21	\$0.426386	\$2.6271	\$3.0535	\$0.426386		\$0.426386	-\$2.6271
Mar-21	\$0.426386	\$2.6254	\$3.0518	\$0.426386		\$0.426386	-\$2.6254
Apr-21	\$0.426386	\$2.6247	\$3.0511	\$0.426386		\$0.426386	-\$2.6247
May-21	\$0.426386	\$2.6233	\$3.0497	\$0.426386		\$0.426386	-\$2.6233
Jun-21	\$0.426386	\$2.6239	\$3.0503	\$0.426386		\$0.426386	-\$2.6239
Jul-21	\$0.426386	\$2.6212	\$3.0476	\$0.426386		\$0.426386	-\$2.6212
Aug-21	\$0.426386	\$2.6206	\$3.0470	\$0.426386		\$0.426386	-\$2.6206
Sep-21	\$0.426386	\$2.6232	\$3.0496	\$0.426386		\$0.426386	-\$2.6232
<b>Avg Cost</b>	\$0.426386	\$2.5961	\$3.0225	\$0.426386	\$2.545657	\$2.972043	-\$0.0505

**ANTICIPATED (BUDGETED) vs. ACTUAL WATER USAGE**

<b>All Customers</b>				<b>NWSC</b>			
	Budgeted	Actual	Difference		Budgeted	Actual	Difference
Oct-20	43,985,423	54,520,780	10,535,357	Oct-20	13,409,136	16,272,510	2,863,374
Nov-20	40,781,789	45,588,200	4,806,411	Nov-20	11,938,724	16,094,900	4,156,176
Dec-20	40,241,637	41,449,800	1,208,163	Dec-20	11,858,380	14,504,350	2,645,970
Jan-21	42,096,374	36,679,410	-5,416,964	Jan-21	12,731,444	12,833,310	101,866
Feb-21	37,586,040	0		Feb-21	11,286,148	0	
Mar-21	40,974,824	0		Mar-21	12,087,707	0	
Apr-21	42,699,878	0		Apr-21	12,566,915	0	
May-21	46,406,955	0		May-21	14,220,525	0	
Jun-21	44,756,612	0		Jun-21	13,875,887	0	
Jul-21	53,195,923	0		Jul-21	16,689,681	0	
Aug-21	55,569,452	0		Aug-21	16,858,313	0	
Sep-21	46,458,380	0		Sep-21	14,238,446	0	
<b>TOTAL</b>	<b>534,753,285</b>	<b>178,238,190</b>	<b>11,132,968</b>	<b>TOTAL</b>	<b>161,761,306</b>	<b>59,705,070</b>	<b>9,767,386</b>

<b>Kingsville</b>				<b>RWSC</b>			
	Budgeted	Actual	Difference		Budgeted	Actual	Difference
Oct-20	10,746,844	11,688,000	941,156	Oct-20	8,399,400	9,046,000	646,600
Nov-20	10,746,844	4,723,000	-6,023,844	Nov-20	7,425,200	9,351,000	1,925,800
Dec-20	10,746,844	6,184,000	-4,562,844	Dec-20	7,360,600	8,234,000	873,400
Jan-21	10,746,844	5,026,000	-5,720,844	Jan-21	7,556,200	7,936,000	379,800
Feb-21	10,746,844	0		Feb-21	6,294,000	0	
Mar-21	10,746,844	0		Mar-21	7,591,600	0	
Apr-21	10,746,844	0		Apr-21	8,177,600	0	
May-21	10,746,844	0		May-21	8,927,600	0	
Jun-21	10,746,844	0		Jun-21	8,240,000	0	
Jul-21	10,746,844	0		Jul-21	10,438,400	0	
Aug-21	10,746,844	0		Aug-21	11,457,200	0	
Sep-21	10,746,844	0		Sep-21	9,424,800	0	
<b>TOTAL</b>	<b>128,962,123</b>	<b>27,621,000</b>	<b>-15,366,374</b>	<b>TOTAL</b>	<b>101,292,600</b>	<b>34,567,000</b>	<b>3,825,600</b>

<b>Bishop</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Difference</b>
Oct-20	3,976,000	10,079,000	6,103,000
Nov-20	3,715,000	8,117,000	4,402,000
Dec-20	3,289,200	6,128,000	2,838,800
Jan-21	3,684,200	4,137,000	452,800
Feb-21	2,578,200	0	
Mar-21	3,347,267	0	
Apr-21	3,511,822	0	
May-21	4,082,000	0	
Jun-21	3,568,200	0	
Jul-21	5,725,400	0	
Aug-21	6,963,800	0	
Sep-21	3,308,200	0	
<b>TOTAL</b>	<b>47,749,289</b>	<b>28,461,000</b>	<b>13,796,600</b>

<b>Banquete</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Difference</b>
Oct-20	2,050,176	1,634,680	-415,496
Nov-20	1,972,674	1,985,700	13,026
Dec-20	1,987,012	1,784,340	-202,672
Jan-21	2,034,876	1,991,150	-43,726
Feb-21	1,879,532	0	
Mar-21	1,901,436	0	
Apr-21	1,998,254	0	
May-21	2,096,482	0	
Jun-21	1,997,954	0	
Jul-21	2,351,988	0	
Aug-21	2,482,388	0	
Sep-21	2,073,826	0	
<b>TOTAL</b>	<b>24,826,598</b>	<b>7,395,870</b>	<b>-648,868</b>

<b>Driscoll</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Difference</b>
Oct-20	3,271,571	3,711,000	439,429
Nov-20	3,126,325	3,275,000	148,675
Dec-20	3,053,569	2,920,000	-133,569
Jan-21	3,399,680	3,113,000	-286,680
Feb-21	3,065,060	0	
Mar-21	3,394,360	0	
Apr-21	3,518,440	0	
May-21	3,834,880	0	
Jun-21	3,771,200	0	
Jul-21	4,532,200	0	
Aug-21	4,448,313	0	
Sep-21	4,373,140	0	
<b>TOTAL</b>	<b>43,788,739</b>	<b>13,019,000</b>	<b>167,855</b>

<b>Agua Dulce</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Difference</b>
Oct-20	2,132,296	2,089,590	-42,706
Nov-20	1,857,022	2,041,600	184,578
Dec-20	1,946,032	1,695,110	-250,922
Jan-21	1,943,130	1,642,950	-300,180
Feb-21	1,736,256	0	
Mar-21	1,905,611	0	
Apr-21	2,180,004	0	
May-21	2,498,624	0	
Jun-21	2,556,528	0	
Jul-21	2,711,410	0	
Aug-21	2,612,594	0	
Sep-21	2,293,124	0	
<b>TOTAL</b>	<b>26,372,631</b>	<b>7,469,250</b>	<b>-409,230</b>

**Kingsville Bell Chart Values**

	<b>Target</b>	<b>Actual</b>	
	<b>Volume</b>	<b>Volume</b>	<b>Difference</b>
Oct-20	12,523,440	11,688,000	-835,440
Nov-20	7,389,359	4,723,000	-2,666,359
Dec-20	5,905,073	6,184,000	278,927
Jan-21	4,650,000	5,026,000	376,000
Feb-21	6,784,078	0	
Mar-21	8,352,855	0	
Apr-21	10,965,223	0	
May-21	12,570,213	0	
Jun-21	14,329,855	0	
Jul-21	15,813,135	0	
Aug-21	16,015,817	0	
Sep-21	13,952,654	0	
<b>TOTAL</b>	<b>129,251,702</b>	<b>27,621,000</b>	<b>-2,846,872</b>



**Net Revenue per Thousand (1,000) Gallons**

<b>Kingsville</b>	<b>Actual</b>	<b>Net Rev</b>	<b>Per 1000g</b>	<b>NWSC</b>	<b>Actual</b>	<b>Net Rev</b>	<b>Per 1000g</b>	
Oct-20	11,688,000	\$2,568.97	\$0.2198	2 months	Oct-20	16,272,510	\$5,046.94	\$0.3102
Nov-20	4,723,000	\$0.00	\$0.0000		Nov-20	16,094,900	\$5,707.73	\$0.3546
Dec-20	6,184,000	\$1,682.00	\$0.2720		Dec-20	14,504,350	\$4,415.41	\$0.3044
Jan-21	5,026,000	\$1,187.40	\$0.2363		Jan-21	12,833,310	\$3,922.18	\$0.3056
Feb-21	0	\$0.00	#DIV/0!		Feb-21	0	\$0.00	#DIV/0!
Mar-21	0	\$0.00	#DIV/0!		Mar-21	0	\$0.00	#DIV/0!
Apr-21	0	\$0.00	#DIV/0!		Apr-21	0	\$0.00	#DIV/0!
May-21	0	\$0.00	#DIV/0!		May-21	0	\$0.00	#DIV/0!
Jun-21	0	\$0.00	#DIV/0!		Jun-21	0	\$0.00	#DIV/0!
Jul-21	0	\$0.00	#DIV/0!		Jul-21	0	\$0.00	#DIV/0!
Aug-21	0	\$0.00	#DIV/0!		Aug-21	0	\$0.00	#DIV/0!
Sep-21	0	\$0.00	#DIV/0!		Sep-21	0	\$0.00	#DIV/0!
<b>TOTAL</b>	<b>27,621,000</b>	<b>\$5,438.37</b>	<b>\$0.1969</b>		<b>TOTAL</b>	<b>59,705,070</b>	<b>\$19,092.26</b>	<b>\$0.3198</b>

<b>Bishop</b>	<b>Actual</b>	<b>Net Rev</b>	<b>Per 1000g</b>	<b>RWSC</b>	<b>Actual</b>	<b>Net Rev</b>	<b>Per 1000g</b>	
Oct-20	10,079,000	\$3,358.01	\$0.3332		Oct-20	9,046,000	\$2,586.82	\$0.2860
Nov-20	8,117,000	\$2,444.13	\$0.3011		Nov-20	9,351,000	\$2,743.53	\$0.2934
Dec-20	6,128,000	\$1,618.44	\$0.2641		Dec-20	8,234,000	\$2,157.61	\$0.2620
Jan-21	4,137,000	\$914.27	\$0.2210		Jan-21	7,936,000	\$1,959.50	\$0.2469
Feb-21	0	\$0.00	#DIV/0!		Feb-21	0	\$0.00	#DIV/0!
Mar-21	0	\$0.00	#DIV/0!		Mar-21	0	\$0.00	#DIV/0!
Apr-21	0	\$0.00	#DIV/0!		Apr-21	0	\$0.00	#DIV/0!
May-21	0	\$0.00	#DIV/0!		May-21	0	\$0.00	#DIV/0!
Jun-21	0	\$0.00	#DIV/0!		Jun-21	0	\$0.00	#DIV/0!
Jul-21	0	\$0.00	#DIV/0!		Jul-21	0	\$0.00	#DIV/0!
Aug-21	0	\$0.00	#DIV/0!		Aug-21	0	\$0.00	#DIV/0!
Sep-21	0	\$0.00	#DIV/0!		Sep-21	0	\$0.00	#DIV/0!
<b>TOTAL</b>	<b>28,461,000</b>	<b>\$8,334.85</b>	<b>\$0.2929</b>		<b>TOTAL</b>	<b>34,567,000</b>	<b>\$9,447.46</b>	<b>\$0.2733</b>

<b>Driscoll</b>	<b>Actual</b>	<b>Net Rev</b>	<b>Per 1000g</b>	<b>Banquette</b>	<b>Actual</b>	<b>Net Rev</b>	<b>Per 1000g</b>	
Oct-20	3,711,000	\$1,036.83	\$0.2794		Oct-20	1,634,680	\$231.06	\$0.1413
Nov-20	3,275,000	\$937.05	\$0.2861		Nov-20	1,985,700	\$545.72	\$0.2748
Dec-20	2,920,000	\$836.83	\$0.2866		Dec-20	1,784,340	\$357.18	\$0.2002
Jan-21	3,113,000	\$815.72	\$0.2620		Jan-21	1,991,150	\$432.04	\$0.2170
Feb-21	0	\$0.00	#DIV/0!		Feb-21	0	\$0.00	#DIV/0!
Mar-21	0	\$0.00	#DIV/0!		Mar-21	0	\$0.00	#DIV/0!
Apr-21	0	\$0.00	#DIV/0!		Apr-21	0	\$0.00	#DIV/0!
May-21	0	\$0.00	#DIV/0!		May-21	0	\$0.00	#DIV/0!
Jun-21	0	\$0.00	#DIV/0!		Jun-21	0	\$0.00	#DIV/0!
Jul-21	0	\$0.00	#DIV/0!		Jul-21	0	\$0.00	#DIV/0!
Aug-21	0	\$0.00	#DIV/0!		Aug-21	0	\$0.00	#DIV/0!
Sep-21	0	\$0.00	#DIV/0!		Sep-21	0	\$0.00	#DIV/0!
<b>TOTAL</b>	<b>13,019,000</b>	<b>\$3,626.43</b>	<b>\$0.2785</b>		<b>TOTAL</b>	<b>7,395,870</b>	<b>\$1,566.00</b>	<b>\$0.2117</b>

<b>Agua Dulce</b>	<b>Actual</b>	<b>Net Rev</b>	<b>Per 1000g</b>	<b>All Customers</b>	<b>Actual</b>	<b>Net Rev</b>	<b>Per 1000g</b>	
Oct-20	2,089,590	\$535.86	\$0.2564		Oct-20	54,520,780	\$15,364.49	\$0.2818
Nov-20	2,041,600	\$619.39	\$0.3034		Nov-20	45,588,200	\$12,997.55	\$0.2851
Dec-20	1,695,110	\$389.99	\$0.2301		Dec-20	41,449,800	\$11,457.46	\$0.2764
Jan-21	1,642,950	\$341.34	\$0.2078		Jan-21	36,679,410	\$9,572.45	\$0.2610
Feb-21	0	\$0.00	#DIV/0!		Feb-21	0	\$0.00	#DIV/0!
Mar-21	0	\$0.00	#DIV/0!		Mar-21	0	\$0.00	#DIV/0!
Apr-21	0	\$0.00	#DIV/0!		Apr-21	0	\$0.00	#DIV/0!
May-21	0	\$0.00	#DIV/0!		May-21	0	\$0.00	#DIV/0!
Jun-21	0	\$0.00	#DIV/0!		Jun-21	0	\$0.00	#DIV/0!
Jul-21	0	\$0.00	#DIV/0!		Jul-21	0	\$0.00	#DIV/0!
Aug-21	0	\$0.00	#DIV/0!		Aug-21	0	\$0.00	#DIV/0!
Sep-21	0	\$0.00	#DIV/0!		Sep-21	0	\$0.00	#DIV/0!
<b>TOTAL</b>	<b>7,469,250</b>	<b>\$1,886.58</b>	<b>\$0.2526</b>		<b>TOTAL</b>	<b>178,238,190</b>	<b>\$49,391.95</b>	<b>\$0.2771</b>

ATTACHMENT 3

Banquete Pump Station

## Memorandum

To: South Texas Water Authority Board of Directors  
From: Carola G. Serrato, Executive Director  
Date: February 22, 2021  
Re: Update on Banquete Pump Station (PS) to Serve the Nueces Water Supply Corporation (NWSC) and payment of committed funds

### Background:

Enclosed are the most recent emails pertaining to the new Banquete Pump Station. As of today's date, it is staff's understanding that Pay Request 8 in the amount of \$98,487.74 is under review by LNV, Inc. Staff anticipates the review will be complete sometime this week and an invoice from Nueces County will be received prior to the Board meeting on March 2<sup>nd</sup>. In the last memo, staff reported that pay requests totaled \$336,433.10, leaving a committed amount balance of \$88,566.90. As such, I anticipate Nueces County will invoice STWA for \$88,566.90 and another invoice to the Nueces Water Supply Corporation in the amount of \$9,920.84 will be received shortly.

### Analysis:

Substantial completion of this project was expected by the middle of March. This may still be possible; however, the hard freeze from last week may have impacted that milestone. More information should be available by the Board meeting.

### Staff Recommendation:

Keep the Board updated on this project. Approve payment of \$88,566.90 to Nueces County for STWA's committed portion of J.S. Haren's Pay Request #8.

### Board Action:

Provide feedback to staff. Determine whether to authorize the payment of \$88,566.90 to Nueces County.

### Summarization:

The last memo's summary on this matter warrants repeating. Prior to this project, the NCWC&ID #5 Board was not interested in a wholesale water supply contract stipulating joint ownership of ground storage, pumps and pressure facilities (elevated storage or hydro tank). This new station addresses District #5's issues and simultaneously improves the NWSC's service to its customers as well as eliminating an undersized high-maintenance elevated storage tank.

**From:** Joe Trejo <jtrejo@ardurra.com>  
**Sent:** Wednesday, February 17, 2021 2:55 PM  
**To:** Maria M. Bedia; mcserrato@stwa.org  
**Cc:** Robert Viera; Hector Castaneda; John Miller; Joe Trejo  
**Subject:** Estimate No. 8 - Fwd: Banquete Booster Pump Station Cyndie Park II, TWDB # 62622  
**Attachments:** SKM\_454e21021612100.pdf

Maria - Please see attached Estimate No. 8 for your further handling-

Sending from my iPhone- no power.

Thank You.

Sent from my iPhone

Begin forwarded message:

**From:** Cassandra Haren <cassandra@jsharen.com>  
**Date:** February 16, 2021 at 10:45:05 AM CST  
**To:** Joe Trejo <jtrejo@ardurra.com>, Robert Viera <rviera@ardurra.com>, Hector Castaneda <hcastaneda@ardurra.com>, John Miller <jamiller@ardurra.com>  
**Subject:** Banquete Booster Pump Station Cyndie Park II, TWDB # 62622

Gentlemen,

Please find attached our estimate # 8 for your review.

Thanks,  
**Cassandra L. Haren**

**J. S. HAREN COMPANY**  
**1175 Highway 11 N**  
**Athens, TN 37303**  
**(423) 745-5000**

[mcserrato@stwa.org](mailto:mcserrato@stwa.org)

---

**From:** Maria M. Bedia <maria.bedia@nuecesco.com>  
**Sent:** Tuesday, February 23, 2021 9:30 AM  
**To:** [mcserrato@stwa.org](mailto:mcserrato@stwa.org)  
**Cc:** 'Dony Cantu'; 'Frances Rosales'; 'Jo Ella Wagner'; Natalie Eckstrom  
**Subject:** Banquete Booster Pump Station, Cyndie Park II - Invoice #5 to STWA  
**Attachments:** Invoice #5 FINAL STWA Cindy Park JS Haren Contract.pdf

Good morning. The 5<sup>th</sup> (and final) invoice for the STWA commitment will be placed in the mail tomorrow to Mr. Galvan's attention. Please see attached.

Thank you!  
Maria

**From:** Maria M. Bedia  
**Sent:** Monday, December 7, 2020 3:38 PM  
**To:** [mcserrato@stwa.org](mailto:mcserrato@stwa.org)  
**Cc:** 'Dony Cantu' <[dcantu@stwa.org](mailto:dcantu@stwa.org)>; 'Frances Rosales' <[fvrosales@stwa.org](mailto:fvrosales@stwa.org)>; 'Jo Ella Wagner' <[jwagner@stwa.org](mailto:jwagner@stwa.org)>; Natalie Eckstrom <[natalie.eckstrom1@co.nueces.tx.us](mailto:natalie.eckstrom1@co.nueces.tx.us)>  
**Subject:** Banquete Booster Pump Station, Cyndie Park II - Invoice #3 to STWA

Good afternoon. In accordance with our previous agreement, Invoice #3 to STWA will be mailed out tomorrow to Mr. Galvan's attention. Attached is a copy.

Thank you,  
Maria

**From:** Maria M. Bedia  
**Sent:** Monday, November 2, 2020 12:48 PM  
**To:** [mcserrato@stwa.org](mailto:mcserrato@stwa.org)  
**Cc:** 'Dony Cantu' <[dcantu@stwa.org](mailto:dcantu@stwa.org)>; 'Frances Rosales' <[fvrosales@stwa.org](mailto:fvrosales@stwa.org)>; 'Jo Ella Wagner' <[jwagner@stwa.org](mailto:jwagner@stwa.org)>; Natalie Eckstrom <[natalie.eckstrom1@co.nueces.tx.us](mailto:natalie.eckstrom1@co.nueces.tx.us)>  
**Subject:** RE: Banquete Booster Pump Station, Cyndie Park II - Invoice #1 to STWA

Good afternoon. In accordance with our previous agreement, Invoice #2 to STWA will be mailed out tomorrow to Mr. Galvan's attention. Attached is a copy.

Thank you,  
Maria

**From:** Maria M. Bedia  
**Sent:** Wednesday, October 7, 2020 9:50 PM  
**To:** [mcserrato@stwa.org](mailto:mcserrato@stwa.org)  
**Cc:** 'Dony Cantu' <[dcantu@stwa.org](mailto:dcantu@stwa.org)>; 'Frances Rosales' <[fvrosales@stwa.org](mailto:fvrosales@stwa.org)>; 'Jo Ella Wagner' <[jwagner@stwa.org](mailto:jwagner@stwa.org)>; Natalie Eckstrom <[natalie.eckstrom1@co.nueces.tx.us](mailto:natalie.eckstrom1@co.nueces.tx.us)>  
**Subject:** Banquete Booster Pump Station, Cyndie Park II - Invoice #1 to STWA

Good evening. In accordance with the email string below, Invoice #1 to STWA will be mailed out tomorrow to Mr. Galvan's attention. Attached is a copy.

Please let me know if you have any questions. Thank you.



Nueces County Grants Administration  
901 Leopard Street, Room 501  
Corpus Christi, Texas 78401-3602  
(361) 888-0225  
[grantsadmin@nuecesco.com](mailto:grantsadmin@nuecesco.com)

TO: South Texas Water Authority (STWA)  
ATTN: Mr. Rudy Galvan, STWA Board President  
2302 East Sage Rd  
Kingsville, Texas 78363

INVOICE # 5 - FINAL PROJECT: Banquete Booster Pump Station, Cyndie Park II

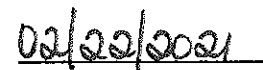
Description	Amount
J.S. Haren Company - Pay Estimate #1, reported on TWDB Outlay #31	\$ 177,311.80
J.S. Haren Company - Pay Estimate #2, reported on TWDB Outlay #31	\$ 252,085.10
J.S. Haren Company - Pay Estimate #3, reported on TWDB Outlay #32	\$ 132,477.50
J.S. Haren Company - Pay Estimate #4, reported on TWDB Outlay #33	\$ 101,556.31
J.S. Haren Company - Pay Estimate #5	\$ 90,767.50
J.S. Haren Company - Pay Estimate #6	\$ 79,388.79
J.S. Haren Company - Pay Estimate #7	\$ 112,667.10
J.S. Haren Company - Pay Estimate #8	\$ 98,487.74
<b>Total Billed to Date</b>	<b>\$ 1,044,741.84</b>

*Less Texas Water Development Board Funds* \$ 609,821.00  
*Less Invoice #1* \$ 53,609.71  
*Less Invoice #2* \$ 90,767.50  
*Less Invoice #3* \$ 79,388.79  
*Less Invoice #4* \$ 112,667.10  
*Less Nueces Water Supply Corporation Funds* \$ 9,920.84  
**Balance Due from STWA - FINAL** \$ **88,566.90**

This invoice is submitted in accordance with the letter of commitment dated 12/09/2019 provided by STWA, based on a vote taken by the Board of Directors on 12/03/2019 for a funding commitment in the amount of \$425,000.

Please make checks payable to Nueces County and remit to the address listed at the top of this page.

  
\_\_\_\_\_  
Maria M. Bedia, Grants Administrator

  
\_\_\_\_\_  
Date



*an Ardurra Company*

February 23, 2021

Maria M. Bedia  
Grants Administrator  
Nueces County Grants Administration  
Nueces County, Texas  
901 Leopard Street, Room 501  
Corpus Christi, Texas 78401

**Re: Nueces County, Texas  
Banquete Booster Pump Station Cyndie Park II  
IFB No. 3113-19; TWDB Contract No. 62622  
Pay Request No. 8**

Dear Ms. Bedia:

LNV has reviewed the enclosed Pay Request No. 8 from J. S. Haren Company for the above referenced project. LNV recommends payment of Pay Request No. 8 in the amount of \$98,487.74.

If you have any questions or comments regarding this matter, please feel free to contact me at (361) 883-1984.

Respectfully,  
**LNV, LLC.**  
*TBPE Firm No. F-366*

A handwritten signature in black ink, appearing to read 'R. M. Viera'. The signature is fluid and cursive, written over a white background.

Robert M. Viera, P.E., R.P.L.S.  
Managing Principal

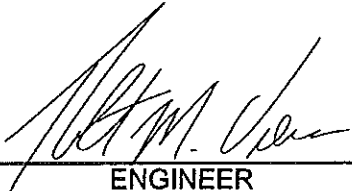
**ESTIMATE FOR PARTIAL PAYMENT**

CERTIFICATION OF CONTRACT: According to the best of my knowledge and belief, I certify that all items and amounts shown on the face of this Estimate for Partial Payment are correct, that all work has been performed and/or material supplied in full accordance with the requirements of the referenced Contract, and/or duly authorized deviations, substitutions, alterations, and/or additions, that the foregoing is a true and correct statement of the Contract account up to and including the last day of the period covered by this Estimate and that no part of the "Balance Due This Payment" has been received.

By:   
CONTRACTOR

Date: 2/16/21

ENGINEER'S RECOMMENDATION FOR PAYMENT: This Estimate for Partial Payment is recommended for payment.

By:   
ENGINEER

Date: 2/23/21

By: \_\_\_\_\_  
NUECES COUNTY ENGINEER

Date: \_\_\_\_\_

OWNER'S APPROVAL FOR PAYMENT: This Estimate for Partial Payment is approved for payment.

By: \_\_\_\_\_  
Nueces County, Texas  
County Judge  
Barbara Canales

Date: \_\_\_\_\_



**From:** Joe Trejo <jtrejo@ardurra.com>  
**Sent:** Tuesday, February 23, 2021 9:16 AM  
**To:** Maria M. Bedia; mcserrato@stwa.org  
**Cc:** Robert Viera; Hector Castaneda; John Miller; Joe Trejo  
**Subject:** Banquete Booster Pump Station Cyndie Park II - JS Haren Payment Request Estimate #8  
**Attachments:** Pay Request 8.pdf

Maria – please see attached approval of Payment Request Estimate # 8 for your further processing –

Please advise of any additional information that may be required –

Thank You.



Joe Trejo, PE RPLS  
Senior Project Engineer

[jtrejo@ardurra.com](mailto:jtrejo@ardurra.com)

O: 361-883-1984

801 Navigation BLVD, STE 300  
Corpus Christi TX, 78408

[www.ardurra.com](http://www.ardurra.com)



**From:** Joe Trejo <jtrejo@ardurra.com>  
**Sent:** Friday, February 12, 2021 10:41 AM  
**To:** mcserrato@stwa.org; 'J. S. Haren'  
**Cc:** Robert Viera; Hector Castaneda; 'Joe Martinez'; John Miller; 'jim farrow'; mercercontrols@aol.com; 'Bill Wright'; 'Dony Cantu'; 'Frances Rosales'; 'Jo Ella Wagner'; ngomez@stwa.org; Joe Trejo  
**Subject:** RE: Project Update -February 12, 2021 - Project Start Up - (RE: Banquete Cyndie Park II BPS Project - Electrical)

Yes – it will provide service to all areas as it is doing now -



Joe Trejo, PE RPLS  
Senior Project Engineer

[jtrejo@ardurra.com](mailto:jtrejo@ardurra.com)

O: 361-883-1984

801 Navigation BLVD, STE 300  
Corpus Christi TX, 78408

[www.ardurra.com](http://www.ardurra.com)



**From:** mcserrato@stwa.org <mcserrato@stwa.org>  
**Sent:** Friday, February 12, 2021 10:23 AM  
**To:** Joe Trejo <jtrejo@ardurra.com>; 'J. S. Haren' <jsharen@jsharen.com>  
**Cc:** Robert Viera <rviera@ardurra.com>; Hector Castaneda <hcastaneda@ardurra.com>; 'Joe Martinez' <jmartinez@bathgroup.com>; John Miller <jamiller@ardurra.com>; 'jim farrow' <holmestead2014@outlook.com>; mercercontrols@aol.com; 'Bill Wright' <bill@scott-electric.com>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org  
**Subject:** RE: Project Update -February 12, 2021 - Project Start Up - (RE: Banquete Cyndie Park II BPS Project - Electrical)

As well as the NCWCID#5 (Banquete Water District)?

Carola G. Serrato  
Executive Director

**South Texas Water Authority**

2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

**From:** Joe Trejo <jtrejo@ardurra.com>  
**Sent:** Friday, February 12, 2021 10:08 AM  
**To:** mcserrato@stwa.org; 'J. S. Haren' <jsharen@jsharen.com>  
**Cc:** Robert Viera <rviera@ardurra.com>; Hector Castaneda <hcastaneda@ardurra.com>; 'Joe Martinez' <jmartinez@bathgroup.com>; John Miller <jamiller@ardurra.com>; 'jim farrow' <holmestead2014@outlook.com>; mercercontrols@aol.com; 'Bill Wright' <bill@scott-electric.com>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org  
**Subject:** RE: Project Update -February 12, 2021 - Project Start Up - (RE: Banquete Cyndie Park II BPS Project - Electrical)

No it will not. Additional valving was provided to allow the tie in without any further interruption in service.

The new valve assembly will be used to provide water service to both Banquete and Cyndie Park areas during the new pump station tie-in.



Joe Trejo, PE RPLS  
Senior Project Engineer

[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)

O: 361-883-1984

801 Navigation BLVD, STE 300  
Corpus Christi TX, 78408

[www.ardurra.com](http://www.ardurra.com)



**From:** [mcserrato@stwa.org](mailto:mcserrato@stwa.org) <[mcserrato@stwa.org](mailto:mcserrato@stwa.org)>

**Sent:** Friday, February 12, 2021 10:04 AM

**To:** Joe Trejo <[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)>; 'J. S. Haren' <[jsharen@jsharen.com](mailto:jsharen@jsharen.com)>

**Cc:** Robert Viera <[rviera@ardurra.com](mailto:rviera@ardurra.com)>; Hector Castaneda <[hcastaneda@ardurra.com](mailto:hcastaneda@ardurra.com)>; 'Joe Martinez' <[jmartinez@bathgroup.com](mailto:jmartinez@bathgroup.com)>; John Miller <[jamiller@ardurra.com](mailto:jamiller@ardurra.com)>; 'jim farrow' <[holmestead2014@outlook.com](mailto:holmestead2014@outlook.com)>; [mercercontrols@aol.com](mailto:mercercontrols@aol.com); 'Bill Wright' <[bill@scott-electric.com](mailto:bill@scott-electric.com)>; 'Dony Cantu' <[dcantu@stwa.org](mailto:dcantu@stwa.org)>; 'Frances Rosales' <[fvrosales@stwa.org](mailto:fvrosales@stwa.org)>; 'Jo Ella Wagner' <[jwagner@stwa.org](mailto:jwagner@stwa.org)>; [ngomez@stwa.org](mailto:ngomez@stwa.org)

**Subject:** RE: Project Update -February 12, 2021 - Project Start Up - (RE: Banquete Cyndie Park II BPS Project - Electrical)

Will this tie-in result in a shut-down of service?

Carola

Carola G. Serrato  
General Manager

**Nueces Water Supply Corporation**

2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-1720 x112

**From:** Joe Trejo <[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)>

**Sent:** Friday, February 12, 2021 9:31 AM

**To:** [mcserrato@stwa.org](mailto:mcserrato@stwa.org); 'J. S. Haren' <[jsharen@jsharen.com](mailto:jsharen@jsharen.com)>

**Cc:** Robert Viera <[rviera@ardurra.com](mailto:rviera@ardurra.com)>; Hector Castaneda <[hcastaneda@ardurra.com](mailto:hcastaneda@ardurra.com)>; 'Joe Martinez' <[jmartinez@bathgroup.com](mailto:jmartinez@bathgroup.com)>; John Miller <[jamiller@ardurra.com](mailto:jamiller@ardurra.com)>; 'jim farrow' <[holmestead2014@outlook.com](mailto:holmestead2014@outlook.com)>; [mercercontrols@aol.com](mailto:mercercontrols@aol.com); 'Bill Wright' <[bill@scott-electric.com](mailto:bill@scott-electric.com)>; 'Dony Cantu' <[dcantu@stwa.org](mailto:dcantu@stwa.org)>; 'Frances Rosales' <[fvrosales@stwa.org](mailto:fvrosales@stwa.org)>; 'Jo Ella Wagner' <[jwagner@stwa.org](mailto:jwagner@stwa.org)>; [ngomez@stwa.org](mailto:ngomez@stwa.org); Joe Trejo <[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)>

**Subject:** RE: Project Update -February 12, 2021 - Project Start Up - (RE: Banquete Cyndie Park II BPS Project - Electrical)

This would be the new pump station 6" main tie-in and taking the existing elevated storage tank out of service –

Sky – please submit a detailed procedure for this phase as the new hydro pneumatic tanks will need to be in service along with controls/chloramine injection capabilities in place. The existing elevated tanks feeds the existing pump station and will no longer be in service when the tie in occurs –

please provide bacteriological testing that has been on-going indicating negative results for any bacteria at all tanks and piping -

Please advise – Thank You.



Joe Trejo, PE RPLS  
Senior Project Engineer

[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)

O: 361-883-1984

801 Navigation BLVD, STE 300  
Corpus Christi TX, 78408

[www.ardurra.com](http://www.ardurra.com)



**From:** [mcserrato@stwa.org](mailto:mcserrato@stwa.org) <[mcserrato@stwa.org](mailto:mcserrato@stwa.org)>

**Sent:** Friday, February 12, 2021 9:19 AM

**To:** Joe Trejo <[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)>; 'J. S. Haren' <[jsharen@jsharen.com](mailto:jsharen@jsharen.com)>

**Cc:** Robert Viera <[rviera@ardurra.com](mailto:rviera@ardurra.com)>; Hector Castaneda <[hcastaneda@ardurra.com](mailto:hcastaneda@ardurra.com)>; 'Joe Martinez' <[jmartinez@bathgroup.com](mailto:jmartinez@bathgroup.com)>; John Miller <[jamiller@ardurra.com](mailto:jamiller@ardurra.com)>; 'jim farrow' <[holmestead2014@outlook.com](mailto:holmestead2014@outlook.com)>; [mercerccontrols@aol.com](mailto:mercerccontrols@aol.com); 'Bill Wright' <[bill@scott-electric.com](mailto:bill@scott-electric.com)>; 'Dony Cantu' <[dcantu@stwa.org](mailto:dcantu@stwa.org)>; 'Frances Rosales' <[fvrosales@stwa.org](mailto:fvrosales@stwa.org)>; 'Jo Ella Wagner' <[jwagner@stwa.org](mailto:jwagner@stwa.org)>; [ngomez@stwa.org](mailto:ngomez@stwa.org)

**Subject:** RE: Project Update -February 12, 2021 - Project Start Up - (RE: Banquete Cyndie Park II BPS Project - Electrical)

Joe,

What "last tie in" is Sky referring to?

Carola

Carola G. Serrato  
General Manager

**Nueces Water Supply Corporation**

2302 East Sage Rd

Kingsville, Texas 78363

361-592-1720 x112

**From:** Joe Trejo <[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)>

**Sent:** Friday, February 12, 2021 9:07 AM

**To:** J. S. Haren <[jsharen@jsharen.com](mailto:jsharen@jsharen.com)>

**Cc:** Robert Viera <[rviera@ardurra.com](mailto:rviera@ardurra.com)>; Hector Castaneda <[hcastaneda@ardurra.com](mailto:hcastaneda@ardurra.com)>; Joe Martinez <[jmartinez@bathgroup.com](mailto:jmartinez@bathgroup.com)>; John Miller <[jamiller@ardurra.com](mailto:jamiller@ardurra.com)>; [mcserrato@stwa.org](mailto:mcserrato@stwa.org); jim farrow <[holmestead2014@outlook.com](mailto:holmestead2014@outlook.com)>; [mercerccontrols@aol.com](mailto:mercerccontrols@aol.com); Bill Wright <[bill@scott-electric.com](mailto:bill@scott-electric.com)>; Joe Trejo <[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)>; 'Dony Cantu' <[dcantu@stwa.org](mailto:dcantu@stwa.org)>

**Subject:** Project Update -February 12, 2021 - Project Start Up - (RE: Banquete Cyndie Park II BPS Project - Electrical)

Thank you Sky for the update and look forward to project Start up by March 1 –

Please keep us updated on pump station(s) project progress and water well plugging-

Thanks again.



Joe Trejo, PE RPLS  
Senior Project Engineer

[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)

O: 361-883-1984

801 Navigation BLVD, STE 300  
Corpus Christi TX, 78408

[www.ardurra.com](http://www.ardurra.com)



**From:** J. S. Haren <[jsharen@jsharen.com](mailto:jsharen@jsharen.com)>

**Sent:** Friday, February 12, 2021 8:57 AM

**To:** Joe Trejo <[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)>

**Cc:** Robert Viera <[viera@ardurra.com](mailto:viera@ardurra.com)>; Hector Castaneda <[hcastaneda@ardurra.com](mailto:hcastaneda@ardurra.com)>; Joe Martinez <[jmartinez@bathgroup.com](mailto:jmartinez@bathgroup.com)>; John Miller <[jamiller@ardurra.com](mailto:jamiller@ardurra.com)>; [mcserrato@stwa.org](mailto:mcserrato@stwa.org); jim farrow <[holmestead2014@outlook.com](mailto:holmestead2014@outlook.com)>; [mercercntrls@aol.com](mailto:mercercntrls@aol.com); Bill Wright <[bill@scott-electric.com](mailto:bill@scott-electric.com)>

**Subject:** Re: Banquete Cyndie Park II BPS Project - Electrical

Joe,

I appreciate the clarification on the electrical work. I have not forgotten your request for a near term schedule. It is hard to produce this schedule with the unknowns we have incurred lately. We sorted through a disagreement between the electrical contractor and Mercer Controls and have had to work with the electrical contractor on some other items.

It is my understanding power is to the MCC. Mercer is to be on site the first of next week to complete terminations and next week we plan to power the VFD's and pumps.

The following week, we will complete the last tie in and thereafter, the chemical feed system will be completed and started. The generator startup will occur thereafter.

One outstanding issue is timing of the relocation of the "Act Pak" from the existing system. Mercer is to coordinate with the owner regarding the timing on moving this panel.

Our goal is to have the project substantially complete the week of March 1, 2021.

Sky

J S Haren

J S Haren Company

1175 Hwy 11 N

Athens, Tennessee 37303

(423)745-5000

(423)745-5252 Fax

---

**From:** Joe Trejo <[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)>

**Sent:** Thursday, February 11, 2021 7:31 PM

**To:** J. S. Haren <[jsharen@jsharen.com](mailto:jsharen@jsharen.com)>; jim farrow <[holmestead2014@outlook.com](mailto:holmestead2014@outlook.com)>

**Cc:** Robert Viera <[rviera@ardurra.com](mailto:rviera@ardurra.com)>; Hector Castaneda <[hcastaneda@ardurra.com](mailto:hcastaneda@ardurra.com)>; Joe Martinez <[jmartinez@bathgroup.com](mailto:jmartinez@bathgroup.com)>; John Miller <[jamiller@ardurra.com](mailto:jamiller@ardurra.com)>; [mcgseerrato@stwa.org](mailto:mcgseerrato@stwa.org) <[mcgseerrato@stwa.org](mailto:mcgseerrato@stwa.org)>; Joe Trejo <[jtrepo@ardurra.com](mailto:jtrepo@ardurra.com)>

**Subject:** Banquete Cyndie Park II BPS Project - Electrical

Sky – a recent review of electrical has yielded the following and needs attention:

1. The combined feeders to both VFDs that was installed in one conduit need to be split out ( each VFD needs its own feeder conduit). The wiring needs to be upsized for derating for more than 4 current carrying conductors.
2. The second issue is the wiring between the VFD and the disconnect has also been combined in a flex conduit and needs to be split out. The feed should be routed to the VFD first then to the disconnect in separate conduits.

Thank You



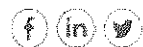
Joe Trejo, PE RPLS  
Senior Project Engineer

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**mcserrato@stwa.org**

---

**From:** Eric Villarreal <evillarreal@ardurra.com>  
**Sent:** Friday, February 26, 2021 11:01 AM  
**To:** mcserrato@stwa.org; Hector Castaneda  
**Cc:** 'Dony Cantu'; 'Frances Rosales'; 'Jo Ella Wagner'; ngomez@stwa.org  
**Subject:** Re: US 77 - 0102-04-097 - Updated Utility Assignments and Cover Depths

Yes. Finalizing some quantities today and will have a cost estimate for you to share on Monday.

Sincerely,

Eric Villarreal, PE  
Client Service Manager

[evillarreal@ardurra.com](mailto:evillarreal@ardurra.com)

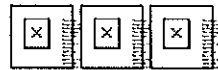
**O:** (361) 883-1984

**M:** (361) 960-0001

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**From:** mcserrato@stwa.org <mcserrato@stwa.org>  
**Sent:** Friday, February 26, 2021 10:58:07 AM  
**To:** Eric Villarreal <evillarreal@ardurra.com>; Eric Villarreal <evillarreal@ardurra.com>; Hector Castaneda <hcastaneda@ardurra.com>; Hector Castaneda <hcastaneda@ardurra.com>  
**Cc:** 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org <ngomez@stwa.org>  
**Subject:** FW: US 77 - 0102-04-097 - Updated Utility Assignments and Cover Depths

Eric and Hector,

Is this information the last of what was needed to develop the RWSC's estimated cost?

The RWSC Board is meeting next Thursday and I was hoping to provide the estimate and get an approval to begin the paperwork for the TxDOT agreement.

Please advise if information will be available by March 4<sup>th</sup>.

Carola

Carola G. Serrato  
General Manager  
**Ricardo Water Supply Corporation**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-3952 x112

**From:** Freeman, Keith <KFreeman@Halff.com>  
**Sent:** Wednesday, February 17, 2021 1:17 PM  
**To:** mcgserrato@stwa.org; evillarreal@Invinc.com; hectorc@Invinc.com  
**Subject:** US 77 - 0102-04-097 - Updated Utility Assignments and Cover Depths

Carola, Eric, Hector,

Please see the files in the following FTP link - <https://bit.ly/37mNGn3> - for the updated utility offset assignments and minimum cover depths based on the 60% design plans distributed this past January.

- SU-PUTIL-COM-097.dgn
- SU-PUTIL-COM-097-60%.kmz
- SU-PUTIL-XSEC-60%-UPDATED-02-15-2021.pdf
- UCM\_US\_77-60%.xlsx

NOTE: These assignments address your longitudinal lines. The crossings still need to be coordinated.

As noted in the NORA letter sent in December 2020, all utility relocations shall be completed by the Ready to Let Date of December 1, 2021. In order to meet that date, all Standard Utility Agreements and Utility Permits shall be executed by April 1, 2021. Therefore, please submit your draft plans to Halff for review by March 8 for review. In addition to submitting your PDF plan set, please provide a CADD file with your proposed line as well.

A separate email invite will be sent soon setting up weekly meetings starting next week. If you have any questions or major concerns, please let me know.

Thank you,  
Keith

Keith Freeman, PE  
Utility Coordinator

O: (817) 764-7468

Halff Associates, Inc.  
4000 Fossil Creek Blvd.  
Fort Worth, TX 76137-2720



We improve lives and communities  
by turning ideas into reality.

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**From:** Joe Trejo <jtrejo@ardurra.com>  
**Sent:** Friday, February 26, 2021 11:15 AM  
**To:** J. S. Haren  
**Cc:** Robert Viera; mcserrato@stwa.org; Maria M. Bedia; Hector Castaneda; John Miller; 'jmartinez@bathgroup.com'; Jim Farrow  
**Subject:** Banquete Cyndie Park II Booster Pump Station Project - Project Status, Schedule and Start Up Report Update

Sky –

We need a complete update on the project for start up as the time is near for contract completion. Please provide as soon as possible –

Your previous email had indicated start up and equipment testing to occur the first week of March which is next week-

The existing pump station needs to be completed as soon as possible so that the new pump station start up can occur. All piping is complete including the hydro tank and controls need to be completed –

Please inform your subs that work needs to be done as soon as possible to meet contract time –

Your request for time extension due to inclement weather last week is being reviewed and will advise -

Thank You.



Joe Trejo, PE RPLS  
Senior Project Engineer

[jtrejo@ardurra.com](mailto:jtrejo@ardurra.com)

O: 361-883-1984

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ATTACHMENT 4

Easement – Bishop East Pump Station

Memorandum

To: South Texas Water Authority Board of Directors  
From: Carola G. Serrato, Executive Director  
Date: February 22, 2021  
Re: Bishop East Pump Station (PS) Easement

Background:

Since the last memo on this subject, the Bishop City Council met and approved the offered easement. However, the signed easement has not been received. Enclosed are recent emails inquiring on the status of the document.

Analysis:

This is an update. Staff had hoped to have a signed document for the Board's review. However, the Bishop City Council approved the easement during an open meeting on a unanimous vote.

Staff Recommendation:

Await receipt of the easement. File the executed document with the Nueces County Clerk's office. Issue payment to the City of Bishop.

Board Action:

Provide feedback to staff.

Summarization:

Staff is pleased that this matter is very close to completion.

[mcserrato@stwa.org](mailto:mcserrato@stwa.org)

---

**From:** mcserrato@stwa.org  
**Sent:** Monday, February 22, 2021 9:37 AM  
**To:** Cynthia Contreras (cynthia.contreras@cityofbishoptx.com)  
**Cc:** 'Dony Cantu (dcantu@stwa.org)'; 'Frances Rosales'; 'Jo Ella Wagner'; ngomez@stwa.org  
**Subject:** FW: Signed Easement - Bishop - STWA for Bishop Eastside PS

Good Morning Cynthia,

Hopefully, things have returned to normal for you and the City. STWA's Board meeting scheduled for tomorrow, Feb 23<sup>rd</sup>, has been postponed by a week and is now scheduled for March 2<sup>nd</sup>. The easement is still on the agenda.

Please let me know if you have any questions. I was hoping for the Board to have a signed easement from the City and receive approval to issue the check per the document.

Take Care.

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

**From:** mcserrato@stwa.org <mcserrato@stwa.org>  
**Sent:** Friday, February 12, 2021 8:54 AM  
**To:** Cynthia Contreras (cynthia.contreras@cityofbishoptx.com) <cynthia.contreras@cityofbishoptx.com>  
**Cc:** 'Dony Cantu (dcantu@stwa.org)' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org  
**Subject:** Signed Easement - Bishop - STWA for Bishop Eastside PS

Good Morning Cynthia,

Just a quick follow-up on the executed easement from the City. Monday is a floating holiday for a few STWA staff; but, on Tuesday we begin developing our agenda for the Feb 23<sup>rd</sup> agenda. I was hoping to get things wrapped up and send the City payment per the easement.

Please let me know if you have any questions.

Thanks and Have a Good Weekend – Try to stay warm,

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd

ATTACHMENT 5

Recruitment of Executive Director

## Memorandum

To: South Texas Water Authority Board of Directors  
From: Carola G. Serrato, Executive Director  
Date: February 22, 2021  
Re: Proposal for Recruitment Services – Ray Associates, Inc. (RAI) – Executive Director Retirement

### Background:

During the last meeting, the Board authorized me to negotiate the services of RAI for recruitment of my replacement. Enclosed is the most recent email correspondence between Ms. Katherine Ray and me regarding the final proposal (attached) and agreed upon information to be provided under the slightly modified proposal.

### Analysis:

Due to the recent freeze event, the special meeting with Ms. Ray was postponed by one (1) week and is scheduled for this Thursday, February 25<sup>th</sup>. Staff anticipates that the items requested by Ms. Ray will be agreed upon or approved by the Board during that meeting. However, in the event there is information still required by RAI in order for her to proceed with the recruitment process, this agenda item has been included.

### Staff Recommendation:

Ensure that the information needed by RAI to proceed with the recruitment process is provided.

### Board Action:

Provide feedback to RAI and staff. Provide the necessary information to RAI in order to proceed with the recruitment process.

### Summarization:

RAI has indicated that their process to hire a new executive director could take three (3) months. This, of course, means that RAI has all the necessary tools *in the form of answers to their questions* to perform their job.

*Professional  
Services  
Proposal*

# Executive Search

for

# Executive Director South Texas Water Authority

January 27, 2021

*Prepared by:*

***R*ay Associates, Inc.**

Strategic Leadership and Resource Management

1304 Guadalupe Street

Austin, Texas 78701

Cell: 512/913-0331

[www.rayassociates.com](http://www.rayassociates.com)

Email: [kray@rayassociates.com](mailto:kray@rayassociates.com)

# *Professional Services Proposal*



## **Executive Director Search** for the **South Texas Water Authority**

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### **Qualifications and Experience**

Ray Associates, Inc. is uniquely qualified by its custom executive search capabilities, its experience in Texas local government, and its understanding of water districts and authorities and for other public clients, to assist the Board of Directors in successfully concluding its search for a new Executive Director for the South Texas Water Authority. Our custom executive search assignments are conducted for public entities and nonprofit organizations, almost exclusively in Texas. This executive search will be carried out by the two principals of Ray Associates, Inc. Katherine B. Ray will be the project manager and James F. (Jim) Ray will assist in the search activities.

Founded in 1977, Ray Associates works for public agencies, primarily local governments. Our assignments include executive searches, staffing level reviews, organizational performance reviews, and executive and employee compensation studies including salary surveys and internal pay equity reviews, as well as leadership training and retreat facilitation engagements.

We pride ourselves in custom search activities in which at least one of the Principals in the firm directly carries out the work and is responsible for results.

*Clients.* A few recent public clients of Ray Associates and points of contact include the following:

- North Texas Municipal Utility District (Don Gordon, Past President of the Board of Directors, or Terry Anderson, Chair of the Search Team for a new Executive Director)
- City of Fair Oaks Ranch (Joanna Merrill, Director of HR and Communications)



- City of Brownfield (Jeff Davis, City Manager)
- City of Boerne (recently retired City Manager Ron Bowman)

Through our work for these and other public entities, Ray Associates maintains contacts with executive directors, general managers, city managers and assistant city managers across Texas and outside the state, and other professionals who may be excellent candidates for the pool of possible executive director candidates.

*Successful Executive Search Engagements.* Some of Ray Associates' successful executive search engagements include the following:

- City of Bastrop – Police Chief, Finance Director, and Executive Director of the Bastrop Economic Development Corporation
- City of Granite Shoals – City Manager
- City of Lampasas – City Manager (assistance to Mayor)
- City of Livingston – City Manager
- Guadalupe-Blanco River Authority – Chief Operations Officer, Regional Economic Development Representative, and two Executive Manager positions
- West Central Texas Municipal Water District – General Manager
- San Antonio River Authority – Project Development Specialist
- San Patricio Municipal Water District – General Manager

*Executive Search Team for Engagement.* This engagement for the South Texas Water Authority will be conducted by the two principals in the firm: Katherine B. Ray and James F. Ray.



*Katherine Ray (firm President/CEO and project manager).* Since 1980, most of Ms. Ray's consulting work has been for local governments, including special districts and cities throughout Texas. In her prior career she worked for public agencies including the Federal Equal Employment Opportunity Commission, the Texas Advisory Commission on Intergovernmental Relations, and the Texas Constitutional Revision Commission and Constitutional Convention. Her work for special districts and other public agencies

concentrates in the human resources field including executive search, executive compensation and benefits, and leadership development and team-oriented training engagements.

Ms. Ray's recent clients include the North Texas Municipal Utility District, Edwards Aquifer Authority, and the cities of Boerne, Brenham, Brownfield, Fair Oaks Ranch, and Livingston. She also served by contract for 12 years as the Executive Director of the Texas Recreation and Park Society, a statewide organization of parks and recreation professionals from cities and other local governments across Texas. Ms.

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Ray is certified as a Senior Professional in Human Resources (SPHR); a Human Behavior Consultant at the advanced level; and is certified in the use of Cultural Transformation Tools to build Values-Based Organizations. She holds a Bachelor's Degree in Public Administration from St. Edwards University.



*Jim Ray (Principal).* Mr. Ray has worked in or for local governments throughout his career. He held the Texas City Management Association's Clarence Ridley Scholarship in graduate studies and served as an administrative assistant in the office of the City Manager in Austin. He was a local government assistant and state planning officer in the Office of the Governor then Assistant Director of the Institute for Urban Studies at The University of Texas at Arlington, and then he was Executive Director of the Texas Advisory Commission on Intergovernmental Relations, which, with a board of local officials and state leaders, focused on best practices in Texas state and local government.

On leave from the Intergovernmental Relations Commission, Mr. Ray served as the Executive Director of the Texas Constitutional Revision Commission and Convention in 1973 and 1974. From 1977, the year Ray Associates was formed, until 2006, Mr. Ray served by contract as the Executive Director of the Texas Association of Regional Councils (councils of governments). This organization of regional councils of governments put him in regular contact with elected and appointed local government leaders throughout Texas. He holds a Bachelor's Degree in government from Trinity University, and a Master's Degree in Public Administration from The University of Texas at Austin.

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## Understanding of the Authority and the Engagement

The South Texas Water Authority is seeking professional assistance for a successful search for a new Executive Director. The person selected for this leadership position will be the successor to the current Executive Director who is retiring after 37 years of service to the Authority. Since the current Executive Director is retiring, the Board of Directors is ready to undertake a search for a new Executive Director.

The South Texas Water Authority was created by act of the Texas Legislature in 1979 to provide water to customers in central Kleberg County and western Nueces County. The central municipality of Kleberg County is Kingsville. The population of Kingsville was 25,345 in 2019. Headquarters for the famed King Ranch, serves rural areas of the county plus rural ranching counties to its south. Western Nueces County, on the other hand, is in the orbit of the City of Corpus Christi and includes several smaller cities and agricultural areas. The Authority is governed by a nine-member Board of Directors appointed by its

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two member counties. The Authority's staff is the Executive Director and 14 additional staff members.

The Authority purchases water from the City of Corpus Christi and brings it 28 miles to Kingsville through a 42-inch water line and to western Nueces County through a smaller spur line. The Authority provides water resources to communities in the area it serves. The Authority also manages the Nueces Water Supply Corporation and the Ricardo Water Supply Corporation through contracts with those entities.

*Importance of Candidate Profile.* Ray Associates will assist the Board of Directors in developing a new candidate profile to document the qualifications, experience, and personal traits to be expected in a new Executive Director. Below are some of the characteristics the Board of Directors may be looking for in a new Executive Director:

- A self-starter and leader of people.
- An individual who understands improvement benchmarks for special districts and authorities and will work diligently to achieve them.
- A person dedicated to providing high quality customer service, both internal and external.
- A person of high moral character and integrity; trustworthy; honest.
- A person with the technical skills necessary to participate in today's water authorities with an understanding of best practices and how to implement them.
- A person who is organized and able to keep projects on schedule, identify reasonable deadlines and meet them, and manage others in meeting deadlines, as well.
- An individual who is professional in appearance and possesses a confident personality that can hold its own with other strong personalities.
- A communicator capable of representing the Authority's interests to the public.
- One who can demonstrate a consistent, positive, "can-do" attitude and a good sense of humor.
- A person who can consistently demonstrate loyalty to the Board of Directors, its staff, and the Authority's related organizations and constituents.
- One who is open and direct in communications with the Board of Directors, the Authority staff, and the public.
- An individual who is committed and willing to be an active part of the communities we serve.

*Experienced Candidates.* Ray Associates will initiate an aggressive outreach process to find new qualified candidates, starting with its own group of known qualified candidates with whom we maintain contact in both our executive search practice and our other human resources and management consulting projects for Texas local governments. It will be important to find a candidate who will be able to demonstrate success in developing

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synergies with the Board of Directors and the Authority staff, as well as with community leaders, organizations, and businesses.

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## Proposed Search Process

**Considerations.** At the time this proposal was written, we had not discussed the search process with the members of the Board of Directors. A better understanding of their objectives will help us adjust this proposed process to assure that the search is successful. We have spoken only briefly by telephone with Carola Serrato, the Authority's long-time Executive Director.

With these considerations in mind, Ray Associates proposes the following search process. *Items in black, bold, and italics are activities that Carola Serrato, current Executive Director of the South Texas Water Authority, has agreed to perform to reduce the cost for consultants' time in this proposal.*

1. *Prior to Meeting with Board of Directors or its Representatives. The Authority will perform the following tasks in-house and will provide the results to Ray Associates, Inc.:*
  - A. *Seek out potential candidates who are or were currently employed with other districts, authorities, or cities, who are known to Ms. Serrato to be potential candidates for STWA's Executive Director position and provide these names and contact information to Ray Associates;*
  - B. *Provide Ray Associates with a synopsis of what STWA does, how it operates, and what the new Executive Director will be expected to accomplish, including challenges facing the Authority and the new Executive Director; and*
  - C. *Provide Ray Associates with a current, updated job description for the Executive Director position.*
2. *Meet with Board of Directors or its Representatives.* We will meet with the Board of Directors at the earliest opportunity via Zoom call due to COVID-19 limitations. Our objectives will be as follows:
  - A. To review, amend, and approve a final search and selection process and advertising plan;
  - B. To determine the compensation range and the benefits package that the Board of Directors will offer to a new Executive Director (Ray Associates will bring Executive Director compensation data from its recent surveys in Texas for use by the Board).
  - C. To conduct a detailed needs assessment to identify 1) future organizational direction; 2) challenges facing the position; 3) the working style and organizational

climate; and 4) required core and job specific competencies as well as personal and professional characteristics.

- D. To recruit non-job seeking talent. We recognize that the very best candidates for some types of positions may not be looking for a career change. Therefore, our recruitment team takes a very aggressive approach to identify and recruit the best candidates, whether they were seeking a change or not.
  - E. To finalize a complete job description for the position;
  - F. To encourage applicant diversity. We are sensitive to seek out and place highly qualified minority and female candidates.
  - G. To obtain community information which, along with essential job duties and the Board of Directors' expectations, will go into the Position Profile;
  - H. To obtain suggestions for organizations and individuals to contact directly; and
  - I. To establish the Board of Directors' expectations of the search firm regarding involvement of, and communications with, the Board of Directors as the search progresses.
3. *Execute Advertising Plan.* Immediate attention will be applied to execution of an advertising plan. This will include:
- A. Completion of the South Texas Water Authority Executive Director Profile;
  - B. Routine postings and advertising both external and internal to the South Texas Water Authority to meet basic requirements;
  - C. Targeted advertising in professional publications and on websites, which could include:

<b>Potential Advertising Sources</b>	
American Water works Association	LinkedIn
American Society of Civil Engineers	Texas Municipal League
American Public Works Association	WaterDistrictJobs.com
Texas Public Works Association	Local Government Hispanic Network
Texas Society of Professional Engineers	National Forum of Black Public Administrators
Southwest Stormwater Association	Women Leading in Government

- D. Individualized communication to recognized present and former public water organization professionals or others with pertinent expertise in water authority management in Texas communities.

- 
4. *Initial Screening.* Ray Associates will conduct initial screening of all applicants using the following criteria:
    - A. The requirements of the job description (knowledge, skills, abilities, relevant experience);
    - B. The desired personal qualities, communications skills, and leadership qualities established by the Board of Directors;
    - C. Compensation expectations; and
    - D. Initial reference and background information;
  
  5. *Production of Initial Candidates List.* Ray Associates will produce an initial candidates list for the Board of Directors. We expect this list to contain 10 to 12 names with relevant information on each. At this point we would like the assistance of the Board of Directors in:
    - A. Eliminating names from the preliminary list;
    - B. Adding names to the preliminary list; and
    - C. Directing us to initiate any additional search required.
  
  6. *Narrowing of Candidate List.* Using the criteria in No. 3, above, we will focus on interviews with both listed and unlisted references, performance information about the organization that the individual currently and previously headed or for which s/he held major responsibility.

We also propose to ask each candidate to complete an on-line DISC personality assessment profile questionnaire, the results of which will be made available to the Board of Directors, along with an explanation of the individuals' personality types.

7. *Recommendation of Short List.* Based on all the above steps, Ray Associates will recommend a short list of three to five candidates to the Board of Directors. We will provide in writing the basis for our recommendations of these individuals to be on the short list.
  
8. *Process with Candidates on Short List.* For those candidates on the short list that the Board of Directors decides to interview, Ray Associates will proceed with the following activities:
  - A. Contact each selected applicant to assure that he or she has a continuing interest in being a candidate for the position;
  - B. Conduct additional background checks on the applicants' qualifications, reputation, criminal background checks, credit checks, and checks regarding any outstanding delinquencies to the State of Texas or any other governmental organization;

- 
- C. Obtain additional feedback from colleagues, policy makers, and constituent organizations in the most recent communities served by the applicant;
  - D. Schedule, manage, and report to the Board of Directors on candidates' visits to the STWA community to include opportunities for each candidate to meet with and be interviewed by the Board of Directors and its team of interviewers (can be modified as needed based on pandemic);
  - E. Collaborate with the Board of Directors in structuring interviews in order that each interview meets legal requirements and provides an opportunity to address issues critical to the Board of Directors; and
  - F. Obtain any additional information identified by the Board of Directors as necessary before a choice is made.
9. *Post-Selection Process.* Following the Board of Directors' selection of a recommended candidate, Ray Associates will:
- A. Assist the Board, as needed, in employment negotiations;
  - B. Be available to respond to questions or gather additional information for the Board of Directors;
  - C. Prepare an informational packet on the candidate and assist, as requested, with any announcement of the Board of Directors' decision; and
  - D. Document the recruiting and selection process.

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## Timing

Ray Associates is prepared to begin this assignment the first week in January 2021 if that date is acceptable to the South Texas Water Authority Board of Directors. We expect the engagement to take three months to complete.

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## Cost Proposal

Ray Associates proposes to accomplish this executive search for the South Texas Water Authority for a fixed cost plus reasonable and necessary expenses. We propose a professional fee of \$25,500 plus reimbursement of necessary and reasonable expenses of the firm specific to this search, such as travel, the purchase of background check data, and the cost of the on-line DISC personality assessments. Reimbursable expenses expected not to exceed \$2,000.

This cost proposal does not include the cost of advertisements or travel costs of approved visits by candidates to interview for the position.

Invoices and short progress reports will be submitted monthly. The professional fee will be billed monthly along with any reimbursable expenses for that month.

## Assurances

In carrying out this engagement, Ray Associates, Inc. will comply with all applicable state and federal laws, Authority policies and any applicable state, local, and Authority rules or policies.

Should the successful candidate for this position leave the South Texas Water Authority within 180 days of the date of hire by resignation or dismissal for cause, Ray Associates will reinitiate the search and selection process without additional professional fees.

## Knowledgeable Persons

Persons who are knowledgeable of our firm's work are listed, along with contact information, in the table on the following page:

Mr. Don Gordon Board Member (Former Board President) North Texas Municipal Water District PO Box 2130 Rowlett, TX 75030 (214) 957-1711 (cell) (972) 412-9042 (business) <a href="mailto:dongordon@modularbank.com">dongordon@modularbank.com</a>	Mr. Ronald D. Bowman City Manager (Recently Retired) City of Boerne 402 E Blanco Rd Boerne, TX 78006 (830) 249-9511 <a href="mailto:RBowman@ci.boerne.tx.us">RBowman@ci.boerne.tx.us</a>
Mr. Alvin Schuerg Senior Advisor to the General Manager Guadalupe-Blanco River Authority 933 East Court Street Seguin, TX 78155 830-379-5822, ext. 233 <a href="mailto:aschuerg@gbra.org">aschuerg@gbra.org</a>	The Hon. Clarke Evans Alderman (Mayor during our search) City of Livingston 200 West Church Street Livingston, TX (936)327-5736 work (936) 328-1828 cell <a href="mailto:ace2e@eastex.net">ace2e@eastex.net</a>



January 27, 2021

Brian Williams General Manager/District Engineer San Patricio Municipal Water District P.O. Box 940 Ingleside, Texas 78362 361-777-4012 <a href="mailto:bgw@spmwd.net">bgw@spmwd.net</a>	Mr. Michael H. Talbot City Manager (Retired) 314 Nicole Way Bastrop, Texas 78602 personal cell: 512-718-8719 <a href="mailto:mike.talbot.4@gmail.com">mike.talbot.4@gmail.com</a>
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Thank you for this opportunity to offer our services. Our contact information is as follows:

Search Team Leaders: Katherine B. Ray and James F. (Jim) Ray  
Location: 1304 Guadalupe Street, Austin, Texas, 78701  
Cell Phone: 512-913-0331 (Katherine)  
E-mail: [kray@rayassociates.com](mailto:kray@rayassociates.com)  
Web Site: [www.rayassociates.com](http://www.rayassociates.com)  
Years in Business: 43  
Principals: Katherine B. Ray, SPHR; James F. (Jim) Ray

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## Conclusion

If you have any questions about this proposal or the contractual provisions, please do not hesitate to call Katherine Ray at 512-913-0331 (cell) or speak with Jim Ray at 512-913-2020.

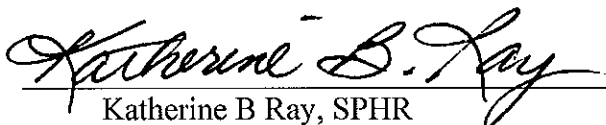
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## Authorization to Proceed

If this proposal is satisfactory to the South Texas Water Authority, Texas, a copy signed below by the appropriate Authority representative can serve as our contract and agreement to proceed immediately on the work.

Submitted to the South Texas Water Authority by:

Approved:

  
Katherine B Ray, SPHR  
Ray Associates, Inc.

Carola Serrato, Executive Director  
South Texas Water Authority

January 27, 2021

Date Signed

Date Signed

**From:** mcserrato@stwa.org  
**Sent:** Wednesday, February 17, 2021 10:17 AM  
**To:** 'Katherine Ray'  
**Cc:** 'Bill Flickinger'; szavala.driscoll@gmail.com; hectorc@Invinc.com; Hector Castaneda (hcastaneda44@hotmail.com); Hector Castaneda; Brandon Barrera (brandon.barrera2015@yahoo.com); Imelda Garza; Jose Graveley (Josegraveley@yahoo.com); Jose Graveley (pipe-man@juno.com); 'Kathleen Lowman'; 'Patsy Rodgers'; 'Rudy Galvan'; Rudy Galvan (galvan.jr.rudy@gmail.com); 'Dony Cantu (dcantu@stwa.org)'; 'Frances Rosales'; 'Jo Ella Wagner'; ngomez@stwa.org  
**Subject:** RE: Agenda Memo for Special Meeting Feb 18 with Ray Associates, Inc.

Good Morning Katherine,

I completely understand your concern. I have sisters, nieces, and nephews living in Dripping Springs, San Marcos, New Braunfels and San Antonio that have been experiencing rolling blackouts since Saturday.

I am copying the Board on your email. And we will contact them to see if they want to postpone the meeting. I know with certainty that one of our newest appointees, Sara Zavala from Driscoll, will be unable to attend due to her work demands.

We will get back to you shortly.

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

**From:** Katherine Ray <kray@rayassociates.com>  
**Sent:** Wednesday, February 17, 2021 9:45 AM  
**To:** mcserrato@stwa.org  
**Cc:** Bill Flickinger <bflickinger@wfaustin.com>  
**Subject:** Re: Agenda Memo for Special Meeting Feb 18 with Ray Associates, Inc.

Hello, Carola. Just checking in to see how things are where you are. Austin has been hit very hard by this storm. We lost power at our house in the middle of the night Monday night and yesterday afternoon had to brave the roads and shift to our son's house way across town. It was treacherous and took us over two hours, but we got here safely.

I'm wondering if the Thursday 5:30 Board meeting is still on? It might not be as bad in Kingsville as it is in Austin. Most things in Austin have been cancelled through Friday, so I thought I would check.

Stay warm and safe.

Katherine

Sent from my mobile device

On Feb 12, 2021, at 2:03 PM, [mogserrato@stwa.org](mailto:mogserrato@stwa.org) wrote:

FYI.

Hope you are staying warm. We may be closing the office in another hour. If you need to contact me, 361-522-6048 is my mobile number.

Carola

Carola G. Serrato  
Executive Director

**South Texas Water Authority**

2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

**From:** [mogserrato@stwa.org](mailto:mogserrato@stwa.org) <[mogserrato@stwa.org](mailto:mogserrato@stwa.org)>

**Sent:** Friday, February 12, 2021 2:02 PM

**To:** Brandon Barrera ([brandon.barrera2015@yahoo.com](mailto:brandon.barrera2015@yahoo.com)) <[brandon.barrera2015@yahoo.com](mailto:brandon.barrera2015@yahoo.com)>; Imelda Garza ([igarza@texasfcu.org](mailto:igarza@texasfcu.org)); Jose Graveley ([Josegraveley@yahoo.com](mailto:Josegraveley@yahoo.com)) <[Josegraveley@yahoo.com](mailto:Josegraveley@yahoo.com)>; Jose Graveley ([pipe-man@juno.com](mailto:pipe-man@juno.com)) <[pipe-man@juno.com](mailto:pipe-man@juno.com)>; 'Kathleen Lowman' <[klowman126@aol.com](mailto:klowman126@aol.com)>; 'Patsy Rodgers' <[rnorpat2@gmail.com](mailto:rnorpat2@gmail.com)>; 'Rudy Galvan' <[rudybodyman@yahoo.com](mailto:rudybodyman@yahoo.com)>; Rudy Galvan ([galvan.jr.rudy@gmail.com](mailto:galvan.jr.rudy@gmail.com)) <[galvan.jr.rudy@gmail.com](mailto:galvan.jr.rudy@gmail.com)>

**Cc:** 'szavala.driscoll@gmail.com' <[szavala.driscoll@gmail.com](mailto:szavala.driscoll@gmail.com)>; Hector Castaneda ([hcastaneda44@hotmail.com](mailto:hcastaneda44@hotmail.com)) <[hcastaneda44@hotmail.com](mailto:hcastaneda44@hotmail.com)>; 'Dony Cantu' ([dcantu@stwa.org](mailto:dcantu@stwa.org)) <[dcantu@stwa.org](mailto:dcantu@stwa.org)>; 'Frances Rosales' <[fvrosales@stwa.org](mailto:fvrosales@stwa.org)>; 'Jo Ella Wagner' <[jwagner@stwa.org](mailto:jwagner@stwa.org)>; [ngomez@stwa.org](mailto:ngomez@stwa.org)

**Subject:** Agenda Memo for Special Meeting Feb 18 with Ray Associates, Inc.

STWA Board, Ms. Zavala and Mr. Castaneda:

The Special meeting for Thursday, Feb 18, has been posted following Mr. Flickinger's review. Attached is the memo with supplemental information for the meeting.

As mentioned in the memo, the agenda subjects will allow the Board to go into Executive Session if so desired. Ms. Ray, RAI, may have additional information to share.

On a separate matter, yesterday's vaccination process was different from the initial shot. It took about 2 – 2.5 hours. Individuals were not allowed to get off vehicles. Instead, we drove through the JK Northway. Today, quite a few people are feeling under the weather – Dony, Nigel, Juan, and Yvette.

In addition, Jo Ella took a fall in the office yesterday and she will be back on Tuesday with a light duty status – lift no more than 10 lbs.

We are watching the weather conditions closely and PSs were double-checked for proper insulation.

We may close the office early today after completing all the necessary tasks since those of us reporting are not feeling completely up to par – headaches, slight nausea and body aches. Those with chills and fever are at home.

Please let me know if you need any additional information.

Carola

Carola G. Serrato  
Executive Director

**South Texas Water Authority**

2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

<Special Meeting Feb 18 2021 Memo with Attachements.pdf>

**From:** mcserrato@stwa.org  
**Sent:** Wednesday, February 10, 2021 5:09 PM  
**To:** Katherine B. Ray (kray@rayassociates.com)  
**Cc:** Frances Rosales; Bill Flickinger  
**Subject:** Draft Agenda and Board Questions for Feb 18 Meeting  
**Attachments:** RAI Special Meeting Agenda 02182021 Supporting Documents.docx; RAI Special Meeting Agenda 02182021 Supporting Documents.pdf

Tracking:	Recipient	Read
	Katherine B. Ray (kray@rayassociates.com)	
	Frances Rosales	
	Bill Flickinger	
	Katherine Ray	Read: 2/11/2021 2:16 AM
	Frances Rosales - De Leon	Read: 2/11/2021 8:43 AM

Good Afternoon Katherine,

As we discussed, attached is a draft agenda with the items that, based on your proposal, need to be covered during this "meet" the Board meeting. Also included are specific questions for the Board which hopefully will give you the information that you need. I am hoping that the questions will help to keep the meeting on track.

Bill Flickinger, Willatt and Flickinger, has been copied on the email since there are several items that pertain to Open Meetings and I don't want the process to later be challenged as improperly conducted.

Please feel free to make any changes.

Have a good evening,

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

mcserrato@stwa.org

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**From:** mcserrato@stwa.org  
**Sent:** Wednesday, February 3, 2021 2:05 PM  
**To:** Katherine B. Ray (kray@rayassociates.com)  
**Subject:** FW: STWA Past Present Future Document

Sorry, I meant to add that I can send the document with the photos in Word if you want to manipulate the information.

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

**From:** mcserrato@stwa.org <mcserrato@stwa.org>  
**Sent:** Wednesday, February 3, 2021 2:04 PM  
**To:** 'Katherine Ray' <kray@rayassociates.com>  
**Subject:** RE: STWA Past Present Future Document

Katherine,

Attached are photos with captions that I hope are what you have in mind. There is at least one photo for each STWA PS. I thought a few photos on the cathodic protection project would be appropriate. Finally, there are a few photos on the Ricardo WSC's facilities since STWA operates/maintains those by contract.

Also attached is a map with STWA's district boundaries highlighted.

Please let me know if there are other items you need or if the photos are not as you expected. I want the information to be a true representation.

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

**From:** Katherine Ray <kray@rayassociates.com>  
**Sent:** Tuesday, February 2, 2021 7:08 PM  
**To:** mcserrato@stwa.org  
**Cc:** Jim Ray <jray@rayassociates.com>  
**Subject:** RE: STWA Past Present Future Document

Thanks so much, Carola. 😊

Katherine

---

***Katherine B. Ray, SPHR***

President/CEO

Ray Associates, Inc.

1304 Guadalupe Street

Austin, Texas 78701

Email: [kray@rayassociates.com](mailto:kray@rayassociates.com)

Cell: (512) 913-0331

**From:** [mcserrato@stwa.org](mailto:mcserrato@stwa.org) <[mcserrato@stwa.org](mailto:mcserrato@stwa.org)>

**Sent:** Tuesday, February 2, 2021 3:10 PM

**To:** Katherine Ray <[kray@rayassociates.com](mailto:kray@rayassociates.com)>

**Subject:** STWA Past Present Future Document

Katherine,

Attached is a corrected copy of the document. As I expected, Jo Ella and Frances found a few corrections. On page 1, Handling fee is now handling fee.

On page 4, corporation's books is now corporations' books.

On page 5, 1996 is corrected as 1994.

We are gathering pictures that I hope to send tomorrow.

Carola

Carola G. Serrato

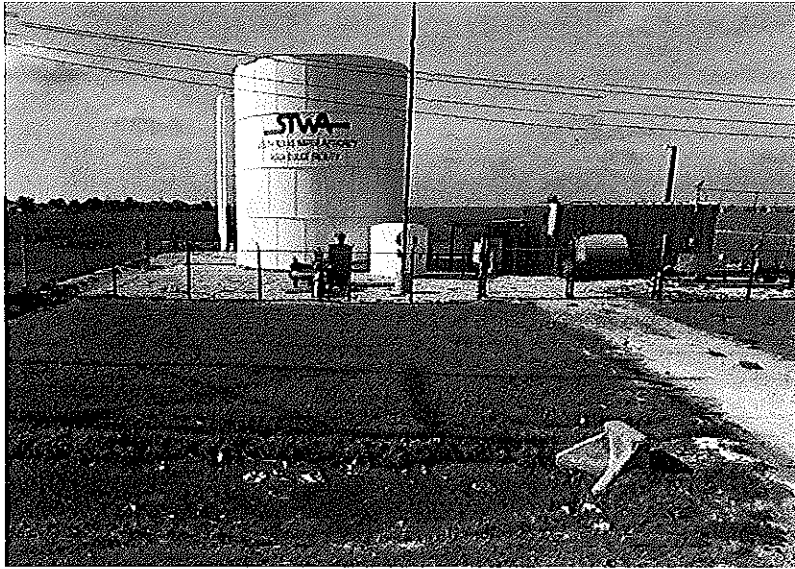
Executive Director

**South Texas Water Authority**

2302 East Sage Rd

Kingsville, Texas 78363

361-592-9323 x112

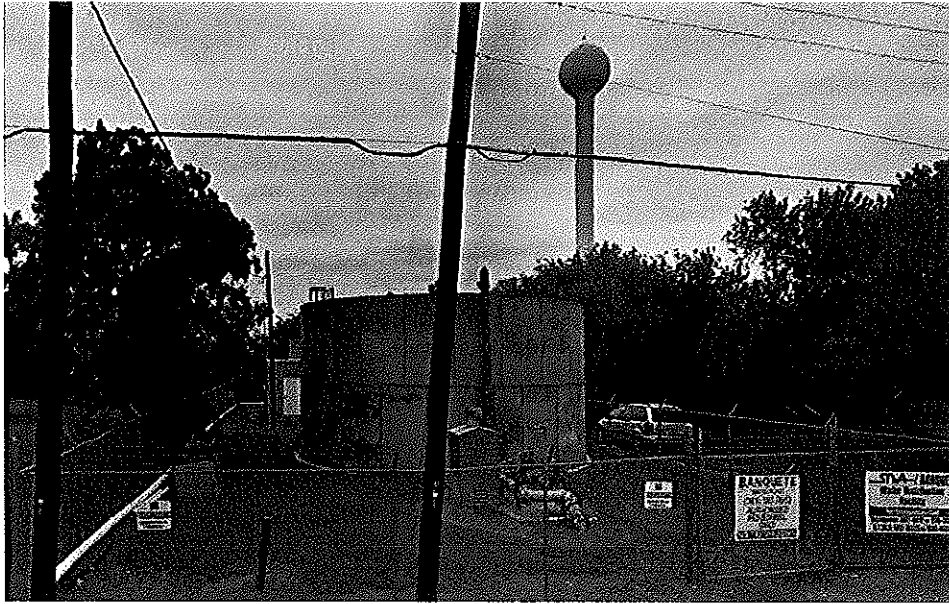


1 - Agua Dulce PS – is used by both the City of Agua Dulce and Nueces WSC.



2 - Pump Station (PS) has been rehabilitated with a new exterior. All STWA pump stations have been rehabilitated with new exteriors.

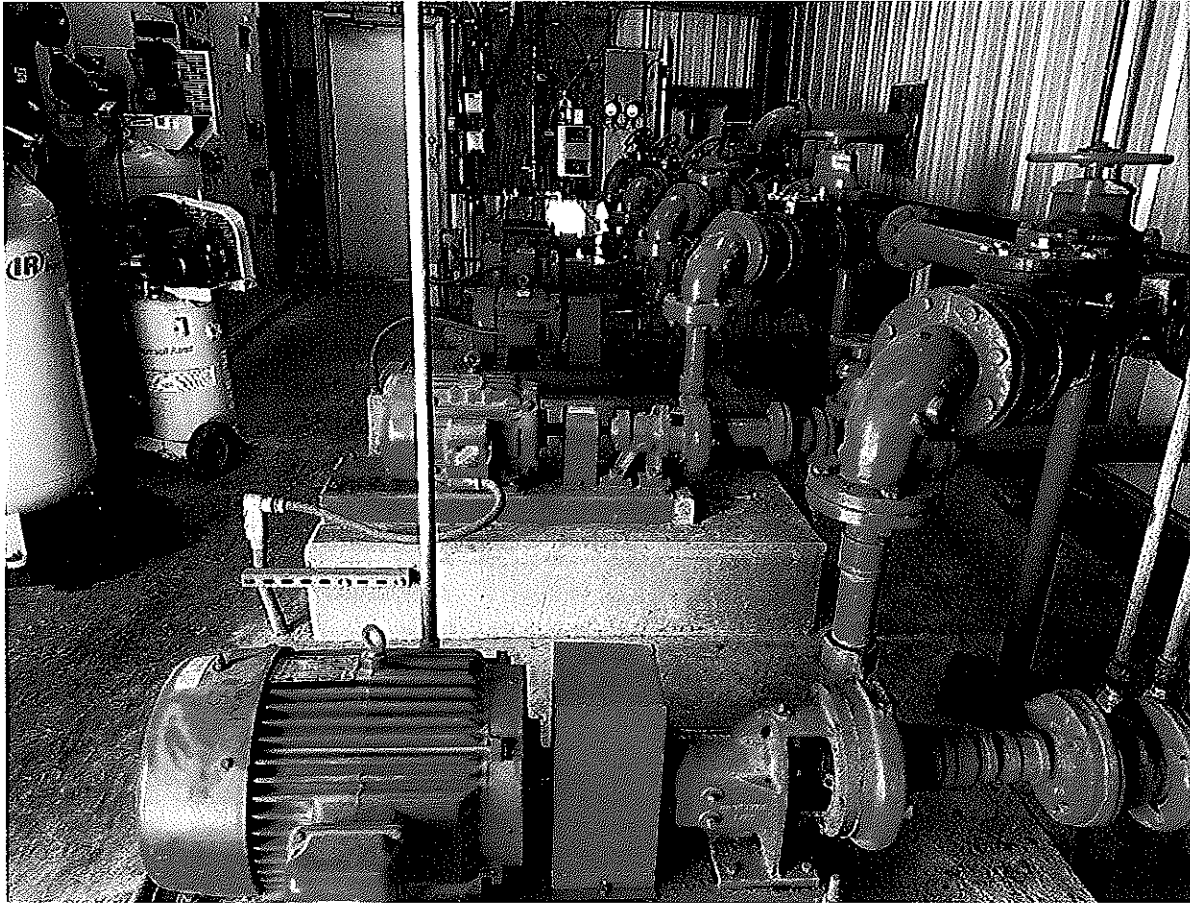




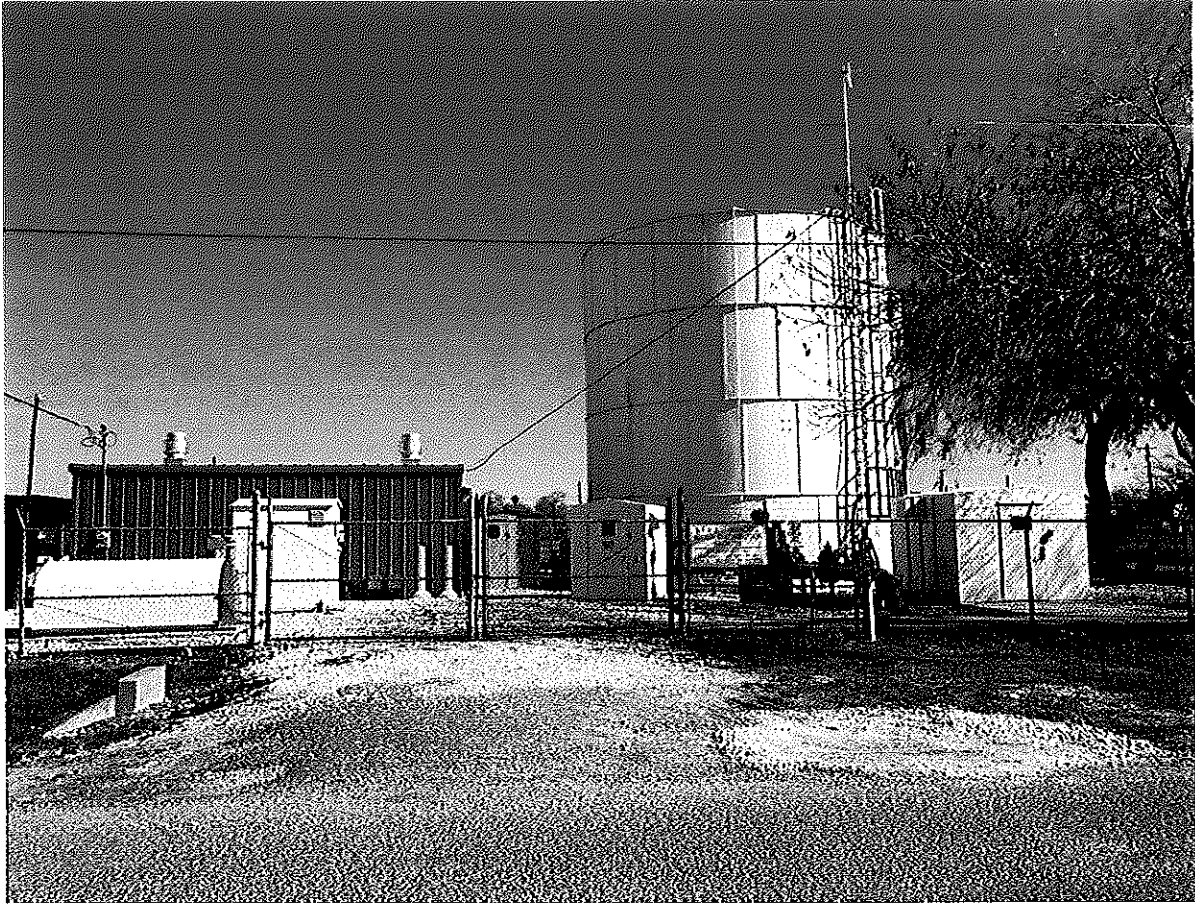
3 - Banquete PS – this is the original pump station. A new pump station is being built north of this station. STWA is negotiating a contract with the NCWCID #5 in which title to this station would be conveyed to District #5. The EST that will be demolished as part of the new pump station project can be seen in the background.



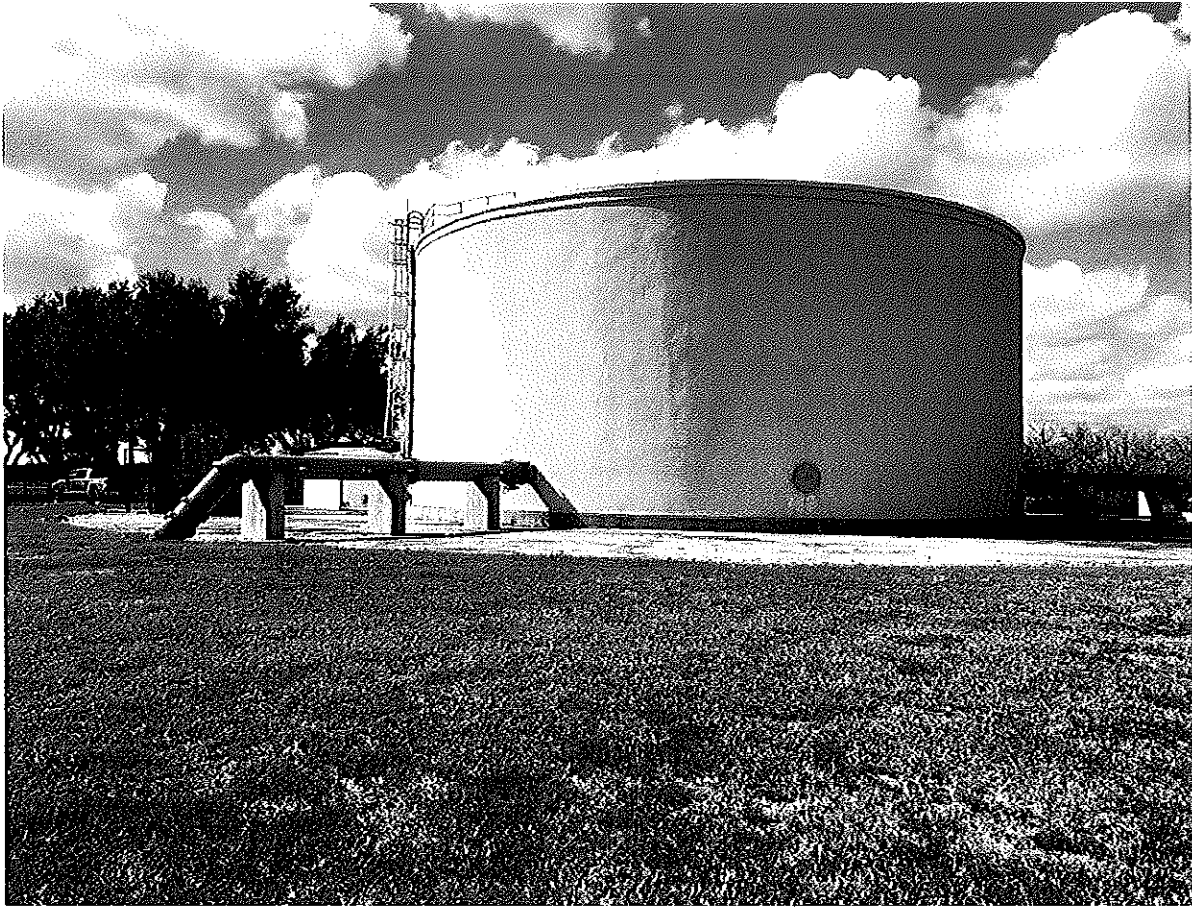
4 - Bishop East PS - this Pump Station is used solely by the Nueces WSC. Originally, the City of Bishop received service from this station as well. The City is now serviced by a city-owned station on the west side of the city.



*5 Central PS Interior - This station serves multiple purposes. In addition to providing Nueces WSC rural customers, pressure is boosted to the Agua Dulce, Banquete and Sablatura Park PSs. This photo shows a typical set-up of pump station equipment with pumps, motors, controls, and compressors (for hydro-pneumatic tanks).*



*6 Driscoll PS - this pump station serves the City of Driscoll and Nueces WSC customers. This is also the location of the Driscoll Booster Station which injects chloramines directly into the 42" waterline as a means of boosting the residual.*



7 - Kingsville PS - 1 MG tank - the original 5 MG welded steel tank was replaced with 2012 bond funds.

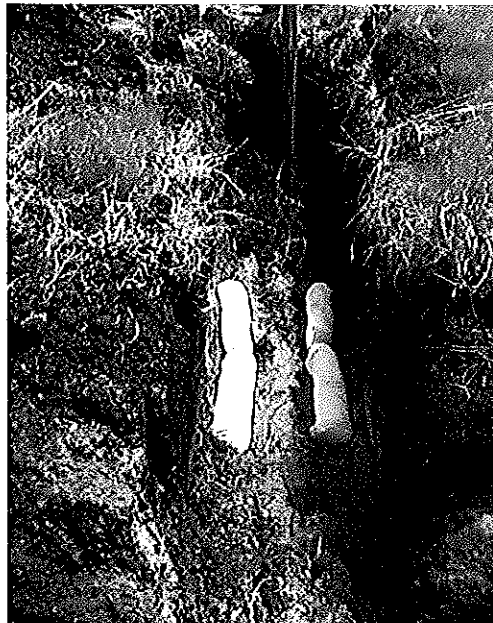
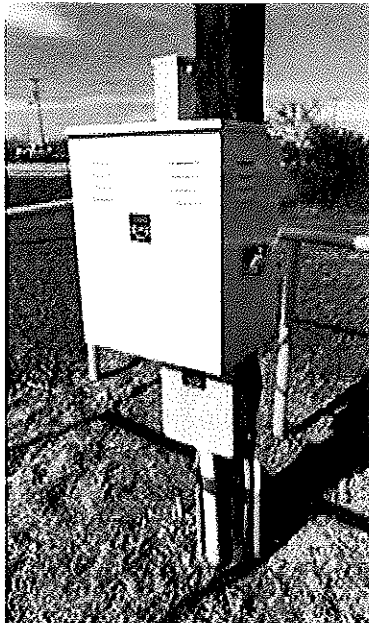


**8 - Kingsville PS and Office Building in the background. The GST and PS equipment were conveyed to the City as part of the Water Supply Contract.**





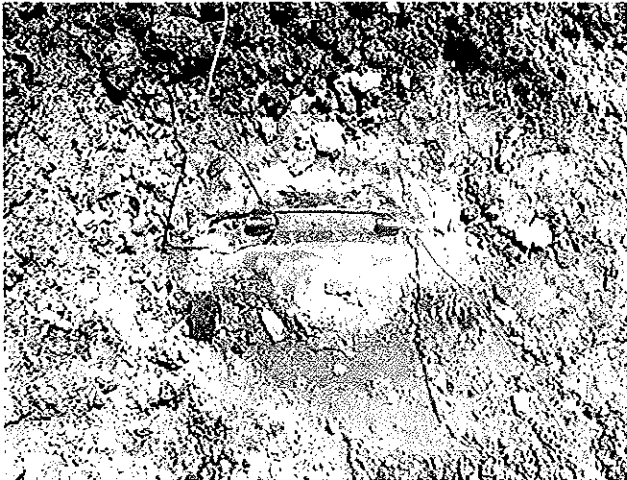
9 Sablatura Park PS - This station provides service only to Nueces WSC customers located in an area between Banquete and Agua Dulce along US 44. Title to this station has been conveyed to the Nueces WSC.

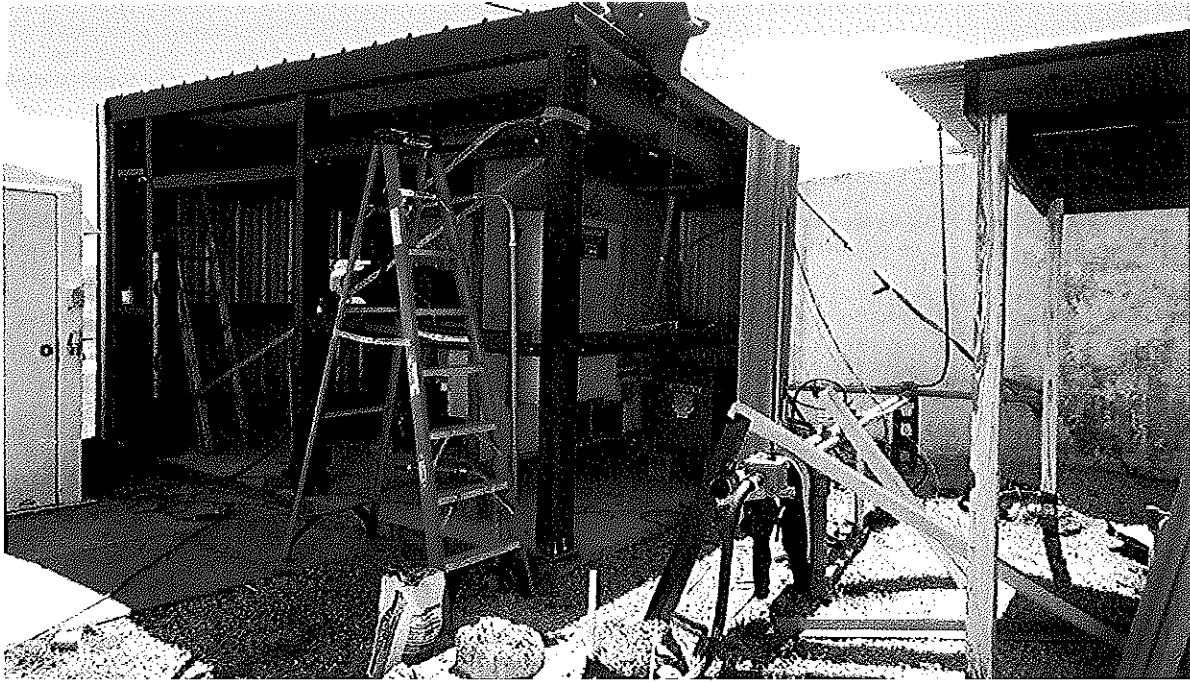


10 – On the left is a photo of one of two rectifiers protecting the 42" line with an impressed current. On the right, is a typical installation of sacrificial anodes on the 42" waterline. Currently, there are two (2) Cathodic Protection (CP) Techs installing anodes, adding test stations and, in general, upgrading the 42" waterline using remaining 2012 bond funds.



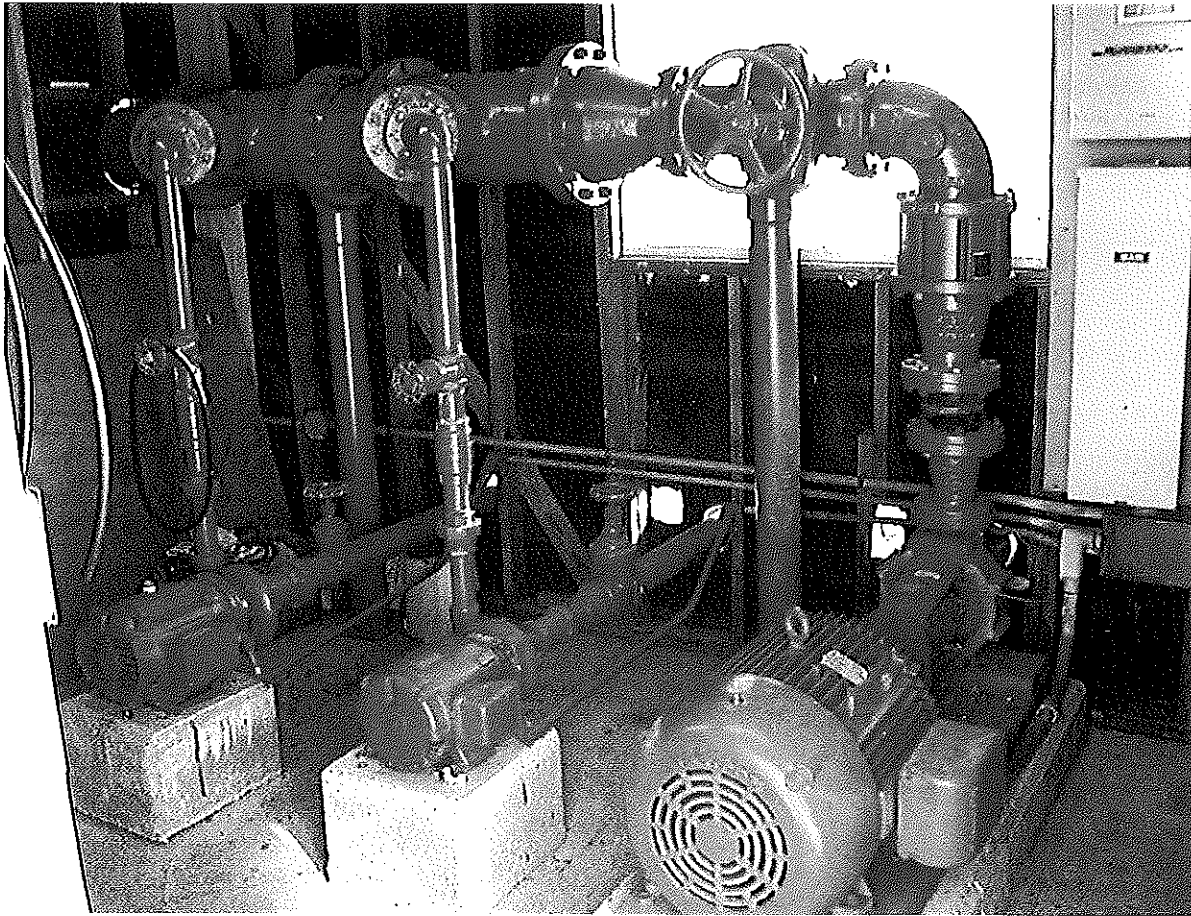
11 Top photo is a CP Tech tacking the wires and clips to the pipe after removal of the mortar diaper.. The bottom photo is a close-up of the leads from the pipe to the anodes.





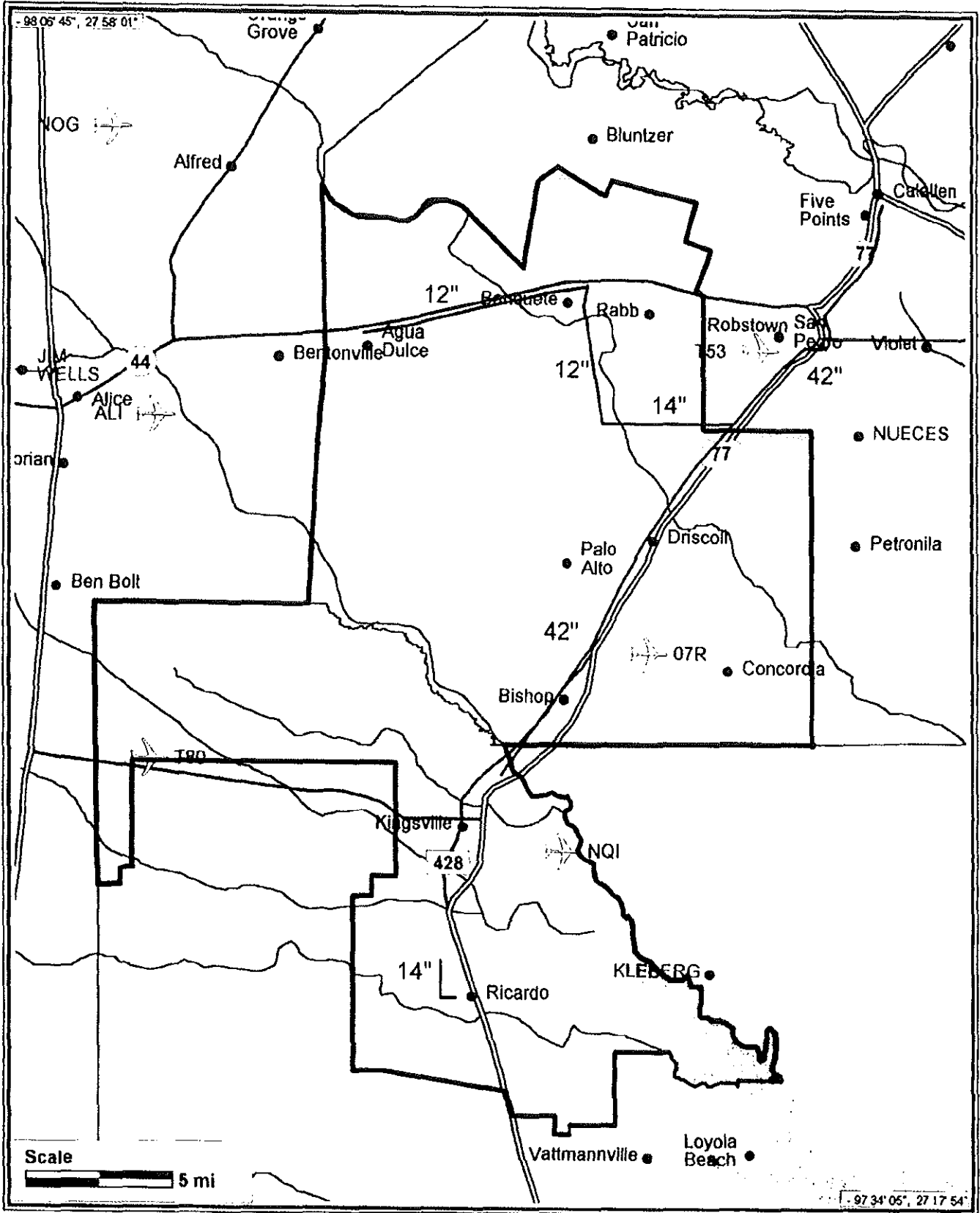
12 – STWA provides turn-key management services to the Ricardo WSC. That corporation owns three pump stations built 50 to 60 years ago. Here is a photo of one of three Ricardo WSC pump stations being rehabilitated. Another station has been done and a third is being considered.





13 - Typical interior of Ricardo WSC pump station. Two stations utilized elevated storage tanks as pressure planes. The smallest station (PS#3) uses a hydro-pneumatic tank.

# SOUTH TEXAS WATER AUTHORITY BOUNDARY MAP



Map created using Precision Mapping 3.0

Copyright 1997 Chicago Map Corporation & TRUS, Inc.

**mcserrato@stwa.org**

---

**From:** mcserrato@stwa.org  
**Sent:** Tuesday, February 2, 2021 3:10 PM  
**To:** Katherine B. Ray (kray@rayassociates.com)  
**Subject:** STWA Past Present Future Document  
**Attachments:** STWA ED Recruitment Background Ray Assoc 01282021.pdf; STWA ED Recruitment Background Ray Assoc 01282021.doc

Katherine,

Attached is a corrected copy of the document. As I expected, Jo Ella and Frances found a few corrections. On page 1, Handling fee is now handling fee.

On page 4, corporation's books is now corporations' books.

On page 5, 1996 is corrected as 1994.

We are gathering pictures that I hope to send tomorrow.

Carola

Carola G. Serrato  
Executive Director

**South Texas Water Authority**

2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

SOUTH TEXAS WATER AUTHORITY  
PAST, PRESENT AND FUTURE  
February 2021

## Overview

South Texas Water Authority (STWA) is a Conservation and Reclamation District of the State of Texas. Created by the 66th Legislature April of 1979, STWA's purpose was to provide wholesale water service to the cities of Agua Dulce, Bishop, Driscoll, Kingsville, and the Nueces County Water Control and Improvement District #5 (Banquete) through a Regional Water Supply System. This system transports treated water, purchased from the City of Corpus Christi through a 42" water line extending from the Corpus Christi O.N. Stevens WTP to the City of Kingsville and a spurline that delivers water to the Banquete and Agua Dulce area. Seven (7) pump stations were also part of the Regional Water Supply System (*see Regional Water Supply System below*).

Since STWA's creation, wholesale service has expanded to include the Ricardo Water Supply Corporation (RWSC) and the Nueces Water Supply Corporation (NWSC). In addition to providing wholesale water service, STWA provides turn-key operations and management services. Each of those corporations provides retail services to approximately 1000 customers.

STWA is governed by a nine-member Board, five (5) members are appointed by the Kleberg County Commissioners Court and four (4) members are appointed by the Nueces County Commissioners Court.

The Board of Directors employs an executive director, who supervises a full-time staff of fourteen (14) persons. The current executive director has served in this capacity since 1992. The executive director also answers to the seven-member RWSC Board and the 5-member NWSC Board. Those boards are elected by their water supply corporation members.

STWA's district encompasses about half of Nueces and Kleberg counties (*see STWA District Service Area below*). In addition to a successful confirmation election, voters approved the issuance of \$17M in bonds for the construction of the Regional Water Supply System (*see STWA Elections, Debt, and Taxes*).

The original debt was repaid by a combination of Interest and Sinking property taxes and wholesale water rates. With the repayment of the debt, the original Wholesale Water Supply Contracts terminated. Since then, STWA has renegotiated six (6) out of seven (7) wholesale contracts, which are based on passing through Corpus Christi's water cost, charging a handling fee and transferring ownership of pump station facilities to the wholesale customer. The remaining wholesale customer without a contract is Banquete (*see Current Contracts*).

Although expansions have occurred since the original construction, the majority of infrastructure was in place by 1986. The age of the Regional Water Supply System and, in particular, the type of 42" waterline installed have presented operation challenges. In addition, the cost of water from the City of Corpus Christi as compared to the cost of pumping groundwater has resulted in the two (2) largest communities utilizing STWA's surface supply for only a portion of their needs (*see Challenges and Current Projects below*).

## **Regional Water Supply System**

STWA installed twenty- eight (28) miles of 42" water line. This line is an AWWA C-303 pipe, bar wrapped (not tensioned) concrete cylinder pipe and extends from the Calallen area to the City of Kingsville. To serve Agua Dulce and Banquete, four (4) miles of 14" asbestos concrete line and twelve (12) miles of 12" asbestos concrete line were installed. Ground storage capacity equal to one day's supply for each community were also constructed, as part of the contractual requirement with the City of Corpus Christi. Pump stations facilities were constructed in Agua Dulce, Banquete, Driscoll, Bishop and Kingsville.

## **STWA District Service Area**

STWA's original boundaries contained approximately 360 square miles, representing all of the territory contained within Kingsville Independent School District in Kleberg County plus the portion of Nueces County which previously contained Precinct No. 2 (as of January 1, 1979). Excluded from the original area was the Lower Nueces River Water Supply District which then encompassed the Celanese Corporation Bishop Site petrochemical plant and the one-square mile territory of the Nueces County Water Control and Improvement District No. 5 which includes the unincorporated community of Banquete.

## **STWA Elections, Debt, and Taxes**

In August of 1980, STWA's qualified voters approved by a vote of 496 "for" to 20 "against", the issuance of \$17,000,000 bonds to construct a water supply system. In January of 1982, STWA issued \$15,500,000 Combination Limited Tax and Water Supply Revenue Bonds, Series 1981 and in so doing placed restraints on the issuance of the remaining \$1,500,000 in bonds. In June of 1983, STWA issued \$15,335,000 in *refunding* bonds which eliminated the restrictions and provided funds for projects associated with providing service to the Ricardo and Nueces Water Supply Corporations.

In April of 1983, the voters of the Ricardo Independent School District (RISD) approved, by a vote of 142 "For" and 40 "Against", a proposition annexing the RISD area, containing approximately 55 square miles, into STWA's District. The annexed area is located south of Kingsville and contains the unincorporated community of Ricardo.

In September of 1984, Series 1984 bonds in the amount of \$900,000 were sold to the Texas Water Development Board followed by Series 1986 bonds in the amount of \$600,000. The funds were utilized to construct transmission and pump facilities for the RWSC and pump station facilities to service the NWSC.

When the original debt was paid off, STWA's only taxing authority in the form of an interest and sinking tax was no longer valid. Therefore, in 2001 an election was held with district voters approving a Maintenance and Operations Tax not to exceed twelve cents per \$100 valuation. The current M&O tax rate is \$0.070971 per \$100.00 assessed valuation. STWA's appraisal, assessment and collection of taxes are performed by the appraisal districts and tax assessor/collectors of Nueces and Kleberg Counties.

A November 2012 election resulted in voters approving \$5,200,000 in bonds for three STWA projects. TXDOT's upgrades of US 77 to I-69 standards required the relocation of a section the 42" waterline. The other two projects involved improvements at the Kingsville and Bishop Westside Pump Stations. As a result of the City of Kingsville remaining on its groundwater supply for the majority of its needs, STWA had been faced with operating and maintaining significantly oversized facilities. Therefore, a 5 MG welded steel tank was replaced with a 1 MG concreted reinforced tank and three (3) 5,000 gpm pumps were replaced with three (3) 1,500 gpm pumps. Since the City of Bishop had ceased to utilize the Regional Water Supply System Bishop East Pump Station facilities, Bishop's improvements were upgrades to the City-owned west side pump station.

The current I&S tax rate associated with the current debt is \$0.015940 per \$100 valuation for a total rate (M&O plus I&S) of \$0.086911. STWA can redeem these tax-exempt bonds beginning after August 15, 2022 on any bonds with stated maturities on or after August 15, 2023.

### **Current Contracts**

In January 2015, twenty-year contracts were finalized with the City of Agua Dulce, Nueces Water Supply Corporation and Ricardo Water Supply Corporation. In September 2017, STWA entered into a five-year water supply contract with three automatic five-year renewals with the City of Kingsville. This contract is based on the City purchasing a fixed dollar amount each year with a fifth-year maximum amount of \$400,00.

The most recent water supply contracts were finalized with the City of Bishop and the City of Driscoll. Bishop's contract calls for the City purchasing 46% of its needs in the first year and increasing the percentage by one percent each subsequent year with a maximum percentage of 50% in year 5. Driscoll's contract is also a five-year water supply contract with three automatic five-year renewals.

As part of the contract negotiations and STWA's long-term plan, each of these entities has accepted title to pump station facilities providing service. In the case of the NWSC and RWSC, some of the facilities were already owned by those corporations. STWA has retained ownership of disinfection facilities and SCADA components. And in some cases, wholesale customers have agreed to joint ownership of ground storage facilities. One entity, the City of Driscoll, decided to enter into an Operations and Maintenance contract on the pump station equipment providing service to the City.

As mentioned previously, the Nueces County WCID No. 5 (Banquete) has not entered into a wholesale contract. That district's board indicated it was uninterested in negotiating a contract with joint ownership of facilities (*see Challenges and Current Projects*). It warrants noting that Banquete is its own separate water district and therefore is not part of STWA's taxable properties. As such, Banquete's wholesale water rate includes a fee in-lieu of taxes equivalent to the dollar amount that *would be* assessed on their district's property value. Since Banquete has not entered into a long-term contract, it is charged an Incremental Fee equivalent to the Handling Charge in addition to the regular Handling Charge.

Finally, considerable staff time and resources are devoted to the aforementioned *management contracts* with the Ricardo and Nueces Water Supply Corporations. Each corporation operates under their own separate Articles of Incorporation, By-laws, Tariff and Certificate of Convenience and Necessity. As would be expected, staff maintains a separate set of purchase orders, service orders, work orders, financial books, bank accounts, investment accounts, and files. STWA's budget includes a Special Services Fund devoted to recouping the expenses associated with providing the turn-key services which include:

- Repairs – The NWSC has about 250 miles of distribution lines and the RWSC has about 175 miles of distribution lines. The NWSC owns pump station facilities at six (6) locations. The RWSC owns three (3) pump stations. Both corporations have more than 1000 retail meters. With the exception of major pump repairs, STWA field personnel performs all repairs of these facilities.
- New Services – Field personnel, in most cases, install new short- and long-service connections as well as extensions of distribution line service. From time to time, developer's activity results in new water lines being installed by a contractor.
- TCEQ/Regulatory – all compliance activities (monitoring, sampling, Nitrification Action Plans, reporting, etc.) are performed by STWA staff.
- Billing – monthly meter reading, bill generation, late notices, disconnects & reconnects, meter removals and cancellation of memberships are processed by STWA staff. Bill collections/deposits are performed by STWA staff.
- Finance – With the exception of the annual external audits, STWA maintains the corporations books. The corporations' fiscal years are from January 1 through December 31. External audits are presented to the corporations' membership during their annual meeting in early April for the previous year. Staff also prepares annual budgets based on recommended rates and 6-month budget amendments. In addition to water rates, staff makes recommendations on various customer fees.
- Administration – The boards typically meet once a quarter or more often as circumstances warrant. Staff develops meeting agendas and packets. The annual membership meeting is a major undertaking and the process is subject to State of Texas rules.

### **Challenges and Current Projects**

Several major challenges have been faced by STWA's Board and staff since water was first delivered in December 1986. Most notably, STWA's largest potential customer, the City of Kingsville opted to continue utilizing its groundwater wells; this is also the case for the City of Bishop. Kingsville purchases approximately 10% of its needs from STWA. Bishop purchases about 50% of its needs. As a result, the 42" line is significantly oversized. And, in the past, Kingsville has purchased sporadic and small volumes. This resulted in problems maintaining the required TCEQ minimum residual throughout the system and a TCEQ enforcement action, which STWA legally challenged. Ultimately, a chloramine booster station feeding directly into the 42" line was installed.

In addition, the C-303 pipe has presented problems with improperly installed mortar and bonding connections at the joints. The mortar connections are referred to as diapers which are intended to be filled surrounding the entire circumference of the pipe. Unfortunately, locations have been found where this did not occur and the voids in the mortar leave the pipe vulnerable to corrosion. In addition, bonding clips or wire should have been attached from one joint to the next to provide continuity on the pipe. This continuity is essential for the installation of an impressed cathodic protection system. It is also vital for the installation of a cathodic protection system using sacrificial anodes. After a major waterline rupture in 1994, STWA began an in-house cathodic protection project. Each joint for several miles was excavated and the proper clips/wires added resulting in the installation of two (2) impressed current rectifiers – one north and one south of Bishop. However, corrosion consultants recommended a change in approach using sacrificial anodes. Since then, several rounds of CP projects have occurred. Currently, a crew of two (2) CP Techs are installing anodes, adding wires/clips, installing new test stations and, in general, upgrading the 42” waterline. This is being financed with the remaining 2012 bond funds.

In Fiscal Year 2021, several major events should occur. The completion of a new Banquete Pump Station is expected by the end of March. This project was a joint venture between the Texas Water Development Board, Nueces County, STWA and NWSC. It is in response to an expansion of NWSC’s distribution system for two (2) colonias located northwest of Banquete. In addition, it addresses the Banquete Water District’s issue of joint ownership. The NWSC will own the new pump station. STWA’s existing elevated storage tank will be demolished. Contract negotiations with the Banquete Water District call for that district to own a new hydro-pneumatic tank and accept title to the existing pumps. The Banquete District owns the ground storage tanks.

Also occurring in FY 2021, STWA, NWSC and RWSC will begin utilizing a new accounting program and time clock system. The new software should provide additional information and a means of more closely tracking staff time associated with the Special Services Fund. This information will be essential in the True-up and Allocations associated with STWA’s Handling Charge once the final wholesale water supply contract is executed.

Finally, with regards to STWA’s future, recent developments warrant noting. A long-term goals committee has been formed. The committee has not yet made any recommendations for the Board’s consideration. Several times in the recent past, the Board has considered but has not taken any action on revising Personnel Policies with the exception of limiting the executive director’s authority regarding management personnel as detailed in the ED’s job description.

With regards to the NWSC and RWSC, several future projects will require the executive director’s attention:

Entity	Project	WSC Needs
NWSC	TXDOT Upgrades to FM 70 -East of Bishop	Line Relocates and Replacement Easements
NWSC	New Banquete PS	Ownership Transfer from Nueces County to NWSC
NWSC	Bishop East PS Easement	Negotiate Easement with Bishop City Council
RWSC	TXDOT Upgrades of US 77 to I-69 Standards	Relocation of 10+ sections of waterline at RWSC’s cost
RWSC	PS #1 - Paint EST	Depending on US 77 costs, financing of work
RWSC	PS #3 Upgrades	Building deterioration & Pump capacities are small



**From:** mcserrato@stwa.org  
**Sent:** Friday, January 29, 2021 2:53 PM  
**To:** 'Katherine Ray'  
**Cc:** 'Jim Ray'; Jo Ella Wagner; Frances Rosales  
**Subject:** RE: Final Proposal/Contract  
**Attachments:** Executive Director DRAFT Job Description Ray Assoc 01282021.pdf; Executive Director DRAFT Job Description Ray Assoc 01282021.doc; STWA ED Recruitment Background Ray Assoc 01282021.doc; STWA ED Recruitment Background Ray Assoc 01282021.pdf

Good Afternoon Katherine,

Attached are the two documents listed in the proposal – ED Job Description and STWA Background information. The documents are in Word and as a pdf file. Both are drafts and have not been proofed by Frances or Jo Ella yet. However, since STWA has never utilized recruitment services, I wanted to check if the documents are headed in the right direction, too brief? too detailed? Please be frank. I will not be offended and I am very willing to go back to the drawing board.

I will be contacting professionals that I have worked with in the past and ask for names of possible candidates.

I will also ask Dan Grimsbo to provide his bio information.

Have a nice weekend,

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

**From:** Katherine Ray <kray@rayassociates.com>  
**Sent:** Thursday, January 28, 2021 10:52 AM  
**To:** mcserrato@stwa.org  
**Cc:** Jim Ray <jray@rayassociates.com>  
**Subject:** RE: Final Proposal/Contract

Super. Thank you so much, Carola. Once we get those, we can schedule a Zoom call with your Board of Directors.

Looking forward to working with you.

Katherine

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**Katherine B. Ray, SPHR**  
President/CEO  
Ray Associates, Inc.  
1304 Guadalupe Street

Austin, Texas 78701  
Email: [kray@rayassociates.com](mailto:kray@rayassociates.com)  
Cell: (512) 913-0331

**From:** [mogserrato@stwa.org](mailto:mogserrato@stwa.org) <[mogserrato@stwa.org](mailto:mogserrato@stwa.org)>  
**Sent:** Thursday, January 28, 2021 10:38 AM  
**To:** Katherine Ray <[kray@rayassociates.com](mailto:kray@rayassociates.com)>  
**Subject:** RE: Final Proposal/Contract

Katherine,

Attached is the proposal signature page. I will begin to work on the items listed in section 1 and provide when available.

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

**From:** Katherine Ray <[kray@rayassociates.com](mailto:kray@rayassociates.com)>  
**Sent:** Wednesday, January 27, 2021 6:36 PM  
**To:** [mogserrato@stwa.org](mailto:mogserrato@stwa.org)  
**Cc:** Jim Ray <[jray@rayassociates.com](mailto:jray@rayassociates.com)>  
**Subject:** Final Proposal/Contract

Thank you so much for your call today, Carola. Attached is the revised Proposal/Contract. I changed the date on the cover and each page to reflect today's date, and I added language on page 6 that I think encompasses our discussion. The new information is in bold and italics, and I added it as a new number 1, then making the previous numbers 1-8 become 2-9. Also, at the bottom of page 9, the new figure in the Cost Proposal section now reads \$25,500 instead of \$30,000.

Please don't hesitate to give me a call or email me with any questions.

Jim and I are looking forward to working with you and the Board of Directors of the South Texas Water Authority to help write the next chapter for the Authority.

Best wishes,

Katherine

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***Katherine B. Ray, SPHR***  
President/CEO  
Ray Associates, Inc.  
1304 Guadalupe Street  
Austin, Texas 78701  
Email: [kray@rayassociates.com](mailto:kray@rayassociates.com)  
Cell: (512) 913-0331



## SOUTH TEXAS WATER AUTHORITY (STWA)

### EXECUTIVE DIRECTOR

#### Responsibilities

Under the general direction and supervision of the Board of Directors, the Executive Director will:

- . Provide overall direction and administration for all Authority and managed water supply corporation functions including budget preparation, tax assessing, financial affairs and contract negotiations for the Authority.
- . In coordination with the Management Selection Standing Committee, initiate and direct the Authority's organization and development as related to STWA management positions.
- . Initiate and direct the Authority's organization and development as related to STWA non-management positions.
- . Develop both short- and long-range plans for the Authority and managed water supply corporations as well as the implementation of those adopted plans.
- . Provide supervision and direction for all operational activities of the Authority and water supply corporations including day to day supervision of the maintenance and operations of the Authority's facilities.
- . Establish and maintain effective rapport and liaison with member cities and other water customers for efficient and effective operations of the Regional Water System.
- . Work with cities, counties and other governmental and community groups for the development of the area.
- . Consult and report, as necessary, to appropriate local, state and federal agencies to further the objectives of the Authority and managed water supply corporations.
- . Provide logistical support for the Authority's and water supply corporations' Boards of Directors and any Committees that may be established by the Boards of Directors.
- . Any other duties as assigned by the Boards of Directors.

#### Qualifications

A Bachelors Degree with eight years experience or Masters Degree with five years experience in engineering, physical sciences, planning, public administration, business administration or other related fields. Must have demonstrable qualities of initiative, leadership and administrative/management ability, with significant experience in water or municipal administration, finance and planning. Have a neat and appropriate appearance for dealing with the public.

ATTACHMENT 6

Water Supply Contract – City of Corpus Christi

## Memorandum

To: South Texas Water Authority Board of Directors  
From: Carola G. Serrato, Executive Director  
Date: February 22, 2021  
Re: City of Corpus Christi Wholesale Water Supply Contract

### Background:

Since the last regular meeting in January and per the Board's authorization, additional changes were made to the Wholesale Water Supply Contract provided by the City of Corpus Christi. In addition, the revised document was emailed to Assistant City Attorney Lisa Aguilar. Enclosed is the updated contract and the email correspondence from Mr. Bill Flickinger, Willatt and Flickinger, to Ms. Aguilar.

### Analysis:

As of today's date, a response has not been received from Ms. Aguilar regarding the modified contract or a date for a remote meeting. The contract reviewed by the Board as part of January's agenda packet included changes to update the contract, since it appeared that a majority of the contract provided by Ms. Aguilar was based on the current contract. In addition, Mr. Flickinger addressed the concerns regarding a Take or Pay clause. The volume listed in the Quantity section was also reduced considerably. Questions remain regarding provisions related to Uncommitted Available Water, Price of Water (referencing the Settlement Agreement) and Restrictions on Resale. The City's ETJ and service area will need to be discussed in greater detail with regards to the sections pertaining to List of Customers and City Right to Sell.

### Staff Recommendation:

Continue to work with legal counsel on negotiating a contract with the City of Corpus Christi.

### Board Action:

Provide feedback to legal counsel and staff.

### Summarization:

The current contract will expire in April 2026. These efforts are being made to ensure that South Texas Water Authority has a long-term contract for the future, thereby providing security for our wholesale customers.

LOCAL GOVERNMENT CODE  
TITLE 2. ORGANIZATION OF MUNICIPAL GOVERNMENT  
SUBTITLE C. MUNICIPAL BOUNDARIES AND ANNEXATION  
CHAPTER 42. EXTRATERRITORIAL JURISDICTION OF MUNICIPALITIES  
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 42.001. PURPOSE OF EXTRATERRITORIAL JURISDICTION. The legislature declares it the policy of the state to designate certain areas as the extraterritorial jurisdiction of municipalities to promote and protect the general health, safety, and welfare of persons residing in and adjacent to the municipalities.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

SUBCHAPTER B. DETERMINATION OF EXTRATERRITORIAL JURISDICTION

Sec. 42.021. EXTENT OF EXTRATERRITORIAL JURISDICTION. (a) The extraterritorial jurisdiction of a municipality is the unincorporated area that is contiguous to the corporate boundaries of the municipality and that is located:

- (1) within one-half mile of those boundaries, in the case of a municipality with fewer than 5,000 inhabitants;
- (2) within one mile of those boundaries, in the case of a municipality with 5,000 to 24,999 inhabitants;
- (3) within two miles of those boundaries, in the case of a municipality with 25,000 to 49,999 inhabitants;
- (4) within 3-1/2 miles of those boundaries, in the case of a municipality with 50,000 to 99,999 inhabitants; or
- (5) within five miles of those boundaries, in the case of a municipality with 100,000 or more inhabitants.**

(b) Regardless of Subsection (a), the extraterritorial jurisdiction of a municipality is the unincorporated area that is contiguous to the corporate boundaries of the municipality and that is located:

- (1) within five miles of those boundaries on a barrier island; or
  - (2) within one-half mile of those boundaries off a barrier island.
- (c) Subsection (b) applies to a municipality that has:
- (1) a population of 2,000 or more; and
  - (2) territory located:

(A) entirely on a barrier island in the Gulf of Mexico; and

(B) within 30 miles of an international border.

(d) Regardless of Subsection (a), the extraterritorial jurisdiction of a municipality is the unincorporated area that is contiguous to the corporate boundaries of the municipality and that is located within three miles of those boundaries if the municipality:

(1) has a population of not less than 20,000 or more than 29,000; and

(2) is located in a county that has a population of 45,000 or more and borders the Trinity River.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 761 (H.B. 3325), Sec. 1, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 215 (H.B. 91), Sec. 1, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 612 (S.B. 508), Sec. 1, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 22.001(33), eff. September 1, 2013.

Sec. 42.022. EXPANSION OF EXTRATERRITORIAL JURISDICTION. (a) When a municipality annexes an area, the extraterritorial jurisdiction of the municipality expands with the annexation to comprise, consistent with Section 42.021, the area around the new municipal boundaries.

(b) The extraterritorial jurisdiction of a municipality may expand beyond the distance limitations imposed by Section 42.021 to include an area contiguous to the otherwise existing extraterritorial jurisdiction of the municipality if the owners of the area request the expansion.

(c) The expansion of the extraterritorial jurisdiction of a municipality through annexation, request, or increase in the number of inhabitants may not include any area in the existing extraterritorial jurisdiction of another municipality, except as provided by Subsection (d).

(d) The extraterritorial jurisdiction of a municipality may be expanded through annexation to include area that on the date of annexation is located in the extraterritorial jurisdiction of another municipality if a written agreement between the municipalities in effect on the date of annexation allocates the area to the extraterritorial jurisdiction of the annexing municipality.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 337 (H.B. 2902), Sec. 1, eff. June 17, 2011.



**From:** Bill Flickinger <bflickinger@wfaustin.com>  
**Sent:** Saturday, February 13, 2021 2:05 PM  
**To:** Lisa Aguilar [LGL]; mcserrato@stwa.org  
**Cc:** Kevin Norton; Gabriel Ramirez; Allison Nix  
**Subject:** Draft Contract between the City of Corpus Christi and South Texas Water Authority for Supply of Treated Water  
**Attachments:** STWA - BF Redline Dated 2-13-21 Showing Proposed Changes to 10-30-20 Draft by Lisa Aguilar of Corpus Christi Contract for Supply of Treated Water.docx; STWA - BF Redline Dated 2-13-21 Showing Proposed Changes to 10-30-20 Draft by Lisa Aguilar of Corpus Christi Contract for Supply of Treated Water.pdf

Dear Lisa:

Please see the attached redline draft of the above-captioned Contract. I have provided the document in Word and pdf formats. I have indicated on the attached proposed changes from your initial draft dated 10/30/20. I have also added some notes to the attached draft to facilitate future discussions.

After you have had a chance to review the attached, please let me know when the group would be available via Zoom or telephone to discuss in detail.

Thank you.

Very truly yours,

*Bill Flickinger*

Willatt & Flickinger, PLLC  
Attorneys at Law  
12912 Hill Country Blvd., Suite F-232  
Austin, Texas 78738

Phone: (512) 476-6604  
Facsimile: (512) 469-9148

**Email:** [bflickinger@wfaustin.com](mailto:bflickinger@wfaustin.com)

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**From:** Lisa Aguilar [LGL] <LisaA@cctexas.com>  
**Sent:** Friday, October 30, 2020 2:53 PM  
**To:** mcserrato@stwa.org; Bill Flickinger <bflickinger@wfaustin.com>  
**Cc:** Kevin Norton <KevinN@cctexas.com>; Gabriel Ramirez <GabrielR@cctexas.com>  
**Subject:** Re: Executed Agreement City and STWA - Meter Relocation - 42" waterline

Good afternoon,

Here is a preliminary draft of a new treated water contract for your review, pending City staff review. Many of the sections are from the current agreement. Please review and let us know of some times you are available to discuss.

Thank you,

Lisa Aguilar  
Senior Assistant City Attorney  
City of Corpus Christi  
1201 Leopard  
Corpus Christi, Texas 78401  
[lisaa@cctexas.com](mailto:lisaa@cctexas.com)  
(361) 826-3378

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BF REDLINE DATED 2/13/21 SHOWING CHANGES  
TO 10/30/20 DRAFT BY LISA AGUILAR

CONTRACT BETWEEN THE CITY OF CORPUS CHRISTI AND  
SOUTH TEXAS WATER AUTHORITY FOR SUPPLY OF TREATED WATER

~~(Draft of 10/30/2020)~~

This Contract Between the City of Corpus Christi and South Texas Water Authority for Supply of Treated Water (“Contract”), ~~for the supply of treated water~~, is made as of the date of last authorized signature by and between the City of Corpus Christi, (“City”), a Texas home-rule municipal corporation, whose address is P. O. Box 9277, Corpus Christi, Texas 78469-9277, and acting through its duly authorized City Manager, or the City Manager’s designee (“City Manager”), and South Texas Water Authority, a conservation and reclamation Authority and political subdivision of the State of Texas, having been created under Chapter 436 Acts of the 66<sup>th</sup> Legislature, Regular Session, 1979, of the laws of the State of Texas, all pursuant to Article XVI, Section 59 of the Texas Constitution (~~hereafter called~~ “Authority”) whose address is 2302 East Sage Road ~~P.O. Box 1701~~ Kingsville, Texas 78363~~4~~, acting by and through its duly authorized representative (“Authority’s Representative”).

The Authority wants to continue to divert and use treated water for resale for municipal and agricultural purposes, and the City desires to continue allowing or otherwise facilitating the delivery and use of treated water by the Authority.

In consideration of the above recitals and the mutual promises, covenants, and agreements, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. CONSTRUCTION OF FACILITIES.

a. Authority has constructed or caused to be constructed at no expense to City, a water transmission main, pumping and storage facilities, and related appurtenances to permit taking water by Authority from the O. N. Stevens Water Treatment Plant to serve portions of Nueces and Kleberg Counties.

b. ~~For~~ Any new facilities to be constructed by Authority facilities shall be constructed in accordance with plans and specifications to be prepared by Authority and acceptable to City and may, at the option of Authority, be built in stages as the needs of Authority may require. Approval

by City shall relate to those matters which might affect the potential rate and quantity of taking, and land owned by City.

c. Authority shall be responsible for obtaining and maintaining any permits necessary for the construction, operation, and maintenance of the contemplated water main and related appurtenances of Authority.

d. The water main and related improvements constructed by Authority shall be maintained, operated, and repaired by Authority.

## 2. RIGHT OF WAY AND EASEMENTS.

a. Authority shall be responsible for the acquisition of all easements, rights-of-way, and land necessary for the construction, operation, and maintenance of the facilities to be built by Authority.

b. Access to and use of rights-of-way, land, or easements held by or belonging to City will be provided to Authority without cost where necessary as determined by plans and specifications of Authority facilities as prepared by Authority and acceptable to City.

## 3. RELOCATION.

a. If City determines that it is necessary to adjust or relocate facilities constructed by Authority in order that lands or easements belonging to City can be used for water treatment facility improvements, Authority shall bear the full cost of such facility adjustments or relocations.

b. City will give due and careful consideration to the location of Authority's facilities in planning new facilities and will, within the limits of sound engineering and ultimate total project cost to all agencies, minimize the required relocation of facilities by Authority.

## 4. QUANTITY OF TREATED WATER.

a. ~~Subject to availability, the City agrees to sell Authority during the term of this Contract or any renewal or extension thereof, subject to the conditions set forth herein, a supply of potable water to Authority not to exceed total of 2,200 [NOTE: NEED TO CONFIRM NUMBER] 22,400 acre feet in a calendar year (January 1 to December 31). However the City makes no guarantee that the water made available under this Contract will be available at any particular quantity, time or place.~~

b. Treated water is water to be made available to Authority from the City's O.N. Stevens Water Treatment Plant and may also include any other similar quality treated water available from any

other City facility so long as the water is provided at the Point of Delivery at no additional expense to the Authority.

c. If an emergency situation [NOTE: "EMERGENCY SITUATION" NEEDS TO BE DEFINED] arises, the City may deliver additional treated water. The City employee who serves as the Director with responsibilities over City utilities or designee, "Director", will determine how long the extra deliveries will last, the rate at which deliveries will be increased, and whether the increased deliveries will exceed 1,000 [NOTE: NEED TO CONFIRM NUMBER] 10,000 acre feet during a calendar year.

d. The Authority may request an increase in the amount of treated water delivered in a year based on the extent of then uncommitted available water [NOTE: HOW WILL THE UNCOMMITTED AVAILABLE WATER BE CALCULATED?]. The Director will consider the City's planned needs, the needs of its other water customers, and the needs of other communities in the region before committing to any increase in the Authority's annual deliveries. However, the City is under no obligation to authorize an increase in the annual deliveries. In the event an increase in the annual deliveries is authorized, this Contract must be amended in writing to show the amount of increased deliveries.

e. Authority's Maximum Daily limit is \_\_\_\_\_ gallons. [NOTE: NEED TO CALCULATE AND INSERT]

f. Authority's Maximum hourly drafting rate is \_\_\_\_\_ gallons. [NOTE: NEED TO CALCULATE AND INSERT]

##### 5. POINT(S) OF DELIVERY OF TREATED WATER; MINIMUM PRESSURE; TITLE TO WATER.

a. Until the new water meter is installed as referenced in Section 10(c) 6e below, the City will deliver the treated water to Authority at the following delivery point: O. N. Stevens Treatment Plant high-service pump building on the 48-inch main and any other points the City and Authority agree to in written amendment to this Contract.

b. Minimum pressure will be at or near 50 p.s.i. at the point of delivery.

c. Title to and possession of the treated water passes to the Authority when the water passes through the meter at or near the point of delivery.

~~6. CONNECTION FEE. City will construct tap on City main upon payment of the full cost of the connection, consisting of the total cost of labor and materials required to make said tap, and upon application for service by a representative of Authority.~~

6.7. PRICE OF TREATED WATER.

a. The price to be charged for treated water sold by the City each calendar year to the Authority shall be determined as follows: [to be inserted] [NOTE: THESE PROVISIONS NEED TO BE INSERTED AND BE SUBSTANTIALLY THE SAME AS THE TERMS OF THE PRIOR SETTLEMENT AGREEMENT AND RELEASE]

78. QUALITY.

~~The City makes no representation as to the quality of the water made available under this Contract.~~ It is understood and agreed that the City shall use reasonable diligence to prevent the pollution or contamination of any of the water supply referred to herein from any cause, and further that such water shall be treated water of such a quality as to meet the requirements of the Texas Commission on Environmental Quality at the point of delivery.

89. MAINTENANCE AND OPERATION OF FACILITIES.

- a. The water main and related improvements constructed by Authority shall be maintained, operated, and repaired by Authority subject to provisions herein contained.
- b. City shall have the right to require Authority to maintain its facilities on City property or easements in a manner comparable to the level of maintenance at similar City facilities.

940. MEASUREMENT OF TREATED WATER.

- a. The treated water delivered under this Contract must be measured in U.S. standard gallons by a suitable water meter or meters which shall be accurate within 2%, either plus or minus.
- b. The City shall have the right to specify the type of meter or meters to be used and to specify the installation design of the meter or meters.
- c. The parties previously entered into the separate Purchase Agreement Water Pipeline and Easements ("Purchase Agreement") which provided for the City to purchase, install and maintain a new water meter at the location specified therein. A copy of the fully executed Purchase Agreement is attached as Exhibit A [NOTE: NEED TO ATTACH THIS EXHIBIT] and is incorporated by reference.
- d. Checks as to the accuracy of the meter or meters will be made annually by the City, at the City's expense. The Director will notify the Authority's Representative in writing 10 days in advance of all annual checks and tests in order that the Authority may have a representative present as a witness.

(1) If either the Director or Authority's Representative, at any time, notifies the other that it desires a special test of any meter, the parties will cooperate in arranging for a special test to be made by the City.

(2) The expense of the special test of the meter or meters will be paid by the party requesting such test.

(3) If, on any test, the meter tested is found to be inaccurate by an amount exceeding 2%, either plus or minus, then any previous readings of such meter will be corrected for any period of inaccurate measurement, which is definitely known or agreed upon, but no such correction will extend back over a period beginning more than 30 days prior to the time when such inaccuracy was first made know by either party to the other.

(4) If, for any reason, the meter or meters are out of service so that the volume of treated water delivered cannot be ascertained or computed, the treated water delivered during the period such meter or meters are out of service will be estimated by the Director, in consultation with the Authority's Representative, upon the basis of the best data available.

e. The City will read the meter or meters monthly and will determine from these readings the amount of treated water delivered to the Authority. All meter readings will be made available to the Authority's Representative during the City's reasonable office hours.

#### 101. FIXED MINIMUM OBLIGATION OF TREATED WATER.

a. The Authority is obligated and hereby agrees to purchase all of its water from City, except water obtained in such a way as to augment the total dependable yield of the City's water supply. Authority is not obligated to purchase any minimum amount of water in any billing month during the perior of this Contract, but Authority shall pay City a monthly sum equal to the minimum charge for outside City limits (OCL) customers based on a master meter size in use at the date of billing as prescribed under Section 6 hereof regardless of whether or not any water is used. This minimum payment is intended to cover the costs of meter readings, testing, billing, and other costs which will continue whether or not any water is withdrawn by Authority to purchase minimum of 22,400 Acre feet of treated water from the City per calendar year, whether taken or not.

b. ~~If the payment due the City from the Authority for treated water withdrawn during the billing period under consideration exceeds the minimum, then payment must be made for the full amount taken by Authority.~~

**112. BILLING AND PAYMENTS.**

a. All treated water taken in any one calendar month will be billed between the first and tenth of the next succeeding calendar month, and the Authority will pay the bill within 15 days of receipt of such bill. Any clerical error in the bill or minor question regarding the bill is not sufficient grounds to delay payment by the Authority to the City. Any such questions will be properly settled under the terms of this Contract and by the agreement of both parties. Any adjustments in the amount paid as a result of such agreement will be added to or deducted from the following month's bill.

b. Any failure by the Authority to pay the monthly billing within 30 days after such billing date shall authorize the City to discontinue furnishing water to Authority. In the event it becomes necessary to collect such charges through any Court procedure, the City is entitled to also recover reasonable attorney's fees. In the event it becomes necessary for the City to stop the selling of water, due to Authority's failure to pay its water bills, City may require the payment in advance of each monthly water bill based on the previous bill plus any adjustments as a condition to the resumption of furnishing water to the Authority.

**123. Indemnity. Authority will indemnify City from any liability which might accrue of facilities constructed by Authority on land or right-of-way owned by City or Authority, and Authority assumes all responsibility for adequately maintaining and safeguarding said facilities. This provision is for the protection of City and Authority, and is not for the benefit of third parties.**

**134. RESTRICTIONS ON RESALE. [NOTE: WE NEED TO REVIEW THIS SECTION IN DETAIL FOR POSSIBLE ADDITIONAL REVISIONS SINCE IT IS FROM THE ORIGINAL CONTRACT AND MAY BE OUTDATED OR NO LONGER NEEDED].**

Authority agrees not to sell water directly or indirectly to any existing or future users located within City's five-mile extraterritorial jurisdiction in existence as October 14, 1980 of the effective date of this contract. Specific written approval by the City Council of City will be required before Authority sells water which Authority has purchased from City to:

(a) A municipality, political subdivision, nonprofit corporation, special legislative Authority or authority located in Nueces County which is not legally constituted as of January 1, 2021 the effective date of this agreement.

(b) A municipality, political subdivision, nonprofit corporation, special legislative Authority or authority which is located outside Kleberg or Nueces County.

(c) Any private organization or person desiring to resell to others.



(d) Any subdivision or lot in any subdivision, whether designed for single-family, multiple-family, mobile home, commercial, industrial, or other uses, not included in the initial water line construction program of Authority in an unincorporated area within the area over which City maintains platting control, or to governmental unit for resale to or in such subdivision. Written City council approval will, in this case, be contingent upon the prior review and approval of the Planning Commission of City. In the event that written City approval is obtained by Authority to serve users within City five-mile extraterritorial jurisdiction Authority agrees to bind all of its customers within the five-mile extraterritorial jurisdiction of City to the standard water service contract in accordance with Section 55-111, City Code of Ordinances (non-agricultural use where partly or wholly beyond the City limits) or in accordance with Section 55-112 (agricultural use covenant). As a prerequisite for receiving water service from Authority at each individual water tap, each customer or property owner within the five-mile extraterritorial jurisdiction shall properly execute and file with the Director of Public Utilities of City a standard form contract for providing water to property beyond the City limits. As City five-mile extraterritorial jurisdiction is extended periodically, each individual customer or owner coming within such extended jurisdiction shall be bound by Authority to the execution of such contract as provided herein as a condition for continued water service.

Authority shall make available to City the names and tap locations of all direct and indirect customers of Authority who are located within City five-mile extraterritorial jurisdiction, and who are to execute contracts under Section 55-111, and those who are to execute contracts under Section 55-112, City Code of Ordinances, all as set forth herein.

(e) Any new subdivision or lot in any subdivision, whether designed for single-family, multiple-family, mobile home, commercial, industrial, or other uses, not included in the initial water line construction program of Authority or to governmental unit for resale to or in such subdivision, unless the plat of such subdivision has been approved by the governmental entity having platting jurisdiction, or such entity has determined not plat is required and the developer of the subdivision has installed the subdivision improvements consistent with the standards set forth by said governmental entity. If no governmental entity has such jurisdiction, approval of such plat by Planning Commission of City must be made prior to City granting written approval to Authority for sale of treated water to such subdivision or lot.

(f) Any private organization or person not included in the initial water line construction program of Authority within an area where no City has platting jurisdiction, or to governmental unit for resale to such organization.

Authority shall not sell water or allow its customers to resell water in violation of the restrictions herein set forth. In the event City determines that Authority and/or its customers are selling or reselling water in violation of such restrictions City shall notify Authority in writing stating specifically each violation. Thereupon Authority shall have ninety (90) ~~thirty (30)~~ days after service of the aforesaid notice in which to remedy or remove the cause or causes of each violation

stated in the notice to City satisfaction as determined by the Director of Public Utilities of City. Authority agrees to bind all of its customers to the stipulations contained in this Contract.

~~145. SALES TO AGRICULTURAL USERS: The aforementioned water sales restrictions notwithstanding, Authority shall be permitted to sell water to customers for agricultural use hereby defined as meaning cultivating the soil, harvesting crops, raising livestock, and pasture grazing, without obtaining prior written approval of City. Said agricultural users shall not be engaged in retail sales on the premises served by Authority except for retail sales of non-processed products grown on said premises. Said agricultural premises shall consist of no less than twenty (20) acres.~~

~~156. LIST OF CUSTOMERS. Authority shall furnish City with a list of all direct customers and the location of all taps, at the time the initial water line construction is complete and the system put into operation. Upon completion of the initial phase of construction and commencement of operation of the system Authority shall from time to time at City request make available to City, at all reasonable office hours, the names and tap locations of all direct customers. Authority shall also make available to City the names and tap locations of all customers, direct and indirect, who are located within City's five-mile extraterritorial jurisdiction, and who are to execute contracts under Section 55-111, and Section 55-112, City Code of Ordinances. At such time as the system has been completed and is prepared to receive water from the City, Authority shall certify in writing that Authority, the transmission system, and all initial customers are in compliance with all requirements, terms, and conditions of this agreement.~~

~~167. CITY RIGHT TO SELL. [NOTE: WE NEED TO REVIEW THIS SECTION IN DETAIL FOR POSSIBLE ADDITIONAL REVISIONS SINCE IT IS FROM THE ORIGINAL CONTRACT AND MAY BE OUTDATED OR NO LONGER NEEDED].~~

City retains the right to sell water at points and to customers not ~~previously~~ served by Authority that are located within the boundaries of Authority after furnishing written notice to Authority, ~~unless the City agrees not to sell water directly to any customer located within Authority's boundaries to whom~~ Authority is willing and able to provide water service at such points and to such customers at regular established and published Authority water rates. The City and the Authority retain the right to sell treated water at points and to customers that are located either within or outside of the boundaries of the Authority, consistent with applicable law, and they will consult with each other about plans for extensions into new areas.

~~18. STORAGE AND PUMPING REQUIREMENTS.~~

~~Authority shall construct and maintain or require each of its customers to construct and maintain ground or overhead water storage facilities, or a combination of both, in total capacity equal to one day's supply based on the highest daily use of each customer for any one day during the previous five years or a reasonable estimate of the highest daily use of Authority's customers for the upcoming year, whichever is greatest, or install rate controllers to assure an even daily rate of take. Pump intakes directly connected to the water lines of Authority's or City's supply main are prohibited. Each ground storage unit shall be equipped with pumps and filling devices and operated so that Authority's daily rate of take from the point of delivery will be even throughout each twenty four hour period with peak hour demands over the daily average being supplied from Authority's ground and overhead water storage. The pumps shall be sized to meet the peak hourly demands. Authority shall require its customers of treated water to install the proper valves or rate controllers to insure an even rate of take from Authority's water line. The water supply of Authority and of each customer served by Authority shall meet the requirements of the State Department of Health for approval of the State Department of Health, if the customer is directly connected to Authority's water line.~~

~~179. WATER RIGHTS.~~

a. ~~It is mutually agreed and understood that City shall have complete and exclusive rights to all water impounded by City reservoirs during the time this Contract shall remain in force. City binds and obligates itself to take the necessary actions within its power and to make the necessary applications to obtain whatever additional water rights as might be necessary to adequately meet the needs of its existing contracts, this Contract with Authority, and any future contractual obligations of City. It is also mutually agreed and understood that this Contract is subject to City obtaining any necessary permission from the Texas Commission on Environmental Quality or other regulatory authority over such matters to sell water to Authority, and Authority agrees to support any future City requests to the Texas Commission on Environmental Quality or other regulatory authority for said permission. Should it develop that Authority requires a permit to distribute the water sold to Authority by the City hereunder, City agrees to support application by Authority to the regulatory authority for such permit.~~

b. It is mutually agreed and understood that Lake Corpus Christi and Choke Canyon Reservoir waters, any currently developed ground water, water acquired by the City from the Lavaca-Navidad River Authority, water rights obtained from the Garwood Irrigation Company, and other future waters, whether surface waters or ground waters, obtained by the City may be used to supply water during the time this Contract remains in force. [NOTE: DOES THIS INCLUDE DESAL?]

c. Further, that this Contract is subject to the City's responsibility and obligation to provide water to municipal and industrial consumers within the Corpus Christi city limits and other municipal and industrial consumers outside its city limits.

1820. REMEDIES UPON DEFAULT.

a. If either party determines that the other party is in default under this Contract, the party claiming default by the other party shall give written notice to the other party, which states specifically the nature of the default and the remedy for the default that the party intends to seek. The notice must be mailed to the defaulting party at the address provided in Section 27 of this Contract.

b. The defaulting party has or will have thirty (30) days in which to cure the default, or if such default cannot be reasonably cured within such thirty (30) day period, the defaulting party shall use reasonable efforts to undertake to cure such default within such thirty (30) days, or if the default cannot be reasonably cured within such thirty (30) day period, if the defaulting party does not use reasonable efforts to undertake to cure the default and reimburse the party not in default for any and all costs incurred as a result of the breach within such thirty (30) day period, the party claiming default may seek any remedy available at law or equity, including an action in mandamus or for specific performance.

~~c. In case the party in default does not so remedy or remove the cause or causes of default or does not indemnify the party giving the notice for any and all consequences of such breach within said period of thirty days, then, at the option of the party giving notice of default, this contract shall become null and void from and after the expiration of said period. Any cancellation of this contract pursuant to the provisions of this Section shall be without prejudice to the right of either party hereto to collect any amounts then due it from the other party prior to the time of cancellation and without waiver of any remedy to which the party not in default may be entitled for violations of this contract.~~

~~cd.~~ No waiver of any breach or default by any party or of performance may be deemed a waiver in the future, nor may any waiver be deemed or construed to be a waiver of subsequent breach or default of any kind, character, or description, under any circumstances.

1921. RATIONING OF WATER.

Authority and City agree to the following stipulations with regard to the rationing of water:

(a) All water sales agreements between Authority and its customers shall stipulate that should there be a shortage in the basic supply of water which requires the restriction or curtailing of any

customer of water within the city limits of City that coincident with such restriction or limitation with City, Authority will limit and restrict all of its customers, both direct and indirect through resale, to the same extent. Such rationing by City shall be applied uniformly to all water customers of City.

~~22. RIGHT TO TERMINATE CONTRACT.~~

~~If after four (4) years from the date of this Contract Authority has not provided facilities for the taking of treated water under the terms hereof, City shall have the right to cancel this contract by giving written notice to the Authority of such intention, or City may, if it sees fit, extend the four (4) year period for any additional period or periods, retaining the right to terminate this contract at the end of any such extended period until such time as Authority may complete the first stage of its facilities and begins taking treated water.~~

~~If Authority's need for water from City should cease for a period of at least 30 days, then in such event Authority may, by giving at least 30 days written notice to City by registered mail, cancel and terminate this contract in its entirety. If Authority should elect to give and actually give City said written notice, then after the expiration of 30 days from the date said notice is mailed to City as above provided, this contract and all of its provisions shall become null and void.~~

2023. FORCE MAJEURE

If the City or Authority is prevented, wholly or in part, from fulfilling its obligations under this Contract by reason of any act of God, unavoidable accident, acts of enemies, strikes, fires, floods, ~~conservation of water for those with superior and legal rights to such water,~~ governmental restraint or regulation, other causes of force majeure, or by reason of circumstances reasonably beyond its control, then the obligations of City or Authority, as provided in this Contract, are temporarily suspended during continuation of such force majeure. No damage is recoverable by the Authority from City by reason of the temporary suspension of delivery of water due to any of the causes above mentioned. If the City's obligation is affected by any of such causes, the City will promptly notify the Authority's Representative in writing, giving full particulars of such force majeure as soon as possible after the occurrence of the cause or causes relied upon. If the Authority's obligation is affected by any of such causes, the Authority will promptly notify the City's Representative in writing, giving full particulars of such force majeure as soon as possible after the occurrence of the cause or causes relied upon.

2124. ASSIGNABILITY.

This Contract may be assigned by Authority only with the written prior consent of the governing body of the City, but if assigned, this Ccontract shall be binding upon parties hereto as well as their successors and assigns.

225. TERM OF CONTRACT AGREEMENT.

When this Contract agreement shall have been approved by the parties hereto, the obligations of the parties hereto shall be binding and shall extend for a period of twenty (20) \_\_\_\_\_ years commencing on date of last signature. Upon request of either party, an extension of the term of this Contract agreement will be the subject of negotiation between the parties and extended upon such terms as are agreed upon by the parties at that time, provided such request for negotiation is communicated in writing at least two years prior to the termination of this Contract agreement.

236. AUTHORITY TO EXECUTE.

Both parties represent that the individual signing this Contract on behalf of each of the parties has been duly authorized to execute this Contract by proper ordinance or resolution of its governing body, and certified copies of the authorizations have been provided to the other party for attachment to this Contract.

247. WATER CONSERVATION AND DROUGHT CONTINGENCY MEASURES.

a. The Authority acknowledges the terms of the Texas Natural Resources Conservation Commission Agreed Order of April 28, 1995, which amended the operational procedures relating to Special Condition 5.B, Certificate of Adjudication No. 21-3214, and the City's responsibilities under both the Agreed Order and the Certificate of Adjudication No. 21-3214, and the City's responsibilities under both the Agreed Order and the Certificate of Adjudication.

b. The Authority recognizes that the Agreed Order and Certificate of Adjudication may be amended in the future. The Agreed Order requires the City to provide in any future contracts or any amendments, modifications, or changes to existing contracts the condition that all wholesale customers and any subsequent wholesale customers must develop and have in effect a water conservation and drought management plan consistent with the City plan as required by applicable state law.

c. The Authority agrees that during the term of this Ccontract, it shall have in effect a water conservation and drought management plan consistent with the City's water conservation and

drought management plan adopted by City ordinance. The Authority also agrees to bind future customers and its existing customers upon contract renewals to develop and have in effect a water conservation and drought management plan consistent with the City plan.

d. If the City implements any measures under its Water Conservation and Drought Contingency Plan, adopted under Chapter 55 of the City Code of Ordinances, as amended, the Authority shall, within 30 days of notice of the implementation of any restrictions, surcharges, or rationing by the City, impose similar restrictions, surcharges, or rationing measures on its customers.

e. Any contract for resale of water furnished by the Authority shall contain a similar condition. If for whatever reason the Authority, or its customer, is unable or unwilling to impose the required restrictions, surcharges, or rationing measures within the required time period, the Authority, or its customer, shall reduce its consumption of water from the system as follows:

(1) During Condition 1 – Mild Water Shortage Watch, deliveries from the system shall be reduced by 10% from the average deliveries for the same month of the year over the previous three years.

(2) During Condition 2 – Moderate Water Shortage Conditions, deliveries from the system shall be reduced by 15% from the average deliveries for the same month of the year over the previous three years.

(3) During Condition 3 – Critical Water Shortage Conditions, deliveries from the system shall be reduced by 30% from the average deliveries for the same month of the year over the previous three years.

(4) During Condition 4—Emergency Water Shortage Conditions, deliveries from the system shall be reduced by 50% from the average deliveries for the same month of the year over the previous three years.

[NOTE: NEED TO CONFIRM THE FOREGOING ARE CURRENTLY ACCURATE AS THEY HAVE CHANGED OVER TIME]

f. If for whatever reason the Authority, or its customer, is unable or unwilling to impose the required restrictions, surcharges, or rationing measures within the required time period, but relies upon other sources of water for all or a portion of its water requirements, the Authority, or its customer, agrees not to request an increase in the amount of water being diverted from the system should the Authority's, or its customer's, other source(s) of water fail to continue to yield the amounts of water anticipated.

g. To the extent that the TCEQ or other regulatory agency requires rationing of water in a manner stricter than that imposed by the City, the Authority will comply with such stricter method of rationing water.

h. The Authority shall furnish a copy of any ordinances, orders, or rules adopted by it or its customers that is adopted to implement the required restrictions, surcharges, or rationing measures within the applicable jurisdiction. If for whatever reason the Authority, or its customer, is unable or unwilling to impose the required restrictions, surcharges, or rationing measures, the City may audit the records of the Authority to ensure that the Authority or its customer has reduced its diversions by the amount required by this Section.

i. The failure of the Authority to comply with this Section of the Contract is a "default" under Section 18 of this Contract.

#### 258. BACKFLOW PREVENTION DEVICES AND OTHER REGULATORY REQUIREMENTS

a. The City and the Authority shall design, construct, operate and maintain its water system in compliance with all applicable Federal, State and local laws.

b. Authority shall ensure that all connections with the City water system have an air gap or contain backflow prevention device consistent with City Plumbing Code requirements and in compliance with State laws. Authority shall not allow any other party to connect with the City water system. The City reserves the right to immediately disconnect water connections in violation of this requirement without any notice to Authority and without any penalty or liability to City.

c. Authority grants the City and its officers, agents, and employees to go upon Authority property at normal business hours any time to inspect for compliance with these requirements.

#### 269. RESOLUTION OF DISPUTES.

In the event of any dispute between the parties under this Contract, the party shall provide written notice of the dispute and allow at least 30 days for written response prior to initiating any further action. ~~The parties shall first attempt in good faith to settle and resolve such dispute. If such efforts are not successful, the parties agree to submit the dispute to non-binding mediation before a mutually agreed upon mediator with each party sharing the expense of the mediator. If such non-binding mediation is not successful, The party shall provide written notice of the dispute and allow at least 30 days for written response prior to initiating any further action. If dispute cannot be resolved by mutual agreement, then resolution shall be in accordance with applicable law.~~



2730. NOTICES AND ADDRESSES.

Any notice, communication, or statement required to be given pursuant to this Contract will be in writing and deemed to have been received when delivered in person or three (3) days after mailing if sent by certified mail, postage prepaid, return receipt requested, to the address of the respective party indicated below:

CITY OF CORPUS CHRISTI

Attn: City Manager

P. O. Box 9277

Corpus Christi, Texas 78469-9277

South Texas Water Authority

Attn: Executive Director

2302 East Sage Road

~~P.O. Box 1701~~

Kingsville, Texas 783634

2831. PERIODIC REVIEW OF CONTRACT PROVISIONS.

a. The Authority and the City shall review the terms of this Contract whenever a change in circumstances may require an amendment, but shall review the Contract at least every five (5) years to determine whether any changes should be made.

2932. SEVERABILITY.

In case any one or more provisions contained in this Contract is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability does not affect any other provision hereof, and this Contract will be construed as if such invalid, illegal or unenforceable provision had never been contained in this Contract.

3033. CAPTIONS.

All titles of the sections of this Contract have been inserted for convenience of reference only and are not considered a part of this Contract and in no way will they affect the interpretation of any provisions of this Contract.

3134. MODIFICATIONS.

Any amendments, or alternative or supplementary agreements, to this Contract must be made in writing and duly executed by an authorized representative or agent of each of the parties to this Contract.

325. PARTIES AT INTEREST.

This Contract is for the sole and exclusive benefit of the parties and shall never be construed to confer any benefit on any third party. This Contract will be binding upon and inure to the benefit of the parties and their respective successors and assigns where permitted by this Contract.

336. TEXAS LAW TO APPLY.

This Contract will be construed under and in accordance with the laws of the State of Texas.

347. VENUE.

Any action or proceeding relating to this Contract must be taken in Nueces County, Texas. The parties agree that the courts in Nueces County, Texas shall have exclusive jurisdiction over this Contract agreement.

358. PRIOR AGREEMENTS SUPERSEDED.

This Contract constitutes the sole and only agreement of the parties and supersedes any prior understandings or written or oral agreements or settlement agreement between the parties respecting the within subject matters.

369. ALL AGREEMENTS CONTAINED IN THIS WRITTEN INSTRUMENT.

This Contract represents the entire agreement between the Authority and the City and supersedes all prior negotiations, representations, or agreements either oral or written.

3740. IMPOUNDMENT OR DIVERSION OF WATER SUPPLY.

Before Authority undertakes any project for impoundment or diversion of the water provided under this Contract, City must be consulted by Authority to determine possible impact to the City's water system.

3841. REQUIRED NOTICES

Authority shall notify City in writing at least two weeks prior to making any change in its planned diversion rates, not to exceed the maximum diversion rates specified in this Contract. Such notice shall include Authority's anticipated diversion rate.

~~42. AUTHORITY SERVICE OBLIGATIONS~~

~~Authority agrees to make its treated water available for sale to the City and treat the City as any other wholesale customer.~~

EXECUTED TO BE EFFECTIVE AS OF THE DATE OF LAST SIGNATURE:

CITY OF CORPUS CHRISTI, TEXAS

"City"

\_\_\_\_\_

Name:

Title:

Date: \_\_\_\_\_, 2021

THE STATE OF TEXAS §

COUNTY OF NUECES §

This instrument was acknowledged before me on \_\_\_\_\_,  
2021 by \_\_\_\_\_ as the \_\_\_\_\_ for the City of Corpus Christi, a Texas  
municipal corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public in and for the State of Texas

[Seal]

Approved as to legal form this \_\_\_\_\_ day of \_\_\_\_\_, 2021 for the City Attorney

\_\_\_\_\_  
Lisa Aguilar, Assistant City Attorney

South Texas Water Authority

"Authority"

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: President, Board of Directors

Date: \_\_\_\_\_, 2021

THE STATE OF TEXAS §

COUNTY OF NUECES §

This instrument was acknowledged before me by on \_\_\_\_\_, 2021 by \_\_\_\_\_ as the President of the Board of Directors of South Texas Water Authority.

\_\_\_\_\_  
Notary Public in and for the State of Texas

EXHIBITS:

ATTACHMENT 7

Long-Term Goals

## Memorandum

To: South Texas Water Authority Board of Directors  
From: Carola G. Serrato, Executive Director  
Date: February 22, 2021  
Re: Long-Term Goals

*This memo is being presented for a third time. During the last meeting, the Board appointed a long-term committee. Board President Brandon Barrera, Vice-President Jose Graveley and Board Member Rudy Galvan volunteered to serve. Jo Ella Wagner, Finance Manager, and I agreed to assist the committee. Attached are recent emails pertaining to the committee as well as a survey sent to the committee members.*

This memo is being presented for a second time after being tabled during the December and October meetings. As you are aware, Mr. Trevino is no longer serving on the Board and there has been a change in the Board Officers. Nonetheless, I believe the memo's information is valid and my recommendations and suggestions remain unchanged.

*Please note this is also a copy of the memo provided to the Board as part of the October agenda packet. Staff offered to place the item on the agenda when Mr. Fil Trevino was unable to attend the meeting. In addition, this item is related to the "Board of Directors Training" agenda item.*

### Background:

In response to a request from Board President Rudy Galvan, a list of possible long-term goals is enclosed. Through the years, staff has made presentations and the Board has discussed such goals. An appreciated facet of Mr. Galvan's request was to include suggestions from other employees. As such, I met with office and field personnel and provided a list of possible items and asked them to provide their ideas.

### Analysis:

The goals generally fall into four categories: Service Area, Expansions and Regionalization, Infrastructure and Equipment, STWA Authority and Procedures, and Staffing/Personnel:

1. **Service Area, Expansions, Regionalization** – Through the years there have been discussions as well as potential regional approaches involving STWA. Some examples are extending service south to Riviera and west to Bentonville. Other ideas are found in past Coastal Bend Regional Water Planning Group Plans described as interconnections to Alice, San Diego, Benavides, Falfurrias and Premont. The most obvious question associated with these ideas is how would these projects be funded? In addition, numerous details would be involved such as contracts for service (which could be the necessary security for issuing debt) and whether an annexation election would be the best option in providing wholesale service to another entity.
2. **Infrastructure and Equipment** – As mentioned in the memo pertaining to the ¾ ton pickup, STWA has routinely tried to budget for the replacement of a vehicle every year. The purchase of other equipment such as trackhoes, backhoes, mini-excavator and other items is brought to the Board as the items wear out and repeated repairs outweigh the cost of replacement. However, there are bigger ticket items that staff has mentioned in the past: a new office building, replacing galvanized tanks with steel reinforced concrete tanks, installation of a slip liner in the 42" line, construction of additional storage (possibly elevated) at the Central PS, a larger generator for the Kingsville office, splitting out electric service at shared pump stations and development of well fields or wells at pump stations for blending with City of Corpus Christi water.

3. **STWA Authority and Procedures** – During the last meeting, the Board discussed approaching local legislators regarding STWA’s authority as it relates to the *number of Board members needed to take formal action*. The number according to enabling legislation is five (5), which is a simple majority of the nine-member Board. It warrants mention that reducing this number could be perceived as diminishing transparency and accountability to the public since votes of 4 to 1, 4 to 2, and 4 to 3 means less than half of the nine-member Board would be making a decision for the District.

Another item which is a personal bias is the *manner in which the Truth in Taxation information is calculated*. Having calculated the associated tax rates since 1992, I believe that a more accurate and truer picture of taxable values and tax rates is utilizing the entire tax base and new properties in a calculation as compared to only the Average Home Value. Changing the calculation could be possible as part of a local bill.

Finally, with the execution of the final water supply contract between STWA and Nueces County Water Control and Improvement District #5 (Banquete), a true-up and recalculation of the Handling Charge will be needed. The purchase of the new Black Mountain accounting system should be very helpful in those efforts.

4. **Staffing/Personnel** – This category is possibly the most important of the four areas. In my opinion, staff is the most critical resource of an organization. Given the small overall number of employees, (only 13 without the CP crew and part-time clerk), the departure of a staff person can have a significant impact on operations and certainly on morale. The recent passing of O&M Supervisor Armando Yruegas is a tragic and prime example. Overall, staff recognizes whether they enjoy or dread coming to work is affected by the stability of our organization. As such, careful consideration should be given to Personnel Policies (a separate agenda item), Employee Benefits and Hiring Practices. One of the items that several staff members remarked on is the previously discussed continued medical coverage for retirees. The expansion of the  $\frac{3}{4}$  time clerk to a full-time clerk is another item. It has been suggested that two –  $\frac{1}{2}$  time clerks is an option; although, another employee has voiced concern that structure could result in “more room for error.”

Staff Recommendation:

I realize there is quite a bit of offered information and suggestions. Some of the items may be addressed as part of the Board’s review of Personnel Policies. Nonetheless, the Board may want to assign committees, of no more than 3 Board members, to review certain items or categories. Another option is to determine which category or suggestion is a priority.

Board Action:

Determine whether any action is necessary, including assignment of a long-term goals committee or several committees.

Summarization:

Staff is available to assist in making these thoughts into some form of organized, methodical action. However, the first steps should be a commitment from the Board to the overall process and prioritizing the goals.



**From:** mcserrato@stwa.org  
**Sent:** Wednesday, February 17, 2021 8:42 AM  
**To:** 'brandon barrera'  
**Cc:** Jose Graveley (Josegraveley@yahoo.com); Rudy Galvan (galvan.jr.rudy@gmail.com)  
**Subject:** RE: Survey  
**Attachments:** STWA Long Term Goals Committee Survey.pdf

Mr. Barrera,

Attached is the survey. I am copying Mr. Galvan and Mr. Graveley as well. I have not received any responses.

Carola

Carola G. Serrato  
Executive Director  
South Texas Water Authority  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

-----Original Message-----

From: Carola Serrato <mcserrato@stwa.org>  
Sent: Tuesday, February 16, 2021 7:57 PM  
To: brandon barrera <brandon.barrera2015@yahoo.com>  
Subject: Re: Survey

I will resend tomorrow when I get to the office.

Carola

Sent from my iPhone

> On Feb 16, 2021, at 7:47 PM, brandon barrera <brandon.barrera2015@yahoo.com> wrote:  
>  
> Can you send me survey pls. I think it must have been deleted in an email cleanup I did last week.  
>  
> Thanks  
>  
> Brandon  
>  
> Sent from my iPhone

**mcserrato@stwa.org**

---

**From:** mcserrato@stwa.org  
**Sent:** Wednesday, February 3, 2021 4:17 PM  
**To:** Brandon Barrera (brandon.barrera2015@yahoo.com); Rudy Galvan; Rudy Galvan (galvan.jr.rudy@gmail.com); Jose Graveley (Josegraveley@yahoo.com)  
**Cc:** Jo Ella Wagner  
**Subject:** FW: Survey - Long Term Goals  
**Attachments:** STWA Long Term Goals Committee Survey.pdf

Just a friendly reminder. If you could please return your survey.

Thanks,  
Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

**From:** mcserrato@stwa.org <mcserrato@stwa.org>  
**Sent:** Wednesday, January 27, 2021 5:05 PM  
**To:** Brandon Barrera (brandon.barrera2015@yahoo.com) <brandon.barrera2015@yahoo.com>; Rudy Galvan <rudybodyman@yahoo.com>; Rudy Galvan (galvan.jr.rudy@gmail.com) <galvan.jr.rudy@gmail.com>; Jose Graveley (Josegraveley@yahoo.com) <Josegraveley@yahoo.com>; Jose Graveley (pipe-man@juno.com) <pipe-man@juno.com>; Jo Ella Wagner <jwagner@stwa.org>  
**Subject:** Survey - Long Term Goals

Long-Term Goal Committee:

Attached is a survey with only 17 questions that should be a good starting point for gather ideas. Please return it as soon as possible. If you don't have a scanner, you can use your phone and send the pages by text. I will compile your responses and share.

In preparation for the items related to issuing debt, I sent an email to Noel Valdez with McCall, Parkhurst and Horton (bond counsel) and Anne Burger Entekin, financial advisor. I will forward the email and let you know about their responses.

Please contact me if you have any questions on either item.

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

## STWA Long-Term Committee Survey – 17 Total Questions

### 1. Service Area Expansions (5 Questions)

Would you be in favor of expansions to STWA's District Boundaries? Yes/No

The expansion would require annexation of the area, which would require an election. Would you still be in favor of expansions and support holding an election? Yes/No

Would you support hiring outside consultants for public outreach associated with the Annexation Election? Yes/No

Would you support utilizing STWA's *existing* funds to hire engineering consultants to analyze and determine required infrastructure to provide wholesale service to the expanded area? Yes/No

Would you support holding an election authorizing the issuance of additional bond debt to pay for the necessary infrastructure? Yes/No

### 2. Regionalization (2 Questions)

In the past, South Texas Water Authority has been approached by the NCWCID#5 (Banquete) district about providing turn-key operation services – the type provided to NWSC and RWSC. There are two major differences that warrant noting: (1) the Banquete District is a water control and improvement district with its own set of rules – different from STWA's and water supply corporations (2) the Banquete District operates a wastewater treatment system.

Would you support offering STWA's wholesale customers a contract for turn-key services including operating wastewater treatment systems which would require additional TCEQ licenses and management answering to another Board/Council? Yes/No

Would you support *terminating* the contractual services provided to NWSC and RWSC with the understanding that staff reductions\* would occur and a contract may be necessary for assistance in the event a major rupture occurs on STWA's transmission line(s)? Yes/No

\*Note – this should not be interpreted as reducing the Handling Charge, since the WSCs cover the cost at a higher percentage for the non-managerial/supervisory positions. An analysis would be needed.

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### 3. Major Infrastructure\*\* (5 Questions)

As stated in a recent memo, there are higher cost items that could be considered in a long-term plan. These items would likely require issuing new debt. It is also possible, depending on the timing, to issue new debt and refund the existing debt into one new debt – **still requiring an election** and the items queried in the section on expansions.

Would you support issuing new debt – including possible refunding of existing debt – for the **construction of a new office building**? Yes/No

Would you support issuing new debt – including possible refunding of existing debt – for the replacement of galvanized tanks with steel reinforced concrete tanks? **Yes/No**

Would you support issuing new debt – including possible refunding of existing debt – for the installation of a slip liner in the 42” line? **Yes/No**

Would you support issuing new debt – including possible refunding of existing debt – for the construction of additional storage (possibly elevated) at the Central PS? **Yes/No**

Would you support issuing new debt – including possible refunding of existing debt – for the development of groundwater wells, with possible treatment facilities, at pump stations in order to blend with City of Corpus Christi water? **Yes/No** *This would require a feasibility study by an engineering consultant which would likely be paid as part of an annual budget.*

I would support issuing new debt – including possible refunding of existing debt – for

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(Please feel free to add any item or items that you would like to discuss.)

\*\*The listed items would likely cost \$1.0 Million+. Less costly projects could annual budget items or spread over multiple fiscal years – prime examples were the initial SCADA systems at the Agua Dulce, Sablatura Park, Banquete, Central, Driscoll, Bishop East and Kingsville Pump Stations.

#### 4. STWA Authority Procedures (3 Questions)

As previously reported, Mr. Mike Willatt advised that regardless of whether vacancies exist on the Board 5 affirmative are required to take action. It has been suggested that local legislators could be approached to sponsor a bill specific to STWA that would change the number of votes needed to take action. Attached is information from TML related to this question. It does not appear to provide a clear-cut answer particularly since the examples are related to cities although the matters have been challenged in court. I could not find similar information for water districts. As such an email has been sent to Bill Flickinger. Nonetheless, below are questions related to the matter.

Would you support requesting a local bill to be passed establishing a rule specifically for South Texas Water Authority whereby five persons (out of 9) establish a quorum and only three persons are needed to take action? **Yes/No**

Would you support requesting a local bill to be passed establishing a rule specifically for South Texas Water Authority whereby a majority of the *filled* positions such as seven filled positions would establish a quorum (four persons) and a simple majority of members present (see chart below) is needed (three persons) to take action? **Yes/No**

Filled Positions	Establish Quorum	Simple Majority Present for Action
9	5	3
8	5	3
7	4	3
6	4	3

Filled Positions	Establish Quorum	Simple Majority Present for Action
5	3	2
4	3	2
3	2	2
2	2	2

As mentioned previously, I believe the *manner in which the Truth in Taxation information is calculated is unfair to a large geographic water district with diverse land-uses such as STWA*. Having calculated the associated tax rates since 1992, I believe that a more accurate and truer picture of taxable values and tax rates is utilizing the **entire tax base**. I also believe changing the calculation method could be possible as part of a local bill.

Would you support requesting a local bill to be passed establishing a rule specifically for South Texas Water Authority whereby STWA calculates, publishes and provides notices related to tax rate adoption in the same manner as a county? **Yes/No**

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**5. Staffing/Personnel (2 Questions)**

As stated in last night's Board meeting, one of the few instances when I felt a lack of Board support was the decision to forgo the expansion of the ¾ time clerk to a full-time position. As reported at the time of consideration, the cost would have been shared on a one-third (1/3) basis between STWA, NWSC and RWSC. The NWSC Board supported paying the additional cost; the RWSC Board did not. However, the decision is for the STWA Board to make. I believe this position, as explained in the agenda packet information, is needed to perform the Handling Charge true-up and ensure that Special Services are being charged properly.

Would you support re-considering this item as part of the FY 2022 budget? **Yes/No**

Would you support providing Retiree Medical Insurance which is limited to a certain number of months and only for employees qualifying based on a minimum number of years of service? **Yes/No**

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Any Additional suggestions or thought on these items?

1. Service Area Expansions \_\_\_\_\_
2. Regionalization \_\_\_\_\_
3. Major Infrastructure \_\_\_\_\_
4. STWA Authority Procedures \_\_\_\_\_
5. Staffing/Personnel \_\_\_\_\_
6. Other Category: \_\_\_\_\_

**From:** Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>  
**Sent:** Thursday, February 25, 2021 9:32 AM  
**To:** mcserrato@stwa.org; Noel Valdez  
**Cc:** Bill Flickinger; Jo Ella Wagner  
**Subject:** RE: STWA Long-Term Goals

Good Morning Carola,

I hope you are doing well!

I spoke with Noel and we are in the process of finalizing responses to your questions.

Thanks and hope you have a great day!

Anne

---

**Anne Burger Entrekin**  
Regional Managing Director  
Hilltop Securities  
70 NE Loop 410, Suite 710, San Antonio, TX 78216  
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685  
[Anne.Burgerentrekin@hilltopsecurities.com](mailto:Anne.Burgerentrekin@hilltopsecurities.com)

Please note: Our email has changed. Please update your contact info.

**From:** mcserrato@stwa.org <mcserrato@stwa.org>  
**Sent:** Wednesday, January 27, 2021 4:59 PM  
**To:** Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>; Noel Valdez <nvaldez@mphlegal.com>  
**Cc:** Bill Flickinger <bflickinger@wfaustin.com>; Jo Ella Wagner <jwagner@stwa.org>  
**Subject:** STWA Long-Term Goals

EXTERNAL SENDER

Ann and Noel,

I hope everyone is doing well and COVID-19 has not negatively affected you or your family in a major way.

I may have mentioned that I will be retiring this year. My goal is to make it to August. In preparation of my retirement, the STWA Board has discussed Long-Term Goals. They have not developed a list as of yet. However, during last night's meeting, they agreed to have a committee brainstorm for ideas. I have suggested a number of items that fall into five categories: Boundary Expansion, Major Infrastructure, Authority Procedures, Staffing and Regionalization.

According to our records (attached), STWA can redeem bonds beginning after August 15, 2022 on any bonds with stated maturities on or after August 15, 2023.

I would very much appreciate it if you could provide information on the following questions.

1. Could the remaining debt be refunded and combined with additional debt to accomplish new construction projects?

**From:** mcserrato@stwa.org  
**Sent:** Monday, February 22, 2021 11:17 AM  
**To:** 'Noel Valdez'; 'Anne Burger Entrekin (HTS)'  
**Cc:** 'Bill Flickinger'; 'Jo Ella Wagner'; 'Sylvia Ibarra'  
**Subject:** RE: STWA Long-Term Goals

Good Morning Anne and Noel:

I hope things have greatly improved for you and your families. I realize that this past week was probably one of the worst on record, particularly for your location. We are still trying to get back to normal operations. We were able to rescind the boil water notice for Ricardo WSC yesterday; but, the Nueces WSC is still under a boil water notice, which we hope can be lifted tomorrow.

As a result of the weather, the STWA Board meeting scheduled for tomorrow, Feb 23, was postponed by a week to March 2. One of the items on the agenda is Long-Term Goals. I was wondering if you had any information to share with the Board based on my questions or any other pertinent information that you feel should be added.

Again, thank-you for your assistance. Take Care.

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

**From:** Noel Valdez <nvaldez@mphlegal.com>  
**Sent:** Thursday, January 28, 2021 7:15 AM  
**To:** Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>; mcserrato@stwa.org  
**Cc:** Bill Flickinger <bflickinger@wfaustin.com>; Jo Ella Wagner <jwagner@stwa.org>; Sylvia Ibarra <sibarra@mphlegal.com>  
**Subject:** RE: STWA Long-Term Goals

Good morning Ms. Serrato,

We also have been blessed in our health. Thank you and I hope the same for your family. I will work with Anne to provide our answers to the questions below.

Have a great day!

Noel

**MCCALL**  
PARKHURST & HORTON



Noel Valdez  
112 E. Pecan Street, Suite 1310, San Antonio, TX 78205  
Office: 210.225.2800 Cell: 210.464.7644

**From:** mcserrato@stwa.org  
**Sent:** Monday, February 22, 2021 11:17 AM  
**To:** 'Noel Valdez'; 'Anne Burger Entrekin (HTS)'  
**Cc:** 'Bill Flickinger'; 'Jo Ella Wagner'; 'Sylvia Ibarra'  
**Subject:** RE: STWA Long-Term Goals

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Again, thank-you for your assistance. Take Care.

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**South Texas Water Authority**  
2302 East Sage Rd  
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361-592-9323 x112

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**Sent:** Thursday, January 28, 2021 7:15 AM  
**To:** Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>; mcserrato@stwa.org  
**Cc:** Bill Flickinger <bflickinger@wfaustin.com>; Jo Ella Wagner <jwagner@stwa.org>; Sylvia Ibarra <sibarra@mphlegal.com>  
**Subject:** RE: STWA Long-Term Goals

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Noel

**MCCALL**  
**PARKHURST & HORTON**



Noel Valdez  
112 E. Pecan Street, Suite 1310, San Antonio, TX 78205  
Office: 210.225.2800 Cell: 210.464.7644



**From:** Anne Burger Entrekina (HTS) <Anne.BurgerEntrekina@hilltopsecurities.com>  
**Sent:** Wednesday, January 27, 2021 5:09 PM  
**To:** mcgserrato@stwa.org; Noel Valdez <nvaldez@mphlegal.com>  
**Cc:** Bill Flickinger <bflickinger@wfaustin.com>; Jo Ella Wagner <jwagner@stwa.org>  
**Subject:** RE: STWA Long-Term Goals

Hi Carola,

I hope you are doing well! We have been blessed in that we have all stayed healthy so far!

We will review and get back to you with our findings.

Thanks and hope you have a nice evening!

Anne

---

**Anne Burger Entrekina**  
Regional Managing Director  
Hilltop Securities  
70 NE Loop 410, Suite 710, San Antonio, TX 78216  
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685  
[Anne.Burgerentrekina@hilltopsecurities.com](mailto:Anne.Burgerentrekina@hilltopsecurities.com)

Please note: Our email has changed. Please update your contact info.

**From:** mcgserrato@stwa.org <mcgserrato@stwa.org>  
**Sent:** Wednesday, January 27, 2021 4:59 PM  
**To:** Anne Burger Entrekina (HTS) <Anne.BurgerEntrekina@hilltopsecurities.com>; Noel Valdez <nvaldez@mphlegal.com>  
**Cc:** Bill Flickinger <bflickinger@wfaustin.com>; Jo Ella Wagner <jwagner@stwa.org>  
**Subject:** STWA Long-Term Goals

EXTERNAL SENDER

Ann and Noel,

I hope everyone is doing well and COVID-19 has not negatively affected you or your family in a major way.

I may have mentioned that I will be retiring this year. My goal is to make it to August. In preparation of my retirement, the STWA Board has discussed Long-Term Goals. They have not developed a list as of yet. However, during last night's meeting, they agreed to have a committee brainstorm for ideas. I have suggested a number of items that fall into five categories: Boundary Expansion, Major Infrastructure, Authority Procedures, Staffing and Regionalization.

According to our records (attached), STWA can redeem bonds beginning after August 15, 2022 on any bonds with stated maturities on or after August 15, 2023.

I would very much appreciate it if you could provide information on the following questions.

1. Could the remaining debt be refunded and combined with additional debt to accomplish new construction projects?

2. Since the existing debt is tax exempt, can the refunded debt and the new debt be jointly issued as taxable bonds? (I realize there are financial advantages to issuing tax exempt debt.)
3. If the refunded and new debt is issued as taxable bonds, will this eliminate the volume (percentage) restrictions related to public versus private sector that MPH has advised must be adhered to? This question is also pertinent to the City of Corpus Christi water supply contract that Bill Flickinger is working on.
4. If a part of the new debt would be related to expansion of STWA's service area/district boundaries and another part is related to the existing district service area, would the annexation election occur first and, if it passed, a second election of the entire expanded district would occur to approve issuing debt for all of the projects combined? Would it be required to be separate ballot items or could it be one item only?
5. If there are not any "new inside district" projects and only an "expansion project" is planned and there is not any refunding, (1) the newly annexed area would have to agree to pay on the existing debt and (2) the entire district (including the newly annexed area) would have to agree to pay on new debt related to the expansion, correct?
6. Does STWA have any other options for a large project? If STWA was considering an expansion to Riviera, for example, would the TWDB provide a loan based solely on a contract between STWA and the Riviera water company/district for purchase of the water without STWA annexing the area? Would this require STWA to charge an out of district rate or would this be a STWA Board decision? I realize STWA has established an out of district rate in our charges to the NCWCID#5 (Banquete).

Thank-you in advance,

Carola

Carola G. Serrato  
Executive Director

**South Texas Water Authority**

2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

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ATTACHMENT 8

Purchase of Zinc Anodes

Memorandum

To: South Texas Water Authority Board of Directors  
From: Carola G. Serrato, Executive Director  
Date: February 23, 2021  
Re: Authorization to purchase zinc anodes

Background:

Enclosed are memos from the last anode purchases in March of 2019 and March of 2020. Also enclosed are two (2) bids for the purchase of 450 anodes.

Analysis:

As you can see from the recent quotes, the cost from a year ago has increased. It also warrants noting that the price of zinc can fluctuate daily and the quotes typically include language to that effect and are subject to locking in a price on the order date. Below is a chart summarizing the bids:

Company	Valid Period	Cost @ 450	Freight	Total
Stuart Steel Protection	Daily	\$78.24	included	\$35,208.00
Aegion/Corrpro	Daily	\$98.00	\$1,650.00	\$45,750.00
Farwest CCC	Daily	\$123.45	\$1,642.00	\$57,194.50

According to the CP crew, the current amount in inventory should complete Contract 2 with perhaps a pallet or ½ of a pallet remaining. The 450 anodes in this order should complete Contract 3. As such, this order may be the last order until another assessment is made by an outside consultant recommending additional protection of certain sections. As noted in past memos and discussions, the pipe in Contract 2 (middle section) has exhibited less integrity and may require additional anodes on a routine basis.

Staff Recommendation:

Staff will contact the companies on the day of the Board meeting to confirm whether the price remains unchanged. However, at this time, staff recommends the purchase of 450 anodes from Stuart Steel Protection at a cost of \$35,208. As a reminder, these funds are being provided from the remaining bond funds as part of the Capital Improvement Budget.

Board Action:

Determine whether to authorize the purchase of 450 anodes from the company providing the lowest, responsible quote.

Summarization:

As the Board is aware, the 42" waterline, and therefore preservation of its structural integrity, is indispensable to the function of STWA. Therefore, ongoing maintenance, installation of sacrificial anodes, upkeep of the two (2) impressed current stations and periodic testing/assessments are essential.

Memorandum

2019

To: South Texas Water Authority Board of Directors  
From: Carola G. Serrato, Executive Director  
Date: March 21, 2019  
Re: Authorization to purchase zinc anodes, including freight charges/CP Project Update

Background:

Enclosed are memos from the last anode purchases in October 2001 and April 2002. Also enclosed are four (4) bids for the purchase of either 250 anodes or 500 anodes. Staff has been told the Bobcat excavator ships out from North Dakota this week. The new trailer is expected to arrive the first week of April. Enclosed is Mr. Armando Yruegas' memo on the status of the project including his recommendation on the purchase of the anodes.

Analysis:

It has been approximately seventeen (17) years since the last purchase of anodes. At that time, the cost was \$29.36 per anode. As you can see from the recent quotes, the cost has increased substantially. Also, due to price fluctuation, some quotes are time sensitive. Below is a chart summarizing the four (4) bids:

Company	Valid Period	Cost @ 250	Freight	Total	Cost @ 500	Freight	Total
Aegion/Corrpro	To 3-27-19	\$91.50	included	\$22,875.00	\$85.25	included	\$42,625.00
Farwest CCC	??	\$162.00	??	\$40,500.00	\$158.95	??	\$79,475.00
Galvotec	1 Day	\$90.59	\$600.00	\$23,247.50	\$89.39	\$600.00	\$45,295.00
Stuart Steel Protection	24 to 72 hours	\$87.44	FOB Delivered Subject to Fuel Surcharge	\$21,860.00	\$86.94	FOB Delivered Subject to Fuel Surcharge	\$43,470.00

Between March 19, 2019 and hiring the second CP tech on January 21<sup>st</sup> (2 months), the CP crew has installed 122 anodes covering 7,176 feet of 42" line, 3 replaced test stations and 2 new test stations. Staff estimates 250 anodes could be installed in three (3) months and 500 nodes in six (6) months. There are currently about 150 anodes in stock. Another factor to consider when determining the number of anodes to purchase is the availability of storage for the anodes.

Enclosed is information regarding the price of zinc over a 30-year period as well as the more recent price fluctuations. According to websites regarding metal prices, the major reasons for price change is due to Chinese Demand, Chinese Supply, Global Stocks, US Demand and Input Prices (the price of mining/refining the ore which uses coal, electricity and oil for energy).

Staff Recommendation:

Staff will call Galvotec and Stuart Steel the day of the Board meeting to obtain a valid quote. However, at this time, staff recommends the purchase of 500 anodes from Aegion/Corrpro at a cost of \$42,625.

Board Action:

Determine whether to authorize the purchase of 500 anodes from Aegion/Corrpro at a cost of \$42,625.

Summarization:

Cathodic Protection is an ongoing maintenance task and anodes are essential to this project.

Memorandum

2020

To: South Texas Water Authority Board of Directors  
From: Carola G. Serrato, Executive Director  
Date: March 19, 2020  
Re: Authorization to purchase zinc anodes, including freight charges/CP Project Update

Background:

Almost exactly one year ago, staff presented the Board with four (4) quotes for the purchase of anodes. At that time, staff requested that the supplier provide a price for 250 anodes and 500 anodes. The quotes for 250 anodes ranged from a low of \$21,860 to \$40,500, or \$87.44 to \$162.00 per anode. The quotes for 500 anodes ranged in price from \$42,625 to \$79,475, or \$85.25 to \$158.95 per anode.

The companies providing the quotes were Aegion/Corrpro, Farwest Corrosion Control Company, Galvotec and Stuart Steel Protection. At this time, there are approximately 150 anodes in inventory. The CP crew has been averaging five (5) excavations a day depending on the depth of the pipe. In most cases, one anode is used per excavation; however, some joints will have two anodes installed.

Analysis:

The same companies contacted a year ago were contacted again. As of today, Aegion/Corrpro, Farwest CCC and Stuart Steel have responded to the request. Aegion/Corrpro quoted a price of \$92.15/anode on an order of 500 anodes for a total of \$46,075 and \$102.60/anode on an order of 250 anodes for a total of \$25,650. Farwest CCC quoted \$158.95/anode on an order of 500 anodes for a total of \$79,475 and on an order of 250 anodes the cost per anode is \$162 for a total of \$40,500. Stuart Steel quoted a price of \$68.70/anode on an order of 500 anodes for a total of \$34,350.00 and \$64.97/anode on an order of 250 anodes for a total of \$16,242.50. As the Board is aware, the cost of the anodes is being funded from remaining bond funds. According to the Water Code, STWA meets the requirements to procure the materials by *seeking* at least three (3) bids.

Staff Recommendation:

Staff recommends the purchase of 500 anodes from Stuart Steel at a cost of \$34,350 which is a decrease from last year's purchase of 500 anodes at a cost of \$42,625. However, please note that Stuart Steel requires the order to be placed and locked in on the day of purchase. It is possible that the price will exceed the next lowest quoted price from Aegion/Corrpro. As such, staff is recommending that you authorize the purchase of the lowest price on March 25<sup>th</sup> with the adoption of Resolution 20-11.

Board Action:

Determine whether to authorize the purchase of 500 anodes from the lowest bidder on March 25, 2020 with the adoption of Resolution 20-11.

Summarization:

Staff believes the CP crew continues to make progress in protecting the integrity of the 42" waterline. As the Board is aware, this is an ongoing maintenance task and anodes are essential to the work.



# Stuart Steel Protection Corp.

Your single source...  
FOR CORROSION CONTROL

PO Box 476, South Bound Brook NJ 08880  
Phone: 732-469-5544 Fax: 732-469-9270

## Quote

Quote No: 008090  
Quote Date: 02/10/2021  
Expire Date: 02/24/2021  
Customer ID: 10940

BILL TO:	QUOTE TO:
South Texas Water Authority PO Box 1701 Kingsville TX 78364 United States of America	Patrick Sendejo PO Box 1701 Kingsville TX 78364 United States of America Phone: 361-445-5041 Email: cp@stwa.org

SALES REP	CREDIT TERMS	SHIPPING TERMS
Bob Moore	Need Credit References	BW

NO	ITEM	QTY	UOM	UNIT PRICE	EXT PRICE
1	AZN30-1/12TW20RCP 2x2x30 30# Zinc 20' #12 TW Red C&P	450.00	EACH	78.24	35,208.00

NOTE: Due to the instability of the current zinc metal market & fluctuating prices, this quote is based on today's price listed on the London Metal Exchange (LME). Pricing of zinc anodes is subject to increase or decrease based on the LME price at time of order

PLEASE NOTE THIS QUOTE IS FOR QUANTITIES REQUESTED. SHOULD THE QUANTITIES CHANGE THE QUOTE THEN BECOMES VOID & A NEW QUOTE WILL BE REQUIRED

FOB DELIVERED	Sub Total:	35,208.00
FREIGHT INCLUDED TO ZIP CODE 78363, TX	Tax:	0.00
SUBJECT TO FUEL SURCHARGE AT TIME OF SHIPMENT	Total (USD):	35,208.00
PRICING IS SUBJECT TO CHANGE DUE TO THE FLUCTUATION WITH COPPER		
PRICING IS SUBJECT TO CHANGE WITHOUT NOTICE		

Thank you for the opportunity to serve you. We now accept American Express, VISA, and MasterCard.  
www.stuartsteel.com sales@stuartsteel.com



Stronger. Safer. Infrastructure.™



Corrpro Companies, Inc.  
www.corrpro.com  
PH: 1.866.CORRPRO

# QUOTE

Quote #	26001 SQ
Page Number	1 of 1
Date	2/10/2021
Customer #	2425011
Business Unit	3403014

Sold To : SOUTH TEXAS WATER AUTHORITY  
PO BOX 1701  
KINGSVILLE TX 78364  
UNITED STATES

Ship To : SOUTH TEXAS WATER AUTHORITY  
2302 E. SAGE RD  
KINGSVILLE TX 78363  
UNITED STATES

Request Date 2/10/2021	Customer Reference rfq-Patrick	Shipping Terms Freight Prepaid	Ship : requires flat bed trk 4 deliv. Inst :				
Line	Req Dt	Description	Item Number	UOM	Quantity	Price	Extended Price

Corrpro is pleased to provide the following quote for Cathodic Protection Materials. We also offer engineering design, installation and system testing services and would welcome the opportunity to provide you with turn-key pricing. If you have any questions regarding this quote, please feel free to contact the individual whose name appears below.

2.000	2/10/2021	ANODE ZN 30# 2X2X30 PKGD W/20' #12 TW SOLID BLACK	54073139	EA	450.00	98.00	44,100.00
3.000	2/10/2021	Flat bed freight	54094116	EA	1.00	1,650.00	1,650.00

APPROVED BY:

Subtotal:  
Tax:  
Total: 45,750.00  
Currency: USD

Terms : Net 30 Days



## CORRPRO COMPANIES, INC. SALES INVOICE TERMS AND CONDITIONS

The following terms and conditions ("T&Cs") apply to the sale of goods ("Goods") by Corpro Companies, Inc. ("Corpro"), all as further described on the Sales Invoice ("Invoice"), to the buyer named on the Invoice ("Buyer").

**1. Scope of Agreement; Acceptance.** Unless expressly provided otherwise in a writing signed by Buyer and Corpro (including a written master agreement between Corpro and Buyer signed prior to the date of the Invoice (a "Master Agreement"), only the Invoice, these T&Cs, and any other documents expressly identified on the Invoice as a contract document shall be considered contract documents (collectively, the "Agreement"). Any terms that add to or contradict the terms of this Agreement are not valid. A definite expression of acceptance of this Invoice by Buyer that contains terms that are additional to or different from the terms of the Agreement will form a contract solely on the Agreement, and the additional or different terms shall not become a part of the Agreement, whether or not they would materially alter the Agreement. Neither course of prior dealings nor usage of trade shall be relevant to supplement or explain any provision of the Agreement. This Agreement becomes a valid and binding obligation of Corpro and Buyer on the earlier of: (a) Buyer's receipt and acceptance of the Goods, (b) Buyer's payment of the Invoice for the Goods, or (c) any written indication by Buyer of its acceptance of the Invoice.

**2. Delivery; Risk of Loss.** Unless stated otherwise on the Invoice, delivery of Goods shall be EXW (Incoterms 2010) at Corpro's facility stated on the Invoice. At Buyer's option and sole cost, Corpro will ship Goods to Buyer at the shipping address stated on the Invoice by any commercially reasonable means. Buyer shall bear all risk of loss or damage to the Goods during transit. Buyer shall bear all freight, insurance, tariffs, freight forwarding, customs, cartage and other transportation or incidental charges.

**3. Payment Terms.** Terms of sale are net 30 days from date of Invoice, unless otherwise stated on the Invoice. Time is of the essence with respect to all payments. Any amount not received by Corpro when due shall bear interest at the rate of 1 1/2% per month (18% annually), or the maximum rate of interest that applicable law allows, whichever is less, until fully paid, including any interest due. Buyer agrees to pay all costs of collection resulting from any default by Buyer of this Agreement. Amounts due to Corpro under this Agreement are not subject to offset, deduction or back charges by Buyer. Unless stated otherwise on the Invoice, the prices stated on the Invoice and all payments due to Corpro from Buyer shall be in the lawful currency of the U.S. If, at any time prior to shipment (either complete or partial), Buyer does not meet Corpro's credit approval or Corpro, in its sole discretion, deems Buyer's financial condition to be unsatisfactory, Corpro may either (a) delay or postpone delivery of Goods, (b) cancel the Agreement, or (c) request payment in full or other security satisfactory to Corpro from Buyer prior to shipment of the Goods.

**4. Inspection and Acceptance.** Immediately on Buyer's receipt of Goods, Buyer shall inspect the same and shall notify Corpro in writing of any claims for shortages or non-conformance (including defective and damaged Goods). Buyer shall hold any non-conforming Goods for Corpro's written instructions concerning disposition. Failure to give written notice of any non-conforming Goods within 10 days after receipt of Goods, express oral or written acceptance of the Goods, or payment for the Goods, shall conclusively establish Buyer's acceptance of the Goods and waive Buyer's right to seek damages or other remedies for any non-conforming Goods. Buyer shall bear the expenses of inspection under all circumstances.

**5. Specifications.** Buyer warrants that any documents, drawings, designs or specifications furnished to Corpro by Buyer or any party acting on behalf of, or under direction from, Buyer (collectively, "Specifications") are complete, accurate and may be relied on by Corpro. Corpro shall have no liability for errors, omissions or inconsistencies in any Specifications. In the event the Agreement contains submittal requirements pertaining to the Goods, Corpro agrees to submit in a timely fashion to Buyer for review and approval any shop drawings, samples, product data, manufacturers' literature or similar submittals as Buyer may reasonably request. Buyer shall be responsible for review and approval of submittals with reasonable promptness to avoid causing delay.

**6. Warranties.** Corpro warrants that, for the duration of the Warranty Period (subject to the other limitations in this Agreement), Goods will be free from defect in materials and workmanship. Corpro's obligation to honor its warranty on defective Goods is in all cases limited to, at Corpro's sole option, repair or replacement of the defective Good or component thereof, or providing a cash refund or credit equivalent to the decreased value of the defective Good. Notwithstanding anything in this Agreement to the contrary, Corpro's warranty liability shall in no event exceed the amount paid for the original defective Good. "Warranty Period" means the 90 day period beginning with the date of shipment from Corpro. Any claim not received by Corpro within the Warranty Period shall be conclusively deemed waived by claimant. Corpro has the option to verify, with its own representatives, the nature and extent of the alleged defect. The providing of warranty service does not extend or restart a new Warranty Period. The Goods warranty applies only to Goods manufactured solely by Corpro. Corpro does not warrant products manufactured or supplied by other parties, and Buyer shall be entitled to rely on the warranties, if any, only to the extent extended to Buyer by such other parties. Corpro's obligation to honor its warranty on defective Corpro Products is in all cases limited to, at Corpro's sole option, either repair or replacement of the defective Corpro Product (or component thereof), or providing a cash refund or credit equivalent to the decreased value of the Corpro Products. Replaced Corpro Products shall become the property of Corpro, if Corpro so elects. Corpro shall not be liable for any expense incurred by Buyer in order to remedy any warranted defect. Corpro shall have no obligation to provide warranty service and shall have no liability with respect to defective Goods if the Goods, materials, systems of which they are a part, or structures they are intended to protect from corrosion have: (a) been modified, altered, relocated (in the case of cathodic protection systems), used for other than intended purposes, or otherwise changed without Corpro's written consent; (b) been damaged or abused; (c) not been operated or maintained in accordance with design specifications, instructions, operations and maintenance documents, or reasonable business practices; or (d) not been paid for in full. THESE WARRANTIES ARE IN LIEU OF AND CORPRO DISCLAIMS ANY AND ALL OTHER WARRANTIES, CONDITIONS, AND LIABILITIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. BUYER EXPRESSLY AGREES THAT THIS WARRANTY SHALL SERVE AS BUYER'S SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO THE GOODS, IN NO EVENT WILL CORPRO BE LIABLE TO BUYER, ITS AFFILIATES, SUCCESSORS, ASSIGNS OR TRANSFEREES OR TO ANY THIRD PARTY (BY VIRTUE OF CONTRACT, TORT (INCLUDING NEGLIGENCE), WARRANTY, STRICT LIABILITY OR OTHERWISE) FOR ANY LOSS, REVENUES OR PROFITS, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES ARISING OUT OF OR IN ANY WAY RELATED TO THE GOODS OR SERVICES, ACTS OR OMISSIONS IN CONNECTION WITH ANY AGREEMENT RELATED TO THESE WARRANTIES, OR GOODS, OR MATERIALS PROVIDED BY CORPRO UNLESS EXPRESSLY AND EXPLICITLY PROVIDED FOR IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF CORPRO OR AS OTHERWISE REQUIRED BY LAW. THESE WARRANTIES SHALL EXTEND ONLY TO THE FIRST PURCHASER OF GOODS FROM CORPRO AND SHALL NOT BE ASSIGNED OR TRANSFERRED. Corpro does not warrant that the use or sale of the Goods will not infringe the claims of any U.S. or other patents covering the product itself or the use thereof in combination with other products or in the operation of any process.

**7. Technical Assistance.** At Buyer's request, Corpro may, in its discretion, furnish technical assistance and information with respect to the Goods. CORPRO MAKES NO WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, WITH RESPECT TO TECHNICAL ASSISTANCE OR INFORMATION PROVIDED BY CORPRO OR ITS PERSONNEL. ANY SUGGESTIONS BY CORPRO REGARDING USE, SELECTION, APPLICATION OR SUITABILITY OF PRODUCTS SHALL NOT BE CONSTRUED AS AN EXPRESS WARRANTY UNLESS SPECIFICALLY DESIGNATED AS SUCH IN A WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF CORPRO.

**8. Default; Cancellation.** If Buyer fails to perform any of its obligations under this Agreement, including failure to make payments as provided in this Agreement, or if Buyer fails to give prompt assurances of future performance when requested by Corpro, then Corpro may, on 5 days' written notice to Buyer, declare Buyer to be in default and Corpro may suspend or terminate performance of its obligations under this Agreement without liability and retain all rights and remedies Corpro may possess at law, in equity or as provided in these T&Cs. In addition to the remedies above, to the extent that (a) Corpro declares a default under this Section 8, or (b) if the order is cancelled for any reason other than default by Corpro, Buyer agrees to pay for (i) Services performed and Goods installed or delivered to date of termination, and (ii) Goods ordered which cannot be cancelled.

**9. Indemnification.** TO THE FULLEST EXTENT PERMITTED BY LAW, BUYER AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS CORPRO AND ITS DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL LIABILITY, LOSSES, COSTS (INCLUDING COSTS OF LITIGATION OR OTHER DISPUTE RESOLUTION AND ATTORNEYS' FEES), CLAIMS AND CAUSES OF ACTION IN FAVOR OF ANY AND ALL PERSONS ARISING OUT OF, RESULTING FROM, OR IN ANY WAY ATTRIBUTABLE TO THE NEGLIGENCE ACT OR ACTION, OMISSION OR FAILURE TO ACT ON THE PART OF BUYER OR ITS DIRECTORS, OFFICERS, EMPLOYEES, SUBCONTRACTORS, AGENTS OR ANY OTHER PARTY FOR WHOSE ACTS OR OMISSIONS ANY OF THEM MAY BE LIABLE, TO THE FULLEST EXTENT PERMITTED BY LAW. BUYER FURTHER AGREES THAT WHERE OTHER CONSULTANTS OR CONTRACTORS ARE EMPLOYED IN THE WORK, BUYER WILL NOT HOLD CORPRO RESPONSIBLE FOR ANY LOSS, DAMAGE OR INJURY CAUSED BY ANY FAULT OR NEGLIGENCE OF SUCH OTHER CONSULTANTS OR CONTRACTORS FOR RECOVERY FROM THEM, OR ANY OF THEM, FOR ANY SUCH DAMAGE OR INJURY.

**10. Limitation of Liability.** NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, CONTRACTOR AGREES THAT ANY RECOURSE AGAINST SUBCONTRACTOR UNDER THIS AGREEMENT OR RELATED TO SUBCONTRACTOR'S WORK HEREUNDER, INCLUDING BUT NOT LIMITED ANY INDEMNITY OR WARRANTY OBLIGATIONS, SHALL BE STRICTLY LIMITED TO THE AMOUNT PAID TO SUBCONTRACTOR UNDER THIS AGREEMENT. IN NO EVENT SHALL CORPRO OR ITS AFFILIATES BE LIABLE TO BUYER, ITS AFFILIATES, SUCCESSORS, ASSIGNS, VENDEES OR TRANSFEREES, OR TO ANY THIRD PARTY, FOR ANY ECONOMIC LOSS, LOST PROFITS OR BUSINESS OPPORTUNITIES, PHYSICAL HARM, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES, EVEN IF CORPRO HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, ARISING OUT OF, RESULTING FROM OR RELATING IN ANY WAY TO THIS AGREEMENT OR ACTS OR OMISSIONS OF CORPRO IN CONNECTION HERewith.

**11. Governing Law; Venue; Prevailing Party.** This Agreement shall be governed and construed in accordance with, and all claims relating to or arising out of this Agreement, or the breach thereof, whether sounding in contract, tort or otherwise, shall likewise be governed by the laws of the State of Texas, excluding that State's choice of law principles. The UNCITRAL Convention on Contracts for the International Sale of Goods shall not apply to the validity, construction or performance of this Agreement. The federal or state courts located in Houston, Texas shall have sole jurisdiction to hear any dispute under this Agreement. Each party agrees to personal jurisdiction in these courts. In any litigation proceeding pursuant to this Agreement, the prevailing party shall recover from the other party all reasonable attorneys' fees and other expenses in connection with such proceeding.

**12. Export Compliance.** Corpro's products, programs, and services are subject to U.S. export laws, rules, treaties, regulations, and international agreements (collectively, "Export Laws"). Buyer assumes the responsibility of abiding by the Export Laws along with applicable foreign laws when transferring, selling, importing, exporting, re-exporting, deemed exporting, diverting, or otherwise disposing of Goods. By purchasing the Goods, Buyer represents it is not in a sanctioned country nor is Buyer an individual or an entity whose purchase of the Goods is restricted by Export Laws.

**13. Confidentiality.** All information, including quotations, specifications, drawings, prints, schematics, and any other engineering, technical or pricing data or information submitted by Corpro to Buyer related to any order for Goods are the confidential and proprietary information of Corpro. Buyer and its employees, agents or other parties for whom Buyer is responsible may not disclose Corpro's confidential and proprietary information to any third parties, or use Corpro's confidential and proprietary information for its own account or that of any third party, except in the performance of this Agreement.

**14. Taxes and Fees; Permits; Laws.** Unless stated otherwise on the Invoice, the purchase price for the Goods furnished by Corpro excludes all governmental or brokerage taxes, duties, customs, fees, charges or assessments (collectively, "Taxes"). Corpro may elect to add any Taxes to the invoice amount payable to Corpro by Buyer. In the event Corpro is required to pay any Tax, Buyer shall reimburse Corpro. Buyer must provide Corpro with documentation acceptable to Corpro of any exemptions claimed from Taxes in advance. Unless stated otherwise on the Invoice, Buyer shall secure and pay for all permits and fees necessary for delivery of the Goods. It is Buyer's duty to ascertain that the Goods are and Buyer's subsequent use is in accordance with applicable laws, ordinances and building codes. Corpro shall not be responsible for compliance of the Goods to such laws, ordinances and building codes.

**15. Order of Precedence; Notice.** If there is a conflict between the contract documents included in this Agreement, unless specified otherwise, the terms of the documents will control in the following order: (a) Master Agreement (if applicable); (b) terms stated on the face of the Invoice; (c) these T&Cs; and (d) any other contract documents. All notices and communications required by this Agreement shall be delivered, in writing, to the Corpro address stated on the Invoice.

**16. Interpretation.** Corpro and Buyer acknowledge this Agreement represents the entire agreement and understanding between the parties, incorporating all prior negotiations and understandings relating to the subject matter of this Agreement, whether written or oral. The failure of Corpro to insist on strict performance of this Agreement shall not constitute a waiver of, or estoppel against, asserting the right to require such performance in the future, nor shall a waiver or estoppel in any one instance constitute a waiver or estoppel with respect to a later breach of a similar nature or otherwise. All rights and remedies under this Agreement are cumulative and are in addition to any other rights and remedies Corpro may have at law or in equity. Unless the context of this Agreement clearly requires otherwise, "including" is not limiting and "or" has the inclusive meaning represented by the phrase "and/or." If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby. The section headings are for convenience only; they form no part of the terms and conditions and shall not affect their interpretation. This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns; however, Buyer may not assign this Agreement without the prior written consent of Corpro.



# FARWEST CORROSION CONTROL COMPANY

*Complete Cathodic Protection & Corrosion Control Solutions*

## Gulf Coast Region

1714 Rotary Drive, Humble, TX 77338  
 Tel: (281) 446-9558 Fax: (281) 446-9241  
 Toll Free: (888) 532-7937  
 www.farwestcorrosion.com

*Farwest is a Certified Woman Business Enterprise (WBE)*

### PROPOSAL

<b>Customer:</b>	South Texas Water Authority	<b>Date:</b>	2/11/2021
<b>Attention:</b>	Patrick Sendejo	<b>Quote No.:</b>	21-126-JJ
<b>Address:</b>		<b>Inquiry No.:</b>	
<b>Phone:</b>	361-445-5041	<b>Terms:</b>	APPROVED NET 30
<b>Fax:</b>		<b>Pages:</b>	1 of 1
<b>Email:</b>	cp@stwa.org	<b>Validity:</b>	20 days; subject to change
<b>Proj. Name:</b>		<b>Freight Cost:</b>	ADDITIONAL

<b>F.O.B.:</b>	Houston, TX	<b>Est. Time to Ship:</b>	4-6 weeks to ship ARO
<i>Shipping charges not included in pricing</i>		<i>*Partial shipments available upon request*</i>	

Quantity	Product Description	Unit Price	UOM	Total Price
450	ZUR30, 2"x2"x30", 1/4 core single grounding anode, Packaged, with 20ft of #12 STR THHN Black cable	\$ 123.45	EA	\$ 55,552.50
	ESTIMATED SHIPPING TO 78363			\$ 1,642.00
	TOTAL MATERIAL COSTS (SALES TAX EXCLUDED)			\$ 57,194.50
<p>NOTES:</p> <ol style="list-style-type: none"> <li>*CUSTOM ORDER* order can not be refunded or cancelled after receipt of PO</li> <li>Quantity based pricing, please advise should quantities change</li> <li>Zinc and copper prices provided in our quote are subject to escalation or de-escalation based on the market price at the time of your order. In addition, other factors, such as tariffs, market changes, monetary fluctuations, or similar, may also affect the provided pricing</li> <li>Estimated shipping cost is subject to change</li> <li>Partial shipments available upon request</li> </ol>				

**Quoted By:** *Jasmine Jimenez* Jasmine Jimenez      **Email Address:** [jjimenez@farwestcorrosion.com](mailto:jjimenez@farwestcorrosion.com)

**Important Notes:** 1. If purchase quantities change from quoted quantities, prices may need to be adjusted. 2. Applicable sales tax will apply unless a resale or exemption certificate is provided. 3. The shipping date provided is an estimate and may be subject to change. 4. Freight charges are NOT included unless otherwise noted. 5. Net 30 day terms are provided with an existing account in good standing or upon our approval of required credit information from client.

**Return Policy:** All returned material requires written approval. Material can be returned within 60 days of purchase. Custom, made-to-order, special or unique items are not returnable. We will not accept returns for liquid epoxy coatings. Freight to return material is to be paid by the customer. Only items returned in original packaging and in resalable condition will be refunded. A minimum 25% Restocking Fee will be applied on all returned materials. Original outbound shipping charges will be deducted from the refund. Errors made by Farwest Corrosion will be completely refunded.

## Products List

### Farwest Corrosion Control Co.

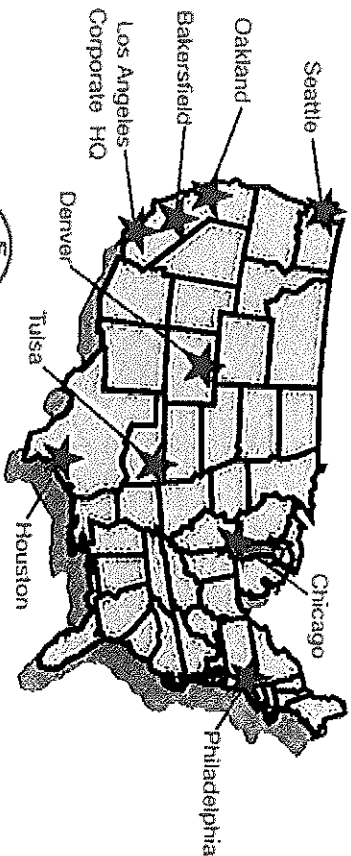
*Integrity • Service • Quality... Since 1956*

<b>C.P. ANODES</b>	<b>REFERENCE ELECTRODES</b>
ALUMINUM	PORTABLE
MAGNESIUM	STATIONARY
ZINC	SPECIALTY
CAST IRON	
GRAPHITE	<b>ISOLATORS</b>
MMO	FLANGE KITS & GASKETS
PLATINUM	FRP SHIELDS & SPACERS
LINEAR SYSTEMS	INSULATING UNIONS
CUSTOM SOLUTIONS	MONOLITHIC JOINTS
	NYLON REDUCING BUSHINGS
	PIPE SUPPORTS
<b>POWER SUPPLIES</b>	
C.P. RECTIFIERS	<b>COATINGS</b>
CUSTOM CABINETS	COMPOSITE SYSTEMS
SOLAR POWER	HEAT-SHRINK MATERIALS
REMOTE POWER GENERATORS	LIQUID EPOXIES
SWITCH-MODE POWER	MASTICS
	MOISTURE SEALING
<b>C.P. MONITORING</b>	OUTERWRAPS
ANODE JUNCTION BOXES	PETROLATUM TAPES
INTERFERENCE BONDS	PRIMERS
CURRENT BALANCING	ROCKSHIELDS
REMOTE MONITORS	SEALING & MOLDING
SHUNT PANELS	TAPE WRAPS
	WAX-TAPES
<b>TEST STATIONS</b>	<b>INSPECTION EQUIPMENT</b>
ABOVE GRADE	ADHESION
FLUSH MOUNT	COATING THICKNESS
C.P. COUPONS	CONCRETE MOISTURE
REMOTE MONITORS	HARDNESS
SHUNTS & CONNECTORS	HOLIDAY DETECTION
	PIPE THICKNESS
<b>CABLE &amp; SPLICING</b>	PIT GAUGES
C.P. CABLE	SALT CONTAMINATION
CABLE CONNECTIONS	SURFACE PROFILE
PIPE REPAIR PATCHES	TEMPERATURE & HUMIDITY
SPLICING PRODUCTS	VERIFICATION STANDARDS
	WALL THICKNESS
<b>ANODE BACKFILL</b>	<b>CASING PRODUCTS</b>
COKE BREEZE	CASING FILLER
GALVANIC BACKFILL	END SEALS
C.P. VENT SYSTEMS	MODULAR SEALS
	SPACERS
<b>INSTRUMENTATION</b>	<b>SURFACE PREPARATION</b>
C.P. POTENTIAL METERS	COATING REMOVAL
DATA LOGGERS	SALT REMOVAL
DIGITAL MULTIMETERS	
DCVG EQUIPMENT	<b>MISC. PRODUCTS</b>
INTERRUPTERS	PIPELINE CLEANING PIGS
ISOLATION TESTERS	MARKING TAPES
PIPE/CABLE LOCATORS	
SOIL RESISTIVITY METERS	
SURVEY EQUIPMENT	
WIRE REELS & TEST LEADS	

**www.farwestcorrosion.com**  
**1-888-532-7937**  
**Nine Locations To Serve You**

## 9 Service Locations Nationwide

*\*Complete Cathodic Protection  
& Corrosion Control Solutions\**



**CORPORATE HEADQUARTERS**  
 DOWNEY, CA  
 12029 Regentview Ave., Downey, CA  
 90241-5517  
 Phone: 310-532-8524

**CENTRAL CALIFORNIA REGION**  
 BAKERSFIELD, CA  
 1120 Center Parkway  
 Bakersfield, CA 93308-9666  
 Phone: 801-323-2077

**NORTHERN CALIFORNIA REGION**  
 FAYATWOOD, CA  
 2223 Commerce Place  
 Hayward, CA 94545-2233  
 Phone: 510-283-0350

**NORTHWEST REGION**  
 MUKILTEO, WA  
 4650 Campus Place, Ste. 105  
 Mukilteo, WA 98275-5311  
 Phone: 425-280-8832

**FARWEST CORROSION  
CONTROL COMPANY**

**www.farwestcorrosion.com**  
 Toll Free: 888-532-7937



**MIDWEST REGION**  
 TULSA, OK  
 3148 S. 109th East Ave., Ste. 100  
 Tulsa, OK 74146-1887  
 Phone: 510-627-5333

**ROCKY MOUNTAIN REGION**  
 DENVER, CO  
 11800 E. 51st Avenue  
 Denver, CO 80239-2708  
 Phone: 303-307-1447

**GULF COAST REGION**  
 HOUSTON, TX  
 14025 Inverline East  
 Houston, TX 7702-3312  
 Phone: 281-448-8258

**NORTHEAST REGION**  
 NEWTOWN, PA  
 6 Philadelphia Run  
 Newtown, PA 18940-1819  
 Phone: 215-579-1732

**GREAT LAKES REGION**  
 AURORA, IL  
 3110 Industrial Drive  
 Aurora, IL 60506-1150  
 Phone: 708-222-7802

*Integrity - Service - Quality*  
 Since 1956



# FARWEST CORROSION CONTROL COMPANY

**Complete Cathodic Protection  
& Corrosion Prevention**

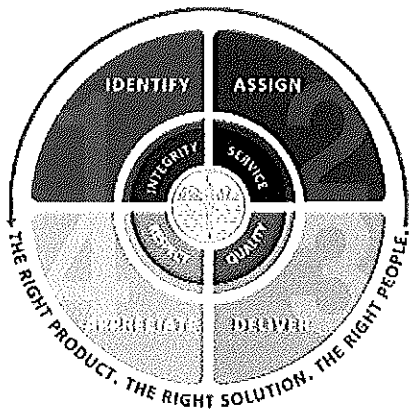
Farwest Corrosion Control Company is a premier provider of cathodic protection (CP) and corrosion control solutions for a variety of industries. A Certified Women's Business Enterprise company, we employ approximately 175 dedicated and experienced professionals across the U.S. and are experts in our field. Our solutions include:

- ✓ Product Supplier/Manufacturer
- ✓ Testing, Monitoring & Troubleshooting
- ✓ Installation Services
- ✓ C.P. Design Services
- ✓ Turn-Key, Design-Build Capabilities
- ✓ Project Planning

---

## Gulf Coast Region Contact Information

- ✓ John Rettig – Regional Manager
- ✓ Justin Elliott – Business Development
- ✓ Kirk Edwards – Construction Superintendent
- ✓ Jasmine Jimenez – Customer Service Specialist
- ✓ Marisela Landa – Project Administrator



9 Warehouse Locations Nationwide

Call 888-532-7937

[www.farwestcorrosion.com](http://www.farwestcorrosion.com)

*Integrity - Service - Quality  
... Since 1956*

**Superior Qualifications** - Locally employing 6 NACE Certified Cathodic Protection, Coating and Corrosion professionals. Farwest is a leading provider of cathodic protection, corrosion prevention products and services.

**Local Supply** – At our 20,000 square foot office and warehouse space in Houston, TX we stock an extensive inventory of products that include Anodes, Coatings, Isolators, Power Supplies, Test Stations, Inspection Equipment, Instrumentation & more. We can fulfill your project needs quickly.

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ATTACHMENT 9

STWA Social Media

Memorandum

To: South Texas Water Authority Board of Directors  
From: Carola G. Serrato, Executive Director  
Date: February 22, 2021  
Re: Discuss and Act on South Texas Water Authority Social Media

Background:

This item was added to the agenda at the request of Board President Brandon Barrera.

Analysis:

Mr. Barrera's email refers specifically to Facebook. STWA has not joined Facebook in the past and is currently not on Facebook. In addition, STWA does not participate in any other social media. STWA maintains a website.

Staff Recommendation:

My preference is not to join Facebook.

Board Action:

Determine whether staff will be instructed to join Facebook.

Summarization:

Maintaining the Facebook page will be an added task. Prior to adoption of the FY 2021 budget, staff requested expanding the ¾-time clerk position to a full-time employee. The Board determined it was not necessary. Office staff has been maintained with the current number (6 full time and 1 part-time) since 1998. This translates to ever increasing flexibility in terms of allocating tasks amongst employees as the water supply corporations' customer base grew, TCEQ regulatory requirements changed and overall activity increased.

**From:** brandon barrera <brandon.barrera2015@yahoo.com>  
**Sent:** Thursday, February 18, 2021 2:02 PM  
**To:** mcserrato@stwa.org  
**Subject:** Re: STWA Agenda - Regular Meeting - February 23rd

Can you add an item ? Discuss & act STWA social media.

I think it would be good if we had a Facebook page where we could post updates and other things for the community to see. Since Kleberg County got their Facebook page it seems like a lot of people follow it.

Thanks

Brandon

Sent from my iPhone

On Feb 18, 2021, at 12:37 PM, mcserrato@stwa.org wrote:

STWA Board:

Below is an email sent to the Board officers yesterday afternoon. I spoke with Mr. Barrera a few minutes ago and he agrees that the Regular meeting can be postponed by a week.

**The next Regular Meeting is now scheduled for March 2, 2021 at 5:30 pm.**

**This will allow the Board to meet in a Special Meeting with Ms. Ray on February 25<sup>th</sup> at 5:30 pm.**

It will also allow staff to provide a more detailed report of this week's events – which will hopefully be resolved by early next week.

In addition, Patrick Sendejo, CP tech, has confirmed that he has the bids from the three (3) companies providing quotes for anodes a few years ago.

Regarding the Bishop PS project, an estimate from Haren is being reviewed by Joe Trejo with LNV; therefore, an invoice may arrive from Nueces County soon.

Finally, this should also provide some additional time for the Kleberg County appointee (which should occur on Feb 22) to sign paperwork prior to being sworn in as required by the State.

With this Kleberg appointee, STWA will have a full nine-member board.

Please contact me directly if you need any additional information.

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd

Kingsville, Texas 78363  
361-592-9323 x112

**From:** mcgserrato@stwa.org <mcgserrato@stwa.org>  
**Sent:** Wednesday, February 17, 2021 5:36 PM  
**To:** Brandon Barrera (brandon.barrera2015@yahoo.com) <brandon.barrera2015@yahoo.com>; Jose Graveley (Josegraveley@yahoo.com) <Josegraveley@yahoo.com>; Imelda Garza <igarza@texasfcu.org>  
**Cc:** 'Dony Cantu (dcantu@stwa.org)' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org  
**Subject:** STWA Agenda - Regular Meeting - February 23rd

STWA Board Officers:

We have tried to work on next week's agenda despite the operational problems. At this time, the draft agenda includes:

1. **Call to Order.**
2. **Citizen Comments.**
3. **Swearing in of Appointed Board Members.** Hector Castaneda, the Bishop representative appointed by the Nueces Commissioners Court, has submitted all necessary paperwork and can be sworn in. Sara Zavala, the Driscoll representative appointed by the Nueces Commissioners Court, has submitted not been able to submit paperwork yet, but we think it can be done by Tuesday's meeting. The meeting of the Kleberg County Commissioners which we anticipated would appoint Frances Garcia to fill the vacancy created by Ms. Perez did not occur today due to posting requirements. That meeting will occur on Monday, Feb 22. If the meeting occurs and she is appointed as expected, we will try to get the paperwork done for the next day.
4. **Treasurer's Report/Payment of Bills.**
5. **Nueces County – Banquete PS project.** I spoke with Nueces County Grant Administrator Maria Bedia about an invoice for the meeting. Joe Trejo, LNV, has provided a request from the contractor, JS Haren – but it has not been recommended yet for payment. This may – or may not be ready by Tuesday.
6. **City of Bishop Easement.** I will have to contact Cynthia again about the easement. We have not received the executed document. I can check with Bill Flickinger if the Board can approve payment per the easement sent to the City and approved by Council contingent on receiving the signed document.
7. This item has been deleted – it was a follow-up on the special meeting with Ray Associates, Inc. This meeting is now tentatively scheduled for Thursday, Feb 25.
8. **Wholesale Contract – City of Corpus Christi.** I can provide an update on this item.
9. **STWA Long Term Goals.** This will depend on whether any surveys are returned.
10. **Anode Bids.** The CP crew had started to contact the companies that we received bids from in the past - I will check if any quotes have been received. I'm thinking that the last time we received bids may have been before Mr. Graveley was appointed to the Board. Mr. Barrera may have already been serving. It is important to note that we may receive quotes but the price of zinc fluctuates daily. So, the company will give us a price but they won't lock it in until we confirm the purchase – the day after the Board meeting. We make a recommendation based on the quote and terms – freight included or not – time to deliver, etc.

As far as item are concerned, these are all we have. You may want to consider postponing the meeting by a week to fall after the RAI special meeting. It may also allow more time for operational issues to be resolved and an agenda item to discuss the event with a more detailed description of costs and repairs needed/done.



Please contact me directly if you would like to discuss.

Thanks,

Carola

Carola G. Serrato  
Executive Director  
**South Texas Water Authority**  
2302 East Sage Rd  
Kingsville, Texas 78363  
361-592-9323 x112

FOR YOUR INFORMATION

Mr. Brocato's Direct Line: (512) 322-5857  
Email: [tbrocato@lglawfirm.com](mailto:tbrocato@lglawfirm.com)

## MEMORANDUM

To: Atmos Cities Steering Committee  
Oncor Cities Steering Committee  
Texas Coalition for Affordable Power

From: Thomas L. Brocato

Date: January 28, 2021

Re: Legislative Update

The purpose of this memorandum is to provide an update on legislative activities on behalf of the Steering Committee of Cities Served by Oncor (OCSC), the Steering Committee of Cities Served by Atmos (ACSC), and the Texas Coalition for Affordable Power (TCAP).

### 87TH REGULAR SESSION CONVENES AMID PANDEMIC

The Texas Legislature convened in its 87th Regular Session on January 12. Lawmakers so far have filled more than 1,900 bills and resolutions, including several dozen relating to energy and utility issues. Although the session remains young, three issues already have emerged as top priorities: the budget, redistricting, and the pandemic.

One of the biggest challenges facing lawmakers this session will be addressing pandemic-related logical constraints. In the House, members must wear masks in the chamber and during committee hearings. The House, however, is not mandating COVID-19 testing for lawmakers, staff, or the visiting public. Senate rules require its members and others to test negative before entering the chamber, and Senators must wear masks in the chamber except while sitting at their desks. Gov. Greg Abbott also has announced he will deliver his State of the State address on February 1 from a small Central Texas business property rather than in the more traditional House chambers with all 181 Representatives and Senators present.

Since the Legislature gaveled in for its 2021 session, at least four House members have announced they tested positive for the virus.

### COMMITTEE ASSIGNMENTS

Rep. Dade Phelan, the Beaumont Republican who will serve as this session's House Speaker, has not yet announced committee assignments in that chamber. Capitol observers expect him to do so within the first half of February.

Meanwhile, Lt. Gov. Dan Patrick announced Texas Senate committee assignments on January 15. Two Senate committees on our watch list are the Business and Commerce Committee

and the Natural Resource and Economic Development Committee. The assignment to those committees, as announced by Lt. Gov. Patrick, are as follows:

- **Business & Commerce:** Kelly Hancock, R (chair); Robert Nichols, R (vice chair); Donna Campbell, R; Brandon Creighton, R; Nathan Johnson, D; José Menéndez, D; Angela Paxton, R; Charles Schwertner, R; and John Whitmire, D.
- **Natural Resources & Economic Development:** Brian Birdwell, R (chair); Judith Zaffirini, D (vice chair); Carol Alvarado, D; Kelly Hancock, R; Juan “Chuy” Hinojosa, D; Lois W. Kolkhorst, R; Bryan Hughes, R; Eddie Lucio, Jr., D; and Kel Seliger, R.

Other committee chairs, as announced by Lt. Gov. Patrick, include: Charles Schwertner, Administration; Larry Taylor, Education; Jane Nelson, Finance; Lois W. Kolkhorst, Health & Human Services; Brandon Creighton, Higher Education; Paul Bettencourt, Jurisprudence; Dawn Buckingham, Nominations; Bryan Hughes, State Affairs, Robert Nichols, Transportation; Donna Campbell, Veteran Affairs & Border Security; Charles Perry, Water, Agriculture & Rural Affairs; Brandon Creighton, Select Committee on Ports; and Joan Huffman, Special Committee of Redistricting.

#### **DATES OF INTEREST AND BILL FILING**

In the Senate, which has adjourned until February 9, lawmakers have filed more than 450 bills. In the House, which also has adjourned until February 9, lawmakers have filed more than 1,350 bills. Bill filing for both chambers began in November, before the session’s first day on January 12, and will continue through March 12. The last day of 140-day session, *sine die*, is May 31.

One bill of particular concern is **House Bill 1021**, by Rep. Jim Murphy. It states that when establishing an electric utility’s rates, the PUC shall presume that employee compensation and benefits expenses are reasonable if the expenses are consistent with market compensation studies not more than three years old. This bill would reverse long-standing PUC precedent and could lead to additional rate increases without sufficient regulatory review.

Other bills of interest include:

- **Senate Bill 234**, by Sen. Bob Hall, R-Rockwall; and its companion, HB 749, by Rep. Mayes Middleton, R-Galveston. These bills, if they win passage in their current form, will bar political subdivisions from spending public funds to lobby the Texas Legislature, or to pay non-profit state associations such as the Texas Municipal League to hire lobbyists on their behalf.
- **Senate Bill 182**, by Sen. Charles Schwertner, requires the Public Utility Commission to conduct a five-year look-back analysis of rates charged by municipal electric utilities. If the municipal rates are 10 percent higher than the five-year average of competitive rates paid in a similarly situated area with electric competition, then the municipal utility must transition to deregulation within one year.

- **Senate Bill 415**, by Sen. Kelly Hancock, would allow transmission and distribution utilities to contract with generation companies for battery storage services. The services would be reliability purposes only. The legislation prohibits T&D utilities from owning battery storage on their own. The legislation is nearly identical to a House Committee substitute version of SB 1941 from 2019.
- **Senate Bill 243**, by Sen. Sarah Eckhardt, calls for an increase in energy efficiency goals for utilities.
- **House Bill 1042**, by Rep. Rafael Anchia, would change the name of the Railroad Commission of Texas to the Texas Energy Resources Commission.
- **House Bill 427**, by Rep. Ken King, would impose an additional \$200 fee for the registration of electric vehicles and a \$100 fee for the registration of hybrid vehicles.
- **House Bill 433**, also by Rep. Ken King, would impose a 1-cent per-kilowatt-hour tax on each kilowatt of electricity generated in Texas from any source other than natural gas.