

MEMORANDUM

TO: South Texas Water Authority Board of Directors
FROM: Kathleen Lowman, President
DATE: May 14, 2018
SUBJECT: Meeting Notice and Agenda for the South Texas Water Authority

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

Tuesday, May 22, 2018
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:

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. Approval of Minutes. (Attachment 1)
4. Treasurer's Report/Payment of Bills. (Attachment 2)
5. **Resolution 18-04.** Resolution appointing Carola G. Serrato, Executive Director, to serve as Chief Tax Assessor for the South Texas Water Authority. (Attachment 3)
6. **Resolution 18-05.** Resolution appointing Kevin Kieschnick, Nueces County Tax Assessor/Collector, to serve as the South Texas Water Authority Tax Collector in Nueces County. (Attachment 3)
7. **Resolution 18-06.** Resolution appointing Melissa T. De La Garza, Kleberg County Tax Assessor/Collector, to serve as the South Texas Water Authority Tax Collector in Kleberg County. (Attachment 3)

8. **Resolution 18-07.** Resolution establishing tax exemptions for residence homesteads, for property owners who are 65 years of age or older, for persons who are disabled, and for disabled veterans. (Attachment 3)
9. Preliminary Nueces and Kleberg County Appraisal District Values. (Attachment 4)
10. Update on TCEQ Enforcement Action and State Office of Administrative Hearings. (Attachment 5)
11. Update on Driscoll Pump Station LAS Chemical Feed System Addition. (Attachment 6)
12. Water Supply Contract with the City of Bishop. (Attachment 7)
13. Update on offer for Supplemental Easement on CR 38 in Agua Dulce for the AEP Texas Banquete to Stadium Transmission Line Project in Nueces and Jim Wells Counties pertaining to the Agua Dulce Pump Station. (Attachment 8)
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.

KL/CGS/fdl
Attachments

This meeting notice was posted on
STWA's website, www.stwa.org, and on
indoor and outdoor bulletin boards at
STWA's administrative offices,
2302 East Sage Road, Kingsville, Texas at
11:45 ^{am} /pm on 05-18-18
James DeLeon
Assistant Secretary

ATTACHMENT 1

Approval of Minutes

SOUTH TEXAS WATER AUTHORITY
Regular Board of Directors Meeting
April 24, 2018
Minutes

Board Members Present:

Kathleen Lowman
Dr. Albert Ruiz
Rudy Galvan
Lupita Perez
Patsy Rodgers
Charles Schultz
Filiberto Treviño
Steven Vaughn

Board Members Absent:

None

Staff Present:

Carola G. Serrato
Frances De Leon
Jo Ella Wagner
Jacob Hinojosa

Guests Present:

Sherrel Mercer, Mercer Controls, Inc.

1. Call to Order.

Ms. Kathleen Lowman, Board President, called the Regular Meeting of the STWA Board of Directors to order at 5:32 p.m. A quorum was present.

2. Citizen Comments.

Ms. Lowman opened the floor to citizen's comments. No citizen comments were made.

3. New Board members' oaths of office.

Ms. Wagner administered the Oath of Office to Ms. Perez and Mr. Schultz who were re-appointed to their current positions on the Board by the Kleberg County Commissioner's Court and Ms. Rodgers and Mr. Vaughn who were re-appointed by the Nueces County Commissioner's Court.

4. Election of officers.

Mr. Vaughn made a motion to re-elect the current slate of officers. Ms. Rodgers seconded and all voted in favor.

5. Approval of Minutes.

Ms. Rodgers made a motion to approve the minutes of the March 27, 2018 Regular Meeting as presented. Mr. Treviño seconded. The motion passed by unanimous vote.

6. Quarterly Report/Treasurer's Report/Payment of Bills.

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

STWA Investment Report for Quarter ended March, 2018
Treasurer's Report for period ending March 31, 2018
Revenue Fund Income Statement for period ending March 31, 2018
Tax Fund Income Statement for period ending March 31, 2018
Special Services Income Statement for period ending March 31, 2018
STWA Revenue Fund Balance Sheet – March 31, 2018
STWA Revenue Fund GL Account Summary Report as of March 31, 2018
STWA Debt Service Fund Income Statement for period ending March 31, 2018
STWA Debt Service Fund Balance Sheet March 31, 2018
STWA Debt Service Fund GL Account Summary Report as of March 31, 2018
STWA Capital Projects Fund Income Statement for period ending March 31, 2018
STWA Capital Projects Fund Balance Sheet – March 31, 2018
STWA Capital Projects Fund GL Account Summary Report as of March 31, 2018
STWA 2012 Bond Election Report
Anticipated vs. Actual Water Rate Charged
Maintenance & Technical Report from O&M Supervisor

The following outstanding invoices were presented for Board approval:

• Walker Partners	\$ 5,080.00
• Willatt & Flickinger, PLLC	\$ 1,059.10
• Walker Partners	\$ 592.00
• City of Corpus Christi	\$ 100,158.09
• Kevin Kieschnick-NC Tax Assessor	\$ 645.47
• Russell Corrosion Consultants	\$ 3,103.08
• HDR Engineering, Inc.	\$ 900.00

A motion was made by Mr. Schultz to approve the Treasurer's Report and payment of the bills as presented. Ms. Perez seconded. Mr. Vaughn questioned the charges on the Russell Corrosion invoices related to revising the draft report that was improperly edited. Mr. Schultz amended his motion to exclude payment of the Russell Corrosion invoice. Ms. Perez seconded. The motion carried.

7. Fiscal Year 2018 Budget Amendments.

Ms. Serrato reviewed the proposed amendments to the FY 2018 Budget. She stated that Total Revenues increased by \$47,000 based on an anticipated increase in interest income and implementation of the Incremental Increase Charge, Total Administrative/Operations Expenditures without Capital Outlay decreased by \$63,022 associated with savings on professional services and property insurance, and Capital Outlay increased by \$10,000 as a result of purchase of the DM2 pipe locator device. She added that Deficiencies of Revenues over Expenditures increased by \$104,091 for a net gain of \$35,416 compared to the original budget's

net loss of \$68,675 and said the net gain is almost entirely attributed to the anticipated \$35,000 increase in revenue from the Incremental Increase Charge. She also pointed out that the Printing/Office Supplies line item now includes Tech Support. Mr. Galvan made a motion to approve the FY 2018 Budget Amendments. Mr. Treviño seconded. The motion carried.

8. TCEQ Enforcement Action and State Office of Administrative Hearings.

Ms. Serrato reported that the conference calls with TCEQ representatives have been helpful and the next one is scheduled for the week of June 4th. She added that she requested an extension date of May 18th for certification of the Driscoll LAS system. Ms. Shay Roalson of HDR has since provided a certification letter on completion of the project which TCEQ has accepted. In addition Texas Rural Water Association is expected to arrange for training of STWA's field personnel as part of TCEQ's Financial, Managerial and Technical Program. Ms. Serrato also stated that the next quarterly report is due on May 21, 2018. No action was taken by the Board.

9. Driscoll Pump Station LAS Chemical Feed System Addition.

Ms. Serrato stated that she has been discussing several factors pertaining to the Driscoll LAS project with Ms. Shay Roalson of HDR Engineering and legal counsel Bill Flickinger. She pointed out that there had been an initial delay on construction due to Mercer Controls, Inc. (Mercer) responding to Hurricane Harvey related jobs and the project encountered issues with multiple replacement of fittings because of leaking lines and tubing on the LAS system, replacement and testing of the one-ton chlorine cylinder which Mercer claimed was experiencing corrosion, and programming of the system. She added that additional monitoring and testing has resulted in increased overtime. In addition, Ms. Roalson has indicated that HDR has devoted twice the amount of time that was allocated for this project. Ms. Roalson has provided a letter to TCEQ certifying completion of the project. Ms. Serrato stated that Mr. Flickinger has pointed out that the substantial completion date sets the warranty period start date. She added that Mr. Sherrel Mercer who was present for the meeting has provided an Affidavit of Bills paid and a Waiver of Claims and is requesting payment in full. She reminded the Board that \$13,250 based on the project being 53 days past the contract date was previously withheld per Ms. Roalson's recommendation pending project completion and a decision on assessment of liquidated damages. She added that the system is performing much better now but will need to be monitored very closely.

Mr. Mercer addressed the Board and stated that as challenges were encountered, changes were made to address them. He added that Mercer Controls was not responsible for the problems that were encountered and that the system has been installed and is functioning as designed. He voiced his concern that water may be running backwards at times and that aggressive chemicals are present in the water at the O.N. Stevens Plant. He also stated that he has received further information on addressing the issues with the fittings and a contractor will be placing new fittings on Thursday, April 26th. He said he felt that Mercer has gone beyond what has been asked for and noted that his companies have never been required to pay liquidated damages on any project. Regarding the warranty, he disagreed with Mr. Flickinger and said the completion date sets the beginning of the warranty period. He said in return for not being assessed liquidated damages, he would include an additional year warranty on the hardware and is willing to place additional language in the paperwork to reflect the beginning date of the warranty period as the completion

date, March 14th. He added that he will remain available to respond to issues with the system. Ms. Serrato added that several factors such as flow meter issues and sloshing in the line are factors that are not within Mercer's control. Mr. Schultz made a motion to pay the remaining balance to Mercer Controls. Mr. Vaughn seconded. The motion passed on a vote of 7 to 1.

10. Water Supply Contract with the City of Bishop.

Ms. Serrato stated that she sent a letter regarding the water supply contract to Bishop Mayor Tem Miller outlining several issues which were discussed during the March 27, 2018 Board meeting. There has been no response from the City.

11. Offer for Supplemental Easement on CR 38 in Agua Dulce for the AEP Texas Banquete to Stadium Transmission Line Project in Nueces and Jim Wells Counties pertaining to the Agua Dulce Pump Station.

Ms. Serrato presented a letter from Right of Way Service, Inc. (ROWS) on behalf of AEP Texas regarding an electric pole project and an existing easement on STWA's Agua Dulce Pump Station property on CR 38. The original 1946 easement did not include a metes and bounds description. AEP is offering \$573 for the amendment which describes the desired area by metes and bounds. Ms. Serrato pointed out that as it is written, the easement does not provide sufficient information to determine the exact location of the easement. She has spoken to Willie Vera, ROWS, regarding the boundaries of the easement in relation to the center of CR 38 and STWA's fenced pump station. Mr. Vera stated that he believes the southern boundary does not infringe on the fenced area of the pump station. She also spoke with Brent Starr of ROWS who agreed to request additional language stipulating that there will not be any encroachment into the pump station but updated documents have not been provided yet. Mr. Vaughn made a motion to approve the easement and authorize Ms. Serrato to sign the amendment upon determining that there is no encroachment on STWA's fenced pump station. Ms. Rodgers seconded and all voted in favor.

12. City of Corpus Christi Proposed Water Conservation and Drought Contingency Plan and Amended Part II of the STWA Water Conservation and Drought Contingency Plan.

Ms. Serrato presented a revised STWA Water Conservation and Drought Contingency Plan which was prepared in response to the City of Corpus Christi amending its Drought Plan to remove one of the stages and change the trigger levels. She stated that the modifications to Part II of STWA's plan mirror the City's changes and recommended adoption of the revised Part II of the STWA Water Conservation and drought Contingency Plan and authorizing staff to provide the Plan to STWA's wholesale customers.

13. Resolution 18-02. Resolution adopting an Amended Part II of South Texas Water Authority's Water Conservation and Drought Contingency Plan.

Mr. Treviño made a motion to approve Resolution 18-02 adopting the Amended Part II of South Texas Water Authority's Water Conservation and Drought Contingency Plan. Ms. Rodgers seconded and all approved.

14. Amendment of South Texas Water Authority Personnel Policies.

- Inclusion of an “At Will” statement
- Compliance with Government Code, Chapter 619, Right to Express Breast Milk in the Workplace
- Replacement of the term “Permanent” with “Regular” employee

Ms. Serrato provided modified STWA Personnel Policies and explained that modifications were made to address three main items. An “At Will” statement was added to the beginning of the Policies, the term “permanent” employee has been replaced with “regular” employee and a section has been added to comply with Government Code, Chapter 619, Right to Express Breast Milk in the Workplace. Ms. Serrato recommended adoption of Resolution 18-03 approving the amended STWA Personnel Policies.

15. Resolution 18-03. Resolution amending the Personnel Policies of the South Texas Water Authority.

Mr. Schultz made a motion to adopt Resolution 18-03 amending the Personnel Policies of the South Texas Water Authority as proposed. Mr. Treviño seconded and the motion passed by unanimous vote.

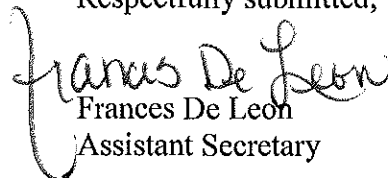
16. Painting of Agua Dulce Ground Storage Tank.

Ms. Serrato explained that \$20,000 for tank repairs/painting was included in the FY 2018 budget in anticipation that the Agua Dulce ground storage tank would require exterior work. Tank inspections performed at the beginning of this year confirmed that the exterior paint work is needed. Two companies provided quotes for the work. Pittsburgh Tank and Tower provided a quote of \$21,200. Diamond Enterprise, Inc. provided a quote of \$22,600 but advised that if the work was performed while they were in the area performing another job for Nueces Water Supply Corporation, they could save on mobilization charges and reduce the cost to \$20,000. Ms. Rodgers made a motion to approve the exterior painting of the Agua Dulce ground storage tank by Diamond Enterprise at a cost of \$20,000. Mr. Treviño seconded. All voted in favor.

17. Adjournment.

With no further business to discuss, Ms. Lowman adjourned the meeting at 6:57 p.m.

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 April 30, 2018

STWA Water Sales:

<u>Entity</u>	<u>Water Usage (1,000 g)</u>	<u>Cost of Water from City of Corpus Christi \$2.394525 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	11,438	\$27,426.44	\$4,877.00	\$0.00	\$0.00	\$32,303.44
Bishop	5,380	\$12,899.35	\$2,294.00	\$2,294.00	\$0.00	\$17,487.36
Agua Dulce	2,343	\$5,619.22	\$998.92	\$0.00	\$0.00	\$6,618.14
RWSC	7,887	\$18,912.30	\$3,362.91	\$0.00	\$0.00	\$22,275.21
Driscoll	4,109	\$9,854.50	\$1,752.11	\$1,752.11	-\$61.15	\$13,297.56
NCWCID #5	2,277	\$5,462.04	\$970.99	\$970.99	\$731.47	\$8,135.49
NWSC	13,717	\$32,899.89	\$5,848.75	\$0.00	\$0.00	\$38,748.64
TOTAL	47,151	\$113,073.73	\$20,104.68	\$5,017.10	\$670.32	\$138,865.83

Water Cost and Usage for Period of:

	04/02/18	to	04/30/18
City of Corpus Christi Invoice for Cost of Water Purchased:			\$109,788.99
Gallons of Water Recorded by City of Corpus Christi:			45,850,000
Gallons of Water Recorded by STWA from Customer's Master Meters:			44,206,260
Water Loss Percentage:			3.59%

Annual Usage for FY 2018

	Annual
Gallons of Water Recorded by City of Corpus Christi:	282,350,000
Gallons of Water Recorded by STWA from Customer's Master Meters:	287,619,490
Water Loss Percentage: (year to date)	-1.87%

**REVENUE FUND
INCOME STATEMENT
FOR PERIOD ENDING APRIL 30, 2018**

58.06%

	MONTHLY	YEAR TO DATE	2018 AMENDED BUDGET	% OF 2018 AMENDED BUDGET	2017 YEAR TO DATE	2017 FINAL BUDGET
REVENUES						
Water Service Revenue	113,074	693,951	1,257,962	55%	675,273	1,240,206
Handling Charge Revenue	20,105	125,094	220,170	57%	124,332	228,517
Premium Incremental Increase	5,017	21,923	35,000	0%	0	0
Surcharge - Out of District	552	3,861	6,619	58%	3,371	5,778
Interest Income	3,097	15,159	22,000	69%	5,927	13,500
Other Revenue						
Operating & Maintenance Fees	0	0	0	0%	0	0
Miscellaneous Revenues	60	1,331	5,000	27%	6,570	6,750
TOTAL REVENUES	141,905	861,318	1,546,751	56%	815,472	1,494,751
EXPENDITURES						
Water Service Expenditures:						
Bulk Water Purchases	109,789	667,942	1,257,962	53%	678,632	1,233,414
Payroll Costs						
Salaries & Wages - Reg. Employees	25,336	170,551	313,366	54%	164,827	285,123
Salaries & Wages - Part-Time	118	888	1,607	55%	3,206	5,851
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	1,554	11,276	20,300	56%	9,452	17,910
Stand-by Pay - STWA	100	750	1,300	58%	750	1,300
Employee Retirement Premiums	2,839	28,914	54,023	54%	12,965	36,612
Group Insurance Premium	12,085	91,124	156,292	58%	89,070	147,404
Unemployment Compensation	644	1,151	1,115	103%	6	300
Workers' Compensation	(619)	3,860	6,498	59%	10,020	7,252
Car Allowance	500	3,400	5,900	58%	2,800	4,800
Hospital Insurance Tax	275	1,979	3,825	52%	1,956	3,388
Supplies & Materials						
Repairs & Maintenance	11,194	43,712	80,000	55%	84,142	126,500
Meter Expense	3,670	7,045	11,500	61%	4,125	7,140
Tank Repairs	0	0	20,000	0%	0	7,800
Major Repairs	0	0	25,000	0%	0	25,000
Other Operating Expenditures:						
Professional Fees						
Legal	794	6,148	30,000	20%	11,857	30,000
Auditing	0	9,369	9,370	100%	9,155	9,155
Engineering	(1,200)	58,901	70,000	84%	0	60,000
Management & Consulting	2,500	2,778	10,000	28%	1,143	14,550
Inspection	0	2,725	3,725	73%	1,473	1,600
Leak Detection	0	55,440	55,440	100%	0	20,000
Consum Supplies/Materials						
Postage	763	3,253	6,500	50%	5,774	8,950
Printing/Office Supplies/Tech Support	1,551	16,417	26,500	62%	12,986	18,650
Janitorial/Site Maintenance	193	3,177	6,000	53%	1,524	4,350
Fuel/Lubricants/Repairs	1,942	16,158	33,000	49%	13,979	24,335
Chemicals/Water Samples	4,600	25,452	58,000	44%	26,313	49,900
Safety Equipment	0	0	1,500	0%	678	1,500
Small Tools	400	1,226	4,500	27%	249	1,000

	MONTHLY	YEAR TO DATE	2018 AMENDED BUDGET	% OF 2018 AMENDED BUDGET	2017 YEAR TO DATE	2017 FINAL BUDGET
Recurring Operating Costs						
Telephone/Communications	1,515	10,699	23,500	46%	9,390	23,700
Utilities	6,257	48,765	115,000	42%	61,993	108,500
D & O Liability Insurance	71	1,306	3,500	37%	1,577	2,100
Property Insurance	0	19,229	20,000	96%	33,247	33,247
General Liability	0	2,617	2,750	95%	2,247	2,750
Auto Insurance	0	2,050	2,050	100%	2,050	2,050
Travel/Training/Meetings	300	4,316	10,000	43%	3,821	6,300
Rental-Equipment/Uniforms	0	1,744	5,000	35%	1,453	3,500
Dues/Subscriptions/Publication	160	7,318	15,000	49%	5,715	9,300
Pass Through Cost	61	342	800	43%	281	780
Educational Materials	0	0	0	0%	0	0
Miscellaneous						
Miscellaneous Expenditures	396	3,081	11,647	26%	6,462	9,000
Total Administrative & Operations Exp.	187,787	1,335,102	2,482,470	54%	1,275,318	2,355,011
Capital Outlay						
Capital Acquisition	1,500	88,759	89,000	100%	79,269	114,500
Engineering	0	0	0	0%	798	1,000
TOTAL EXPENDITURES (w/o D.S. exp.)	189,287	1,423,861	2,571,470	55%	1,355,385	2,470,511
Excess (Deficiencies) of Revenue Over Expenditures	(47,383)	(562,543)	(1,024,719)	55%	(539,913)	(975,760)
OTHER FINANCE SOURCE (USES)						
Transfer to Other Funds						
Transfer from Tax Account	0	(1,024,199)	(1,055,703)	97%	(386,268)	(991,729)
Extra Ordinary Income						
Disposition of Assets (Surplus Sale)	0	(4,432)	(4,432)	0%	0	0
TOTAL OTHER FINANCING SOURCES (USES)	0	(1,028,631)	(1,060,135)	97%	(386,268)	(991,729)
EXCESS (DEFICIENCIES) OF REVENUES OVER OTHER SOURCES (USES)						
	(47,383)	466,089	35,416		(153,645)	15,969
NET INCOME	(47,383)	466,089	35,416		(153,645)	15,969

**TAX FUND
INCOME STATEMENT
FOR PERIOD ENDING APRIL 30, 2018**

58.06%

	MONTHLY	YEAR TO DATE	2018 AMENDED BUDGET	% OF 2018 AMENDED BUDGET	2017 YEAR TO DATE	2017 FINAL BUDGET
REVENUES						
Ad-Valorem - Current	14,917	1,051,832	1,070,008	98%	950,791	989,500
Delinquent Tax Revenue	2,577	21,636	27,500	79%	19,702	33,850
Penalty & Interest - Tax Accounts	2,371	14,411	16,000	90%	11,142	22,050
Miscellaneous	0	0	0	0%	0	0
TOTAL TAXES & INTEREST	19,865	1,087,879	1,113,508	98%	981,635	1,045,400
EXPENDITURES						
Tax Collector Fees	314	34,084	37,215	92%	33,350	35,371
Appraisal Districts	0	10,045	20,590	49%	8,628	18,300
TOTAL EXPENDITURES	314	44,129	57,805	76%	41,978	53,671
 Transfer to General Fund	 0	 1,024,199	 1,055,703	 97%	 386,268	 991,729
 EXCESS REVENUES & OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES	 19,551	 19,551	 0		 553,389	 0

**SPECIAL SERVICES
INCOME STATEMENT
FOR PERIOD ENDING APRIL 30, 2018**

58.06%

	MONTHLY	YEAR TO DATE	2018 AMENDED BUDGET	% OF 2018 AMENDED BUDGET	2017 YEAR TO DATE	2017 FINAL BUDGET
REVENUES						
Ricardo Water Supply Corporation	20,659	144,909	293,020	49%	143,021	271,554
Nueces Water Supply Corporation	29,903	161,549	275,134	59%	161,016	250,665
TOTAL REVENUES	50,562	306,458	568,154	54%	304,037	522,219
EXPENDITURES						
Personnel	21,168	176,042	304,185	58%	167,769	288,626
Overhead	19,192	143,992	263,969	55%	120,613	233,593
TOTAL EXPENDITURES	40,360	320,035	568,154	56%	288,382	522,219
EXCESS REVENUES & OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES						
	10,201	(13,577)	0		15,655	0

**South Texas Water Authority
Balance Sheet
April 30, 2018**

ASSETS

Current Assets

STWA - General	\$	322,208.06	
STWA - Payroll		30,668.40	
STWA - Operations		20,050.98	
Petty Cash		150.00	
TexPool - STWA General		2,178,493.72	
Due From Capital Projects Fund		35,497.09	
Due from Debt Service Fund		5,552.56	
Due from D.S. -Collect Service		14,607.87	
Tax Accounts Receivable		165,274.52	
Allowance for Uncollect Taxes		(66,653.05)	
Service accts receivable		214,900.03	
Interlocal Rec-Ricardo		6,164.88	
Interlocal Rec-Nueces		16,677.07	
Interlocal Rec. - Tax Assessor		2,140.70	
Inventory		17,836.50	
Total Assets	\$		2,963,569.33

LIABILITIES AND FUNDS EQUITY

Current Liabilities

Trade Accounts Payable	\$	170,422.25	
Salaries & Wages Payable		6,360.72	
Miscellaneous Payables		1,400.53	
Compensated Absences		17,620.65	
Deferred tax revenue		98,621.47	
Total Liabilities			294,425.62

Fund Equity

Unassigned Fund Balance		2,179,245.44	
Assigned Fund Bal. - Inventory		17,836.50	
Current Earning		472,061.77	
Total Fund Equity			2,669,143.71
Total Liabilities & Fund Equity	\$		2,963,569.33

South Texas Water Authority
GI Account Summary Report
As of: April 30, 2018

<u>Account Description</u>	<u>Beginning Balance</u>	<u>Debit Change</u>	<u>Credit Change</u>	<u>Net Change</u>	<u>Ending Balance</u>
Current Assets					
STWA - General	58,352.37	\$ 499,967.10	\$ (236,111.41)	\$ 263,855.69	\$ 322,208.06
STWA - Payroll	18,353.61	40,004.84	(27,690.05)	12,314.79	30,668.40
STWA - Operations	16,987.30	30,574.23	(27,510.55)	3,063.68	20,050.98
Petty Cash	150.00	0.00	0.00	0.00	150.00
Transfers	0.00	70,000.00	(70,000.00)	0.00	0.00
TexPool - STWA General	2,153,783.92	24,709.80	0.00	24,709.80	2,178,493.72
Due From Capital Projects Fund	310,310.71	34,597.09	(309,410.71)	(274,813.62)	35,497.09
Due from Debt Service Fund	5,672.42	60.03	(179.89)	(119.86)	5,552.56
Due from D.S. -Collect Service	14,505.46	102.41	0.00	102.41	14,607.87
Tax Accounts Receivable	165,274.52	0.00	0.00	0.00	165,274.52
Allowance for Uncollect Taxes	(66,653.05)	0.00	0.00	0.00	(66,653.05)
Service accts receivable	214,405.18	166,940.23	(166,445.38)	494.85	214,900.03
Interlocal Rec-Ricardo	6,176.78	6,001.76	(6,013.66)	(11.90)	6,164.88
Interlocal Rec-Nueces	17,951.11	16,677.07	(17,951.11)	(1,274.04)	16,677.07
Interlocal Rec. - Tax Assessor	4,049.70	2,140.70	(4,049.70)	(1,909.00)	2,140.70
Inventory	17,836.50	0.00	0.00	0.00	17,836.50
Total Assets	2,937,156.53	891,775.26	(865,362.46)	26,412.80	2,963,569.33
Current Liabilities					
Trade Accounts Payable	(127,058.65)	173,856.13	(217,219.73)	(43,363.60)	(170,422.25)
Salaries & Wages Payable	(4,240.48)	4,240.48	(6,360.72)	(2,120.24)	(6,360.72)
Hospital Ins Tax Payable	0.00	1,131.94	(1,131.94)	0.00	0.00
Withholding Taxes Payable	0.00	3,694.64	(3,694.64)	0.00	0.00
Emply Retire Prem Payable	0.00	10,023.68	(10,023.68)	0.00	0.00
Unemployment Comp. Pbl.	(1,475.64)	2,142.00	(666.36)	1,475.64	0.00
Miscellaneous Payables	(1,365.89)	9,658.26	(9,692.90)	(34.64)	(1,400.53)
Compensated Absences	(17,620.65)	0.00	0.00	0.00	(17,620.65)
Deferred tax revenue	(98,621.47)	0.00	0.00	0.00	(98,621.47)
Total Liabilities	(250,382.78)	204,747.13	(248,789.97)	(44,042.84)	(294,425.62)
Fund Equity					
Unassigned Fund Balance	(2,179,245.44)	0.00	0.00	0.00	(2,179,245.44)
Assigned Fund Bal. - Inventory	(17,836.50)	0.00	0.00	0.00	(17,836.50)
Total Fund Equity	(2,197,081.94)	0.00	0.00	0.00	(2,197,081.94)
Totals	489,691.81	\$ 1,096,522.39	\$ (1,114,152.43)	\$ (17,630.04)	\$ 472,061.77

**DEBT SERVICE FUND
INCOME STATEMENT
FOR PERIOD ENDING APRIL 30, 2018**

58.06%

	MONTHLY	YEAR TO DATE	2018 AMENDED BUDGET	% OF 2018 AMENDED BUDGET	2017 YEAR TO DATE	2017 FINAL BUDGET
REVENUES						
Ad-Valorem - Current	4,865	343,050	366,174	94%	343,929	354,529
Delinquent Tax Revenue	784	6,886	7,000	98%	6,690	10,400
Penalty & Interest - Tax Accounts	688	4,172	5,500	76%	3,375	5,675
Out-of-District Surcharge	180	1,259	2,159		1,207	2,070
Interest on Temporary Investments	436	1,586	2,280	70%	615	1,450
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	0%	<u>0</u>	<u>0</u>
TOTAL TAXES & INTEREST	6,954	356,954	383,113	93%	355,817	374,124
OTHER FINANCING SOURCES						
Excess Bond Proceeds	<u>0</u>	<u>0</u>	<u>0</u>	0%	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCE SOURCES	0	0	0		0	374,124
TOTAL REVENUE AND OTHER FINANCE SOURCES	6,954	356,954	383,113	93%	355,817	374,124
EXPENDITURES						
Fiscal Agent Fees	0	100	200	50%	100	200
Bond Interest Expense	0	63,375	126,750	50%	65,525	131,050
Bond Principal Payments	0	0	220,000	0%	0	215,000
Tax Collector Fees	102	11,169	12,189	92%	12,079	12,676
Appraisal District Fees	0	3,439	6,714	51%	3,091	6,555
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	0%	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	102	78,083	365,853	21%	80,794	365,481
EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES	6,851	278,871	17,260		275,023	8,643

**STWA Debt Service Fund
Balance Sheet
April 30, 2018**

ASSETS

Current Assets

Debt Service Acct. - TexPool	\$ 321,022.76
Due from Other Governments	200.83
Taxes Receivable	30,689.44
Allowance for Uncollectibles	(8,581.46)

Total Current Assets 343,331.57

Other Assets

Total Other Assets 0.00

Total Assets \$ 343,331.57

LIABILITIES AND FUNDS EQUITY

Current Liabilities

Deferred Tax Revenue	\$ 21,610.10
Due to General Fund	20,160.44

Total Current Liabilities 41,770.54

Long-Term Liabilities

Total Long-Term Liabilities 0.00

Total Liabilities 41,770.54

Funds Equity

Fund Balance	22,690.35
Net Income	278,870.68

Total Funds Equity 301,561.03

Total Liabilities & Funds Equity \$ 343,331.57

STWA Debt Service Fund
 Gl Account Summary Report
 As of: April 30, 2018

<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	313,557.68	\$ 7,465.08	\$ 0.00	\$ 7,465.08	\$ 321,022.76
13100	Due from Other Government	200.83	0.00	0.00	0.00	200.83
13300	Taxes Receivable	31,320.88	698.71	(1,330.15)	(631.44)	30,689.44
13301	Allowance for Uncollectibles	(8,581.46)	0.00	0.00	0.00	(8,581.46)
21700	Deferred Tax Revenue	(21,610.10)	0.00	0.00	0.00	(21,610.10)
24000	Due to General Fund	(20,177.89)	179.89	(162.44)	17.45	(20,160.44)
39100	Fund Balance	(22,690.35)	0.00	0.00	0.00	(22,690.35)
	Totals	<u>272,019.59</u>	\$ <u>8,343.68</u>	\$ <u>(1,492.59)</u>	\$ <u>6,851.09</u>	\$ <u>278,870.68</u>

**CAPITAL PROJECTS FUND
INCOME STATEMENT
FOR PERIOD ENDING APRIL 30, 2018**

58.06%

	MONTHLY	YEAR TO DATE	2018 ADOPTED BUDGET	% OF 2018 ADOPTED BUDGET	2017 YEAR TO DATE	2017 FINAL BUDGET
REVENUES						
Bond Proceeds	0	0	0	0%	0	0
Interest Income	1,472	9,628	12,500	77%	5,586	11,750
TOTAL REVENUE AND OTHER FINANCE SOURCES	1,472	9,628	12,500	77%	5,586	11,750
 EXPENDITURES						
Right of Way Acquisition	0	0	7,264	0%	0	0
Engineering Fees	0	5,400	228,320	2%	29,772	125,000
Construction Costs	34,597	228,484	643,232	36%	197,288	678,066
Pipeline Condition Assessment	0	0	194,100	0%	5,295	5,295
Legal & Administrative Fees	0	0	181,712	0%	0	0
Cost of Bond Issuance	0	0	0	0%	0	0
Miscellaneous Fees	0	0	0	0%	0	0
TOTAL EXPENDITURES	34,597	233,884	1,254,628	19%	232,355	808,361
 EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES						
	(33,125)	(224,256)	(1,242,128)		(226,769)	(796,611)

**STWA Capital Projects Fund
Balance Sheet
April 30, 2018**

ASSETS

Current Assets

TexSTAR - Construction Fund	\$ 1,017,904.86	
Total Current Assets		1,017,904.86

Property and Equipment

Total Property and Equipment		0.00

Other Assets

Total Other Assets		0.00

Total Assets		\$ 1,017,904.86

LIABILITIES AND FUNDS EQUITY

Current Liabilities

Due to General Fund	\$ 35,497.09	
Total Current Liabilities		35,497.09

Long-Term Liabilities

Total Long-Term Liabilities		0.00

Total Liabilities		35,497.09
-------------------	--	-----------

Fund Balance

Fund Balance	1,206,663.20	
Net Income	(224,255.43)	
Total Fund Balance		982,407.77

Total Liabilities & Fund Balance		\$ 1,017,904.86

STWA Capital Projects Fund
 GI Account Summary Report
 As of: April 30, 2018

<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	1,325,843.97	\$ 1,471.60	\$ (309,410.71)	\$ (307,939.11)	\$ 1,017,904.86
2400	Due to General Fund	(310,310.71)	309,410.71	(34,597.09)	274,813.62	(35,497.09)
39100	Fund Balance	(1,206,663.20)	0.00	0.00	0.00	(1,206,663.20)
Totals		<u>(191,129.94)</u>	<u>\$ 310,882.31</u>	<u>\$ (344,007.80)</u>	<u>\$ (33,125.49)</u>	<u>\$ (224,255.43)</u>

OUTSTANDING INVOICES FOR BOARD APPROVAL

INV DATE	VENDOR	INV #	DESCRIPTION	STATUS	AMOUNT
4/30/2018	Willatt & Flickinger, PLLC		April legal fees	pending	\$793.60
4/30/2018	Mercer Controls, Inc.	16880	Radio Installation plus additional radio-AD	pending	\$4,438.00
5/1/2018	Russell Corrosion	2370	March Corrosion Assessment	pending	\$1,903.08
5/2/2018	City of Corpus Christi		April water usage	pending	\$109,788.99
5/9/2018	Underwater Services, LLC		Clean tank and repair leak at Agua Dulce	pending	\$6,730.00
5/10/2018	Kevin Kieschnick-NC Tax Assessor		April per parcel fees	pending	<u>\$416.43</u>
					\$124,070.10

WILLATT & FLICKINGER, PLLC
ATTORNEYS AT LAW

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

April 30, 2018

VIA ELECTRONIC TRANSMISSION ONLY

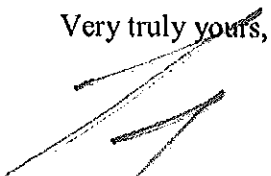
Ms. Carola Serrato
Executive Director
South Texas Water Authority
P.O. Box 1701
Kingsville, Texas 78364-1701

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,



Bill Flickinger

BF/an
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

April 30, 2018

Ms. Carola Serrato
Executive Director
South Texas Water Authority
P.O. Box 1701
Kingsville, Texas 78364-1701

FOR PROFESSIONAL SERVICES RENDERED since the date of last billing:

GENERAL

BILL FLICKINGER

- 04/05/18 Complete preparation for and participate in conference call with TCEQ on enforcement order deadlines and related issues. (0.5 Hours).
- 04/06/18 Receive and review email from Carola Serrato to Shay Roalson on certification of completion of Driscoll LAS. (0.2 Hours).
- 04/09/18 Receive and review additional emails between Carola Serrato and Shay Roalson on the Driscoll LAS. (0.2 Hours). Receive and review email from Carola Serrato to Mr. Mercer on Driscoll LAS, and receive and review his response. (0.2 Hours).
- 04/13/18 Telephone conference with Carola Serrato on contract with Mercer on Driscoll LAS. (0.2 Hours).
- 04/14/18 Receive and review email from City Secretary of Bishop to Carola Serrato on City's use of its well water at present and on non-functioning meter. (0.2 Hours).
- 04/20/18 Receive and review emails between Carola Serrato and Cynthia Contreras on meter and valve issues in connection with water service to the City of Bishop. (0.2 Hours). Telephone conference with Carola Serrato on Mercer controls contract. (0.2 Hours). Receive and review emails on same. (0.2 Hours).
- 04/24/18 Telephone conference with Carola Serrato on Mercer contract. (0.2 Hours).
- 04/25/18 Telephone conference with Carola Serrato on Board decision regarding Mercer contract. (0.2 Hours).

Attorney BF: 2.5 Hours

April 30, 2018

Page 2

ALLISON NIX

04/24/18 Draft and send email to Carola Serrato regarding the required annual Special Purpose District Reporting with the Comptroller. (0.2 Hours).

04/25/18 Receive, review and respond to emails from Carola Serrato and Jo Ella Wagner regarding completion of the annual Comptroller Special Purpose District Reporting. (0.2 Hours).

Legal Assistant AN: 0.4 Hours

Attorney BF: 2.5 Hours @ \$300.00 per hour \$750.00

Attorney MM: 0 Hours @ \$300.00 per hour

Legal Assistant AN: 0.4 Hours @ \$95.00 per hour \$38.00

CLIENT EXPENSES

28 Photocopies @ \$.20 each \$5.60

Total Client Expenses \$5.60

TOTAL AMOUNT DUE \$793.60

Mercer Controls, Inc.

P O Box 777
Edna TX 77957

RECEIVED

MAY 14 2018

Invoice

SOUTH TEXAS WATER AUTHORITY

Date	Invoice #
4/30/2018	16880

Bill To
South Texas Water Authority Attention: Carola Seratto P O Box 1701 Kingsville, TX 78364

P.O. No.	Terms	Project
12023	Due on receipt	

Quantity	Description	Rate	Amount
1	<p>Service requested by Carola for the South Texas Water Authority to furnish and install one new GE INET-II radio and furnish one additional unit as a spare. Included material, labor, programming, and travel-related expenses. Completed on 05/08/2018.</p> <p>Charges as quoted and approved (Reference Mercer Controls Proposal Dated April 19, 2018)</p>	4,438.00	4,438.00

POSTED

Thank you for your business. We are glad to be of service to you.

Total

\$4,438.00

Invoice



Russell Corrosion Consultants, LLC
Remit to: P.O. Box 6266
Carol Stream, IL 60197-6266
(P) (410) 997-4481
ACH - ABA #071925334, Acct #5741230227
Lake Forest Bank & Trust

South Texas Water Authority
 P.O. Box 1701
 Kingsville, TX 78364

May 01, 2018
 Project No: 1795027.01
 Invoice No: 0002370

Project Manager: Karl Norred
 Ref. Number:

Invoice Total: \$1,903.08

Project 1795027.01 STWA Corrosion Assessment and Testing Exam Stations 0-5000
 mcgserrato@stwa.org.

Professional Services from April 01, 2018 to April 28, 2018

Professional Personnel

	Hours	Rate	Amount	
Corrosion: Corrosion Practice Area Lead				
Szellga, Michael	2.00	200.00	400.00	
Corrosion Project Manager				
Norred, Karl	3.00	150.00	450.00	
Corrosion Designer (CAD)				
Thims, Anita	.50	75.00	37.50	
Totals	5.50		887.50	
Total Labor				887.50

Reimbursable Expenses

Travel - Accommodation - Reimb				
1/10/2018	Keller, Ryan	Hotel stay from 1/8-1/10 for Agustin S.	285.72	
1/10/2018	Keller, Ryan	Hotel stay from 1/8-1/10 for Matt M.	285.72	
1/10/2018	Keller, Ryan	Hotel stay from 1/8-1/10 for myself	285.72	
Travel - Auto - Reimb				
1/8/2018	Keller, Ryan	Gas for company car	30.69	
Meals - Reimb				
1/8/2018	Keller, Ryan	Monday lunch, co-workers and I	29.94	
1/8/2018	Keller, Ryan	Monday dinner, co-workers and I	84.52	
1/10/2018	Keller, Ryan	Wednesday breakfast, co-workers and I	13.27	
	Total Reimbursables		1,015.58	1,015.58

Billing Limits

	Current	Prior	To-Date
Total Billings	1,903.08	33,314.64	35,217.72
Limit			65,000.00
Remaining			29,782.28

Total this Invoice \$1,903.08

Billing Backup

Tuesday, May 01, 2018

Russell Corrosion Consultants, LLC

Invoice 0002370 Dated 5/1/2018

1:10:10 PM

Project	1795027.01	STWA Corrosion Assessment and Testing Examin Stations 0-5000
---------	------------	--

Professional Personnel

			Hours	Rate	Amount	
	Corrosion: Corrosion Practice Area Lead					
50002	Szeliga, Michael	3/27/2018	2.00	200.00	400.00	
	Working on Final Report					
	Corrosion Project Manager					
50079	Norred, Karl	3/22/2018	3.00	150.00	450.00	
	Working on Final report and talking with Mr. Szeliga					
	Corrosion Designer (CAD)					
50107	Thims, Anita	3/26/2018	.50	75.00	37.50	
	putting PDF report together					
	Totals		5.50		887.50	
	Total Labor					887.50

Reimbursable Expenses

Travel - Accommodation - Reimb

EX 0097787	1/10/2018	☐ Keller, Ryan / Hotel stay from 1/8-1/10 for Agustin S.	285.72
EX 0097787	1/10/2018	☐ Keller, Ryan / Hotel stay from 1/8-1/10 for Matt M.	285.72
EX 0097787	1/10/2018	☐ Keller, Ryan / Hotel stay from 1/8-1/10 for myself	285.72

Travel - Auto - Reimb

EX 0097787	1/8/2018	☐ Keller, Ryan / Gas for company car	30.69
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Meals - Reimb

EX 0097787	1/8/2018	☐ Keller, Ryan / Monday lunch, co-workers and I	29.94
EX 0097787	1/8/2018	☐ Keller, Ryan / Monday dinner, co-workers and I	84.52
EX 0097787	1/10/2018	☐ Keller, Ryan / Wednesday breakfast, co-workers and I	13.27

Total Reimbursables	1,015.58	1,015.58
----------------------------	-----------------	-----------------

Total this Project	\$1,903.08
---------------------------	-------------------

Total this Report	\$1,903.08
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C

Ryan Keller (Emp # 50104)

Page 1 of 1

Date: 1/8/2018

Client Name: STWA Project # _____

: REPRINT *** REPRINT *** REPRINT ***
COURTESY CHEVRON
9655 WESTHEIMER
HOUSTON, TX 77063

Courtesy Chevron #5
00108064
9655 Westheimer Rd
Houston, Tx
01/08/2018 853817604
08:14:49 AM

XXXXXXXXXXXX3318
MCFLEET
INVOICE E/6459212
AUTH 059641

PUMP# 2
UNLEAD REG 13.707G
PRICE/GAL \$2.239

NET TOTAL \$ 30.69
REPRINT *** REPRINT *** REPRINT ***

DEBIT \$ 30.69
REPRINT *** REPRINT *** REPRINT ***

Type of expense (Gas for company car) \$ 30.69

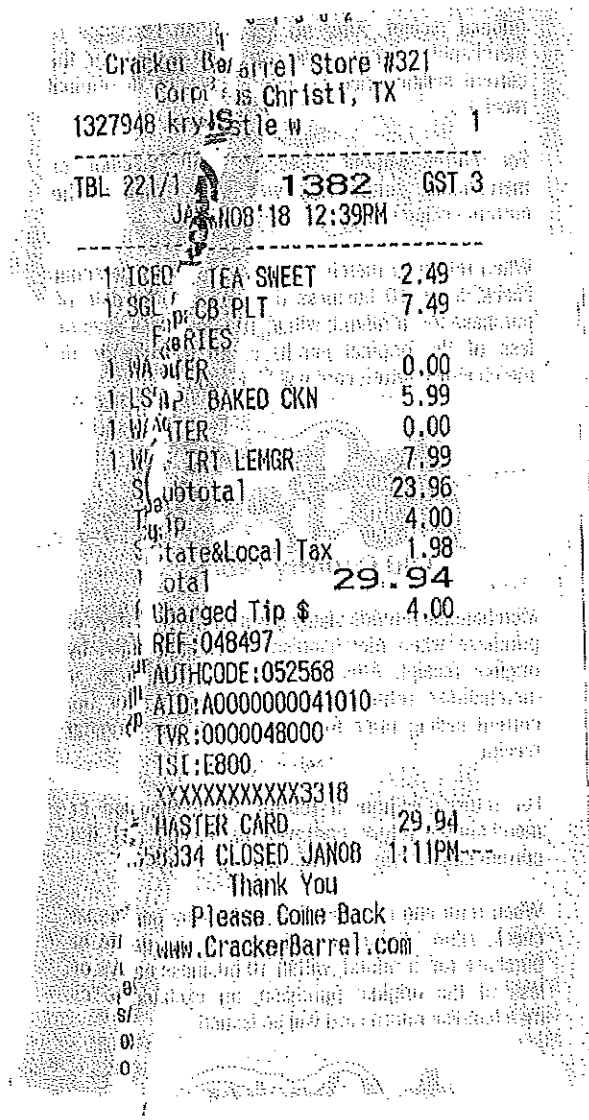
C

Ryan Keller (Emp # 50104)

Page 1 of 1

Date: 1/8/2018

Client Name: STWA Project #



Type of expense (Monday lunch (Ryan Keller, Agustín Sevatin, Matt Maynard)) \$ 29.94

Ryan Keller (Emp # 50104)

Page 1 of 1

Date: 1/8/2018

Client Name: STWA Project # _____

Chill's Grill & Bar
Kingsville #1008
2727 S. US 77 Bypass
Kingsville, TX 78363

Server: Faith DOB: 01/08/2018
07:36 PM 01/08/2018
Table 62/1 5/50004

SALE

MASTERCARD 2097198
Card #XXXXXXXXXX3318
Magnetic card present: KELLER RYAN
Card Entry Method: S

Approval: 087198

Amount: \$70.52
+ Tip: \$14.00
= Total: \$84.52

I agree to pay the above total amount according to the card issuer agreement.

Type of expense Monday dinner (Ryan Keller,) \$84.52

Agustin Serafin,
Matt Maynard)

Ryan Keller (Emp # 50104)

Page 1 of 1

Date: 1/10/2018

Client Name: STWA Project #



WHATABURGER

Restaurant 800
2701 South US Hwy 77 Bypass
Kingsville, TX 78363
(361) 221-9559
General Manager - Bernal, Annie
1-800-6Burger

1/10/2018 8:00:28 AM
Order 905016 Cashier: Dalia G

1 #20 POTATO & CHZ TAO ML 4.34
***** 0.00
HB 0.00
BREAKFAST OJ UPGRADE 0.69
----- 0.00
1 #25 HNY BTR CKN BISC ML 4.24
***** 0.00
HB 0.00
SM TO LG COKE 0.00
WHATASIZE S TO LG DR 0.80
----- 0.00
1 LG COKE 2.19

SubTotal 12.26
Tax 1.01
Total 13.27

Master Card 13.27
Acct:XXXXXXXX3318

Approval:033106

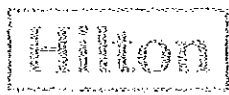
Type of expense Wednesday breakfast) \$ 13.27
(Ryan Keller, Justin Soratin, Matt Maynard)



Hampton Inn - Kingsville
 2489 S. US Highway 77 • Kingsville, TX 78363
 Phone (361) 592-9800 • Fax (361) 592-9801

SERAFIN, AGUSTIN 400 BAGWELL ST KILGORE TX 75662 UNITED STATES OF AMERICA	name address	room number: 214/SXQL arrival date: 1/8/2018 2:42:00 PM departure date: 1/10/2018 7:36:00 AM	If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.
		adult/child: 1/0 room rate: 116.62	
Confirmation Number: 87035556 1/10/2018		Rate Plan: H1P HH #: 436068012 BLUE AL: Car:	Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges. I have requested weekday delivery of USA TODAY. If refused, a credit of \$0.75 will be applied to my account. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here: <input type="checkbox"/>
		signature:	

date	reference	description	amount
1/8/2018	397097	GUEST ROOM	\$126.42
1/8/2018	397097	STATE TAX	\$7.59
1/8/2018	397097	CITY TAX	\$8.85
1/9/2018	397194	GUEST ROOM	\$126.42
1/9/2018	397194	STATE TAX	\$7.59
1/9/2018	397194	CITY TAX	\$8.85
1/10/2018	397246	MC *3318	(\$285.72)
		BALANCE	\$0.00

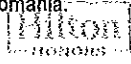


EXPENSE REPORT SUMMARY

	1/8/2018	1/9/2018	STAY TOTAL
ROOM AND TAX	\$142.86	\$142.86	\$285.72
DAILY TOTAL	\$142.86	\$142.86	\$285.72

Hilton Honors(R) stays are posted within 72 hours of checkout. To check your earnings or book your next stay at more than 5,000 hotels and resorts in 100 countries, please visit Honors.com

Hampton hotels are all over the world. Find us in Canada, Costa Rica, Ecuador, Germany, India, Mexico, Poland, Turkey, United Kingdom, and United States of America. Coming soon in Italy and Romania.



for reservations call 1.800.hampton or visit us online at hampton.com

thanks.

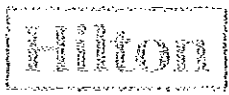
account no. MC *3318	date of charge 1/10/2018	folio/check no. 139327 A
card member name SERAFIN, AGUSTIN	authorization 093652	initial
establishment no. and location <small>establishment agrees to transmit to card holder for payment</small>	purchases & services	
	taxes	
	tips & misc.	
signature of card member X	total amount	-285.72



Hampton Inn - Kingsville
 2489 S. US Highway 77 • Kingsville, TX 78363
 Phone (361) 592-9800 • Fax (361) 592-9801

KELLER, RYAN 89 NORTHWOOD CIRCLE NEW WAVERLY TX 77358 UNITED STATES OF AMERICA	name address	room number: 215/SXQL arrival date: 1/8/2018 2:44:00 PM departure date: 1/10/2018 7:42:00 AM	If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.
		adult/child: 1/0 room rate: 116.62	
Confirmation Number: 87035556 1/10/2018		Rate Plan: 11P HH #: 315283501 BLUE AL: Car:	Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges. I have requested weekday delivery of USA TODAY. If refused, a credit of \$0.75 will be applied to my account. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here: <input type="checkbox"/>
		signature:	

date	reference	description	amount
1/8/2018	397098	GUEST ROOM	\$126.42
1/8/2018	397098	STATE TAX	\$7.59
1/8/2018	397098	CITY TAX	\$8.85
1/9/2018	397195	GUEST ROOM	\$126.42
1/9/2018	397195	STATE TAX	\$7.59
1/9/2018	397195	CITY TAX	\$8.85
1/10/2018	397248	MC *3318	(\$285.72)
		BALANCE	\$0.00

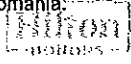


EXPENSE REPORT SUMMARY

	1/8/2018	1/9/2018	STAY TOTAL
ROOM AND TAX	\$142.86	\$142.86	\$285.72
DAILY TOTAL	\$142.86	\$142.86	\$285.72

Hilton Honors(R) stays are posted within 72 hours of checkout. To check your earnings or book your next stay at more than 5,000 hotels and resorts in 100 countries, please visit Honors.com

Hampton hotels are all over the world. Find us in Canada, Costa Rica, Ecuador, Germany, India, Mexico, Poland, Turkey, United Kingdom, and United States of America. Coming soon in Italy and Romania.



for reservations call 1.800.hampton or visit us online at hampton.com

thanks.

account no. MC *3318	date of charge 1/10/2018	folio/check no. 139328 A
card member name KELLER, RYAN	authorization 076706	initial
establishment no. and location	purchases & services	
	taxes	
	tips & misc.	
signature of card member X	total amount	-285.72



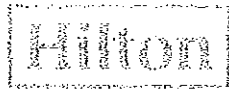
Hampton Inn - Kingsville
 2489 S. US Highway 77 • Kingsville, TX 78363
 Phone (361) 592-9800 • Fax (361) 592-9801

KELLER, RYAN 89 NORTHWOOD CIRCLE NEW WAVERLY TX 77358 UNITED STATES OF AMERICA	name address	room number: 216/SXQL arrival date: 1/8/2018 2:44:00 PM departure date: 1/10/2018 7:43:00 AM	If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.
		adult/child: 1/0 room rate: 116.62	

Confirmation Number: 87035556 1/10/2018	Rate Plan: HHP HH #: 315283501 BLUE AL: Car:
	Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges. I have requested weekday delivery of USA TODAY. If refused, a credit of \$0.75 will be applied to my account. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here: <input type="checkbox"/>

signature:

date	reference	description	amount
1/8/2018	397099	GUEST ROOM	\$126.42
1/8/2018	397099	STATE TAX	\$7.59
1/8/2018	397099	CITY TAX	\$8.85
1/9/2018	397196	GUEST ROOM	\$126.42
1/9/2018	397196	STATE TAX	\$7.59
1/9/2018	397196	CITY TAX	\$8.85
1/10/2018	397249	MC *3318	(\$285.72)
		BALANCE	\$0.00

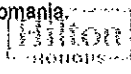


EXPENSE REPORT SUMMARY

	1/8/2018	1/9/2018	STAY TOTAL
ROOM AND TAX	\$142.86	\$142.86	\$285.72
DAILY TOTAL	\$142.86	\$142.86	\$285.72

Hilton Honors(R) stays are posted within 72 hours of check-out. To check your earnings or book your next stay at more than 5,000 hotels and resorts in 100 countries, please visit Honors.com

Hampton hotels are all over the world. Find us in Canada, Costa Rica, Ecuador, Germany, India, Mexico, Poland, Turkey, United Kingdom, and United States of America. Coming soon in Italy and Romania.



for reservations call 1.800.hampton or visit us online at hampton.com

thanks.

account no. MC *3318	date of charge 1/10/2018	folio/check no. 139329 A
card member name KELLER, RYAN	authorization 088707	initial
establishment no. and location <small>establishment agrees to transmit to card holder for payment</small>	purchases & services	
	taxes	
	tips & misc.	
signature of card member X	total amount	-285.72



**CITY OF
CORPUS
CHRISTI**

Monthly Statement of Utility Services
City of Corpus Christi
P.O. Box 9257 • Corpus Christi, TX 78469-9097
(361) 826-CITY • www.cctexas.com

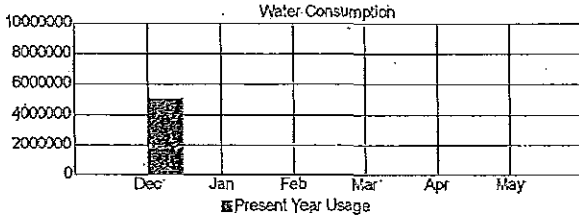
Account Name: SOUTH TX WATER AUTH
Account Number: 20004093
Service Address: 0 END DR WTR5 RAW
Account Type: PA
Bill Date: 05/02/2018

METER INFORMATION

Meter ID	Service Type	Current Read	Previous Read	Consumption 4/2018
WT200006	WA	4189350	4143500	45850

SERVICE PERIOD: 3/31/18 4/30/18 30 DAYS

CONSUMPTION HISTORY



IMPORTANT MESSAGE

Thank you so much for your patience during our transition to the new billing system. If you have a concern regarding your bill, please do not hesitate to contact us at 826-CITY or by email at ujboresolutions@cctexas.com. We apologize for the inconvenience.

ACCOUNT ACTIVITY

LAST BILL	\$122,829.04
TOTAL PAID SINCE LAST BILL	-\$100,158.09
ADJUSTMENTS	-\$22,670.95

BALANCE FORWARD DUE NOW **\$0.00**

NEW CHARGES

WATER	\$65,131.09
RWCA \$0.974/TGAL	\$44,657.90
TOTAL WATER	\$109,788.99

PAY THIS AMOUNT BY 05/23/2018: **\$109,788.99**

ACCOUNT BALANCE **\$109,788.99**

PLEASE ALLOW 5 BUSINESS DAYS BEFORE DUE DATE TO ENSURE PROPER CREDIT.

RECEIVED

MAY 14 2018

SOUTH TEXAS WATER AUTHORITY

POSTED

PLEASE FOLD ON PERFORATION BEFORE TEARING — RETURN BOTTOM PORTION WITH YOUR PAYMENT. MAKE CHECKS PAYABLE TO CITY OF CORPUS CHRISTI. INCLUDE ACCOUNT NUMBER ON THE CHECK.



**CITY OF
CORPUS
CHRISTI**

P.O. Box 9257 • Corpus Christi, TX 78469-9097
(361) 826-CITY • www.cctexas.com

Working to Serve You Better.

19-2
SOUTH TX WATER AUTH
P O BOX 1701
KINGSVILLE TX 78364-1701



Account Number: 20004093
Service Address: 0 END DR WTR5 RAW
Cycle-Route #: 01-60

DUE DATE:	05/23/2018
AMOUNT DUE:	\$109,788.99
AFTER DUE DATE PAY:	\$115,278.44

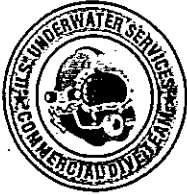


Remit to: CITY OF CORPUS CHRISTI
P.O. BOX 659880
SAN ANTONIO TX 78265-9143

When making payment in person, please bring entire statement.

200040930109788998

US Underwater Services, LLC



U.S. Underwater Services, LLC
 123 Sentry Drive
 P.O. Box 2168
 Mansfield, TX 76063
 1 800 860 2178
 P 817 447 7321
 F 817 447 0021
 www.usunderwaterservices.com
 sales@usunderwaterservices.com

Service Quote

Account Name	South Texas Water Authority	Date	5/9/2018
Contact Name	Carola Serrato	Prepared By	Ashleigh Spinks
Organization	2303 E. Sage Road	Email	ashleighspinks@usunderwaterservices.com
Address	Kingsville, TX 78364	Quote Number	00002091
Phone	(361) 592-9323 Ext 112	Quote Name	Leak Detection/Epoxy Repair
Email	mcserrato@stwa.org		
Description	Temporary Epoxy Repair to Ground Storage Tank		

Product	Line Item Description	Quantity	UOM	Sales Price	Total Price
Daily Labor Rate		1.00	day	\$3,600.00	\$3,600.00
Hourly Overtime Rate	If onsite over 8 hours, OT rate is \$375	1.00	hour	\$375.00	\$0.00
A6 Aquatapoxy	Will bill for actual amount used	4.00	gal	\$295.00	\$1,180.00
Syntho Steel Epoxy	Will bill for actual amount used	2.00	stick	\$100.00	\$200.00
Rush Fee		1.00	each	\$750.00	\$750.00
Mobilization/Demobilization		1.00	trip	\$1,000.00	\$1,000.00

Estimated Total Project Cost

Total Price \$6,730.00

Total Price is based off our best, good faith evaluation of the effort required to complete the scope of work given the information available at the time of the quote. We reserve the right to adjust prices due to changes in the work scope, errors or omission of information

I hereby certify that I have read and agree to the above terms and conditions of this service quote

Standard Terms & Conditions

Clarifications

- CONTRACTOR proposal is contingent upon availability of personnel and equipment. CONTRACTOR proposal is based upon successful negotiation of a mobilization schedule defining the window for mobilization.
- This quote reflects our best estimate for the number of days onsite. The listed client will be billed only for each day on site, and CONTRACTOR will bill the client a minimum of 8 hours per day.
- CONTRACTOR proposal will remain valid for a period of ninety (90) days.
- Any and all additional materials (other than permanent installation materials) provided at COMPANY request for work beyond the scope of CONTRACTOR proposal will be charged per CONTRACTOR'S currently published rates or cost plus 20%.
- Third party equipment and services, other than services listed herein, will be quoted on a "per request" basis.
- All work will be conducted in accordance with AWWA Standards, OSHA, USACE, and Association of Diving Contractor's CURRENT guidelines and regulations.
- CONTRACTOR superintendent/supervisor will consult with the client representative on the final decision regarding safe working conditions.
- CONTRACTOR warrants its own workmanship only and will not be held liable for materials, equipment or services provided by third parties. All such third parties will be subject to prior approval by the COMPANY.

Nueces County Courthouse
901 Leopard, Suite 301
Corpus Christi, TX 78401



Kevin Kieschnick
Assessor and Collector of Taxes

Administration
(361) 888-0307
(361) 888-0308

May 10, 2018

RECEIVED

MAY 14 2018

SOUTH TEXAS WATER AUTHORITY

South Texas Water District
C/O Carola Serrato
P.O. Box 1701
Kingsville, TX 78363

**Fees for Collection of Ad Valorem Taxes
during the month of April 2018**

Total collected parcels	300
Collection Fee per Parcel	<u>\$1.3881</u>
Total for APRIL	<u>\$416.43</u>

Please Make Checks Payable To:
Nueces County Tax Assessor-Collector

For information contact:

voice
fax

Motor Vehicle
(361) 888-0459
(361) 888-0482

Property Tax
(361) 888-0230
(361) 888-0218

Voter Registration
(361) 888-0404
(361) 888-0339

**SOUTH TEXAS WATER AUTHORITY
2012 BOND ELECTION**

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

Cost of Bond Issuance		
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>	
TOTAL Cost of Bond Issuance	\$107,386.40	

Proposition #1: REGIONAL WATERLINE

36.54%

	Engineer Estimate	Contract Amount	Percent Expended	Amount Expended	Amount Remaining
TOTAL PROPOSITION #1:	\$1,900,000.00				
Construction: Lewis Construction		\$1,035,100.00		\$1,035,100.00	
Change Order #1		\$4,320.85		\$4,320.85	
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>	100.00%	<u>\$1,079,090.18</u>	
ROW Acquisition:		<u>\$60,541.31</u>	100.00%	<u>\$60,541.31</u>	
		\$1,139,631.49		\$1,139,631.49	\$760,368.51
HDR Pipeline Condition Assessment		\$105,900.00	100.00%	\$105,900.00	
HDR LAS Booster -Driscoll		\$71,100.00	98.73%	\$70,200.00	
LAS Booster - Construction		\$369,000.00			
Change Order #1		\$45,586.84			
Change Order #2		\$1,705.00			
Change Order #3		\$10,650.00			
		<u>\$426,941.84</u>	100.00%	\$426,941.84	
Rock Engineering		\$1,051.00		\$1,051.00	
Rock Engineering		\$2,026.00		\$2,026.00	
				<u>\$430,018.84</u>	
Non-Construction Related Costs:		<u>\$36,076.45</u>	100.00%	<u>\$36,076.45</u>	<u>\$0.00</u>
TOTAL Proposition #1	\$1,900,000.00	\$1,782,726.78		\$1,781,826.78	\$116,222.22

Proposition #2: KINGSVILLE PUMP STATION

56.25%

	Engineer Estimate	Contract Amount	Percent Expended	Amount Expended	Amount Remaining
ROW Acquisition:					
Construction Related Costs:					
Ground Storage Tank - PreLoad	\$1,894,460.00	\$1,248,602.55 *	100.00%	\$1,206,897.95	
Final - Payment #8				<u>\$41,704.60</u>	
				\$1,248,602.55	\$645,857.45
New Pumps - ACP	\$327,378.00	\$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	100.00%	\$327,472.75	-\$94.75
Emergency Generator	\$0.00	\$123,586.38	100.00%	\$123,586.39	-\$123,586.39
Engineering Costs:	\$560,500.00				
Engineering - GST*		\$234,800.00	100.00%	\$234,800.00	
Engineering - GST additional work by HDR		\$48,000.00	100.00%	\$48,000.00	
Engineering - Pump Station		\$91,600.00	100.00%	\$91,600.00	
Rock Engineering, Inc.				\$1,121.00	
LNV - Generator		\$30,000.00	100.00%	<u>\$30,000.00</u>	
				\$405,521.00	\$154,979.00
Non-Construction Related Costs:	<u>\$122,500.00</u>	<u>\$60,404.85</u>		<u>\$60,404.85</u>	<u>\$62,095.15</u>
TOTAL Proposition #2	\$2,904,838.00	\$2,164,466.53		\$2,165,587.54	\$739,250.46

*Reduced by Change Order #1

Proposition #3: BISHOP FACILITY

7.21%

	Engineer Estimate	Contract Amount	Percent Expended	Amount Expended	Amount Remaining
Construction: Mercer	\$277,100.00	\$109,900.00	100.00%	\$117,596.50	\$159,503.50
Change Order: Painting building		\$3,996.00			
Change to WYE		\$3,700.00			
		<u>\$117,596.00</u>			
Construction Related Costs:	\$69,300.00	\$52,200.00	100.00%	\$52,200.00	\$17,100.00
LNV Engineering					
Non-Construction Related Costs:	<u>\$28,600.00</u>	<u>\$13,330.35</u>	100.00%	<u>\$13,330.35</u>	<u>\$15,269.65</u>
TOTAL Proposition #3	\$375,000.00	\$183,126.35		\$183,126.85	\$191,873.15

TOTAL \$1,047,345.83

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-17	\$0.426386	\$2.4362	\$2.8626	\$0.426386	\$2.312247	\$2.738633	-\$0.1239
Nov-17	\$0.426386	\$2.4380	\$2.8644	\$0.426386	\$2.316174	\$2.742560	-\$0.1218
Dec-17	\$0.426386	\$2.4383	\$2.8647	\$0.426386	\$2.349496	\$2.775882	-\$0.0888
Jan-18	\$0.426386	\$2.4381	\$2.8645	\$0.426386	\$2.397528	\$2.823914	-\$0.0405
Feb-18	\$0.426386	\$2.4398	\$2.8662	\$0.426386	\$2.400483	\$2.826869	-\$0.0393
Mar-18	\$0.426386	\$2.4376	\$2.8640	\$0.426386	\$2.396127	\$2.822513	-\$0.0415
Apr-18	\$0.426386	\$2.4359	\$2.8623	\$0.426386	\$2.394525	\$2.820911	-\$0.0414
May-18	\$0.426386	\$2.4358	\$2.8622	\$0.426386		\$0.426386	-\$2.4358
Jun-18	\$0.426386	\$2.4350	\$2.8614	\$0.426386		\$0.426386	-\$2.4350
Jul-18	\$0.426386	\$2.4335	\$2.8599	\$0.426386		\$0.426386	-\$2.4335
Aug-18	\$0.426386	\$2.4330	\$2.8594	\$0.426386		\$0.426386	-\$2.4330
Sep-18	\$0.426386	\$2.4360	\$2.8624	\$0.426386		\$0.426386	-\$2.4360
Avg Cost	\$0.426386	\$2.4364	\$2.8628	\$0.426386	\$2.366654	\$2.793040	-\$0.0698

ANTICIPATED (BUDGETED) vs. ACTUAL WATER USAGE

All

Customers	Budgeted	Actual	Difference	NWSC	Budgeted	Actual	Difference
Oct-17	43,106,064	49,257,770	6,151,706	Oct-17	11,406,490	13,839,280	2,432,790
Nov-17	39,010,208	41,240,370	2,230,162	Nov-17	10,288,004	12,528,080	2,240,076
Dec-17	38,272,268	37,196,850	-1,075,418	Dec-17	10,329,528	11,526,840	1,197,312
Jan-18	39,270,789	41,006,500	1,735,711	Jan-18	10,835,370	13,263,230	2,427,860
Feb-18	35,570,793	38,505,650	2,934,857	Feb-18	9,334,104	11,186,170	1,852,066
Mar-18	39,754,343	42,148,523	2,394,180	Mar-18	10,296,803	13,521,510	3,224,707
Apr-18	43,693,987	47,151,371	3,457,384	Apr-18	11,536,949	13,717,040	2,180,091
May-18	44,073,875	0		May-18	12,015,101	0	
Jun-18	46,279,865	0		Jun-18	12,879,697	0	
Jul-18	50,891,700	0		Jul-18	14,328,969	0	
Aug-18	52,856,325	0		Aug-18	14,308,455	0	
Sep-18	43,581,741	0		Sep-18	12,438,360	0	
TOTAL	516,361,957	296,507,034	17,828,583	TOTAL	139,997,830	89,582,150	15,554,902

Kingsville

RWSC

	Budgeted	Actual	Difference		Budgeted	Actual	Difference
Oct-17	10,188,919	13,323,000	3,134,081	Oct-17	8,892,000	8,533,000	-359,000
Nov-17	10,188,919	8,716,000	-1,472,919	Nov-17	7,675,200	7,776,000	100,800
Dec-17	10,188,919	6,734,000	-3,454,919	Dec-17	7,091,800	7,006,000	-85,800
Jan-18	10,188,919	7,519,000	-2,669,919	Jan-18	7,211,600	6,986,000	-225,600
Feb-18	10,188,919	8,188,000	-2,000,919	Feb-18	6,276,600	5,462,000	-814,600
Mar-18	10,188,919	9,466,000	-722,919	Mar-18	8,122,200	6,669,000	-1,453,200
Apr-18	10,188,919	11,438,000	1,249,081	Apr-18	9,168,400	7,887,000	-1,281,400
May-18	10,188,919	0		May-18	9,261,200	0	
Jun-18	10,188,919	0		Jun-18	10,412,600	0	
Jul-18	10,188,919	0		Jul-18	11,164,600	0	
Aug-18	10,188,919	0		Aug-18	11,785,400	0	
Sep-18	10,188,919	0		Sep-18	8,403,600	0	
TOTAL	122,267,026	65,384,000	-5,938,432	TOTAL	105,465,200	50,319,000	-4,118,800

Bishop	Budgeted	Actual	Difference
Oct-17	5,417,400	5,521,000	103,600
Nov-17	4,275,800	4,247,000	-28,800
Dec-17	4,314,400	4,005,000	-309,400
Jan-18	4,635,200	4,873,000	237,800
Feb-18	3,702,800	6,598,000	2,895,200
Mar-18	4,623,400	4,135,333	-488,067 Estimated
Apr-18	5,871,600	5,380,111	-491,489 Estimated
May-18	5,176,600	0	
Jun-18	4,661,600	0	
Jul-18	6,609,800	0	
Aug-18	8,080,400	0	
Sep-18	5,338,000	0	
TOTAL	62,707,000	34,759,444	1,918,844

Banquete	Budgeted	Actual	Difference
Oct-17	2,393,856	2,107,860	-285,996
Nov-17	2,168,468	1,979,060	-189,408
Dec-17	2,078,142	2,033,820	-44,322
Jan-18	2,037,054	2,288,560	251,506
Feb-18	1,971,256	1,929,340	-41,916
Mar-18	2,043,050	2,270,690	227,640
Apr-18	2,106,092	2,277,260	171,168
May-18	2,278,536	0	
Jun-18	2,477,094	0	
Jul-18	2,533,790	0	
Aug-18	2,561,114	0	
Sep-18	2,232,010	0	
TOTAL	26,880,462	14,886,590	88,672

Driscoll	Budgeted	Actual	Difference
Oct-17	2,440,991	3,788,900	1,347,909
Nov-17	2,318,365	3,995,000	1,676,635
Dec-17	2,240,349	3,669,100	1,428,751
Jan-18	2,422,620	3,925,000	1,502,380
Feb-18	2,237,900	3,316,400	1,078,500
Mar-18	2,467,160	3,731,100	1,263,940
Apr-18	2,610,900	4,109,200	1,498,300
May-18	2,832,220	0	
Jun-18	3,105,320	0	
Jul-18	3,369,200	0	
Aug-18	3,091,193	0	
Sep-18	2,683,790	0	
TOTAL	31,820,009	26,534,700	9,796,415

Agua Dulce	Budgeted	Actual	Difference
Oct-17	2,366,408	2,144,730	-221,678
Nov-17	2,095,452	1,999,230	-96,222
Dec-17	2,029,130	2,222,090	192,960
Jan-18	1,940,026	2,151,710	211,684
Feb-18	1,859,214	1,825,740	-33,474
Mar-18	2,012,811	2,354,890	342,079
Apr-18	2,211,127	2,342,760	131,633
May-18	2,321,299	0	
Jun-18	2,554,636	0	
Jul-18	2,696,422	0	
Aug-18	2,840,844	0	
Sep-18	2,297,062	0	
TOTAL	27,224,431	15,041,150	526,982

Kingsville Actual Usage vs. Bell Chart Volume

	Target Volume	Actual Volume	Difference
Oct-17	12,451,513	13,323,000	871,487
Nov-17	7,362,963	8,716,000	1,353,037
Dec-17	5,893,607	6,734,000	840,393
Jan-18	4,650,000	7,519,000	2,869,000
Feb-18	6,760,471	8,188,000	1,427,529
Mar-18	8,319,028	9,466,000	1,146,972
Apr-18	10,906,161	11,438,000	531,839
May-18	12,497,858	0	
Jun-18	14,240,055	0	
Jul-18	15,711,155	0	
Aug-18	15,911,986	0	
Sep-18	13,866,300	0	
TOTAL	128,571,097	65,384,000	9,040,257

Net Revenue per Thousand (1,000) Gallons

Kingsville				NWSC			
	Actual	Net Rev	Per 1000g		Actual	Net Rev	Per 1000g
Oct-17	13,323,000	\$4,456.79	\$0.3345	Oct-17	13,839,280	\$3,919.47	\$0.2832
Nov-17	8,716,000	\$2,145.93	\$0.2462	Nov-17	12,528,080	\$3,932.40	\$0.3139
Dec-17	6,734,000	\$1,213.48	\$0.1802	Dec-17	11,526,840	\$3,182.96	\$0.2761
Jan-18	7,519,000	\$2,137.00	\$0.2842	Jan-18	13,263,230	\$3,938.08	\$0.2969
Feb-18	8,188,000	\$2,309.87	\$0.2821	Feb-18	11,186,170	\$2,841.79	\$0.2540
Mar-18	9,466,000	\$2,968.91	\$0.3136	Mar-18	13,521,510	\$3,919.29	\$0.2899
Apr-18	0		#DIV/0!	Apr-18	0		#DIV/0!
May-18	0		#DIV/0!	May-18	0		#DIV/0!
Jun-18	0		#DIV/0!	Jun-18	0		#DIV/0!
Jul-18	0		#DIV/0!	Jul-18	0		#DIV/0!
Aug-18	0		#DIV/0!	Aug-18	0		#DIV/0!
Sep-18	0		#DIV/0!	Sep-18	0		#DIV/0!
TOTAL	53,946,000	\$15,231.98	\$0.2824	TOTAL	75,865,110	\$21,733.99	\$0.2865
Bishop				RWSC			
	Actual	Net Rev	Per 1000g		Actual	Net Rev	Per 1000g
Oct-17	5,521,000	\$1,015.42	\$0.1839	Oct-17	8,533,000	\$538.11	\$0.0631
Nov-17	4,247,000	\$425.49	\$0.1002	Nov-17	7,776,000	\$1,907.85	\$0.2454
Dec-17	4,005,000	\$608.07	\$0.1518	Dec-17	7,006,000	\$1,660.87	\$0.2371
Jan-18	4,873,000	\$1,017.40	\$0.2088	Jan-18	6,986,000	\$1,612.65	\$0.2308
Feb-18	6,598,000	\$594.49	\$0.0901	Feb-18	5,462,000	\$1,038.33	\$0.1901
Mar-18	4,135,333	\$671.87	\$0.1625	Mar-18	6,669,000	\$1,430.82	\$0.2145
Apr-18	0		#DIV/0!	Apr-18	0		#DIV/0!
May-18	0		#DIV/0!	May-18	0		#DIV/0!
Jun-18	0		#DIV/0!	Jun-18	0		#DIV/0!
Jul-18	0		#DIV/0!	Jul-18	0		#DIV/0!
Aug-18	0		#DIV/0!	Aug-18	0		#DIV/0!
Sep-18	0		#DIV/0!	Sep-18	0		#DIV/0!
TOTAL	29,379,333	\$4,332.74	\$0.1475	TOTAL	42,432,000	\$8,188.63	\$0.1930
Driscoll				Banquete			
	Actual	Net Rev	Per 1000g		Actual	Net Rev	Per 1000g
Oct-17	3,788,900	\$847.98	\$0.2238	Oct-17	2,107,860	\$243.69	\$0.1156
Nov-17	3,995,000	\$979.64	\$0.2452	Nov-17	1,979,060	\$386.16	\$0.1951
Dec-17	3,669,100	\$945.70	\$0.2577	Dec-17	2,033,820	\$295.27	\$0.1452
Jan-18	3,925,000	\$1,090.72	\$0.2779	Jan-18	2,288,560	\$473.32	\$0.2068
Feb-18	3,316,400	\$672.03	\$0.2026	Feb-18	1,929,340	\$330.66	\$0.1714
Mar-18	3,731,100	\$925.87	\$0.2481	Mar-18	2,270,690	\$500.04	\$0.2202
Apr-18	0		#DIV/0!	Apr-18	0		#DIV/0!
May-18	0		#DIV/0!	May-18	0		#DIV/0!
Jun-18	0		#DIV/0!	Jun-18	0		#DIV/0!
Jul-18	0		#DIV/0!	Jul-18	0		#DIV/0!
Aug-18	0		#DIV/0!	Aug-18	0		#DIV/0!
Sep-18	0		#DIV/0!	Sep-18	0		#DIV/0!
TOTAL	22,425,500	\$5,461.94	\$0.2436	TOTAL	12,609,330	\$2,229.14	\$0.1768

Agua Dulce	Actual	Net Rev	Per 1000g
Oct-17	2,144,730	\$475.40	\$0.2217
Nov-17	1,999,230	\$477.13	\$0.2387
Dec-17	2,222,090	\$387.81	\$0.1745
Jan-18	2,151,710	\$512.72	\$0.2383
Feb-18	1,825,740	\$318.93	\$0.1747
Mar-18	2,354,890	\$545.11	\$0.2315
Apr-18	0		#DIV/0!
May-18	0		#DIV/0!
Jun-18	0		#DIV/0!
Jul-18	0		#DIV/0!
Aug-18	0		#DIV/0!
Sep-18	0		#DIV/0!
TOTAL	12,698,390	\$2,717.10	\$0.2140

All Customers	Actual	Net Rev	Per 1000g
Oct-17	49,257,770	\$11,496.86	\$0.2334
Nov-17	41,240,370	\$10,254.60	\$0.2487
Dec-17	37,196,850	\$8,294.16	\$0.2230
Jan-18	41,006,500	\$10,781.89	\$0.2629
Feb-18	38,505,650	\$8,106.10	\$0.2105
Mar-18	42,148,523	\$10,961.91	\$0.2601
Apr-18	0		#DIV/0!
May-18	0		#DIV/0!
Jun-18	0		#DIV/0!
Jul-18	0		#DIV/0!
Aug-18	0		#DIV/0!
Sep-18	0		#DIV/0!
TOTAL	249,355,663	\$59,895.52	\$0.2402

INTER-OFFICE MEMO

TO: Carola G. Serrato, Executive Director
FROM: Jacob Hinojosa, O&M Supervisor
DATE: May 18, 2018
RE: Maintenance & Technical Report

During the week of April 16, 2018, the following work was completed.

- Safety Meeting for all Field Techs.
- Exercised generators, downloaded GPS reports and performed line locates.
- Took residuals for the Driscoll LAS project.
- Took Unit #6 to get new side steps.
- Looked for pins of proposed ROW for AEP by Agua Dulce Pump Station.
- Took nitrate/nitrite samples at maximum meter age sites.
- Cleaned out pump stations.
- Mowed grass at office.
- Ingersoll Rand representative repaired the Central Pump Stations air compressor.
- Installed a new master meter for Bishop West Pump Station.
- Lowered chlorine injection at Bishop West Pump Stations.
- Installed a 10" valve at the Bishop West Meter Run.

During the week of April 23, 2018, the following work was completed.

- Safety Meeting for all Field Techs.
- Exercised generators, downloaded GPS reports and performed line locates.
- Installed a tool box on Unit #2.
- Took residuals for the Driscoll LAS project.
- Mowed grass at pump stations.
- Took Nitrate/Nitrate samples at maximum age sample sites.
- Repaired wires and plug for haul trailer.
- Mercer Controls came in to repair LAS leaks for Driscoll LAS project.

During the week of April 30, 2018, the following work was completed.

- Safety Meeting for all Field Techs.
- Exercised generators, downloaded GPS reports and performed line locates.
- Took residuals for the Driscoll LAS project.
- Checked colorimeter calibrations.
- Mowed grass at pump stations.
- Dropped off Unit #5 back to dealership.
- Replaced ballasts at the Kingsville office.

- Purchased a new weed eater.

During the week of May 7, 2018, the following work was completed.

- Safety Meeting for all Field Techs.
- Exercised generators, downloaded GPS reports and performed line locates.
- Took tool inventory on Unit #4.
- Took Driscoll residuals for LAS project.
- Held interviews for field tech position.
- Steward Stevenson repaired Kingsville office generator.
- Diamond Enterprise began painting the Agua Dulce GST.
- Repaired small leak on a faucet at Agua Dulce Meter Run.
- Mowed pump stations.
- Took pictures and measurements for proposed ROW at Agua Dulce Pump Station.
- US Underwater Services repaired leak on Aqua Dulce GST.

ATTACHMENT 3

Resolutions 18-04 to 18-07

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: May 14, 2018
Re: Resolutions 18-04 through 18-07

Background:

As before, the month of May is when the South Texas Water Authority Board of Directors considers resolutions to begin the new tax year process. Resolution 18-04 appoints the Executive Director to act as the Authority's Tax Assessor which means calculating the effective tax rate and publishing the necessary notices. Resolutions 18-05 and 18-06 appoint the Nueces and Kleberg Counties' Tax Assessor/Collectors as the Authority's tax collectors. In the past, the Board of Directors has elected to provide the tax exemptions outlined in Resolution 18-07.

Analysis:

These actions are a necessary part of a taxing entity's function.

Staff Recommendation:

Adopt Resolutions 18-04 through 18-07.

Board Action:

Determine whether to adopt Resolutions 18-04 through 18-07.

Summarization:

Adoption of these resolutions formally begins the tax calendar events in accordance with State law.

SOUTH TEXAS WATER AUTHORITY

RESOLUTION 18-04

A RESOLUTION APPOINTING CAROLA G. SERRATO, EXECUTIVE DIRECTOR, TO SERVE AS CHIEF TAX ASSESSOR FOR THE SOUTH TEXAS WATER AUTHORITY.

WHEREAS, the South Texas Water Authority is a taxing jurisdiction within Nueces and Kleberg Counties, and

WHEREAS, a tax assessor is required to meet the statutory requirements of the State of Texas, and

WHEREAS, Carola G. Serrato is qualified and duly registered as a tax assessor with the State of Texas to perform this function for the Authority.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the South Texas Water Authority appoints Carola G. Serrato, Executive Director, as Chief Tax Assessor for the Authority.

Duly adopted this 22nd day of May, 2018.

KATHLEEN LOWMAN, PRESIDENT

ATTEST:

RUDY GALVAN, SECRETARY/TREASURER

SOUTH TEXAS WATER AUTHORITY

RESOLUTION 18-05

RESOLUTION APPOINTING KEVIN KIESCHNICK, NUECES COUNTY TAX ASSESSOR/COLLECTOR, TO BE THE SOUTH TEXAS WATER AUTHORITY'S TAX COLLECTOR IN NUECES COUNTY.

WHEREAS, the South Texas Water Authority is a taxing entity within Nueces County,
and

WHEREAS, a tax collector is required to collect taxes levied by the South Texas Water Authority, and

WHEREAS, the Nueces County Tax Assessor/Collector's Office is qualified to perform this function for the Authority, and

WHEREAS, the Nueces County Tax Assessor/Collector's Office has performed this task for the past years and has provided satisfactory service.

NOW, THEREFORE, BE IT RESOLVED, that Kevin Kieschnick and his representatives of the Nueces County Tax Assessor/Collector's Office are appointed to be the Authority's Tax Collector in Nueces County.

Duly adopted this 22nd day of May, 2018.

KATHLEEN LOWMAN, PRESIDENT

ATTEST:

RUDY GALVAN, SECRETARY/TREASURER

SOUTH TEXAS WATER AUTHORITY

RESOLUTION 18-06

RESOLUTION APPOINTING MELISSA T. DELAGARZA, KLEBERG COUNTY TAX ASSESSOR/COLLECTOR, TO BE THE SOUTH TEXAS WATER AUTHORITY'S TAX COLLECTOR IN KLEBERG COUNTY.

WHEREAS, the South Texas Water Authority is a taxing entity within Kleberg County,
and

WHEREAS, a tax collector is required to collect taxes levied by the South Texas Water Authority, and

WHEREAS, the Kleberg County Tax Assessor/Collector's Office is qualified to perform this function for the Authority, and

WHEREAS, the Kleberg County Tax Assessor/Collector's Office has performed this task for the past years and has provided satisfactory service.

NOW, THEREFORE, BE IT RESOLVED, that Melissa T. DeLaGarza and her representatives of the Kleberg County Tax Assessor/Collector's Office are appointed to be the Authority's Tax Collector in Kleberg County.

Duly adopted this 22nd day of May, 2018.

KATHLEEN LOWMAN, PRESIDENT

ATTEST:

RUDY GALVAN, SECRETARY/TREASURER

SOUTH TEXAS WATER AUTHORITY

Resolution 18-07

A RESOLUTION ESTABLISHING TAX EXEMPTIONS FOR RESIDENCE HOMESTEADS, FOR PROPERTY OWNERS WHO ARE 65 YEARS OF AGE OR OLDER, FOR PERSONS WHO ARE DISABLED, AND FOR DISABLED VETERANS.

WHEREAS, the South Texas Water Authority (the "Authority") is a taxing jurisdiction within Kleberg and Nueces Counties, and

WHEREAS, the Board of Directors of the Authority wants to allow tax exemptions for residential homesteads, for property owners who are 65 years of age or older, for persons who are disabled, and for disabled veterans.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTH TEXAS WATER AUTHORITY THAT:

1. Individuals are entitled to an exemption from taxation by the Authority of 1% of the appraised value of their residence homesteads, or \$5,000 of the appraised value of their residence homesteads, whichever is greater.
2. Individuals who are disabled or who are 65 years of age or older are entitled to an exemption from taxation by the Authority of \$12,000 of the appraised value of their residence homesteads.
3. Disabled veterans are entitled to the exemptions from taxation allowed by Section 11.22, Property Code.

Duly adopted this 22nd day of May, 2018.

KATHLEEN LOWMAN, PRESIDENT

ATTEST:

RUDY GALVAN, SECRETARY/TREASURER

ATTACHMENT 4

Preliminary Nueces and Kleberg CAD Values

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: May 15, 2018
Re: Preliminary Nueces and Kleberg County Appraisal District Values.

Background:

According to State law, appraisal districts are responsible for delivering *preliminary* values to taxing units by April 30th. **Certified** Appraisal Rolls should be delivered to taxing entities by July 25th or soon thereafter.

Analysis:

Below is a chart of both preliminary and certified values from each appraisal district.

	Tax Year 2013 Preliminary - April	Tax Year 2013 Certified	Tax Year 2014 Preliminary - April	Tax Year 2014 Certified	Tax Year 2015 Preliminary - April	Tax Year 2015 Certified
NCAD	\$558,009,605	\$584,380,149	\$586,504,903	\$596,775,616	\$598,707,185	\$651,824,775
KCAD	\$930,506,417	\$959,061,345	\$961,739,977	\$963,231,625	\$978,008,651	\$1,044,245,601
Total	\$1,488,516,022	\$1,543,441,494	\$1,548,244,070	\$1,560,007,241	\$1,576,715,836	\$1,696,070,376

	Tax Year 2016 Preliminary - April	Tax Year 2016 Certified	Tax Year 2017 Preliminary- April	Tax Year 2017 Certified	Tax Year 2018 Preliminary- April
NCAD	\$655,430,525	\$654,848,395	\$670,739,079	\$681,353,234	\$756,524,728
KCAD	\$1,022,599,604	\$1,045,804,845	\$1,054,692,773	\$1,066,869,086	\$1,097,634,443
Total	\$1,678,030,129	\$1,700,653,240	\$1,725,431,852	\$1,748,222,320	\$1,854,159,171

The appraisal districts caution that these values are subject to decreases resulting from property value protests. As the Board is aware, the Average Home Value determines what Maintenance and Operations (M&O) tax rate can be adopted. The Interest and Sinking (I&S) tax rate must be sufficient to generate the required debt service payments. If the Average Home Value **increases significantly**, the M&O tax rate may be *required* to **decrease** even if the overall tax base has decreased. For informational purposes only, the \$105,936,851 difference from last year's certified value and this year's preliminary value multiplied times this year's M&O tax rate of \$0.061067 per \$100 would result in about \$64,700 in additional tax revenue.

Staff Recommendation:

This is being provided for your information only. Adoption of certified values will occur later in the budget process.

Board Action:

Provide feedback to staff.

Summarization:

For the last five (5) years the certified values have increased from the preliminary figures. Regardless, staff continues to take a conservative approach to these values since the Average Home Value is key to the tax adoption process of a water district.

KLEBERG COUNTY APPRAISAL DISTRICT
P. O. BOX 1027 * 502 E. KLEBERG * KINGSVILLE, TEXAS 78364
PHONE: (361)-595-5775 * FAX : (361) 595-7984

RECEIVED

MAY 01 2018

April 30, 2018

SOUTH TEXAS WATER AUTHORITY

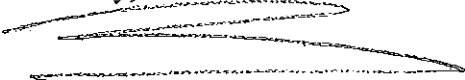
South Texas Water Authority
Attn: Kathleen Lowman, President
P.O. Box 1701
Kingsville, Texas 78364

Dear Ms. Lowman:

In accordance with Section 26.01(e) of the Texas Property Tax Code, I am enclosing the 2018 Certified Estimate of Values for your taxing entity. The 81st Texas Legislature changed the deadline for the Chief Appraiser to prepare and certify estimates of taxable value to the assessor for each taxing unit by April 30th of each year or the next business day if the 30th falls on a weekend. This makes a significant difference in the benefit that these values present to you at this point in time for the purpose that you are intending to use them for. Please remember the majority of the exemption application deadlines are April 30, 2018, the majority of special appraisal applications deadlines are April 30, 2018, rendition extensions are through May 1, 2018, and some may be through May 16, 2018. All these issues play a part in a less accurate estimate of value. Other potential loss may occur due to allowable late filing of exemptions and due to additional information provided to the appraisal district by the taxpayer addressing specific issues with their property before the final roll is approved. I will be providing you with another set of estimated values no later than June 30, 2018, so that you will be given the ability to work with some updated information.

I hope this information is helpful. If you have any questions, please feel free to call me at 361-595-5775.

Sincerely,

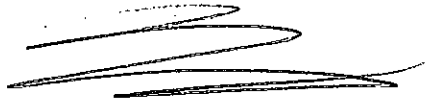

Ernestina "Tina" Flores, R.P.A.
Chief Appraiser

Cc: Carola Serrato, Executive Director
Kleberg County Appraisal District Board of Directors

CERTIFICATION OF ESTIMATES OF 2018 TAXABLE VALUE
INFORMATION
AS OF
APRIL 30, 2018

Taxing Unit: South Texas Water Authority

I, Ernestina Flores, Chief Appraiser of the Kleberg
County Appraisal District do hereby certify the attached
2018 Estimate of Taxable Value as of April 30, 2018.



Ernestina Flores, R.P.A.
Chief Appraiser

4-30-18

Date:

2018 PRELIMINARY VALUE INFORMATION
AS OF 4-30-18

TAXING UNIT
SOUTH TEXAS WATER AUTHORITY

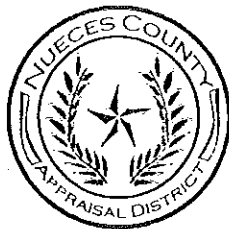
GROSS VALUES	2018 PRELIMINARY VALUES
REAL:	1,170,738,370
PERSONAL:	95,446,700
MINERAL:	142,121,433
TOTAL GROSS VALUE:	1,408,306,503
TOTAL EXEMPTIONS:	149,080,525
HOMESTEAD CAP ADJ:	966,265
LOSS TO AGRICULTURAL: VALUATION	160,625,270
NET TAXABLE VALUE:	1,097,634,443

2018 PRELIMINARY VALUE INFORMATION

AS OF 4-30-18

TAXING UNIT
SOUTH TEXAS WATER AUTHORITY

GROSS VALUES	2018 PRELIMINARY VALUES	2017 FINAL VALUES	DIFFERENCE
REAL:	1,170,738,370	1,133,836,042	36,902,328
PERSONAL:	95,446,700	92,265,200	3,181,500
MINERAL:	142,121,433	150,084,466	(7,963,033)
TOTAL GROSS VALUE:	1,408,306,503	1,376,185,708	32,120,795
TOTAL EXEMPTIONS:	149,080,525	141,762,731	7,317,794
HOMESTEAD CAP ADJ:	966,265	3,812,417	(2,846,152)
LOSS TO AGRICULTURAL: VALUATION	160,625,270	163,741,474	(3,116,204)
NET TAXABLE VALUE:	1,097,634,443	1,066,869,086 (INC)	30,765,357



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APR 30 2018

SOUTH TEXAS WATER AUTHORITY

*Nueces County Appraisal District
201 N. Chaparral, Ste. 206
Corpus Christi, Texas 78401-2503*

*Ramiro "Ronnie" Canales
Nueces County Chief Appraiser*

*Office: (361) 881-9978
Fax: (361) 887-6721
info@nuecescad.net*

April 27, 2018

Executive Director Carola Serrato
South Texas Water Authority
Kingsville, TX 78364

RE: 2018 Preliminary Estimate of Net Total Taxable Value - South Texas Water Authority

The State Property Tax Code, Section 26.01(e) requires the Chief Appraiser to prepare and certify to the assessor for each county, municipality, and school district participating in the appraisal district an estimate of the taxable value of property in that taxing unit by April 30th of each year.

We are providing you this ESTIMATE as required by law. We believe the Appraisal Review Board process which begins in May will probably change this estimate, lowering it most likely, before final certification of the tax roll in July.

Since the following number is only an **estimate** we suggest caution in using it for budget purposes. The value listed below is the Nueces County Appraisal District's **estimate** of net total taxable value.

2018 Preliminary Estimate of Net Total Taxable value: \$756,524,728

Submitted,

A handwritten signature in black ink, appearing to be "Ronnie", written over a large, stylized letter "R".

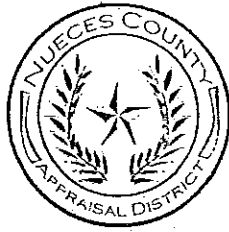
Ramiro "Ronnie" Canales, RPA,
Chief Appraiser

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APR 28 2017

SOUTH TEXAS WATER AUTHORITY



Nueces County Appraisal District
201 N. Chaparral, Ste. 206
Corpus Christi, Texas 78401-2503

Ramiro "Ronnie" Canales
Nueces County Chief Appraiser

Office: (361) 881-9978
Fax: (361) 887-6721
info@nuecescad.net

April 29, 2017

Ms. Carola Serrato Executive Director
South Texas Water Authority
P.O. Box 1701
Kingsville, TX 78364

RE: 2017 Preliminary Estimate of Net Total Taxable Value - South Texas Water Authority

Dear Ms. Serrato,

The State Property Tax Code, Section 26.01(e) requires the Chief Appraiser to prepare and certify to the assessor for each county, municipality, and school district participating in the appraisal district an estimate of the taxable value of property in that taxing unit by April 30th of each year.

We are providing you this ESTIMATE as required by law. We believe the Appraisal Review Board process which begins in May will probably change this estimate, lowering it most likely, before final certification of the tax roll in July.

Since the following number is only an estimate we suggest caution in using it for budget purposes. The value listed below is the Nueces County Appraisal District's estimate of net total taxable value.

2017 Preliminary Estimate of Net Total Taxable value: \$670,739,079

Sincerely,

A handwritten signature in black ink, appearing to read "Ronnie Canales", is written over a large, stylized, handwritten letter "R".

Ramiro "Ronnie" Canales, RPA,
Chief Appraiser

ATTACHMENT 5
TCEQ Enforcement Action

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: May 15, 2018
Re: Texas Commission on Environmental Quality (TCEQ) Enforcement Action

Background:

Last month's memo on this agenda item indicated that a second extension letter had been submitted for May 18, 2018 for the certification on the Driscoll LAS project. However, during last month's meeting, staff was able to report that Ms. Shay Roalson, HDR Engineering, Inc., had already provided the certification letter. At this time, staff is working on providing the information outlined in the attached email from Mr. Aaron Archer, Walker Partners, as part of the May 21st TCEQ Quarterly Report required under the Order.

Also, as the Board is aware, the TCEQ has offered assistance through their FMT (Financial, Managerial, and Technical) Program in the form of classes for field operators. Attached are emails between STWA and Texas Rural Water Association (TRWA) planning for these classes which will occur in four (4) sessions, each lasting two (2) days. The first of the two sessions will be held on May 29th and 30th and will be attended by O&M Supervisor Jacob Hinojosa, two field techs and me. The second session will be held on June 4th and 5th and will be attended by the same persons. According to my discussions with FMT TCEQ staff, STWA will be given an opportunity to provide feedback on the first sessions in order that adjustments to the information or curriculum can be made and incorporated into the second set of classes. Those classes will be attended by Field Foreman Dony Cantu and two more field techs on June 12th, 13th, 27th and 28th.

Analysis:

As reported last month, the next conference call is expected to occur during the week of June 4th. TCEQ staff has indicated that this should allow sufficient time for their review of the May 21st Quarterly Report. After that conference call, staff should be able to report if the TCEQ has agreed that February, March and April residuals are in compliance.

Staff Recommendation:

Keep the Board updated on the TCEQ Order.

Board Action:

Provide feedback to staff and consultants.

Summarization:

Staff believes that the information required by the Order is being provided in a timely fashion. Additionally, staff believes that any additional information requested by TCEQ has also been provided as expeditiously as possible. Finally, STWA is cooperating with TCEQ and TRWA on the FMT training, which is not a requirement of the Order, but will hopefully provide valuable information.

mcserrato@stwa.org

From: Aaron Archer <aarcher@walkerpartners.com>
Sent: Tuesday, May 15, 2018 10:47 AM
To: mcserrato@stwa.org
Subject: FW: Quarterly Report - Information Request

My email somehow auto-populated with your old email address even though I deleted that address. Resending...

AARON ARCHER, P.E.
Client Manager

Walker Partners
W 512.382.0021 M 512.587.0882

From: Aaron Archer
Sent: Tuesday, May 15, 2018 10:44 AM
To: Carola G. Serrato (cserrato@stwa.org)
Cc: Jacob Hinojosa (jhinojosa@stwa.org); Frances Rosales (fvrosales@stwa.org)
Subject: Quarterly Report - Information Request

Carola,

Sorry that I missed your call this morning. Below is a bulleted list of information needed for the quarterly report:

- Next round of meter readings & residuals (using October 2015 form per our conference call on 3/16/18)
- Colorimeter and CL17 verifications
- Latest and greatest ON Stevens WTP data (tables and plots)
- NAP data and documentation of any actions taken (on the last conference call, TCEQ stressed the importance of documenting actions taken for any triggers)
- Is there any update on coordination with FMT assistance that you want me to include in the report?
- Any Driscoll LAS project status documentation you want included. I was planning to submit the project completion letter from Shay but nothing else unless you have other information you want included.

I may come up with some supplemental requests as I starting pulling the report together.

Thanks,
Aaron

AARON ARCHER, P.E.
Client Manager



www.WalkerPartners.com
804 Las Cimas Parkway, Suite 150
Austin, Texas 78746

W 512.382.0021
M 512.587.0882

mcserrato@stwa.org

From: Jason Knobloch <jason.knobloch@trwa.org>
Sent: Tuesday, May 8, 2018 3:21 PM
To: mcserrato@stwa.org
Cc: Refugio P. Rodriguez, Jr.; Kenneth Dykes; Dony Cantu; Frances Rosales; Jacob Hinojosa; Jo Ella Wagner; Ross Brookbank; Rita Setser
Subject: Re: FMT Assistance

Ms. Serrato,

I'm not sure how the error occurred but I will correct the invites and resend. I do only have you down for May 29-30 and June 4-5.

Thank you,

Jason Knobloch
TRWA

Sent from my iPhone

On May 8, 2018, at 3:10 PM, "mcserrato@stwa.org" <mcserrato@stwa.org> wrote:

Jason,

I just left a voice mail message for you regarding two calendar acceptance emails. The "When" section on both emails is for three – not two – days. As I indicated in my voice mail message, please send revised emails for STWA to accept for May 29 and 30 as well as June 4 and 5.

With regards to the June 12 and 13 and June 27 and 28 dates, Jacob is double checking his calendar for field techs attending classes; but, it appears those dates should work.

Carola

Carola G. Serrato
Executive Director
South Texas Water Authority
PO Box 1701
Kingsville, Texas 78364
361-592-9323 x112

From: Jason Knobloch <jason.knobloch@trwa.org>
Sent: Monday, May 7, 2018 1:59 PM
To: mcserrato@stwa.org
Cc: Refugio P. Rodriguez, Jr. <Refugio.Rodriguez@trwa.org>; Kenneth Dykes <Kenneth.Dykes@tceq.texas.gov>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; Ross Brookbank <ross.brookbank@trwa.org>; Rita Setser <Rita.Setser@Tceq.Texas.Gov>
Subject: RE: FMT Assistance

Ms. Serrato,

Thank you for the quick response and offering some available dates. As mentioned before, we would like to break up the type of assistance to go over analytical techniques, sampling techniques, instrument calibrations, operating reports, and review SOPs that you have in place in one 2-day segment (May 29-30), and then do the Directed Assistance Modules (DAM) for Chloramines and Nitrification Action Plan on the next 2-day segment (June 4-5). We are only planning to do the assistance for half of your staff that so that we do not have them away from their regular duties all at one time. After we complete the first group we could then like to come back with the same process starting on June 12-13 and again June 27-28.

Please let me know if this schedule is agreeable to you and we will plan accordingly. If you have any questions or comments about the proposed layout or about the assistance in general, feel free to call or email me or Refugio Rodriguez.

Thank you again for your time,

Jason Knobloch
Environmental Services Director
Texas Rural Water Association
1616 Rio Grande | Austin Texas 78701
Phone 512.472.8591
Cell 512.915.7246
Fax 512.472.5186
www.trwa.org
Jason.Knobloch@trwa.org

PLEASE NOTE :

This message may contain information that is confidential. The information is intended solely for the use of the addressee(s). If you are not an addressee, your disclosure, copying, distribution or use of the contents of this message is prohibited. If this message has been sent to you in error, please notify the sender by return e-mail. Thank you.

From: mogserrato@stwa.org <mogserrato@stwa.org>
Sent: Monday, May 7, 2018 11:20 AM
To: Jason Knobloch <jason.knobloch@trwa.org>
Cc: Refugio P. Rodriguez, Jr. <Refugio.Rodriguez@trwa.org>; Kenneth Dykes <Kenneth.Dykes@tceq.texas.gov>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>
Subject: RE: FMT Assistance

Jason,

At this time, June 4 and 5 are open. The week of June 11th also looks clear. So 2 days out of that week can be selected. I would prefer not to have any days during the week of June 18. During the week of June 25th, all of the days are good except for June 26th.

Carola G. Serrato

Executive Director
South Texas Water Authority
PO Box 1701
Kingsville, Texas 78364
361-592-9323 x112

From: Jason Knobloch <jason.knobloch@trwa.org>
Sent: Monday, May 7, 2018 10:31 AM
To: mcgserrato@stwa.org
Cc: Refugio P. Rodriguez, Jr. <Refugio.Rodriguez@trwa.org>
Subject: FMT Assistance

Ms. Serrato,

After reviewing the schedule, we would like to postpone scheduling on the 15-16. We would like to start our first assistance visits on May 29-30.

When you have an opportunity, can you give me some dates that you would be available in June to proceed with the following assistance visits?

Thank you for your time,

Jason Knobloch
Environmental Services Director
Texas Rural Water Association
1616 Rio Grande | Austin Texas 78701
Phone 512.472.8591
Cell 512.915.7246
Fax 512.472.5186
www.trwa.org
Jason.Knobloch@trwa.org

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mcgserrato@stwa.org

From: FMT <FMT@tceq.texas.gov>
Sent: Friday, April 27, 2018 9:46 AM
To: mcgserrato@stwa.org
Cc: Kenneth Dykes; Joel Klumpp; Rita Setser; Alex Latham; 'Dony Cantu'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'; FMT
Subject: RE: TCEQ's free Financial, Managerial, and Technical Assistance - TX1370035 South Texas Water Authority

Good morning Ms. Serrato,

Thank you for letting us know that you have not been contacted by TRWA to schedule the assistance. I sincerely apologize for the delay. I spoke with TRWA this morning – they will contact you today to discuss scheduling. I've also made TRWA aware of the days that you and/or your staff are unavailable so they can accommodate STWA's availability.

Best Regards,

Jessika Gunn-Reece
Natural Resources Specialist
Response and Capacity Development Team
TCEQ Water Supply Division
Phone: 512-239-5278
Email: jessika.gunn-reece@tceq.texas.gov
FMT Assistance: FMT@tceq.texas.gov

From: mcgserrato@stwa.org [mailto:mcgserrato@stwa.org]
Sent: Thursday, April 26, 2018 5:06 PM
To: FMT <FMT@tceq.texas.gov>
Cc: Kenneth Dykes <Kenneth.Dykes@tceq.texas.gov>; Joel Klumpp <joel.klumpp@tceq.texas.gov>; Rita Setser <Rita.Setser@Tceq.Texas.Gov>; Alex Latham <Alex.Latham@Tceq.Texas.Gov>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>
Subject: RE: TCEQ's free Financial, Managerial, and Technical Assistance - TX1370035 South Texas Water Authority

Good Afternoon Jessika,

I am following up on our recent conversation as well as an update on schedules.

Our office has not been contacted by TRWA to discuss dates for the classes that we discussed. I got the impression that a class would be held prior to the next conference call during the week of June 4th.

I will am having a procedure done tomorrow and will be out of the office until Monday, May 7th. As I mentioned the week of May 7th is dedicated to reading retail meters for Nueces WSC and Ricardo WSC. Also, one of our licensed Field Techs will be in San Antonio May 22 – 24 attending a Distribution Class.

I will be receiving emails on my cell and will call in to check on voice mails.

Thanks,
Carola

Carola G. Serrato

Executive Director
South Texas Water Authority
PO Box 1701
Kingsville, Texas 78364
361-592-9323 x112

From: FMT <FMT@tceq.texas.gov>
Sent: Thursday, April 5, 2018 4:42 PM
To: mogserrato@stwa.org
Cc: Kenneth Dykes <Kenneth.Dykes@tceq.texas.gov>; Joel Klumpp <joel.klumpp@tceq.texas.gov>; Rita Setser <Rita.Setser@Tceq.Texas.Gov>; Alex Latham <Alex.Latham@Tceq.Texas.Gov>; FMT <FMT@tceq.texas.gov>
Subject: TCEQ's free Financial, Managerial, and Technical Assistance - TX1370035 South Texas Water Authority

Ms. Serrato,

As you're aware from your conversation today with Kenneth "Kenny" Dykes, TCEQ Response and Capacity Development Team Leader, the TCEQ offers public water systems such as TX1370035 South Texas Water Authority free on-site Financial, Managerial, and Technical (FMT) assistance. The purpose of this email is to provide you with additional information about available FMT assistance.

Attached, please find a *TCEQ FMT Assistance Contract Information Sheet* which briefly describes the types of assistance available. Also attached is our *Assistance Task List*. More information is available on the TCEQ's Free FMT Assistance for Public Water and Wastewater Systems webpage at <https://www.tceq.texas.gov/drinkingwater/fmt>. Please note the *Contract Information Sheet* references technical training; you can find a list of training workshops on the webpage under the "Technical Training Workshops" heading.

I hope this information is helpful. If you are interested in any additional training or assistance, please let us know at FMT@tceq.texas.gov. Feel free to contact us if you have any questions or concerns.

Best Regards,

Jessika Gunn-Reece
Natural Resources Specialist
Response and Capacity Development Team
TCEQ Water Supply Division
Phone: 512-239-5278
Email: jessika.gunn-reece@tceq.texas.gov

mcserrato@stwa.org

From: Alex Latham <Alex.Latham@Tceq.Texas.Gov>
Sent: Friday, April 27, 2018 11:19 AM
To: Jacob Hinojosa; Refugio P. Rodriguez, Jr.
Cc: Kenneth Dykes; Joel Klumpp; Rita Setser; Dony Cantu; Frances Rosales; Jo Ella Wagner; Carola G. Serrato; FMT; TRWA FMT Staff
Subject: RE: TCEQ's free Financial, Managerial, and Technical Assistance - TX1370035 South Texas Water Authority

Mr. Hinojosa,

I just left a message with you and said I would provide you with our assistance contractor, Mr. Rodriguez's, phone number through email: he can be reached at (512) 923-5812.

Mr. Rodriguez,

I was able to reach Mr. Hinojosa's phone by dialing STWA's main line at (361) 592-9323, selecting the option for staff directory, and entering his first name, Jacob, on the keypad (52262).

Please let me know if either of you have difficulty reaching each other to schedule training dates.

Thank you,

Alex Latham, E.I.T.
At-Risk, Receivership, and Temporary Management
Response and Capacity Development Team
TCEQ Water Supply Division
Phone: 512-239-6908
Email: alex.latham@tceq.texas.gov

How is our customer service? www.tceq.texas.gov/customersurvey

From: Carola G. Serrato [<mailto:mcserrato@stwa.org>]
Sent: Friday, April 27, 2018 11:00 AM
To: FMT <FMT@tceq.texas.gov>
Cc: Kenneth Dykes <Kenneth.Dykes@tceq.texas.gov>; Joel Klumpp <joel.klumpp@tceq.texas.gov>; Rita Setser <Rita.Setser@Tceq.Texas.Gov>; Alex Latham <Alex.Latham@Tceq.Texas.Gov>; Dony Cantu <dcantu@stwa.org>; Frances Rosales <fvrosales@stwa.org>; Jacob Hinojosa <jhinojosa@stwa.org>; Jo Ella Wagner <jwagner@stwa.org>
Subject: Re: TCEQ's free Financial, Managerial, and Technical Assistance - TX1370035 South Texas Water Authority

I am already out of the office today. TRWA can try contacting Jacob about dates.

Carola

Sent from my iPhone

On Apr 27, 2018, at 9:46 AM, FMT <FMT@tceq.texas.gov> wrote:

Good morning Ms. Serrato,

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Phone: 512-239-5278
Email: jessika.gunn-reece@tceq.texas.gov
FMT Assistance: FMT@tceq.texas.gov

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To: FMT <FMT@tceq.texas.gov>
Cc: Kenneth Dykes <Kenneth.Dykes@tceq.texas.gov>; Joel Klumpp <joel.klumpp@tceq.texas.gov>; Rita Setser <Rita.Setser@Tceq.Texas.Gov>; Alex Latham <Alex.Latham@Tceq.Texas.Gov>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>
Subject: RE: TCEQ's free Financial, Managerial, and Technical Assistance - TX1370035 South Texas Water Authority

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I will be receiving emails on my cell and will call in to check on voice mails.

Thanks,
Carola

Carola G. Serrato
Executive Director
South Texas Water Authority
PO Box 1701
Kingsville, Texas 78364
361-592-9323 x112

From: FMT <FMT@tceq.texas.gov>

Sent: Thursday, April 5, 2018 4:42 PM

To: mogserrato@stwa.org

Cc: [Kenneth Dykes <Kenneth.Dykes@tceq.texas.gov>](mailto:Kenneth.Dykes@tceq.texas.gov); [Joel Klumpp <joel.klumpp@tceq.texas.gov>](mailto:joel.klumpp@tceq.texas.gov); [Rita Setser <Rita.Setser@Tceq.Texas.Gov>](mailto:Rita.Setser@Tceq.Texas.Gov); [Alex Latham <Alex.Latham@Tceq.Texas.Gov>](mailto:Alex.Latham@Tceq.Texas.Gov); [FMT <FMT@tceq.texas.gov>](mailto:FMT@tceq.texas.gov)

Subject: TCEQ's free Financial, Managerial, and Technical Assistance - TX1370035 South Texas Water Authority

Ms. Serrato,

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I hope this information is helpful. If you are interested in any additional training or assistance, please let us know at FMT@tceq.texas.gov. Feel free to contact us if you have any questions or concerns.

Best Regards,

Jessika Gunn-Reece

Natural Resources Specialist

Response and Capacity Development Team

TCEQ Water Supply Division

Phone: 512-239-5278

Email: jessika.gunn-reece@tceq.texas.gov

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Stephanie Bergeron Perdue, *Interim Executive Director*



RECEIVED

APR 27 2018

SOUTH TEXAS WATER AUTHORITY

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 20, 2018

Ms. Carola Serrato, Executive Director
South Texas Water Authority
P.O. Box 1701
Kingsville, Texas 78364

Re: Third Amended Schedule for Compliance with Ordering Provisions
South Texas Water Authority; RN102683323
Docket No. 2011-1647-PWS-E; Enforcement Case No. 42510
Agreed Order Effective Date: November 22, 2016

Dear Ms. Serrato:

We are in receipt of your letter dated March 19, 2018, and follow-up electronic mail on April 10, 2018, which requested an amended schedule for completion of Ordering Provision No. 9.a of the above-referenced Agreed Order. The request also provided specific reasons for delays.

Based upon the reviewed information, we approve an amended schedule as requested. The new deadline for compliance with Ordering Provision No. 9.a is May 18, 2018.

Thank you for your continuing efforts to achieve compliance. If you have any questions, please contact Michael Tucker of the Enforcement Division staff at (512) 239-6924.

Sincerely,

A handwritten signature in cursive script that reads "Bryan Sinclair".

Bryan Sinclair, Director
Enforcement Division

ATTACHMENT 6

Driscoll LAS Project

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: May 15, 2018
Re: Driscoll Disinfection Booster Station – Conversion to Chloramination System

Background:

Enclosed are the latest emails related to the Driscoll LAS station. During the last Board meeting, the Board approved payment in full and release of retainage to Mercer Controls, Inc. (Mercer). Mercer agreed to provide a two-year warranty on the construction project. Enclosed is a copy of the warranty which was reviewed and approved by legal counsel.

Analysis:

In a recent Weekly Update and as discussed during last month's Board meeting, staff reported that the system is boosting the residual; however, the residual is not reaching the "desired residual" setting that is input into the computer system. Last Thursday, O&M Supervisor Jacob Hinojosa changed the desired residual from 4.5 mg/l to 5.0 mg/l using the system's remote-control feature. However, the Driscoll PLC display did not change from the previous setting. This matter has been brought to the attention of Mr. Sherrel Mercer. In addition, the ratio of chlorine to ammonia which had been set at 4.5:1 was changed to a 5:1 ratio. Staff believes that there has been some improvement in the results but not a marked one.

As such, information continues to be gathered and provided to Shay Roalson, HDR Engineering, Inc., at her request in order that she may discuss the results and possible factors preventing the system from reaching the desired residual. During a recent conversation with Ms. Roalson, various factors were discussed which could possibly prevent the residual from reaching the input desired residual setting such as the nitrification of certain segments of the 42" line, any impact of LAS dosing during the initial project start-up, any issues with the City of Corpus Christi's finished water, as well as discussing operation of the system in a manner that does not create any unintended issues with nitrification or disinfection byproducts.

Another topic of my conversation with Ms. Roalson was the improvement in residuals last year prior to the Driscoll LAS system startup and resulting from the City of Corpus Christi's use of chlorine dioxide and free chlorine burn. Enclosed is an email sent to Gabriel Ramirez, Corpus Christi Assistant Director of Water Quality and Treatment, inquiring about the exact date and whether any changes to that chemicals use has occurred. The response is that there has not been any change in the use of chlorine dioxide.

Staff Recommendation:

Keep the Board updated from time to time on the operation of the system, particularly as it relates to the TCEQ Order.

Board Action:

Provide feedback to staff.

Summarization:

Enclosed are recent results which are recorded in an Excel spreadsheet. The system has definitely improved the residuals and the TCEQ minimum residual requirement is being met.

From: mcserrato@stwa.org
Sent: Monday, May 14, 2018 5:26 PM
To: Sherrel Mercer (mercercontrols@aol.com)
Cc: 'Dony Cantu (dcantu@stwa.org)'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'
Subject: Settings - Override Problem - DR LAS System

Tracking:	Recipient	Read
	Sherrel Mercer (mercercontrols@aol.com)	
	'Dony Cantu (dcantu@stwa.org)'	
	'Frances Rosales'	
	'Jacob Hinojosa'	
	'Jo Ella Wagner'	
	Frances Rosales-De Leon	Read: 5/15/2018 8:28 AM
	Joella Wagner	Read: 5/15/2018 8:46 AM

Mr. Mercer,

As mentioned in previous discussions, there has been a problem with changing settings at the Kingsville computer and the Driscoll system either failing to accept the change or the display not changing. Last Thursday, Jacob changed the chlorine to LAS ratio from 4.5:1 to 5:1. Jacob did this from the computer in the Kingsville office. However, the field tech on call this weekend said it was still displaying 4.5:1 at the Driscoll station. We're not sure then which ratio it was operating under. We would like to correct this override problem. Please let me know if there is anything that our personnel need to do.

Thanks,
Carola

Carola G. Serrato
Executive Director
South Texas Water Authority
PO Box 1701
Kingsville, Texas 78364
361-592-9323 x112

mcserrato@stwa.org

From: Gabriel Ramirez <GabrielR@cctexas.com>
Sent: Friday, May 11, 2018 4:10 PM
To: mcserrato@stwa.org
Cc: Roalson, Shay; Aaron Archer; 'Dony Cantu'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'; Dan Grimsbo; Rafael Martinez
Subject: RE: City of Corpus Christi WTP Treatment Change - Chlorine Dioxide

Good afternoon Carola,

The City of Corpus Christi began using chlorine dioxide on April 17, 2017. Your dates below for the free chlorine disinfectant conversion are correct. We continue to use chlorine dioxide, and there have not been any changes to the use of chlorine dioxide since we began using it.

Thank you

Gabriel Ramirez
Assistant Director of Water Quality and Treatment
City of Corpus Christi Utilities Department
Office: 361-826-1202
Cell: 361-816-5208



From: mcserrato@stwa.org <mcserrato@stwa.org>
Sent: Friday, May 11, 2018 12:06 PM
To: Gabriel Ramirez <GabrielR@cctexas.com>
Cc: Roalson, Shay <Shay.Roalson@hdrinc.com>; Aaron Archer <aarcher@walkerpartners.com>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>
Subject: City of Corpus Christi WTP Treatment Change - Chlorine Dioxide

Good Morning Gabriel,

STWA continues to work on complying with a TCEQ Order regarding the disinfectant residual of the 42" transmission line extending from the ON Stevens WTP to Kingsville. A disinfection booster station injecting directly into the 42" line has been installed in Driscoll. However, STWA continues to work on optimizing its performance. STWA staff recalls that there was a noticeable improvement in the residual after the City performed the chlorine burn and then started using chlorine dioxide. We wanted to provide a date marker on our residual records to our consultants for analysis.

Therefore, I am wondering if you can provide an exact date when the City of Corpus Christi began using chlorine dioxide in its treatment process. Jacob and I have our notes from the February 3, 2017 meeting with CC staff prior to the use; however, knowing that construction timelines often change, we thought it best to get an exact date.

Our records indicate that the free chlorine burn was to begin on March 6, 2017 and continue until about May 1, 2017 with the addition of the chlorine dioxide in that same time frame – but, we don't have a date certain.

Additionally, I would appreciate any information that you can provide on whether there have been any changes to the use of this chemical since its initial introduction to the treatment process.

Thanks,

Carola

Carola G. Serrato
Executive Director

South Texas Water Authority

PO Box 1701

Kingsville, Texas 78364

361-592-9323 x112

mcserrato@stwa.org

From: mcserrato@stwa.org
Sent: Monday, May 14, 2018 5:21 PM
To: Roalson, Shay
Cc: Aaron Archer; 'Dony Cantu (dcantu@stwa.org)'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'
Subject: Monitoring Results
Attachments: DR LAS Before After Results Thr 05142018.xlsx

Attached is today's spreadsheet for the Before and After Results. We are now monitoring the before, CR 16 and Kingsville Prior to Injection.

As mentioned in previous emails, the desired residual was increased to 5.0. And, on Thursday last week, the ratio was changed from 4.5:1 to 5:1. Jacob did this from the computer in the Kingsville office. However, the field tech on call this weekend said it was still displaying 4.5:1 at the Driscoll station. We're not sure then which ratio it was operating under. I will be forwarding this information to Mr. Mercer to see why there is still an override problem.

Carola

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Driscoll Booster Station

BEFORE

AFTER

Day	Setting	Cylinder	Total	Free	Mono	FAA	Ratio	Total	Free	Mono	FAA	Calculated Difference
Tuesday, January 23, 2018	100%	1-ton	2.32	0.13	2.18	0.20	4:1	2.50	0.48	2.51	0.15	
Wednesday, January 24, 2018	100%	1-ton	2.34	0.21	2.20	0.19	4:1	2.56	0.15	2.70	0.23	
Thursday, January 25, 2018	100%	1-ton	2.34	0.17	2.40	0.18	4:1	2.84	0.15	2.85	0.16	
Friday, January 26, 2018	100%	1-ton	2.33	0.18	2.28	0.17	4:1	2.52	0.14	2.69	0.15	
Monday, January 29, 2018	100%	1-ton	2.25	0.21	1.99	0.18	4:1	2.48	0.19	2.33	0.15	
Tuesday, January 30, 2018	100%	1-ton	2.23	0.20	2.04	0.17	4:1	2.74	0.18	2.72	0.08	
Wednesday, January 31, 2018	100%	1-ton	2.16	0.17	1.93	0.18	4:1	2.68	0.17	2.57	0.12	
Thursday, February 1, 2018	100%	1-ton	2.14	0.30	1.99	0.17	4:1	2.29	0.20	2.28	0.15	
Friday, February 2, 2018	150%	1-ton	2.11	0.15	2.02	0.17	4:1	2.15	0.12	2.21	0.20	
Monday, February 5, 2018	150%	1-ton	2.34	0.17	2.32	0.24	4:1	2.75	0.18	2.57	0.07	
Tuesday, February 6, 2018	150%	150 lb	2.43	0.16	2.38	0.22	4:1	3.15	0.24	2.98	0.09	
Wednesday, February 7, 2018	150%	150 lb	2.36	0.12	2.25	0.24	4:1	3.10	0.13	2.96	0.03	
Thursday, February 8, 2018	100%	1-ton	2.24	0.13	2.31	0.26	4:1	1.94	0.17	1.57	0.00	
Friday, February 9, 2018	150%	1-ton	2.39	0.12	2.37	0.22	4:1	3.05	0.20	3.03	0.04	
Saturday, February 10, 2018	150%	150 lb	2.50	0.22	2.38	0.30	4:1	3.50	0.27	3.11	0.00	
Sunday, February 11, 2018	150%	150 lb	2.90	0.40	2.41	0.33	4:1	2.90	0.45	3.14	0.12	
Monday, February 12, 2018	150%	150 lb	2.34	0.14	2.07	0.19	4:1	2.70	0.15	2.59	0.00	
Thursday, February 15, 2018	150%	150 lb	2.29	0.22	2.16	0.18	4:1	2.08	0.21	1.51	0.00	
Friday, February 16, 2018	150%	150 lb	2.10	0.20	1.45	0.39	4:1	3.10	0.15	1.19	0.48	
Saturday, February 17, 2018	150%	150 lb	2.60	0.36	1.75	0.11	4:1	3.40	0.50	1.36	0.20	
Sunday, February 18, 2018	150%	150 lb	2.22	0.50	2.15	0.38	4:1	2.42	0.40	2.87	0.02	
Monday, February 19, 2018	150%	150 lb	2.17	0.21	2.10	0.09	4	1.66	0.19	1.14	0.00	
Tuesday, February 20, 2018	100%	New 1-ton	2.43	0.21	2.43	0.17	4	2.73	0.19	2.84	0.00	
Wednesday, February 21, 2018	100%	New 1-ton	2.56	0.27	2.36	0.20	4	2.97	0.28	2.86	0.07	
Thursday, February 22, 2018	100%	New 1-ton	1.88	0.11	1.87	0.20	4	2.76	0.23	2.53	0.00	
Friday, February 23, 2018	100%	New 1-ton	2.09	0.16	1.96	0.18	4	2.70	0.21	2.40	0.07	
Saturday, February 24, 2018	100%	New 1-ton	1.70	0.17	2.15	0.17	4	2.30	0.30	2.57	0.08	
Sunday, February 25, 2018	100%	New 1-ton	1.80	0.19	1.99	0.17	4	2.50	0.20	2.58	0.21	
Monday, February 26, 2018	100%	New 1-ton	2.00	0.08	2.15	0.18	4	2.80	0.23	2.58	0.05	
Tuesday, February 27, 2018	100%	New 1-ton	1.97	0.21	1.82	0.26	4	2.43	0.15	2.18	0.00	
Wednesday, February 28, 2018	100%	New 1-ton	1.86	0.11	1.76	0.27	4	2.36	0.28	2.25	0.05	Calculated Difference
Thursday, March 1, 2018	100%	New 1-ton	1.98	0.22	1.79	0.14	4	1.66	0.21	1.41	0.06	0

CL2 NH3

Driscoll Booster Station

BEFORE

AFTER

Day	Setting	Cylinder	Total	Free	Mono	FAA	Ratio			Total	Free	Mono	FAA	Calculated	Difference	
Friday, March 2, 2018	100%	New 1-ton	1.79	0.19	1.68	0.17	4	17	4	2.53	0.24	2.47	0.00	32	-28	
Saturday, March 3, 2018	100%	New 1-ton	2.90	0.08	1.71	0.12	4	6	2	3.40	0.30	2.78	0.13	11	-9	
Sunday, March 4, 2018	100%	New 1-ton	2.50	0.16	2.08	0.29	4	11	4	3.30	0.34	2.50	0.00	15	-11	
Monday, March 5, 2018	100%	New 1-ton	2.90	0.01	2.24	0.39	4	13	4	2.90	0.11	3.04	0.10	16	-12	
Tuesday, March 6, 2018	100%	New 1-ton	1.89	0.72	1.65	0.33	4	3	3	2.49	0.55	2.26	0.10	-1	4	
Wednesday, March 7, 2018	100%	New 1-ton	2.00	0.17	1.90	0.28	4	13	1	2.20	0.19	1.92	0.00	23	-22	
Thursday, March 8, 2018	100%	New 1-ton	2.30	0.16	1.93	0.42	4	13	2	2.10	0.09	2.11	0.00	11	-9	
Friday, March 9, 2018	100%	New 1-ton	1.54	0.08	1.42	0.25	4	11	3	2.31	0.18	2.14	0.00	20	-17	
Saturday, March 10, 2018	100%	New 1-ton	1.71	0.27	0.74	0.26	4	13	4	2.62	0.22	2.36	0.00	14	-10	
Sunday, March 11, 2018	100%	New 1-ton	2.21	0.44	1.89	0.25	4	13	4	2.55	0.24	2.29	0.02	15	-11	
Monday, March 12, 2018	100%	New 1-ton	1.89	0.17	1.87	0.24	4	14	3	2.81	0.26	2.53	0.02	19	-16	
Tuesday, March 13, 2018	100%	New 1-ton	2.25	0.11	2.08	0.27	4	20	5	2.10	0.22	1.84	0.12	25	-20	
Wednesday, March 14, 2018	100%	New 1-ton	2.47	0.28	2.05	0.23	4	5	8	2.92	0.26	2.75	0.58	-1	9	
Thursday, March 15, 2018	100%	New 1-ton	2.24	0.20	2.09	0.27	LAS	4	8	70	2.73	0.21	2.83	0.60	3	67
Friday, March 16, 2018	100%	New 1-ton	2.29	0.18	2.19	0.25	1.00	4	9	10	2.81	0.22	2.78	0.07	15	-5
Saturday, March 17, 2018	100%	New 1-ton	2.20	0.04	2.31	0.17	0.75	4	11	14	2.60	0.13	2.95	0.08	9	5
Sunday, March 18, 2018	100%	New 1-ton	2.40	0.12	2.37	0.16	0.50	4	13	32	3.40	0.29	3.13	0.20	18	14
Monday, March 19, 2018	100%	New 1-ton	2.49	0.30	2.21	0.17	0.50	4	13	32	3.05	0.28	2.93	0.26	26	6
Tuesday, March 20, 2018	100%	New 1-ton	2.30	0.17	2.29	0.18	0.40	4	8	27	2.73	0.22	2.67	0.29	6	21
Wednesday, March 21, 2018	100%	New 1-ton	2.70	0.14	2.87	0.25	0.30	4	15	48	3.50	0.18	3.70	0.51	27	21
Thursday, March 22, 2018	100%	New 1-ton	3.20	0.08	2.47	0.28	0.20	4	14	31	3.70	0.14	3.79	0.50	9	22
Friday, March 23, 2018	100%	New 1-ton	2.20	0.12	2.17	0.13	0.28	4	16	46	3.39	0.23	3.13	0.43	35	11
Saturday, March 24, 2018	100%	New 1-ton	2.60	0.16	2.45	0.39	0.38	4.50	8	32	3.40	0.24	3.51	0.51	-16	48
Sunday, March 25, 2018	100%	New 1-ton	2.50	0.15	2.45	0.36	0.40	4.50	10	26	3.00	0.27	2.94	0.22	8	18
Monday, March 26, 2018	100%	New 1-ton	2.48	0.19	2.27	0.32	0.40	4.50	17	45	3.43	0.20	3.21	0.32	11	34
Tuesday, March 27, 2018	100%	New 1-ton	2.35	0.25	2.25	0.25	0.45	4.50	13	36	3.39	0.25	2.97	0.39	9	27
Wednesday, March 28, 2018	100%	New 1-ton	2.10	0.23	1.95	0.24	0.50	4.50	14	22	2.95	0.24	2.87	0.26	22	0
Thursday, March 29, 2018	100%	New 1-ton	1.92	0.23	1.87	0.25	0.50	4.50	11	28	2.76	0.30	2.24	0.11	3	25
Friday, March 30, 2018	100%	New 1-ton	2.56	0.27	2.21	0.20	0.50	4.50	16	32	3.00	0.16	2.82	0.36	18	14
Saturday, March 31, 2018	100%	New 1-ton	2.43	0.21	2.18	0.19	0.50	4.50	10	21	2.42	0.18	1.98	0.03	11	10
Sunday, April 1, 2018	100%	New 1-ton	2.20	0.12	2.00	0.23	0.50	4.50	15	36	2.79	0.15	2.62	0.30	17	19
Monday, April 2, 2018	100%	New 1-ton	2.33	0.30	2.16	0.23	0.55	4.50	21	37	2.73	0.22	2.43	0.34	26	11

Driscoll Booster Station

BEFORE

AFTER

Day	Setting	Cylinder	Total	Free	Mono	FAA	Ratio				Total	Free	Mono	FAA	Calculated	Difference
Tuesday, April 3, 2018	100%	New 1-ton	2.27	0.21	2.02	0.21	0.55	4.50	11	20	3.08	0.20	2.84	0.26	16	4
Wednesday, April 4, 2018	100%	New 1-ton	2.22	0.13	2.19	0.18	0.55	4.50	17	35	3.03	0.22	2.95	0.20	18	17
Thursday, April 5, 2018	100%	New 1-ton	2.09	0.16	1.94	0.17	0.55	4.50	11	16	3.00	0.22	2.68	0.29	19	-3
Friday, April 6, 2018	100%	New 1-ton	2.01	0.15	1.76	0.19	0.55	4.50	20	35	2.93	0.21	2.86	0.10	26	9
Saturday, April 7, 2018	100%	New 1-ton	2.00	0.13	1.80	0.13	0.55	4.50	10	16	3.00	0.28	2.73	0.07	17	-1
Sunday, April 8, 2018	100%	New 1-ton	2.20	0.25	2.18	0.14	0.55	4.50	18	34	2.80	0.19	3.06	0.15	26	8
Monday, April 9, 2018	100%	New 1-ton	2.05	0.16	1.90	0.18	0.55	4.50	17	22	3.04	0.30	3.19	0.27	31	-9
Tuesday, April 10, 2018	100%	New 1-ton	2.13	0.25	1.90	0.18	0.55	4.50	16	30	2.89	0.26	2.34	0.40	22	8
Wednesday, April 11, 2018	100%	New 1-ton	2.08	0.25	1.78	0.29	0.55	4.50	7	12	2.08	0.14	1.78	0.29	2	10
Thursday, April 12, 2018	100%	New 1-ton	2.14	0.20	1.90	0.21	0.55	4.50	7	12	2.45	0.21	1.99	0.15	-5	17
Friday, April 13, 2018	100%	New 1-ton	2.18	0.19	1.89	0.29	0.65	4.50	10	14	2.79	0.27	2.28	0.24	11	3
Saturday, April 14, 2018	100%	New 1-ton	2.20	0.12	2.40	0.38	0.65	4.50	4	8	2.80	0.18	3.20	0.20	-4	12
Sunday, April 15, 2018	100%	New 1-ton	2.50	0.09	2.55	0.31	0.65	4.50	15	23	2.80	0.18	3.08	0.22	7	16
Monday, April 16, 2018	100%	New 1-ton	2.41	0.25	2.05	0.18	0.65	4.50	20	27	3.14	0.31	2.82	0.20	29	-2
Tuesday, April 17, 2018	100%	New 1-ton	2.53	0.16	2.27	0.27	0.18	4.50	13	16	3.04	0.21	2.98	0.16	5	11
Wednesday, April 18, 2018	100%	New 1-ton	2.36	0.17	2.24	0.36	0.27	4.50	10	9	3.18	0.29	2.95	0.21	4	5
Thursday, April 19, 2018	100%	New 1-ton	2.33	0.21	2.00	0.27	0.36	4.50	15	11	3.08	0.24	2.82	0.07	5	6
Friday, April 20, 2018	100%	New 1-ton	2.53	0.20	2.39	0.25	0.27	4.50	21	18	3.24	0.30	3.04	0.14	18	0
Saturday, April 21, 2018	100%	New 1-ton	2.66	0.20	2.48	0.17	0.25	4.50	13	11	3.27	0.27	3.23	0.09	11	0
Sunday, April 22, 2018	100%	New 1-ton	2.63	0.22	2.39	0.16	0.17	4.50	7	9	3.20	0.22	3.18	0.09	8	1
Monday, April 23, 2018	100%	New 1-ton	2.61	0.33	2.32	0.21	0.16	4.50	15	18	3.34	0.26	3.24	0.14	20	-2
Tuesday, April 24, 2018	100%	New 1-ton	2.33	0.20	2.09	0.25	0.21	4.50	12	13	3.14	0.24	2.89	0.20	10	3
Wednesday, April 25, 2018	100%	New 1-ton	2.15	0.18	1.84	0.27	0.25	4.50	17	18	2.51	0.19	2.30	0.09	9	9
Thursday, April 26, 2018	100%	New 1-ton	2.27	0.17	2.09	0.27	0.27	4.50	7	8	3.04	0.25	2.46	0.13	4	4
Friday, April 27, 2018	100%	New 1-ton	2.52	0.25	2.31	0.15	0.27	4.50	18	17	3.27	0.24	2.64	0.17	25	-8
Saturday, April 28, 2018	100%	New 1-ton	2.90	0.21	2.74	0.22	0.15	4.50	7	15	3.30	0.19	3.49	0.15	7	8
Sunday, April 29, 2018	100%	New 1-ton	2.40	0.21	2.45	0.17	0.22	4.50	17	22	3.20	0.27	3.37	0.12	18	4
April 30 - Desired set to 5.0	100%	New 1-ton	2.38	0.21	2.09	0.30	0.17	4.50	13	14	3.02	0.25	3.11	0.21	16	-2
Tuesday, May 1, 2018	100%	New 1-ton	2.38	0.22	2.02	0.31	0.30	4.50	22	22	3.26	0.27	3.08	0.20	15	7
Wednesday, May 2, 2018	100%	New 1-ton	2.45	0.17	2.10	0.32	0.31	4.50	11	13	3.24	0.24	3.04	0.22	11	2
Thursday, May 3, 2018	100%	New 1-ton	2.28	0.18	1.89	0.22	0.32	4.50	17	17	3.09	0.21	2.93	0.20	19	-2
Friday, May 4, 2018	100%	New 1-ton	2.47	0.24	2.15	0.21	0.22	4.50	14	19	3.32	0.29	2.94	0.16	13	6

Driscoll Booster Station

BEFORE

AFTER

Day	Setting	Cylinder	Total	Free	Mono	FAA	Ratio					Total	Free	Mono	FAA	Calculated	Difference
Saturday, May 5, 2018	100%	New 1-ton	2.30	0.20	2.35	0.26	0.21	4.50	7	13	2.61	0.25	2.30	0.04	0	13	
Sunday, May 6, 2018	100%	New 1-ton	2.30	0.15	2.16	0.24	0.26	4.50	20	24	2.73	0.21	2.75	0.10	29	-5	
Monday, May 7, 2018	100%	New 1-ton	2.25	0.29	1.84	0.27	0.24	4.50	12	16	2.89	0.24	2.76	0.11	9	7	
Tuesday, May 8, 2018	100%	New 1-ton	2.44	0.23	2.02	0.23	0.27	4.50	28	37	3.17	0.30	2.80	0.20	37	0	
Wednesday, May 9, 2018	100%	New 1-ton	2.35	0.38	2.08	0.23	0.23	4.50	5	23					-1	24	
Thursday, May 10, 2018	100%	New 1-ton	2.40	0.12	2.40	0.26	0.23	4.50	23	21					20	1	
Friday, May 11, 2018	100%	New 1-ton	2.57	0.33	2.26	0.22	0.26	4.50	22	20					21	-1	
Saturday, May 12, 2018	100%	New 1-ton	2.38	0.32	2.18	0.24	0.22	5.00	18	18					14	4	
Sunday, May 13, 2018	100%	New 1-ton	2.45	0.27	2.29	0.24	0.24	5.00	12	12					10	2	
Monday, May 14, 2018	100%	New 1-ton	2.49	0.19	2.11	0.26	0.24	5.00	23	25							

	Date	Total	Free	Mono	FAA
Upstream -CR 34	Fri Feb 9, 2018	2.62	0.14	2.98	0.14
Upstream -CR 34	Mon Feb 12, 2018	2.80	0.14	2.88	0.09
Upstream - FM 2826	Mon Feb 12, 2018	2.61	0.12	2.34	0.17
Upstream - KB Foundation	Mon Feb 12, 2018	2.23	0.10	2.22	0.25
Downstream - CR 16	Mon Feb 12, 2018	1.88	0.08	1.83	0.06
Downstream - CR 16	Thursday, March 1, 2018	2.27	0.25	2.16	0.14
Downstream - CR 16	Friday, March 2, 2018	2.18	0.21	2.01	0.05
Downstream - CR 16	Saturday, March 3, 2018	2.60	0.23	2.64	0.10
Downstream - CR 16	Sunday, March 4, 2018	1.70	0.19	1.54	0.09
Downstream - CR 16	Monday, March 5, 2018	2.20	0.22	2.11	0.08
Downstream - CR 16	Thursday, March 8, 2018	1.90	0.09	0.85	0.08
Downstream - CR 16	Friday, March 9, 2018	1.67	0.12	1.48	0.03
Downstream - CR 16	Saturday, March 10, 2018	2.15	0.37	1.72	0.00
Downstream - CR 16	Sunday, March 11, 2018	2.23	0.35	1.90	0.04
Downstream - CR 16	Monday, March 12, 2018	2.23	0.16	2.37	0.02
Downstream - CR 16	Thursday, March 15, 2018	2.72	0.27	2.58	0.58
Downstream - CR 16	Friday, March 16, 2018	2.77	0.44	2.46	0.44
Downstream - CR 16	Saturday, March 17, 2018	1.60	0.25	1.69	0.19
Downstream - CR 16	Saturday, March 17, 2018	2.80	0.15	1.65	0.19
Downstream - CR 16	Sunday, March 18, 2018	3.00	0.23	2.84	0.22
Downstream - CR 16	Sunday, March 18, 2018	3.00	0.24	2.84	0.23
Downstream - CR 16	Monday, March 19, 2018	2.75	0.40	2.33	0.26
Downstream - CR 16	Tuesday, March 20, 2018	2.82	0.99	2.56	0.30
Downstream - CR 16	Wednesday, March 21, 2018	3.00	0.26	3.19	0.55
Downstream - CR 16	Thursday, March 22, 2018	3.30	0.29	3.42	0.55
Downstream - CR 16	Friday, March 23, 2018	2.88	0.31	2.58	0.44
Downstream - CR 16	Saturday, March 24, 2018	3.00	0.34	3.35	0.17
Downstream - CR 16	Sunday, March 25, 2018	3.80	0.17	3.26	0.54
Downstream - CR 16	Monday, March 26, 2018	3.21	0.16	2.97	0.35
Downstream - CR 16	Tuesday, March 27, 2018	2.88	0.29	2.88	0.36
Downstream - CR 16	Wednesday, March 28, 2018	2.68	0.24	2.46	0.18
Downstream - CR 16	Thursday, March 29, 2018	2.71	0.23	2.70	0.26
Downstream - CR 16	Friday, March 30, 2018	2.74	0.36	3.35	0.16

LAS	Ratio
Setting	
1.00	4.00
0.75	4.00
0.75	4.00
0.50	4.00
0.50	4.00
0.50	4.00
0.40	4.00
0.30	4.00
0.20	4.00
0.28	4.00
0.38	4.50
0.40	4.50
0.40	4.50
0.45	4.50
0.50	4.50
0.50	4.50
0.50	4.50

REPEAT
REPEAT

	Date	Total	Free	Mono	FAA		
Downstream - CR 16	Saturday, March 31, 2018	2.58	0.24	2.34	0.25	0.50	4.50
Downstream - CR 16	Sunday, April 1, 2018	2.86	0.23	2.86	0.26	0.50	4.50
Downstream - CR 16	Monday, April 2, 2018	2.94	0.23	2.60	0.31	0.55	4.50
Kingsville MR Prior to Injection	Monday, April 2, 2018	2.16	0.13	2.04	0.43	0.55	4.5:1
Downstream - CR 16	Tuesday, April 3, 2018	2.95	0.22	2.85	0.27	0.55	4.5:1
Bishop East MR Prior to Inj.	Tuesday, April 3, 2018	2.69	0.34	2.45	0.38	0.55	4.5:1
Kingsville MR Prior to Injection	Tuesday, April 3, 2018	2.21	0.22	2.02	0.16	0.55	4.5:1
Downstream - CR 16	Wednesday, April 4, 2018	2.77	0.15	2.75	0.20	0.55	4.5:1
Bishop East MR Prior to Inj.	Wednesday, April 4, 2018	2.70	0.19	2.65	0.29	0.55	4.5:1
Kingsville MR Prior to Injection	Wednesday, April 4, 2018	2.48	0.13	2.26	0.38	0.55	4.5:1
Downstream - CR 16	Thursday, April 5, 2018	2.63	0.25	2.51	0.21	0.55	4.5:1
Bishop East MR Prior to Inj.	Thursday, April 5, 2018	2.50	0.21	2.36	0.37	0.55	4.5:1
Kingsville MR Prior to Injection	Thursday, April 5, 2018	2.36	0.18	2.02	0.31	0.55	4.5:1
Downstream - CR 16	Friday, April 6, 2018	2.53	0.25	2.30	0.19	0.55	4.5:1
Bishop East MR Prior to Inj.	Friday, April 6, 2018	2.58	0.23	2.19	0.34	0.55	4.5:1
Kingsville MR Prior to Injection	Friday, April 6, 2018	2.06	0.24	1.99	0.30	0.55	4.5:1
Downstream - CR 16	Saturday, April 7, 2018	2.30	0.20	1.82	0.20	0.55	4.5:1
Bishop East MR Prior to Inj.	Saturday, April 7, 2018	2.50	0.39	2.59	0.27	0.55	4.5:1
Kingsville MR Prior to Injection	Saturday, April 7, 2018	2.30	0.13	2.13	0.24	0.55	4.5:1
Downstream - CR 16	Sunday, April 8, 2018	2.60	0.13	2.59	0.11	0.55	4.5:1
Bishop East MR Prior to Inj.	Sunday, April 8, 2018	2.40	0.18	2.43	0.14	0.55	4.5:1
Kingsville MR Prior to Injection	Sunday, April 8, 2018	2.10	0.22	2.11	0.20	0.55	4.5:1
Downstream - CR 16	Monday, April 9, 2018	2.56	0.16	2.59	0.25	0.55	4.5:1
Bishop East MR Prior to Inj.	Monday, April 9, 2018	2.10	0.19	1.95	0.17	0.55	4.5:1
Kingsville MR Prior to Injection	Monday, April 9, 2018	2.00	0.14	1.96	0.31	0.55	4.5:1
Downstream - CR 16	Tuesday, April 10, 2018	2.88	0.20	2.77	0.30	0.55	4.5:1
Bishop East MR Prior to Inj.	Tuesday, April 10, 2018	2.20	0.31	1.96	0.27	0.55	4.5:1
Kingsville MR Prior to Injection	Tuesday, April 10, 2018	1.85	0.16	1.58	0.32	0.55	4.5:1
Downstream - CR 16	Wednesday, April 11, 2018	2.15	0.20	2.11	0.31	0.55	4.5:1
Bishop East MR Prior to Inj.	Wednesday, April 11, 2018	2.23	0.22	2.02	0.30	0.55	4.5:1
Kingsville MR Prior to Injection	Wednesday, April 11, 2018					0.55	4.5:1
Downstream - CR 16	Thursday, April 12, 2018	2.05	0.20	1.37	0.20	0.55	4.5:1
Bishop East MR Prior to Inj.	Thursday, April 12, 2018	2.52	0.31	2.10	0.29	0.55	4.5:1

	Date	Total	Free	Mono	FAA		
Kingsville MR Prior to Injection	Thursday, April 12, 2018	1.94	0.16	1.66	0.27	0.55	4.5:1
Downstream - CR 16	Friday, April 13, 2018	2.30	0.24	2.27	0.32	0.65	4.5:1
Bishop East MR Prior to Inj.	Friday, April 13, 2018	2.47	0.23	2.17	0.27	0.65	4.5:1
Kingsville MR Prior to Injection	Friday, April 13, 2018	1.65	0.21	1.41	0.28	0.65	4.5:1
Downstream - CR 16	Saturday, April 14, 2018	2.50	0.21	2.84	0.43	0.65	4.5:1
Bishop East MR Prior to Inj.	Saturday, April 14, 2018	2.10	0.21	2.76	0.13	0.65	4.5:1
Kingsville MR Prior to Injection	Saturday, April 14, 2018	1.90	0.32	1.95	0.37	0.65	4.5:1
Downstream - CR 16	Sunday, April 15, 2018	3.20	0.27	3.18	0.32	0.65	4.5:1
Bishop East MR Prior to Inj.	Sunday, April 15, 2018	2.30	0.09	1.94	0.42	0.65	4.5:1
Kingsville MR Prior to Injection	Sunday, April 15, 2018	2.10	0.11	2.24	0.41	0.65	4.5:1
Downstream - CR 16	Monday, April 16, 2018	3.05	0.18	2.82	0.20	0.65	4.5:1
Bishop East MR Prior to Inj.	Monday, April 16, 2018	1.82	0.22	1.58	0.37	0.65	4.5:1
Kingsville MR Prior to Injection	Monday, April 16, 2018	1.71	0.14	1.64	0.28	0.65	4.5:1
Downstream - CR 16	Tuesday, April 17, 2018	2.85	0.26	2.69	0.21	0.18	4.5:1
Bishop East MR Prior to Inj.	Tuesday, April 17, 2018	2.52	0.21	2.23	0.32	0.18	4.5:1
Kingsville MR Prior to Injection	Tuesday, April 17, 2018	1.95	0.21	1.62	0.52	0.18	4.5:1
Downstream - CR 16	Wednesday, April 18, 2018	2.64	0.21	2.68	0.22	0.27	4.5:1
Bishop East MR Prior to Inj.	Wednesday, April 18, 2018	2.75	0.38	2.54	0.39	0.27	4.5:1
Kingsville MR Prior to Injection	Wednesday, April 18, 2018	2.07	0.16	1.85	0.25	0.27	4.5:1
Downstream - CR 16	Thursday, April 19, 2018	2.73	0.23	2.57	0.12	0.36	4.5:1
Bishop East MR Prior to Inj.	Thursday, April 19, 2018	2.47	0.23	2.25	0.30	0.36	4.5:1
Kingsville MR Prior to Injection	Thursday, April 19, 2018	2.13	0.17	1.73	0.28	0.36	4.5:1
Downstream - CR 16	Friday, April 20, 2018	2.96	0.28	2.83	0.14	0.27	4.5:1
Bishop East MR Prior to Inj.	Friday, April 20, 2018	2.74	0.19	2.47	0.28	0.27	4.5:1
Kingsville MR Prior to Injection	Friday, April 20, 2018	2.50	0.23	2.38	0.23	0.27	4.5:1
Downstream - CR 16	Saturday, April 21, 2018	2.84	0.24	2.77	0.10	0.25	4.5:1
Bishop East MR Prior to Inj.	Saturday, April 21, 2018	1.78	0.13	1.64	0.24	0.25	4.5:1
Kingsville MR Prior to Injection	Saturday, April 21, 2018	2.20	0.12	2.04	0.25	0.25	4.5:1
Downstream - CR 16	Sunday, April 22, 2018	2.98	0.48	2.67	0.13	0.17	4.5:1
Bishop East MR Prior to Inj.	Sunday, April 22, 2018	2.40	0.22	1.97	0.21	0.17	4.5:1
Kingsville MR Prior to Injection	Sunday, April 22, 2018	1.94	0.22	1.69	0.24	0.17	4.5:1
Downstream - CR 16	Monday, April 23, 2018	2.93	0.11	2.66	0.19	0.16	4.5:1
Bishop East MR Prior to Inj.	Monday, April 23, 2018	2.46	0.23	2.11	0.19	0.16	4.5:1

	Date	Total	Free	Mono	FAA		
Kingsville MR Prior to Injection	Monday, April 23, 2018	1.86	0.24	1.63	0.24	0.16	4.5:1
Downstream - CR 16	Tuesday, April 24, 2018	2.81	0.22	2.66	0.18	0.21	4.5:1
Bishop East MR Prior to Inj.	Tuesday, April 24, 2018	2.04	0.17	1.81	0.26	0.21	4.5:1
Kingsville MR Prior to Injection	Tuesday, April 24, 2018	1.63	0.15	1.34	0.21	0.21	4.5:1
Ricardo PS 1	Tuesday, April 24, 2018	1.03	0.14	0.79	0.18	0.21	4.5:1
Ricardo PS 2	Tuesday, April 24, 2018	1.15	0.14	0.91	0.18	0.21	4.5:1
Ricardo PS 3	Tuesday, April 24, 2018	1.37	0.15	1.06	0.24	0.21	4.5:1
Downstream - CR 16	Wednesday, April 25, 2018	2.68	0.24	2.44	0.19	0.25	4.5:1
Bishop East MR Prior to Inj.	Wednesday, April 25, 2018	2.72	0.26	2.29	0.27	0.25	4.5:1
Kingsville MR Prior to Injection	Wednesday, April 25, 2018	2.11	0.23	1.85	0.27	0.25	4.5:1
Downstream - CR 16	Thursday, April 26, 2018	2.53	0.16	2.39	0.20	0.27	4.5:1
Bishop East MR Prior to Inj.	Thursday, April 26, 2018	2.51	0.16	2.25	0.31	0.27	4.5:1
Kingsville MR Prior to Injection	Thursday, April 26, 2018	2.23	0.14	2.22	0.24	0.27	4.5:1
Downstream - CR 16	Friday, April 27, 2018	2.84	0.22	2.67	0.20	0.27	4.5:1
Bishop East MR Prior to Inj.	Friday, April 27, 2018	2.39	0.20	2.10	0.32	0.27	4.5:1
Kingsville MR Prior to Injection	Friday, April 27, 2018	2.36	0.18	2.12	0.31	0.27	4.5:1
Downstream - CR 16	Saturday, April 28, 2018	2.80	0.21	2.99	0.16	0.15	4.5:1
Bishop East MR Prior to Inj.	Saturday, April 28, 2018	2.50	0.14	2.41	0.20	0.15	4.5:1
Kingsville MR Prior to Injection	Saturday, April 28, 2018	2.10	0.16	2.10	0.24	0.15	4.5:1
Downstream - CR 16	Sunday, April 29, 2018	3.00	0.24	2.91	0.20	0.22	4.5:1
Bishop East MR Prior to Inj.	Sunday, April 29, 2018	2.40	0.21	2.41	0.16	0.22	4.5:1
Kingsville MR Prior to Injection	Sunday, April 29, 2018	2.60	0.16	2.13	0.25	0.22	4.5:1
Downstream - CR 16	Monday, April 30, 2018	2.70	0.19	2.61	0.28	0.17	4.5:1
Bishop East MR Prior to Inj.	Monday, April 30, 2018	2.33	0.19	2.18	0.32	0.17	4.5:1
Kingsville MR Prior to Injection	Monday, April 30, 2018	1.94	0.18	1.84	0.15	0.17	4.5:1
Downstream - CR 16	Tuesday, May 1, 2018	2.96	0.24	2.86	0.15	0.30	4.5:1
Bishop East MR Prior to Inj.	Tuesday, May 1, 2018	2.57	0.26	2.18	0.26	0.30	4.5:1
Kingsville MR Prior to Injection	Tuesday, May 1, 2018	2.02	0.19	1.77	0.27	0.30	4.5:1
Downstream - CR 16	Wednesday, May 2, 2018	2.86	0.24	2.65	0.22	0.31	4.5:1
Bishop East MR Prior to Inj.	Wednesday, May 2, 2018	2.49	0.26	1.91	0.31	0.31	4.5:1
Kingsville MR Prior to Injection	Wednesday, May 2, 2018	2.28	0.20	1.99	0.24	0.31	4.5:1
Downstream - CR 16	Thursday, May 3, 2018	2.70	0.22	2.59	0.16	0.32	4.5:1
Bishop East MR Prior to Inj.	Thursday, May 3, 2018	2.27	0.21	1.93	0.21	0.32	4.5:1

Desired residual
increased to 5.0

	Date	Total	Free	Mono	FAA		
Kingsville MR Prior to Injection	Thursday, May 3, 2018	2.09	0.25	1.69	0.23	0.32	4.5:1
Downstream - CR 16	Friday, May 4, 2018	2.99	0.25	2.50	0.21	0.22	4.5:1
Bishop East MR Prior to Inj.	Friday, May 4, 2018	2.19	0.20	1.72	0.37	0.22	4.5:1
Kingsville MR Prior to Injection	Friday, May 4, 2018	2.16	0.24	1.76	0.25	0.22	4.5:1
Ricardo PS 1	Friday, May 4, 2018	1.63	0.18	1.32	0.23	0.22	4.5:1
Ricardo PS 2	Friday, May 4, 2018	1.68	0.20	1.31	0.23	0.22	4.5:1
Ricardo PS 3	Friday, May 4, 2018	1.57	0.15	1.26	0.24	0.22	4.5:1
Downstream - CR 16	Saturday, May 5, 2018	2.43	0.17	2.41	0.17	0.21	4.5:1
Bishop East MR Prior to Inj.	Saturday, May 5, 2018	2.13	0.22	1.85	0.47	0.21	4.5:1
Kingsville MR Prior to Injection	Saturday, May 5, 2018	1.97	0.16	1.91	0.32	0.21	4.5:1
Downstream - CR 16	Sunday, May 6, 2018	2.85	0.22	2.82	0.22	0.26	4.5:1
Bishop East MR Prior to Inj.	Sunday, May 6, 2018	2.08	0.13	2.07	0.20	0.26	4.5:1
Kingsville MR Prior to Injection	Sunday, May 6, 2018	2.30	0.13	2.34	0.33	0.26	4.5:1
Downstream - CR 16	Monday, May 7, 2018	2.91	0.27	2.59	0.25	0.24	4.5:1
Bishop East MR Prior to Inj.	Monday, May 7, 2018	2.23	0.20	1.76	0.35	0.24	4.5:1
Kingsville MR Prior to Injection	Monday, May 7, 2018	2.18	0.24	1.79	0.27	0.24	4.5:1
Downstream - CR 16	Tuesday, May 8, 2018	2.89	0.22	2.76	0.23	0.27	4.5:1
Bishop East MR Prior to Inj.	Tuesday, May 8, 2018	2.48	0.27	2.10	0.29	0.27	4.5:1
Kingsville MR Prior to Injection	Tuesday, May 8, 2018	1.96	0.21	1.66	0.14	0.27	4.5:1
Downstream - CR 16	Wednesday, May 9, 2018	2.86	0.45	2.53	0.09	0.23	4.5:1
Bishop East MR Prior to Inj.	Wednesday, May 9, 2018					0.23	4.5:1
Kingsville MR Prior to Injection	Wednesday, May 9, 2018	2.04	0.17	2.02	0.31	0.23	4.5:1
Downstream - CR 16	Thursday, May 10, 2018	2.92	0.20	3.07	0.18	0.23	4.5:1
Bishop East MR Prior to Inj.	Thursday, May 10, 2018					0.23	4.5:1
Kingsville MR Prior to Injection	Thursday, May 10, 2018	2.00	0.23	1.70	0.26	0.23	4.5:1
Downstream - CR 16	Friday, May 11, 2018	2.80	0.39	2.48	0.14	0.26	4.5:1
Bishop East MR Prior to Inj.	Friday, May 11, 2018					0.26	4.5:1
Kingsville MR Prior to Injection	Friday, May 11, 2018	2.40	0.18	2.64	0.12	0.26	4.5:1
Downstream - CR 16	Saturday, May 12, 2018	3.05	0.36	2.81	0.18	0.22	5.0:1
Bishop East MR Prior to Inj.	Saturday, May 12, 2018					0.22	5.0:1
Kingsville MR Prior to Injection	Saturday, May 12, 2018	2.33	0.31	2.12	0.23	0.22	5.0:1
Downstream - CR 16	Sunday, May 13, 2018	2.66	0.22	2.51	0.17	0.24	5.0:1
Bishop East MR Prior to Inj.	Sunday, May 13, 2018					0.24	5.0:1

	Date	Total	Free	Mono	FAA		
Kingsville MR Prior to Injection	Sunday, May 13, 2018	2.23	0.31	1.94	0.22	0.24	5.0:1
Downstream - CR 16	Monday, May 14, 2018	2.91	0.24	2.68	0.22	0.24	5.0:1
Bishop East MR Prior to Inj.	Monday, May 14, 2018					0.24	5.0:1
Kingsville MR Prior to Injection	Monday, May 14, 2018	2.64	0.18	2.52	0.24	0.24	5.0:1

Letter of Guarantee

To: South Texas Water Authority
P O Box 1701
Kingsville, Texas 78364

RE: Driscoll Chemical Feed System Additions
HDR Project 4696-10031798

Mercer Controls, Inc., hereby warrants and guarantees to the South Texas Water Authority that all work on the aforementioned project is complete in accordance with the Contract Documents. This warranty provides specific coverage to the South Texas Water Authority for repair or replacement, at our option, of any installed items discovered to be defective in materials or workmanship.

This warranty and guarantee excludes defects or damage caused by:

1. Abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
2. Normal wear and tear under normal usage.

This warranty shall commence effective March 14, 2018, and shall expire March 14, 2020.

Mercer Controls, Inc.



Steve Gabrysch
General Manager

mcgserrato@stwa.org

From: Bill Flickinger <bflickinger@wfaustin.com>
Sent: Thursday, May 3, 2018 2:21 PM
To: mcgserrato@stwa.org; Roalson, Shay
Cc: Aaron Archer; 'Dony Cantu'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'
Subject: RE: Driscoll LAS Final Payment and Warranty

Carola:

I would submit all the documents including the first sheet. The two-year warranty letter is in addition to the contractual provisions and the bonds cover one-year from substantial completion which in this case is the same date as final completion.

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

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From: mcgserrato@stwa.org [mailto:mcgserrato@stwa.org]
Sent: Thursday, May 3, 2018 2:04 PM
To: Bill Flickinger <bflickinger@wfaustin.com>; Roalson, Shay <Shay.Roalson@hdrinc.com>
Cc: Aaron Archer <aarcher@walkerpartners.com>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>
Subject: Driscoll LAS Final Payment and Warranty

Bill,

Attached are the signed documents for Mercer's final payment. I signed the first page of the attached file; however, I am wondering if this is needed based on Mercer providing a separate letter providing a 2-year warranty.

Please advise and STWA will send the payment to Mercer with copies of the applicable documents.

Carola

Carola G. Serrato
Executive Director

South Texas Water Authority

PO Box 1701

Kingsville, Texas 78364

361-592-9323 x112

mcgserrato@stwa.org

From: Bill Flickinger <bflickinger@wfaustin.com>
Sent: Monday, April 30, 2018 3:37 PM
To: Roalson, Shay; mcgserrato@stwa.org
Cc: Singer, Lisa; Beraset, Shaun D.; Allison Nix
Subject: RE: Driscoll Warranty

Dear Shay and Carola:

I recommend that we accept Mercer's Letter of Guarantee and forego the Contractor's Certification and Guarantee. Under that scenario there should be no extra charge by Mercer.

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

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From: Roalson, Shay [mailto:Shay.Roalson@hdrinc.com]
Sent: Sunday, April 29, 2018 6:43 PM
To: mcgserrato@stwa.org; Bill Flickinger <bflickinger@wfaustin.com>
Cc: Singer, Lisa <Lisa.Singer@hdrinc.com>; Beraset, Shaun D. <Shaun.Beraset@hdrinc.com>
Subject: RE: Driscoll Warranty

Carola and Bill –

Attached are the following:

- "Letter of Guarantee" provided by Mercer
- Our standard "Contractor's Certification and Guarantee"

Below is Mr. Mercer's response to being asked to complete the latter.

I understand Bill has already indicated that the document provided by Mercer satisfies STWA's requirements for a 2-year warranty. Please confirm that you therefore do not require the "Contractor's Certification and Guarantee."

Thank you,
Shay

Shay Ralls Roalson, PE
D 512.912.5106 M 512.426.9847

Texas TBPE Firm No. F-754

From: mercerccontrols@aol.com [<mailto:mercerccontrols@aol.com>]
Sent: Saturday, April 28, 2018 4:01 PM
To: Roalson, Shay; Singer, Lisa; Beroset, Shaun D.; mcgserrato@stwa.org; s.gabrysch@mercerccontrols.com; a.garza@mercerccontrols.com
Subject: Driscoll Warranty

Shay:

The warranty document the we sent to you was carefully lifted, almost intact, from the specifications for the Driscoll Chemical Feed project, General Conditions, Section 6.19. There is no modification of this language appearing in the Supplementary Conditions of the Contract.

I am sure that HDR is not interested in binding onto a contractor any conditions that are not within the Contract Documents. Accordingly, we request that you reconsider your request and accept the warranty letter that we provided.

One sentence from Section 6.19 was left out of our letter of guarantee, which identifies the extent to which the Engineer can rely on the warranty statement from the Contractor. Courts have routinely verified that there is no contractual relationship whatsoever between the Contractor and the Engineer, and therefore there can be no warranty obligation from the Contractor to the Engineer.

We also believe that the language offered in your document is flawed in that it tends to enforce protection of the Owner in spite of normal wear and tear, in conflict with section 6.19. In our industry, it is folly to attempt to compel the contractor to maintain something 100% new during a warranty period. The Owner is required to perform all routine maintenance items in order to keep the installation working during the warranty period.

There is also a statement in your form about the continuation of the Performance Bond during the warranty period. If the contract required a warranty, then the Performance Bond provides a third party surety to guarantee that repairs and defects will be resolved if in fact (but only if) the Contractor is unable to accomplish the repairs noted during the warranty period. Therefore, if the contract requires one year warranty, the Performance Bond is active during that one-year period.

Our voluntary offer of a two year warranty perhaps is unusual. It effectively allows you and the Owner to analyze three different approaches to extended coverage. First, the contract can be modified by change order to extend the warranty to two years. In that case, the warranty is probably secured by the Performance Bond alone. If the contract is not modified, there is a fee for the "Maintenance" or "Warranty" bond that secures the Owner during the second year of the warranty. That fee is \$986, and we did NOT include payment of any fee structure when we made the offer. The bonding company MAY choose to invoke that fee for the extended year term even if there is a contract change order, but we cannot determine this at present. The third option is to recognize that Mercer Controls is not going anywhere, and our reputation precedes us. The use of an outside surety to guarantee performance during the warranty period is a waste of effort. It provides effectively no added strength beyond our own signature.

Certificate of title in favor of the Owner to all material is implied by the waiver of lien that we provided, but we will identify it more tightly if you wish, in accord with your suggested warranty.

We await your answers.

MERCER CONTROLS INC./Sherrel A. Mercer Pres.

From: mercercontrols@aol.com
Sent: Saturday, April 28, 2018 4:01 PM
To: shay.roalson@hdrinc.com; lisa.singer@hdrinc.com; shaun.beroset@hdrinc.com; mcserrato@stwa.org; s.gabrysch@mercercontrols.com; a.garza@mercercontrols.com
Subject: Driscoll Warranty

Shay:

The warranty document the we sent to you was carefully lifted, almost intact, from the specifications for the Driscoll Chemical Feed project, General Conditions, Section 6.19. There is no modification of this language appearing in the Supplementary Conditions of the Contract.

I am sure that HDR is not interested in binding onto a contractor any conditions that are not within the Contract Documents. Accordingly, we request that you reconsider your request and accept the warranty letter that we provided.

One sentence from Section 6.19 was left out of our letter of guarantee, which identifies the extent to which the Engineer can rely on the warranty statement from the Contractor. Courts have routinely verified that there is no contractual relationship whatsoever between the Contractor and the Engineer, and therefore there can be no warranty obligation from the Contractor to the Engineer.

We also believe that the language offered in your document is flawed in that it tends to enforce protection of the Owner in spite of normal wear and tear, in conflict with section 6.19. In our industry, it is folly to attempt to compel the contractor to maintain something 100% new during a warranty period. The Owner is required to perform all routine maintenance items in order to keep the installation working during the warranty period.

There is also a statement in your form about the continuation of the Performance Bond during the warranty period. If the contract required a warranty, then the Performance Bond provides a third party surety to guarantee that repairs and defects will be resolved if in fact (but only if) the Contractor is unable to accomplish the repairs noted during the warranty period. Therefore, if the contract requires one year warranty, the Performance Bond is active during that one-year period.

Our voluntary offer of a two year warranty perhaps is unusual. It effectively allows you and the Owner to analyze three different approaches to extended coverage. First, the contract can be modified by change order to extend the warranty to two years. In that case, the warranty is probably secured by the Performance Bond alone. If the contract is not modified, there is a fee for the "Maintenance" or "Warranty" bond that secures the Owner during the second year of the warranty. That fee is \$986, and we did NOT include payment of any fee structure when we made the offer. The bonding company MAY choose to invoke that fee for the extended year term even if there is a contract change order, but we cannot determine this at present. The third option is to recognize that Mercer Controls is not going anywhere, and our reputation precedes us. The use of an outside surety to guarantee performance during the warranty period is a waste of effort. It provides effectively no added strength beyond our own signature.

Certificate of title in favor of the Owner to all material is implied by the waiver of lien that we provided, but we will identify it more tightly if you wish, in accord with your suggested warranty.

We await your answers.

MERCER CONTROLS INC./Sherrel A. Mercer Pres.

ATTACHMENT 7

City of Bishop Water Supply Contract

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: May 15, 2018
Re: City of Bishop - Revised Wholesale Water Supply Contract

Background:

As reported in a Weekly Update, the meeting scheduled for May 14th has been postponed. According to City Secretary Cynthia Contreras, Mayor Tem Miller has indicated that additional time is needed before the City is prepared to discuss the Water Supply Contract. Additionally, it appears based on a recent conversation with Ms. Contreras that the City may be utilizing the services of another attorney. She specifically referred to the other attorney needing time to become familiar with the matter.

Analysis:

This is an update only.

Staff Recommendation:

My recommendation is unchanged; contract negotiations with the City should occur by meeting in person.

Board Action:

Provide feedback to staff and/or legal counsel.

Summarization:

If the City has decided to secure the services of another attorney, progress on the contract negotiations, which have been at a near standstill for more than a year, may move forward.

mcserrato@stwa.org

From: bishopcitysecretary@corpus.twcbc.com
Sent: Friday, May 11, 2018 4:04 PM
To: mcserrato@stwa.org
Cc: mayormiller-bishop@corpus.twcbc.com; 'Gerald L. Benadum'; 'Bill Flickinger '; 'Ken Fields'
Subject: RE: meeting - STWA

Carola,

Thank you, once the Mayor has had time to meeting with the attorney, we will reschedule the meeting.

Respectfully,

Cynthia L. Contreras
City Secretary
City of Bishop
PO Box 356
Bishop, Texas 78343
361-584-2567 (phone)
361-584-3253 (fax)
bishopcitysecretary@corpus.twcbc.com

From: mcserrato@stwa.org <mcserrato@stwa.org>
Sent: Friday, May 11, 2018 2:19 PM
To: bishopcitysecretary@corpus.twcbc.com
Cc: mayormiller-bishop@corpus.twcbc.com; 'Gerald L. Benadum' <glbenadum@att.net>; 'Bill Flickinger ' <bflickinger@wfaustin.com>; 'Ken Fields' <kfields@mmjw-law.com>
Subject: RE: meeting - STWA

Cynthia,

Bill and I have discussed this change in plans. Our understanding from the April 27th email was that both subjects would be discussed saving both time and money for both STWA and NWSC.

As such, when will Mayor Miller be prepared to discuss both topics? We are open to rescheduling in a couple of weeks.

Carola

Carola G. Serrato
Executive Director
South Texas Water Authority

Carola G. Serrato
General Manager
Nueces Water Supply Corporation

From: bishopcitysecretary@corpus.twcbc.com <bishopcitysecretary@corpus.twcbc.com>
Sent: Friday, May 11, 2018 1:57 PM
To: mogserrato@stwa.org
Cc: mayormiller-bishop@corpus.twcbc.com; 'Gerald L. Benadum' <gibenadum@att.net>; 'Bill Flickinger ' <bflickinger@wfaustin.com>; 'Ken Fields' <kfields@mmjw-law.com>
Subject: RE: meeting - STWA
Importance: High

Carola,

Yes, just the Bishop Courts matter.

Cynthia L. Contreras
City Secretary
City of Bishop
PO Box 356
Bishop, Texas 78343
361-584-2567 (phone)
361-584-3253 (fax)
bishopcitysecretary@corpus.twcbc.com

From: mogserrato@stwa.org <mogserrato@stwa.org>
Sent: Friday, May 11, 2018 11:32 AM
To: bishopcitysecretary@corpus.twcbc.com
Cc: mayormiller-bishop@corpus.twcbc.com; 'Gerald L. Benadum' <gibenadum@att.net>; 'Bill Flickinger ' <bflickinger@wfaustin.com>; 'Ken Fields' <kfields@mmjw-law.com>
Subject: RE: meeting - STWA

Cynthia,

Just to be clear, the Mayor is prepared to discuss the Bishop Courts matter. Correct?

Mr. Flickinger was prepared to share the cost of his travel time – about 8 hours – between STWA and NWSC.

Carola G. Serrato
General Manager
Nueces Water Supply Corporation
PO Box 415
Kingsville, Texas 78364
361-592-1720 x112

From: bishopcitysecretary@corpus.twcbc.com <bishopcitysecretary@corpus.twcbc.com>
Sent: Friday, May 11, 2018 11:14 AM
To: Carola G. Serrato <mogserrato@stwa.org>

Cc: mayormiller-bishop@corpus.twcbc.com; **Gerald L. Benadum** <gibenadum@att.net>; **Bill Flickinger** <bflickinger@wfaustin.com>; **Ken Fields** <kfields@mmiw-law.com>

Subject: meeting - STWA

Importance: High

Good morning Carola,

Mayor Miller has asked me to notify you, that he is not prepared to discuss the proposed water supply contract between the City of Bishop and South Texas Water Authority. Mayor Miller will get in touch with everyone and reschedule a meeting on this topic.

Respectfully,

Cynthia L. Contreras

City Secretary

City of Bishop

PO Box 356

Bishop, Texas 78343

361-584-2567 (phone)

361-584-3253 (fax)

bishopcitysecretary@corpus.twcbc.com

ATTACHMENT 8

Supplemental Easement – CR 38 in Agua Dulce

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: May 14, 2018
Re: AEP Offered Easement – Agua Dulce Pump Station – Amendment to Current Easement

Background:

Last month the Board reviewed a letter from Right of Way Services, Inc. (ROWS) acting on behalf of AEP Texas (AEP) regarding an existing easement on South Texas Water Authority's (STWA) Agua Dulce Pump Station property located on CR 38. The letter included an amendment to the existing easement by adding metes and bounds description. Additionally, AEP was offering \$573 for the amendment. Unfortunately, it was not clear according to the description and exhibit whether or not the boundaries of the easement would encroach into the fenced area of the pump station. Prior to the meeting, ROWS agreed to have the southeast and southwest corners marked in order to make that determination. Attached are two (2) photos showing those corners are about twelve feet (12') into the fenced area. Also attached is an email to Brent Starr, ROWS, providing that information.

Analysis:

During the last meeting, the Board authorized staff to work with ROWS and AEP to negotiate an amendment that would improve upon the existing easement – which does not include any specifics on the exact location – and not infringe on the fenced area of the Agua Dulce Pump Station. Staff will continue to work towards that goal. Once reached, as authorized by the Board, staff will execute the amendment.

Staff Recommendation:

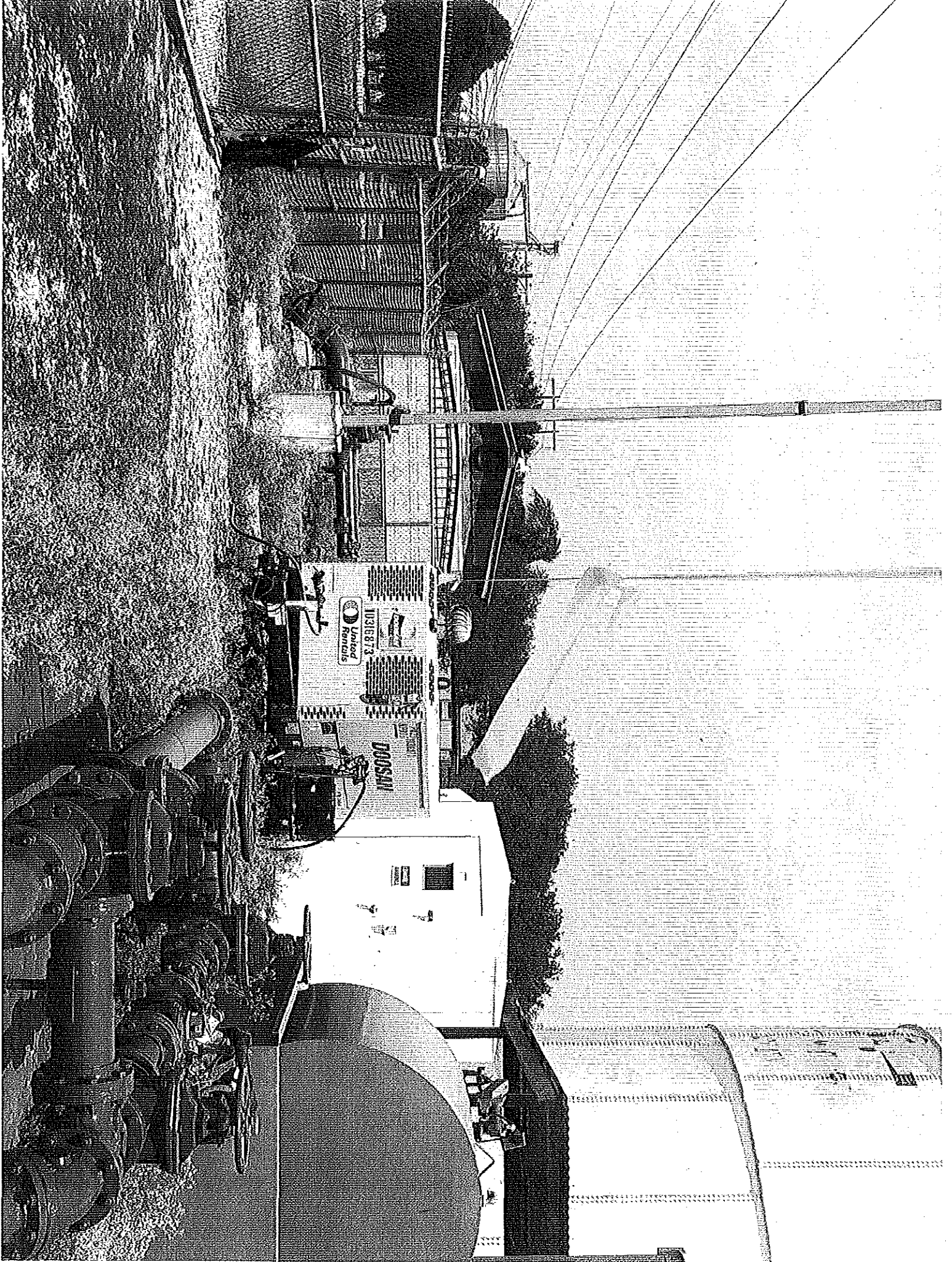
This is an update only. Staff will keep the Board informed of any developments.

Board Action:

Provide feedback to staff.

Summarization:

Amending the easement will delineate the area that AEP is entitled to utilize.





mcserrato@stwa.org

From: Brent Starr <bstarr@rowsinc.com>
Sent: Tuesday, May 15, 2018 8:07 AM
To: mcserrato@stwa.org
Cc: 'Dony Cantu'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'
Subject: RE: AEP Easement - STWA Agua Dulce PS

Carola,

I will see what I can get done to get it out of the pump station.
Thanks,

Brent Starr



*P.O. Box 69
Alice, Texas 78332
361-664-8973 office
361-701-8149 mobile
361-664-6718 fax
bstarr@rowsinc.com*

From: mcserrato@stwa.org [mailto:mcserrato@stwa.org]
Sent: Monday, May 14, 2018 11:49 AM
To: Brent Starr
Cc: 'Dony Cantu'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'
Subject: AEP Easement - STWA Agua Dulce PS

Good Morning Brent,

Thank-you for having the southeast and southwest corners of the proposed easement marked at the STWA Agua Dulce PS. Attached are two photos of those corners. The stakes have been marked with inserted red arrows to see them clearer. Unfortunately, the south boundary line that would be created by those two corners is about 12 feet into the fenced area of the pump station.

STWA is still willing to consider an easement amendment but that south line would need to be moved north.

Carola

Carola G. Serrato
Executive Director
South Texas Water Authority
PO Box 1701
Kingsville, Texas 78364
361-592-9323 x112