

MEMORANDUM

TO: South Texas Water Authority Board of Directors
FROM: Kathleen Lowman, President
DATE: August 26, 2019
SUBJECT: Meeting Notice and Agenda for the South Texas Water Authority

A public hearing of the STWA Board of Directors is scheduled for:

Tuesday, September 3, 2019

5:30 p.m.

South Texas Water Authority
2302 East Sage Road
Kingsville, Texas

Agenda

1. Call to order.
2. Public Hearing on **proposed** \$0.086911 per \$100 valuation tax rate for Fiscal Year 2020/Tax Year 2019.
3. Public Comment.
4. Adjournment.

KL/CGS/fdl

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 12:00 am on August 30, 2019.

Frances DeLeon
Assistant Secretary

MEMORANDUM

TO: South Texas Water Authority Board of Directors
FROM: Kathleen Lowman, President
DATE: August 26, 2019
SUBJECT: Public Hearing Notice and Agenda for the South Texas Water Authority

A public hearing of the STWA Board of Directors is scheduled for:

Tuesday, September 3, 2019

5:40 p.m.

South Texas Water Authority
2302 East Sage Road
Kingsville, Texas

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

Agenda

1. Call to order.
2. Petition for Addition of Certain Lands to the South Texas Water Authority.
 - a. Don K. Mikeman and Penny Mikeman – Tract Three (3), Cyndie Park Unit 2 in Nueces County Texas and Tract Four (4), Cyndie Park Unit 2 in Nueces County, Texas
 - b. Sandra L. Acosta – Cyndie Park Unit 1, Tract 16 & 17 in Nueces County, Texas
 - c. Eva Helene Perez – Tract Twenty-three (23), Cyndie Park Unit 1, Nueces County, Texas
3. Public Comment
4. 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

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 12:00 p.m. on August 30, 2019.
James DeLeon
Assistant Secretary

MEMORANDUM

TO: South Texas Water Authority Board of Directors
FROM: Kathleen Lowman, President
DATE: August 26, 2019
SUBJECT: Meeting Notice and Agenda for the South Texas Water Authority

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

Tuesday, September 3, 2019
5:45 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. Bids for tank liner for the Driscoll Ground Storage Tank. (Attachment 3)
6. **Resolution 19-47.** Resolution awarding the bid for a tank liner for the Driscoll Ground Storage Tank. (Attachment 4)
7. Fiscal Year 2020 budget, revenues and rates. (Attachment 5)
8. **Resolution 19-49.** Resolution adopting the recommended Fiscal Year 2020 budget. (Attachment 6)
9. **Resolution 19-50.** Resolution adopting the Fiscal Year 2020/Tax Year 2019 tax rate. (Attachment 7)

10. Nueces County project for construction of Banquete Pump Station to serve the Nueces Water Control and Improvement District #5 (Banquete) and Nueces Water Supply Corporation. (Attachment 8)
11. License Agreement with City of Bishop for Pump Station Facilities. (Attachment 9)
12. Water Supply Contract with the City of Driscoll. (Attachment 10)
13. **Resolution 19-51.** Resolution approving Annexation of Certain Lands to the South Texas Water Authority (Don K. Mikeman and Penny Mikeman – Tract Three (3), Cyndie Park Unit 2 in Nueces County Texas and Tract Four (4), Cyndie Park Unit 2 in Nueces County, Texas). (Attachment 11)
14. **Resolution 19-52.** Resolution approving Annexation of Certain Lands to the South Texas Water Authority (Sandra L. Acosta – Cyndie Park Unit 1, Tract 16 & 17 in Nueces County, Texas). (Attachment 12)
15. **Resolution 19-53.** Resolution approving Annexation of Certain Lands to the South Texas Water Authority (Eva Helene Perez – Tract Twenty-three (23), Cyndie Park Unit 1, Nueces County, Texas). (Attachment 13)
16. Petition for Addition of Certain Lands to the South Texas Water Authority and setting of public hearing date, time and place. (Attachment 14)
 - a. Jakob Parks – Tract Eight (8), CYNDIE PARK UNIT 2 in Nueces County, Texas
 - b. Arnold Flores and Sarah Flores – Lot 33 and the southwest ½ of Lot 32, Cyndie Park Unit 1, Nueces County, Texas
17. **Resolution 19-54.** Resolution of determination of validity of Petition for Addition of Certain Lands to the South Texas Water Authority and setting the date, time and place for a public hearing and authorizing publication of public hearing notice. (Jakob Parks) (Attachment 15)
18. **Resolution 19-55.** Resolution of determination of validity of Petition for Addition of Certain Lands to the South Texas Water Authority and setting the date, time and place for a public hearing and authorizing publication of public hearing notice. (Arnold and Sarah Flores) (Attachment 16)
19. House Bill No. 2840 and rules regarding the public's right to address the Board of Directors of South Texas Water Authority during an open meeting. (Attachment 17)
20. **Resolution 19-56.** Resolution adopting Rules Regarding Public's Right to Address the Board of Directors of South Texas Water Authority. (Attachment 18)
21. STWA Depository bids. (Attachment 19)

22. Voltus (Qualified Scheduling Entity – QSE) Demand Response and Peak Saver Agreement – ERCOT Program to avoid brownouts/blackouts. (Attachment 20)

23. City of Corpus Christi Rate Model – NewGen Strategies review. (Attachment 21)

24. 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
Attachment

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
1200 am on August 30, 2019.
James De Jean
Assistant Secretary

ATTACHMENT 1

Approval of Minutes

SOUTH TEXAS WATER AUTHORITY
Public Hearing
July 30, 2019
Minutes

Board Members Present:

Kathleen Lowman
Lupita Perez
Brandon Barrera
Patsy Rodgers
Jose Graveley

Board Members Absent:

Rudy Galvan, Jr.
Filiberto Treviño
Steven Vaughn

Staff Present:

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

Guests Present:

None

1. Call to Order.

Ms. Kathleen Lowman, Board President, called the Public Hearing of the STWA Board of Directors to order at 5:33 p.m.

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

a. Stephanie Lynn Ramirez – Tract 9-H, The Ranch in Nueces County, Texas

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


3. Public Comment.

Ms. Lowman called for public comment. No comments from the public were made.

4. Adjournment.

With no further business to discuss, Ms. Lowman adjourned the Public Hearing at 5:37 p.m.

Respectfully submitted,


Frances De Leon
Assistant Secretary

SOUTH TEXAS WATER AUTHORITY
Regular Board of Directors Meeting
July 30, 2019
Minutes

Board Members Present:

Kathleen Lowman
Brandon Barrera
Jose Graveley
Lupita Perez
Patsy Rodgers

Board Members Absent:

Rudy Galvan, Jr.
Filiberto Treviño
Steven Vaughn

Staff Present:

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

Guests Present:

None

1. Call to Order.

Ms. Kathleen Lowman, Board President, called the Regular Meeting of the STWA Board of Directors to order at 5:40 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 member's oath of office.

Ms. Wagner administered the Oath of Office to Mr. Jose M. Graveley who was appointed by the Kleberg County Commissioner's Court to Place 5 on the Board of Directors to replace Dr. Alberto Ruiz.

4. Election of officers (Vice-President).

Ms. Lowman made a motion to elect Mr. Barrera as Vice-President. Ms. Rodgers seconded. All voted in favor.

5. Approval of Minutes.

Ms. Rodgers made a motion to approve the minutes of the June 25, 2019 Public Hearing and Regular Meeting as presented. Mr. Barrera seconded. The motion passed by unanimous vote.

8. Resolution 19-39. Resolution adopting the appraisal roll for the South Texas Water Authority's district in Kleberg County for tax year 2019.

After reviewing the Kleberg County appraisal roll for tax year 2019, Ms. Rodgers made a motion to approve resolution 19-39. Ms. Perez seconded the motion. The motion carried.

9. Resolution 19-40. Resolution adopting the appraisal roll for the South Texas Water Authority's district in Nueces County for tax year 2019.

Following review of the Nueces County appraisal roll for tax year 2019, Ms. Rodgers made a motion to approve resolution 19-40. Ms. Perez seconded the motion. The motion passed by unanimous vote.

10. Preliminary Fiscal Year 2020 Budget.

Ms. Serrato presented an updated preliminary Fiscal Year 2020 Budget which included updated tax collection fees, appraisal district fees and the cost of water from the City of Corpus Christi. Although Certified Appraisal Rolls from Kleberg and Nueces County Appraisal Districts have been received, the Kleberg County roll shows about \$51,000,000 in values still under ARB review. The budgets are based on a total taxable value using 62.5% of the value still under protest. She also noted that the I&S rate was lower because of the increase in the tax base, but the preliminary budget is based on the same M&O rate and Handling Charge. Otherwise, the budget is similar to what was presented at the last meeting. No changes were requested by the Board.

11. Proposed Fiscal Year 2020/Tax Year 2019 tax rate and authorization to publish notice of public hearing.

Ms. Serrato presented the Water District Notice of Public Hearing on Tax Rate reflecting a proposed total tax rate of \$0.086911/\$100 valuation comprised of a Maintenance & Operation tax rate of \$0.070059/\$100 and an Interest & Sinking tax rate of \$0.016852. The proposed total tax rate is slightly higher than the current total tax rate of \$0.085170. The public hearing is scheduled for September 3, 2019. Ms. Rodgers made a motion to authorize staff to publish the Water District Notice of Public Hearing on Tax Rate. Mr. Graveley seconded. All voted in favor.

12. Commitment Letter to provide funds for construction of Banquete Pump Station to serve the Nueces Water Control and Improvement District #5 (Banquete) and Nueces Water Supply Corporation.

Ms. Serrato stated that in order for Nueces County to re-bid for construction of the new pump station in Banquete, a commitment letter is needed from STWA. She feels that the proposed budget reflects availability of between \$350,000 to \$360,000. She added that at the last NWSC meeting, the NWSC Board agreed to provide between \$105,000 and \$110,000 and she will request a letter of commitment for those funds at their next meeting. Mr. Barrera made a motion to authorize Ms. Serrato to provide a commitment letter to Nueces County for the construction of the Banquete Pump Station in the amount of \$355,000. Ms. Perez seconded. All voted in favor.

13. License Agreement with City of Bishop for Pump Station Facilities.

Ms. Serrato reported that the City of Bishop is scheduled to meet on July 31st and she plans to attend the meeting. Some of the unresolved issues include that STWA will not relinquish its right to take legal action on future issues related to the property, the City's stance against STWA purchasing the property outright and questions pertaining to the terms "prevailing risks" and "prevailing liability costs and risks." No action was taken by the Board.

14. Water Supply Contract with the City of Driscoll.

Ms. Serrato stated that she has not received a return call from Driscoll Mayor Mark Gonzalez. She will attend Driscoll's next commission meeting which is scheduled for August 7th. She had nothing further to report.

15. Letter of Engagement with John Womack and Company, P.C. for Independent Auditor Services for FY 2019.

The Board reviewed the Letter of Engagement from John Womack and Company for the fiscal year ending September 30, 2019. Ms. Serrato stated that the cost is \$8,925 which is the same as last year's cost. She added that \$9,475 has been budgeted for the audit including \$550 to cover the cost of another firm that will oversee Womack's audit process. She recommended approval of the Letter of Engagement. Mr. Barrera made a motion to approve the Letter of Engagement with John Womack and Company, P.C. for Independent Auditor Services for FY 2019. Ms. Rogers seconded. All voted in favor.

16. Nomination for filling of vacancy on Kleberg County Appraisal District Board of Directors for term ending December 31, 2019.

Ms. Serrato stated that a vacancy exists on the Kleberg County Appraisal District Board of Directors due to the passing of one of the directors. She asked that the Board consider making a nomination for the position. Mr. Barrera nominated Mr. Al Higginbotham for the vacancy for the term ending December 31, 2019. No other nominations were made.

17. Resolution 19-41. Resolution submitting one nominee to fill a vacancy on the Kleberg County Appraisal District Board of Directors.

Mr. Barrera made a motion to adopt Resolution 19-41 submitting the name of Al Higginbotham as a nominee to fill the vacancy on the Kleberg County Appraisal District Board of Directors for the term ending December 31, 2019. Ms. Perez seconded the motion. All voted in favor.

18. Kleberg County Appraisal District 2019 Election process for Board of Director Election for 2020 and 2021 Board Members.

Ms. Serrato stated that according to a letter from Kleberg County Appraisal District, there appears to be two opportunities for the STWA Board to nominate persons for the KCAD Board of Directors during their 2019 election process for the 2020 and 2021 terms. Mr. Barrera stated

that he would like to nominate Mr. Al Higginbotham. Ms. Rodgers seconded. All were in favor. Ms. Serrato recommended that Mr. Barrera discuss the matter with Mr. Higginbotham.

19. **Resolution 19-42. Resolution approving Annexation of Certain Lands to the South Texas Water Authority. (Stephanie Lynn Ramirez – Tract 9-H, The Ranch in Nueces County, Texas)**

Ms. Serrato stated that approval of Resolution 19-42 finalizes the annexation process of this property and recommended adoption of the resolution. Ms. Rodgers made a motion to adopt Resolution 19-42. The motion was seconded by Ms. Perez and passed unanimously.

20. **Petition for Addition of Certain Lands to the South Texas Water Authority and setting of public hearing date, time and place.**
- a. **Don K. Mikeman and Penny Mikeman – Tract Three (3), Cyndie Park Unit 2 in Nueces County Texas and Tract Four (4), Cyndie Park Unit 2 in Nueces County, Texas**
 - b. **Sandra L. Acosta – Cyndie Park Unit 1, Tract 16 & 17 in Nueces County, Texas**
 - c. **Eva Helene Perez – Tract Twenty-three (23), Cyndie Park Unit 1, Nueces County, Texas**

Ms. Serrato stated that these property owners recently approached the Nueces Water Supply Corporation requesting service outside of the Authority's district boundaries as a result of the ongoing project to extend water service to the Cyndie Park area. Requesting annexation is the first step in the process to obtain service on the property. Ms. Serrato recommended approval of Resolution 19-43, 19-44 and 19-48 setting the Public Hearing on September 3, 2019 at 5:40 p.m. at the STWA conference room.

21. **Resolution 19-43. Resolution of determination of validity of Petition for Addition of Certain Lands to the South Texas Water Authority and setting the date, time and place for a public hearing and authorizing publication of public hearing notice. (Don K. Mikeman and Penny Mikeman)**
22. **Resolution 19-44. Resolution of determination of validity of Petition for Addition of Certain Lands to the South Texas Water Authority and setting the date, time and place for a public hearing and authorizing publication of public hearing notice. (Sandra L. Acosta)**
27. **Resolution 19-48. Resolution of determination of validity of Petition for Addition of Certain Lands to the South Texas Water Authority and setting the date, time and place for a public hearing and authorizing publication of public hearing notice. (Eva Helene Perez)**

Ms. Rodgers made a motion to adopt Resolutions 19-43, 19-44 and 19-48 setting the Public Hearing on September 3, 2019 at 5:430 p.m. at the STWA conference room and authorizing publication of the public hearing notices. The motion was seconded by Mr. Barrera and passed unanimously.

23. Resolution 19-45. Resolution of appreciation for Mr. Charles Schultz for his dedicated service as a director of the South Texas Water Authority from 2015 – 2018.

Mr. Graveley made a motion to adopt Resolution 19-45. Mr. Barrera seconded. All voted in favor.

24. Resolution 19-46. Resolution of appreciation for Dr. Alberto Ruiz. for his dedicated service as a director of the South Texas Water Authority from 2011 – 2019.

Mr. Graveley made a motion to adopt Resolution 19-46. Mr. Barrera seconded. All voted in favor.

25. Bids for tank liner for the Driscoll Ground Storage Tank.

Ms. Serrato stated that there is not sufficient information to make a decision on the tank liner bids for the Driscoll Ground Storage Tank. She distributed a revised quote from Mercer Controls, Inc. and noted that Mr. Mercer has stated that he would be personally responsible for inspecting that the job is done correctly. She explained that although Elite National appears to be the lowest bidder, they require a 50% payment up front and the company is based out of Kansas City, Missouri. Mr. Graveley said he would not recommend doing business with a contractor under that stipulation because the company likely does not have the funds to complete the project. Ms. Serrato also presented a quote from NG Painting, LP but said she will request another quote from them to include an option for zinc-based epoxy. Ms. Rodgers made a motion to table action on this item until all information is available. Ms. Perez seconded. All voted in favor.


26. Resolution 19-47. Resolution awarding the bid for a tank liner for the Driscoll Ground Storage Tank.

No action was taken.

28. Adjournment.

With no further business to discuss, Ms. Lowman adjourned the meeting at 7:06 p.m.

Respectfully submitted,


Frances De Leon
Assistant Secretary

SOUTH TEXAS WATER AUTHORITY
Special Board of Directors Meeting
August 6, 2019
Minutes

Board Members Present:

Kathleen Lowman
Brandon Barrera
Rudy Galvan, Jr.
Jose Graveley
Lupita Perez
Patsy Rodgers
Steven Vaughn

Board Members Absent:

Filiberto Treviño

Staff Present:

Carola G. Serrato
Frances De Leon
Jo Ella Wagner

Guests Present:

None

1. Call to Order.

Ms. Kathleen Lowman, Board President, called the Regular Meeting of the STWA Board of Directors to order at 12:00 p.m. A quorum was present.

2. Citizen Comments.

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

3. Appointment of a committee to negotiate the License Agreement for the Bishop Pump Station Facilities with City of Bishop representatives.

Ms. Serrato stated that although the City of Bishop has not taken formal action, City Secretary Cynthia Contreras informed her that City Council members have suggested a meeting with three City representatives to negotiate solutions to the remaining unresolved provisions of the License Agreement. The City's legal counsel, Gerald Benadum, would attend as well as STWA's legal counsel Bill Flickinger and whichever Board members are selected to represent STWA. Ms. Contreras and Ms. Serrato would also participate. Ms. Lowman stated that she is willing to participate and suggested that Mr. Vaughn attend. Mr. Galvan recommended that Mr. Barrera also attend. Ms. Rodgers made a motion to have Ms. Lowman, Mr. Barrera, Mr. Galvan and Mr. Vaughn serve on the negotiating committee with one person acting as an alternate. Ms. Perez seconded. All voted in favor. Ms. Serrato added that she would suggest using the STWA conference room as a meeting place because it would allow for a suitable seating arrangement. Ms. Serrato informed the Board that Mr. Flickinger has stated he would not agree to attend a meeting by telephone and would only participate in person. He also stated that Mr. Benadum would have to agree in writing to a meeting occurring without him.

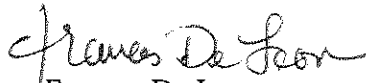
4. Consideration of additional taxable value on the 2019 Certified Appraisal Rolls for the Authority's district in Nueces County and Recalculated Truth in Taxation – Effective Tax Rate – Public Hearing Notice.

Ms. Serrato reported that after the July 30th Board meeting, the Nueces County Tax Office Finance Manager provided additional information which included a supplemental value of \$126,788,610. Ms. Serrato explained that although action taken by the Board to approve publishing the Truth in Taxation notice at the July 30th was correct, she consulted with Bill Flickinger due to the large amount of supplemental value. Mr. Flickinger recommended calculating the rates using the added value for presentation to the Board. The added value does not change the Average Home Value but the I&S rate is reduced from \$0.016852/\$100 to \$0.015932/\$100 – a decrease of \$0.00092/\$100. After reviewing the information, Mr. Galvan made a motion to authorize use of the updated figures for publication. Mr. Vaughn seconded. All voted in favor.

5. Adjournment.

With no further business to discuss, Ms. Lowman adjourned the meeting at 12:20 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 July 31, 2019

STWA Water Sales:

<u>Entity</u>	<u>Water Usage (1,000 g)</u>	<u>Cost of Water from City of Corpus Christi \$2.553430 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	13,767	\$35,153.07	\$5,870.06	\$0.00	\$0.00	\$41,023.13
Bishop	3,768	\$9,621.32	\$1,606.62	\$1,606.62	\$0.00	\$12,834.57
Agua Dulce	2,828	\$7,222.20	\$1,206.00	\$0.00	\$0.00	\$8,428.20
RWSC	11,356	\$28,996.75	\$4,842.04	\$0.00	\$0.00	\$33,838.79
Driscoll	4,476	\$11,429.66	\$1,908.59	\$1,908.59	\$0.00	\$15,246.84
NCWCID #5	2,028	\$5,177.39	\$864.55	\$864.55	\$776.49	\$7,682.97
NWSC	18,726	\$47,816.12	\$7,984.60	\$0.00	\$0.00	\$55,800.72
TOTAL	56,949	\$145,416.51	\$24,282.46	\$4,379.76	\$776.49	\$174,855.22

Water Cost and Usage for Period of:

	06/30/19	to	07/31/19
City of Corpus Christi Invoice for Cost of Water Purchased:			\$144,013.45
Gallons of Water Recorded by City of Corpus Christi:			56,400,000
Gallons of Water Recorded by STWA from Customer's Master Meters:			56,949,480
Water Loss Percentage:			-0.97%

Annual Usage for FY 2019

	Annual
Gallons of Water Recorded by City of Corpus Christi:	402,400,000
Gallons of Water Recorded by STWA from Customer's Master Meters:	428,122,300
Water Loss Percentage: (year to date)	-6.39%

**REVENUE FUND
INCOME STATEMENT
FOR PERIOD ENDING JULY 31, 2019**

83.33%

	MONTHLY	YEAR TO DATE	2019 AMENDED BUDGET	% OF 2019 AMENDED BUDGET	2018 YEAR TO DATE	2018 FINAL BUDGET
REVENUES						
Water Service Revenue	145,417	1,080,723	1,366,000	79%	1,104,472	1,330,515
Handling Charge Revenue	24,282	183,567	221,255	83%	198,262	238,500
Premium Incremental Increase	4,380	29,161	32,000	91%	37,034	46,600
Surcharge - Out of District	608	6,082	7,299	83%	5,516	6,619
Interest Income	5,616	51,093	55,250	92%	25,506	33,000
Other Revenue						
Operating & Maintenance Fees	0	0	0	0%	0	0
Miscellaneous Revenues	1,967	19,406	12,000	162%	27,226	29,350
TOTAL REVENUES	182,270	1,370,032	1,693,804	81%	1,398,016	1,684,584
EXPENDITURES						
Water Service Expenditures:						
Bulk Water Purchases	144,017	1,010,842	1,366,000	74%	1,062,228	1,330,515
Payroll Costs						
Salaries & Wages - Perm. Employees	32,417	264,175	315,000	84%	256,382	317,342
Salaries & Wages - Part-Time	118	1,091	1,495	73%	1,237	1,375
Overtime - NWSC	0	0	0	0%	0	0
Stand-by Pay - NWSC	0	0	0	0%	0	0
Overtime - RWSC	0	0	0	0%	30	0
Stand-by Pay - RWSC	0	0	0	0%	0	0
Overtime - STWA	1,770	16,690	22,500	74%	15,709	19,300
Stand-by Pay - STWA	104	1,054	1,300	81%	1,050	1,300
Employee Retirement Premiums	3,274	44,037	54,500	81%	36,244	52,561
Group Insurance Premium	13,316	135,052	169,292	80%	129,045	162,178
Unemployment Compensation	0	24	300	8%	1,234	1,300
Workers' Compensation	(642)	3,544	5,500	64%	1,861	6,004
Car Allowance	500	5,000	6,000	83%	4,900	5,900
Hospital Insurance Tax	324	2,905	3,817	76%	2,830	3,728
Supplies & Materials						
Repairs & Maintenance	2,477	64,453	80,000	81%	61,423	120,000
Meter Expense	0	2,350	5,000	47%	12,523	12,525
Tank Repairs	0	0	25,000	0%	26,140	26,140
Major Repairs	0	0	25,000	0%	0	25,000
Other Operating Expenditures:						
Professional Fees						
Legal	1,066	12,007	25,000	48%	8,156	11,500
Auditing	0	9,503	9,750	97%	9,369	9,370
Engineering	0	2,368	12,500	19%	59,493	70,000
Management & Consulting	0	3,585	7,500	48%	2,778	3,500
Inspection	0	1,900	4,000	48%	2,725	2,725
Leak Detection	0	0	0	0%	55,440	55,440
Banquete Overhead Tank Demolition	0	0	30,000	0%	0	0
Consum Supplies/Materials						
Postage	196	5,939	6,500	91%	5,834	6,500
Printing/Office Supplies	872	15,555	29,000	54%	20,302	26,500
Janitorial/Site Maintenance	973	4,291	6,000	72%	4,817	6,000
Fuel/Lubricants/Repairs	2,693	36,192	44,000	82%	24,139	35,000
Chemicals/Water Samples	1,440	36,146	52,500	69%	37,824	58,000
Safety Equipment	205	1,717	2,200	78%	673	1,500
Small Tools	0	1,421	2,000	71%	1,398	2,500

	MONTHLY	YEAR TO DATE	2019 AMENDED BUDGET	% OF 2019 AMENDED BUDGET	2018 YEAR TO DATE	2018 FINAL BUDGET
Recurring Operating Costs						
Telephone/Communications	1,979	18,374	20,654	89%	15,900	23,500
Utilities	7,320	68,166	102,500	67%	73,616	97,600
D & O Liability Insurance	0	1,281	3,500	37%	1,377	2,000
Property Insurance	0	47,292	47,292	100%	29,462	29,500
General Liability	0	3,196	3,200	100%	2,617	2,750
Auto Insurance	0	2,219	2,225	100%	2,050	2,051
Travel/Training/Meetings	113	4,722	10,000	47%	7,575	9,000
Rental-Equipment/Uniforms	170	2,796	5,000	56%	3,116	5,000
Dues/Subscriptions/Publication	240	12,559	22,500	56%	9,440	12,500
Pass Through Cost	0	1	400	0%	611	800
Educational Materials	0	0	0	0%	0	0
Miscellaneous						
Miscellaneous Expenditures	474	4,955	7,500	66%	3,829	6,200
Total Administrative & Operations Exp.	215,415	1,847,402	2,536,425	73%	1,995,377	2,564,604
Capital Outlay						
Capital Acquisition	1,138	203,553	398,444	51%	88,759	88,760
Engineering	0	0	5,000	0%	3,875	11,625
TOTAL EXPENDITURES (w/o D.S. exp.)	216,554	2,050,955	2,939,869	70%	2,088,011	2,664,989
Excess (Deficiencies) of Revenue Over Expenditures	(34,284)	(680,922)	(1,246,065)	55%	(689,995)	(980,405)
OTHER FINANCE SOURCE (USES)						
Transfer to Other Funds						
Transfer from Tax Account	(111,707)	(1,281,817)	(1,238,343)	104%	(1,068,253)	(1,086,140)
Extra Ordinary Income						
Disposition of Assets (Surplus Sale)	0	(15,238)	(15,000)	102%	(24,257)	0
TOTAL OTHER FINANCING SOURCES (USES)	(111,707)	(1,297,055)	(1,253,343)	103%	(1,092,510)	(1,086,140)
EXCESS (DEFICIENCIES) OF REVENUES OVER OTHER SOURCES (USES)						
	77,423	616,133	7,278		402,515	105,735
NET INCOME	77,423	616,133	7,278		402,515	105,735

**TAX FUND
INCOME STATEMENT
FOR PERIOD ENDING JULY 31, 2019**

83.33%

	MONTHLY	YEAR TO DATE	2019 ADOPTED BUDGET	% OF 2019 ADOPTED BUDGET	2018 YEAR TO DATE	2018 FINAL BUDGET
REVENUES						
Ad-Valorem - Current	8,676	1,291,814	1,257,158	103%	1,079,747	1,083,000
Delinquent Tax Revenue	2,241	42,332	27,500	154%	31,874	38,000
Penalty & Interest - Tax Accounts	2,107	20,181	16,000	126%	20,564	22,600
Miscellaneous	0	94	0	0%	0	0
TOTAL TAXES & INTEREST	13,024	1,354,421	1,300,658	104%	1,132,185	1,143,600
EXPENDITURES						
Tax Collector Fees	0	42,430	38,597	110%	36,527	36,575
Appraisal Districts	0	17,150	23,718	72%	15,252	20,885
TOTAL EXPENDITURES	0	59,580	62,315	96%	51,779	57,460
 Transfer to General Fund	 111,707	 1,281,817	 1,238,343	 104%	 1,068,253	 1,086,140
 EXCESS REVENUES & OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES	 (98,683)	 13,024	 0		 12,153	 0

**SPECIAL SERVICES
INCOME STATEMENT
FOR PERIOD ENDING JULY 31, 2019**

83.33%

	MONTHLY	YEAR TO DATE	2019 ADOPTED BUDGET	% OF 2019 ADOPTED BUDGET	2018 YEAR TO DATE	2018 FINAL BUDGET
REVENUES						
Ricardo Water Supply Corporation	18,857	220,360	302,824	73%	214,318	283,605
Nueces Water Supply Corporation	24,434	228,680	285,529	80%	225,924	266,294
TOTAL REVENUES	43,292	449,040	588,353	76%	440,242	549,899
EXPENDITURES						
Personnel	21,930	249,032	319,559	78%	242,150	292,673
Overhead	21,405	236,589	268,794	88%	206,388	257,225
TOTAL EXPENDITURES	43,334	485,622	588,353	83%	448,538	549,898
EXCESS REVENUES & OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES	(43)	(36,582)	0		(8,296)	1

South Texas Water Authority
Balance Sheet
July 31, 2019

ASSETS

Current Assets

STWA - General	\$	162,977.58	
STWA - Payroll		51,717.95	
STWA - Operations		71,380.00	
Petty Cash		150.00	
TexPool - STWA General		2,617,300.93	
Due From Capital Projects Fund		34,810.45	
Due from Debt Service Fund		424.68	
Due from D.S. -Collect Service		7,215.04	
Tax Accounts Receivable		154,713.31	
Allowance for Uncollect Taxes		(66,653.05)	
Service accts receivable		277,686.91	
Interlocal Rec-Bishop		1,884.57	
Interlocal Rec-Ricardo		3,241.01	
Interlocal Rec-Nueces		9,188.35	
NWSC Credit Card		8.48	
Interlocal Rec. - Tax Assessor		2,470.14	
Inventory		19,660.50	
Total Assets			\$ 3,348,176.85

LIABILITIES AND FUNDS EQUITY

Current Liabilities

Trade Accounts Payable	\$	159,353.95	
Salaries & Wages Payable		23,440.80	
Hospital Ins Tax Payable		767.93	
Withholding Taxes Payable		2,454.03	
Unemployment Comp. Pbl.		376.55	
Miscellaneous Payables		1,962.02	
Compensated Absences		19,571.30	
Deferred tax revenue		88,060.26	
Due to Debt Service Fund		1,177.75	
Total Liabilities			297,164.59

Fund Equity

Unassigned Fund Balance		2,438,776.18	
Assigned Fund Bal. - Inventory		19,660.50	
Current Earning		592,575.58	
Total Fund Equity			3,051,012.26
Total Liabilities & Fund Equity			\$ 3,348,176.85

**South Texas Water Authority
 GI Account Summary Report
 As of: July 31, 2019**

<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	68,442.84	\$ 403,682.94	\$ (309,148.20)	\$ 94,534.74	\$ 162,977.58
STWA - Payroll	37,293.48	50,009.44	(35,584.97)	14,424.47	51,717.95
STWA - Operations	17,458.36	90,015.53	(36,093.89)	53,921.64	71,380.00
Petty Cash	150.00	0.00	0.00	0.00	150.00
Transfers	0.00	390,000.00	(390,000.00)	0.00	0.00
TexPool - STWA General	2,848,401.64	18,899.29	(250,000.00)	(231,100.71)	2,617,300.93
Due From Capital Projects Fund	25,487.71	9,322.74	0.00	9,322.74	34,810.45
Due from Debt Service Fund	218.14	206.54	0.00	206.54	424.68
Due from D.S. -Collect Service	7,215.04	0.00	0.00	0.00	7,215.04
Tax Accounts Receivable	154,713.31	0.00	0.00	0.00	154,713.31
Allowance for Uncollect Taxes	(66,653.05)	0.00	0.00	0.00	(66,653.05)
Service accts receivable	213,016.60	205,717.81	(141,047.50)	64,670.31	277,686.91
Interlocal Rec-Bishop	1,902.77	885.64	(903.84)	(18.20)	1,884.57
Interlocal Rec-Ricardo	5,495.08	3,235.00	(5,489.07)	(2,254.07)	3,241.01
Interlocal Rec-Nueces	5,104.65	9,207.82	(5,115.64)	4,092.18	9,196.83
Interlocal Rec. - Tax Assessor	3,006.52	2,470.14	(3,006.52)	(536.38)	2,470.14
Inventory	19,660.50	0.00	0.00	0.00	19,660.50
Total Assets	3,340,913.59	1,183,652.89	(1,176,389.63)	7,263.26	3,348,176.85
Current Liabilities					
Trade Accounts Payable	(140,195.74)	181,786.34	(200,944.55)	(19,158.21)	(159,353.95)
Salaries & Wages Payable	(17,496.64)	17,496.64	(23,440.80)	(5,944.16)	(23,440.80)
Hospital Ins Tax Payable	(34.40)	695.35	(1,428.88)	(733.53)	(767.93)
Withholding Taxes Payable	(82.08)	2,192.82	(4,564.77)	(2,371.95)	(2,454.03)
Emply Retire Prem Payable	0.00	12,255.30	(12,255.30)	0.00	0.00
Unemployment Comp. Pbl.	(378.59)	3.22	(1.18)	2.04	(376.55)
Miscellaneous Payables	(1,770.64)	9,790.91	(9,982.29)	(191.38)	(1,962.02)
Compensated Absences	(19,571.30)	0.00	0.00	0.00	(19,571.30)
Deferred tax revenue	(88,060.26)	0.00	0.00	0.00	(88,060.26)
Due to Debt Service Fund	(1,009.50)	0.00	(168.25)	(168.25)	(1,177.75)
Total Liabilities	(268,599.15)	224,220.58	(252,786.02)	(28,565.44)	(297,164.59)
Fund Equity					
Unassigned Fund Balance	(2,438,776.18)	0.00	0.00	0.00	(2,438,776.18)
Assigned Fund Bal. - Inventory	(19,660.50)	0.00	0.00	0.00	(19,660.50)
Total Fund Equity	(2,458,436.68)	0.00	0.00	0.00	(2,458,436.68)
Totals	613,877.76	\$ 1,407,873.47	\$ (1,429,175.65)	\$ (21,302.18)	\$ 592,575.58

**DEBT SERVICE FUND
INCOME STATEMENT
FOR PERIOD ENDING JULY 31, 2019**

83.33%

	MONTHLY	YEAR TO DATE	2019 ADOPTED BUDGET	% OF 2019 ADOPTED BUDGET	2018 YEAR TO DATE	2018 FINAL BUDGET
REVENUES						
Ad-Valorem - Current	2,400	357,330	364,889	98%	352,153	353,210
Delinquent Tax Revenue	691	13,454	7,000	192%	10,082	12,125
Penalty & Interest - Tax Accounts	536	5,154	5,500	94%	5,888	6,500
Out-of-District Surcharge	168	1,683	2,019	83%	1,799	2,159
Interest on Temporary Investments	696	4,680	3,250	144%	3,079	3,550
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	0%	<u>0</u>	<u>0</u>
TOTAL TAXES & INTEREST	4,491	382,300	382,658	100%	373,001	377,544
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	377,544
TOTAL REVENUE AND OTHER FINANCE SOURCES	4,491	382,300	382,658	100%	373,001	377,544
EXPENDITURES						
Fiscal Agent Fees	0	100	200	50%	100	200
Bond Interest Expense	0	61,175	122,350	50%	63,375	126,750
Bond Principal Payments	0	0	225,000	0%	0	220,000
Tax Collector Fees	0	11,737	10,739	109%	11,966	11,966
Appraisal District Fees	0	4,744	6,600	72%	5,137	6,836
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	0%	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	0	77,755	364,889	21%	80,578	365,752
EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES						
	4,491	304,545	17,769		292,423	11,792

**STWA Debt Service Fund
Balance Sheet
July 31, 2019**

ASSETS

Current Assets

Debt Service Acct. - TexPool	\$ 345,290.71
Due from General	1,177.75
Interlocal Rec.-Tax Assessors	708.16
Taxes Receivable	50,811.55
Allowance for Uncollectibles	(8,581.46)

Total Current Assets 389,406.71

Other Assets

Total Other Assets 0.00

Total Assets \$ 389,406.71

LIABILITIES AND FUNDS EQUITY

Current Liabilities

Deferred Tax Revenue	\$ 42,230.09
Due to General Fund	7,639.73

Total Current Liabilities 49,869.82

Long-Term Liabilities

Total Long-Term Liabilities 0.00

Total Liabilities 49,869.82

Funds Equity

Fund Balance	34,991.97
Net Income	304,544.92

Total Funds Equity 339,536.89

Total Liabilities & Funds Equity \$ 389,406.71

STWA Debt Service Fund
 GI Account Summary Report
 As of: July 31, 2019

<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	340,823.32	\$ 4,467.39	\$ 0.00	\$ 4,467.39	\$ 345,290.71
12200	Due from General	1,009.50	168.25	0.00	168.25	1,177.75
13001	Interlocal Rec.-Tax Assessor	646.51	708.16	(646.51)	61.65	708.16
13300	Taxes Receivable	50,811.55	0.00	0.00	0.00	50,811.55
13301	Allowance for Uncollectibles	(8,581.46)	0.00	0.00	0.00	(8,581.46)
21700	Deferred Tax Revenue	(42,230.09)	0.00	0.00	0.00	(42,230.09)
24000	Due to General Fund	(7,433.19)	0.00	(206.54)	(206.54)	(7,639.73)
39100	Fund Balance	(34,991.97)	0.00	0.00	0.00	(34,991.97)
Totals		<u>300,054.17</u>	<u>\$ 5,343.80</u>	<u>\$ (853.05)</u>	<u>\$ 4,490.75</u>	<u>\$ 304,544.92</u>

**CAPITAL PROJECTS FUND
INCOME STATEMENT
FOR PERIOD ENDING JULY 31, 2019**

83.33%

	MONTHLY	YEAR TO DATE	2019 ADOPTED BUDGET	% OF 2019 ADOPTED BUDGET	2018 YEAR TO DATE	2018 FINAL BUDGET
REVENUES						
Bond Proceeds	0	0	0	0%	0	0
Interest Income	1,832	19,233	17,500	110%	14,298	17,300
TOTAL REVENUE AND OTHER FINANCE SOURCES	1,832	19,233	17,500	110%	14,298	17,300
 EXPENDITURES						
Right of Way Acquisition	0	0	7,264	0%	0	0
Engineering Fees	0	0	245,594	0%	5,400	5,400
Construction Costs	0	6,441	6,441	100%	228,484	228,484
42" Line-Cathodic Protection	9,323	132,972	299,536	67%	0	0
Pipeline Condition Assessment	0	0	199,395	0%	0	0
Legal & Administrative Fees	0	0	181,712	0%	0	0
Cost of Bond Issuance	0	0	0	0%	0	0
Miscellaneous Fees	<u>0</u>	<u>0</u>	<u>0</u>	0%	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	9,323	139,414	939,942	15%	233,884	233,884
 EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES						
	(7,491)	(120,181)	(922,442)		(219,586)	(216,584)

**STWA Capital Projects Fund
Balance Sheet
July 31, 2019**

ASSETS

Current Assets

TexSTAR - Construction Fund	\$ 905,059.64	
Total Current Assets		905,059.64

Property and Equipment

Total Property and Equipment		0.00
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Other Assets

Total Other Assets		0.00
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Total Assets		\$ 905,059.64

LIABILITIES AND FUNDS EQUITY

Current Liabilities

Due to General Fund	\$ 34,810.45	
Total Current Liabilities		34,810.45

Long-Term Liabilities

Total Long-Term Liabilities		0.00
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Total Liabilities		34,810.45
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Fund Balance

Fund Balance	990,430.19	
Net Income	(120,181.00)	
Total Fund Balance		870,249.19

Total Liabilities & Fund Balance		\$ 905,059.64

STWA Capital Projects Fund
 Gl Account Summary Report
 As of: July 31, 2019

<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	903,227.48	\$ 1,832.16	\$ 0.00	\$ 1,832.16	\$ 905,059.64
2400	Due to General Fund	(25,487.71)	0.00	(9,322.74)	(9,322.74)	(34,810.45)
39100	Fund Balance	(990,430.19)	0.00	0.00	0.00	(990,430.19)
Totals		<u>(112,690.42)</u>	<u>\$ 1,832.16</u>	<u>\$ (9,322.74)</u>	<u>\$ (7,490.58)</u>	<u>\$ (120,181.00)</u>

**CATHODIC PROTECTION
FY2019**

	Payroll	Materials	Total
October 2018	\$3,950.61	\$1,914.11	\$5,864.72 Due from Capital Projects Fund
November 2018	\$4,716.62	\$2,568.87	\$7,285.49 Due from Capital Projects Fund
December 2018	\$4,715.54	\$131.12	\$4,846.66 Due from Capital Projects Fund
January 2019	\$8,156.79	\$1,079.47	\$9,236.26 Due from Capital Projects Fund
February 2019	\$9,022.22	\$381.59	\$9,403.81 Due from Capital Projects Fund
March 2019	\$12,549.21	\$2,238.44	\$14,787.65 Due from Capital Projects Fund
April 2019	\$9,192.06	\$43,986.52	\$53,178.58 Due from Capital Projects Fund
May 2019	\$9,052.50	\$252.28	\$9,304.78 Due from Capital Projects Fund
June 2019	\$9,381.39	\$360.29	\$9,741.68 Due from Capital Projects Fund
July 2019	\$9,052.50	\$270.24	\$9,322.74 Due from Capital Projects Fund
Totals	\$79,789.43	\$53,182.93	\$132,972.36

Payroll Costs - CP Tech #1

	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	Year to Date Total
Payroll	\$2,660.00	\$3,200.00	\$3,200.00	\$4,800.00	\$3,260.00	\$4,935.00	\$3,290.00	\$3,200.00	\$3,380.00	\$3,200.00	\$35,125.00
Medicare	\$38.57	\$46.40	\$46.40	\$69.60	\$47.27	\$71.56	\$47.70	\$46.40	\$49.01	\$46.40	\$509.31
Retirement	\$199.50	\$240.00	\$240.00	\$360.00	\$244.50	\$370.13	\$279.65	\$272.00	\$287.30	\$272.00	\$2,765.08
Worker's Comp	\$98.08	\$117.99	\$117.99	\$176.98	\$120.20	\$181.96	\$121.31	\$117.99	\$124.62	\$117.99	\$1,295.10
Texas Workforce	\$24.00	\$57.60	\$56.52	\$86.40	\$3.26	\$4.94	\$3.29	\$0.00	\$0.00	\$0.00	\$236.01
Health	\$930.46	\$1,014.28	\$1,014.28	\$1,014.28	\$1,014.28	\$1,014.28	\$1,014.28	\$1,014.28	\$1,014.28	\$1,014.28	\$10,058.98
LTD/ADD/Life	\$0.00	\$40.35	\$40.35	\$40.35	\$40.35	\$40.35	\$40.35	\$40.35	\$40.35	\$40.35	\$363.15
Total	\$3,950.61	\$4,716.62	\$4,715.54	\$6,547.61	\$4,729.86	\$6,618.22	\$4,796.58	\$4,691.02	\$4,895.56	\$4,691.02	\$50,352.63

Payroll Costs - CP Tech #2

	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	Year to Date Total
Payroll	\$0.00	\$0.00	\$0.00	\$1,152.00	\$2,880.00	\$4,333.50	\$2,907.00	\$2,880.00	\$2,988.00	\$2,880.00	\$20,020.50
Medicare	\$0.00	\$0.00	\$0.00	\$16.36	\$41.76	\$62.84	\$42.15	\$41.76	\$43.33	\$41.76	\$289.96
Retirement	\$0.00	\$0.00	\$0.00	\$84.62	\$216.00	\$325.01	\$290.71	\$288.00	\$298.80	\$288.00	\$1,791.14
Worker's Comp	\$0.00	\$0.00	\$0.00	\$42.48	\$106.19	\$159.78	\$107.18	\$106.19	\$110.17	\$106.19	\$738.18
Texas Workforce	\$0.00	\$0.00	\$0.00	\$10.15	\$2.88	\$4.33	\$2.91	\$0.00	\$0.00	\$0.00	\$20.27
Health	\$0.00	\$0.00	\$0.00	\$294.48	\$1,014.28	\$1,014.28	\$1,014.28	\$1,014.28	\$1,014.28	\$1,014.28	\$6,380.16
LTD/ADD/Life	\$0.00	\$0.00	\$0.00	\$9.09	\$31.25	\$31.25	\$31.25	\$31.25	\$31.25	\$31.25	\$196.59
Total	\$0.00	\$0.00	\$0.00	\$1,609.18	\$4,292.36	\$5,930.99	\$4,395.48	\$4,361.48	\$4,485.83	\$4,361.48	\$29,436.80

**CATHODIC PROTECTION
MATERIALS**

Account	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	10/1/18			Beginning Balance			
52101	Repairs & Maint-42" line	10/15/18	6296006	PJ	FERGUSON ENTERPRISES, INC #61 - MASTIC	277.50		
52101	Repairs & Maint-42" line	10/19/18	9940219042	PJ	W. W. Grainger, Inc. - AIR CHISEL SCALER, MULTIMETER	730.26		
52101	Repairs & Maint-42" line	10/23/18	121102	PJ	CITIBANK CORPORATE CARD - Wire dispenser, wiere, electrode, Cu-Sulfate	441.35		
52101	Repairs & Maint-42" line	10/23/18	9943313024	PJ	W. W. Grainger, Inc. - chisel	11.07		
52101	Repairs & Maint-42" line	10/26/18	608959	PJ	CITIBANK CORPORATE CARD - Harbor Freight Tools CP	46.38		
52101	Repairs & Maint-42" line	10/26/18	S100193768.001	PJ	CORPUS CHRISTI ELECT. CO - Splice kit, wire, tape etc.	407.55		
52101	Repairs & Maint-42" line				Current Period Change	1,914.11		1,914.11
52101	Repairs & Maint-42" line	10/31/18			Ending Balance			1,914.11
Account	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	11/1/18			Beginning Balance			
52101	Repairs & Maint-42" line	11/5/18	S100195733.001	PJ	CORPUS CHRISTI ELECT. CO - Fuse- CP Rectifiers	152.20		
52101	Repairs & Maint-42" line	11/6/18	8536808	PJ	CITIBANK CORPORATE CARD - CP Supplies- Tools and Accessories	370.02		
52101	Repairs & Maint-42" line	11/7/18	9958831282	PJ	W. W. Grainger, Inc. - Canvas Cover	164.69		
52101	Repairs & Maint-42" line	11/8/18	10650443	PJ	McCOY'S BUILDING SUPPLY CENTER - CP Supplies	15.48		
52101	Repairs & Maint-42" line	11/9/18	2786209	PJ	LOWE'S BUSINESS ACCOUNT - shoval, tarp straps, ratchet bag, ladder	272.54		
52101	Repairs & Maint-42" line	11/16/18	6380664	PJ	LOWE'S BUSINESS ACCOUNT - Test leads	15.19		
52101	Repairs & Maint-42" line	11/19/18	10650786	PJ	McCOY'S BUILDING SUPPLY CENTER - Fogger and screws-	18.32		
52101	Repairs & Maint-42" line	11/28/18	05435	PJ	LOWE'S BUSINESS ACCOUNT - Cord Storage and Plastic Clamps CP	9.85		
	Thompson Pipe Grinders	11/16/18				1,083.60		
	Corrpro Companies	11/26/18				466.98		
	Repairs & Maint-42" line				Current Period Change	2,568.87		2,568.87
	Repairs & Maint-42" line	11/30/18			Ending Balance			4,482.98
Account	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	12/1/18			Beginning Balance			
52101	Repairs & Maint-42" line	12/6/18	05402	PJ	LOWE'S BUSINESS ACCOUNT - CP - Tools	50.27		
52101	Repairs & Maint-42" line	12/10/18	0592-303691	PJ	O'REILLY AUTO SUPPLY - Filter Wrench -CP use	11.99		
52101	Repairs & Maint-42" line	12/21/18	0592-305470	PJ	O'REILLY AUTO SUPPLY - track hoe items	47.99		
52101	Repairs & Maint-42" line	12/27/18	06328	PJ	LOWE'S BUSINESS ACCOUNT - CP TOOLS	20.87		
52101	Repairs & Maint-42" line				Current Period Change	131.12		131.12
52101	Repairs & Maint-42" line	12/31/18			Ending Balance			4,614.10
Account	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	1/1/19			Beginning Balance			
52101	Repairs & Maint-42" line	1/2/19	010105	PJ	CITIBANK CORPORATE CARD - Kubota L3901 Tractor with loader Rental	525.00		
52101	Repairs & Maint-42" line	1/11/19	01-11-19	PJ	Petty Cash - CP - CC Electronics - clips	31.00		
52101	Repairs & Maint-42" line	1/15/19	05141	PJ	LOWE'S BUSINESS ACCOUNT - CP washer bolts Nuts, and tool box	74.97		
52101	Repairs & Maint-42" line	1/21/19	0592-309884	PJ	O'REILLY AUTO SUPPLY - Adapter- CP	14.99		
52101	Repairs & Maint-42" line	1/21/19	02779	PJ	LOWE'S BUSINESS ACCOUNT - TOOL BAGS MATERIALS	95.03		
52101	Repairs & Maint-42" line	1/23/19	87290634	PJ	PRAXAIR DISTRIBUTION INC - Welder's helmet	239.95		
52101	Repairs & Maint-42" line	1/24/19	35767	PJ	CITIBANK CORPORATE CARD - tools- bolts, gang blank cover	62.55		
52101	Repairs & Maint-42" line	1/28/19	0592-311134	PJ	O'REILLY AUTO SUPPLY - Battery charger	35.98		
52101	Repairs & Maint-42" line				Current Period Change	1,079.47		1,079.47
52101	Repairs & Maint-42" line	1/31/19			Ending Balance			5,693.57

Account	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
		2/1/19			Beginning Balance			
52101	Repairs & Maint-42" line	2/1/19	S100202542	PJ	CORPUS CHRISTI ELECT. CO - cathodic wire	351.00		
52101	Repairs & Maint-42" line	2/11/19	10653727	PJ	McCOY'S BUILDING SUPPLY CENTER - Masonry cement type S, marking spray	20.03		
52101	Repairs & Maint-42" line	2/26/19	10654249	PJ	McCOY'S BUILDING SUPPLY CENTER - winged wire nuts	10.56		
52101	Repairs & Maint-42" line				Current Period Change	381.59		381.59
		2/28/19			Ending Balance			6,075.16

Account	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
		3/1/19			Beginning Balance			
52101	Repairs & Maint-42" line	3/1/19	544566 RI	PJ	CORRPRO COMPANIES, INC. - Test Stations Actual pipe with Electrical	422.11		
52101	Repairs & Maint-42" line	3/5/19	140654437	PJ	McCOY'S BUILDING SUPPLY CENTER - CP Sand	19.65		
52101	Repairs & Maint-42" line	3/5/19	10654440	PJ	McCOY'S BUILDING SUPPLY CENTER - Cement CP	28.49		
52101	Repairs & Maint-42" line	3/8/19	S100205273.001	PJ	CORPUS CHRISTI ELECT. CO - Splice kit	215.00		
52101	Repairs & Maint-42" line	3/12/19	544855	PJ	TRACTOR SUPPLY CREDIT PLAN - Flux Coat Bronze-Brazing Rod not for welding but for	16.99		
52101	Repairs & Maint-42" line	3/18/19	10654840	PJ	McCOY'S BUILDING SUPPLY CENTER - CP Test Stations, Treated pine	54.20		
52101	Repairs & Maint-42" line	3/19/19	06515	PJ	LOWE'S BUSINESS ACCOUNT - Wire connectors- CP Test Stations	17.82		
52101	Repairs & Maint-42" line	3/19/19	03192019	PJ	W. W. Grainger, Inc. - silicone sealant	4.08		
52101	Repairs & Maint-42" line	3/19/19	1346616682	PJ	W. W. Grainger, Inc. - Color reflector 3" (50)	86.50		
52101	Repairs & Maint-42" line	3/20/19	10654907	PJ	McCOY'S BUILDING SUPPLY CENTER - screws/bolts ? CP	8.67		
52101	Repairs & Maint-42" line	3/20/19	S100207104.001	PJ	CORPUS CHRISTI ELECT. CO - CP Test Stations- straps / bolts	124.98		
52101	Repairs & Maint-42" line	3/28/19	2800094	PJ	LOWE'S BUSINESS ACCOUNT - test stations self tap screws and lumber	91.09		
52101	Repairs & Maint-42" line	3/29/19	547823 RI	PJ	CORRPRO COMPANIES, INC. - Cott Big Fink - Test Stations Actual piping for the Test Stati	1,148.86		
52101	Repairs & Maint-42" line				Current Period Change			2,238.44
		3/31/19			Ending Balance			8,313.60

Account	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
		4/1/19			Beginning Balance			
52101	Repairs & Maint-42" line	4/8/19	9139710363	PJ	W. W. Grainger, Inc. - Color reflectors for Test Stations	69.20		
52101	Repairs & Maint-42" line	4/9/19	88728715	PJ	PRAXAIR DISTRIBUTION INC - Welding Rods CP-50pounds	170.00		
52101	Repairs & Maint-42" line	4/9/19	S100208710.001	PJ	CORPUS CHRISTI ELECT. CO - Test Stations materials	98.85		
52101	Repairs & Maint-42" line	4/30/19	CD990014924	PJ	THOMPSON PIPE GROUP-PRESSURE - Bonding clips (200)	1,023.47		
11900	Corpro Companies	4/16/19	549948 RI	PJ	CORRPRO COMPANIES, INC. - 500 Anodes	42,625.00		
52101	Repairs & Maint-42" line				Current Period Change			43,986.52
		4/30/19			Ending Balance			52,300.12

Account	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
		5/1/19			Beginning Balance			
52101	Repairs & Maint-42" line	5/1/19	01905	PJ	LOWE'S BUSINESS ACCOUNT - cement and hex bolts	17.75		
52101	Repairs & Maint-42" line	5/3/19	557677	PJ	TRACTOR SUPPLY CREDIT PLAN - Brazing Rod	16.99		
52101	Repairs & Maint-42" line	5/17/19	62089	PJ	CITIBANK CORPORATE CARD - 2 55# Rapid Set Mortar	32.80		
52101	Repairs & Maint-42" line	5/17/19	S100212436.001	PJ	CORPUS CHRISTI ELECT. CO - #10 Stranded blue wire (500 ft)	97.50		
52101	Repairs & Maint-42" line	5/31/19	108998	PJ	CITIBANK CORPORATE CARD - Concrete mix, electric tape	87.24		
52101	Repairs & Maint-42" line				Current Period Change	252.28		252.28
		5/31/19			Ending Balance			52,552.40

Account	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	6/1/19			Beginning Balance			
52101	Repairs & Maint-42" line	6/4/19	06042019	PJ	CITIBANK CORPORATE CARD - dealer electric- splice kits	38.00		
52101	Repairs & Maint-42" line	6/10/19	S100213843.001	PJ	CORPUS CHRISTI ELECT. CO - Wire connectors	247.40		
52101	Repairs & Maint-42" line	6/12/19	9203409322	PJ	W. W. Grainger, Inc. - Reflective strips	5.58		
52101	Repairs & Maint-42" line	6/14/19	06142019	PJ	CITIBANK CORPORATE CARD - Rapid set concrete mix	25.60		
52101	Repairs & Maint-42" line	6/18/19	10657956	PJ	McCOY'S BUILDING SUPPLY CENTER - Rustpre Spray Black	5.16		
52101	Repairs & Maint-42" line	6/25/19	06669	PJ	LOWE'S BUSINESS ACCOUNT - Test Stations	21.21		
52101	Repairs & Maint-42" line	6/27/19	10658272	PJ	McCOY'S BUILDING SUPPLY CENTER - Screws for test stations	17.34		
52101	Repairs & Maint-42" line				Current Period Change	360.29		360.29
		6/30/19			Ending Balance			52,912.69

Account	Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
52101	Repairs & Maint-42" line	7/1/19			Beginning Balance			
52101	Repairs & Maint-42" line	7/8/19	10658503	PJ	McCOY'S BUILDING SUPPLY CENTER - Black enamel paint for ARV	34.12		
52101	Repairs & Maint-42" line	7/15/19	S100217420.001	PJ	CORPUS CHRISTI ELECT. CO - nylon wire 500 foot roll	92.50		
52101	Repairs & Maint-42" line	7/19/19	071502	PJ	CITIBANK CORPORATE CARD - Home Depot- Wire connectors	18.84		
52101	Repairs & Maint-42" line	7/26/19	1299912 PT3312010	PJ	HOSE of SOUTH TEXAS - Wormgear clamps for ARV openings	86.38		
52101	Repairs & Maint-42" line	7/29/19	076287	PJ	CITIBANK CORPORATE CARD - 3 - 60lbs bags Rapid Set Concrete Mix	38.40		
52101	Repairs & Maint-42" line				Current Period Change	270.24		270.24
		7/31/19			Ending Balance			270.24

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

Proposition #2: KINGSVILLE PUMP STATION

56.25%

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

Proposition #3: BISHOP FACILITY

7.21%

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

TOTAL	\$936,297.63
INTEREST EARNINGS	\$62,553.84
BALANCE	\$993,851.47
CATHODIC PROTECTION	\$132,972.36
REMAINING BOND FUNDS	\$865,879.11

INV DATE	VENDOR	INV #	DESCRIPTION	STATUS	AMOUNT
7/31/2019	Willatt & Flickinger, PLLC		July Legal	pending	\$1,066.30
8/6/2019	City of Corpus Christi		July Water	pending	\$144,013.45
8/14/2019	Caldwell Country Ford	KDA20603	2019 Ford F550	pending	\$50,271.00
8/23/2019	Nueces County Appraisal District	93019	4th Quarter payment	pending	<u>\$1,953.00</u>
					\$197,303.75

WILLATT & FLICKINGER, PLLC
ATTORNEYS AT LAW

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

July 31, 2019

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

POSTED

FOR PROFESSIONAL SERVICES RENDERED since the date of last billing:

GENERAL

BILL FLICKINGER

- 07/13/19 Continue revising proposed License Agreement with the City of Bishop and email revised redline draft to Carola Serrato for her review and comment. (1.3 Hours).
- 07/15/19 Telephone conference with Carola Serrato on revisions to proposed License Agreement with the City of Bishop. (0.2 Hours). Make additional revisions to redline draft of same and email to Jerry Benadum for comments. (0.3 Hours).
- 07/23/19 Telephone conference with Carola Serrato on tomorrow's City of Bishop Council meeting. (0.2 Hours). Receive and review emails between Carola Serrato and Reba George on status of City rate model. (0.2 Hours).
- 07/25/19 Telephone conference with Carola Serrato on calculation of tax rate. (0.2 Hours).
- 07/26/19 Telephone conferences with Carola Serrato on tax rate. (0.3 Hours).
- 07/29/19 Telephone conference with Carola Serrato on status of contract with the City of Bishop. (0.2 Hours).
- 07/31/19 Telephone conference with Carola Serrato on last night's Board meeting. (0.3 Hours).

Attorney BF: 3.2 Hours

July 31, 2019

Page 2

ALLISON NIX

07/30/19 Continue review of archived files in connection with Amended Information Form and Notice to Purchaser. (0.5 Hours).

Legal Assistant AN: 0.5 Hours

Attorney BF: 3.2 Hours @ \$300.00 per hour	\$960.00
Attorney MM: 0 Hours @ \$300.00 per hour	
Legal Assistant AN: 0.5 Hours @ \$95.00 per hour	\$47.50

CLIENT EXPENSES

44 Photocopies @ \$0.20 each \$8.80

100 Color Photocopies @ \$0.50 each \$50.00

Total Client Expenses \$58.80

TOTAL AMOUNT DUE \$1,066.30



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

Account Name: SOUTH TX WATER AUTH
 Account Number: 20004093
 Statement Date: 8/6/2019
 Due Date: 8/27/2019
 Page: Page 1 of 2

SERVICE INFORMATION

Account Name: SOUTH TX WATER AUTH
 Account Number: 20004093
 Service Address: 0 END DR WTR5 RAW
 Account Type: PA
 Invoice Number: 2616421

QUESTIONS ABOUT YOUR BILL?

Customer Call Center
 Monday - Friday:
 7:00am - 6:00pm
 (361) 826-CITY(2489)
 WWW.CCTEXAS.COM

IMPORTANT MESSAGES

If you are making bill payments through your financial institution, please reference your 8 digit utility account number on your payment. Your utility account number is located in the top right corner of this page.

ACCOUNT SUMMARY

PREVIOUS BALANCE	\$114,295.45
TOTAL PAID SINCE LAST BILL	-\$114,295.45
NEW CHARGES	
WATER	\$86,880.25
RWCA \$1.013/TGAL	\$57,133.20
TOTAL WATER	\$144,013.45
NEW CHARGES DUE BY 8/27/2019:	\$144,013.45
AMOUNT DUE	\$144,013.45

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

RECEIVED

AUG 1 2 2019

SOUTH TEXAS WATER AUTHORITY

POSTED

KEEP TOP PORTION FOR YOUR RECORDS AND RETURN BOTTOM STUB WITH YOUR PAYMENT.



CITY OF
CORPUS
CHRISTI

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



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

Account Number	Due Date	Amount Due
20004093	8/27/2019	\$144,013.45

If payment is received after the due date, a five percent penalty will be assessed.

AMOUNT ENCLOSED \$

MAKE CHECKS PAYABLE TO: CITY OF CORPUS CHRISTI

When making payment in person, please bring this stub.

Working to Serve YOU Better.

6669



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



CITY OF CORPUS CHRISTI
 PO BOX 659880
 SAN ANTONIO TX 78265-9143



200040930144013457

RECEIVED

AUG 20 2019

CALDWELL COUNTRY FORD

P.O. Box 72

Rockdale, TX 76567

P: 512-446-7377 F: 512-446-2900

DEAL# 21910

SOUTH TEXAS WATER AUTHORITY CUST# A20603F

Invoice No KDA20603



Customer

Name SOUTH TEXAS WATER AUTHORITY

Address 111 SAGE ROAD

City KINGSVILLE State TX Zip 78363

Date 08/14/2019

Order No. _____

Rep _____

FOB _____

Quantity	Description	Unit Price	TOTAL
1	2019 FORD F550 1FDUF5GT1KDA20603 PO#12412	50271.00	50271.00
	TRADE:	N/A	N/A
	PLEASE MAIL PAYMENT TO: CALDWELL COUNTRY FORD P.O. BOX 72 ROCKDALE, TX 76567		
	TERMS: NET 30		

Payment Details

Cash
 Check
 Credit Card

Name _____
 CC# _____
 Expires _____

Subtotal	50271.00
Shipping & Handling	0.00
Taxes State	N/A
TOTAL	50271.00

Office Use Only

73682*1*RC-FI

PLEASE REMIT PAYMENT TO CALDWELL COUNTRY FORD



*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*

**NUECES COUNTY APPRAISAL DISTRICT
2019 BUDGET ALLOCATION**

INVOICE 093019

Taxing Unit: South Texas Water Authority
Due Date: September 30, 2019
4th Quarter: \$1,953

RECEIVED

AUG 23 2019

SOUTH TEXAS WATER AUTHORITY

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-18	\$0.426386	\$2.3962	\$2.8226	\$0.426386	\$2.400926	\$2.827312	\$0.0047
Nov-18	\$0.426386	\$2.3978	\$2.8242	\$0.426386	\$2.394856	\$2.821242	-\$0.0029
Dec-18	\$0.426386	\$2.3977	\$2.8240	\$0.426386	\$2.397809	\$2.824195	\$0.0002
Jan-19	\$0.426386	\$2.5585	\$2.9849	\$0.426386	\$2.563857	\$2.990243	\$0.0053
Feb-19	\$0.426386	\$2.5602	\$2.9866	\$0.426386	\$2.562148	\$2.988534	\$0.0020
Mar-19	\$0.426386	\$2.5584	\$2.9848	\$0.426386	\$2.560199	\$2.986585	\$0.0018
Apr-19	\$0.426386	\$2.5575	\$2.9839	\$0.426386	\$2.558795	\$2.985181	\$0.0013
May-19	\$0.426386	\$2.5569	\$2.9833	\$0.426386	\$2.558340	\$2.984726	\$0.0014
Jun-19	\$0.426386	\$2.5566	\$2.9830	\$0.426386	\$2.556945	\$2.983331	\$0.0004
Jul-19	\$0.426386	\$2.5544	\$2.9808	\$0.426386	\$2.553430	\$2.979816	-\$0.0010
Aug-19	\$0.426386	\$2.5545	\$2.9808	\$0.426386		\$0.426386	-\$2.5545
Sep-19	\$0.426386	\$2.5570	\$2.9833	\$0.426386		\$0.426386	-\$2.5570
Avg Cost	\$0.426386	\$2.5171	\$2.9435	\$0.426386	\$2.510731	\$2.937117	-\$0.0064

ANTICIPATED (BUDGETED) vs. ACTUAL WATER USAGE

All Customers				NWSC			
	Budgeted	Actual	Difference		Budgeted	Actual	Difference
Oct-18	43,062,520	42,957,680	-104,840	Oct-18	12,246,024	13,422,420	1,176,396
Nov-18	39,364,677	46,914,980	7,550,303	Nov-18	11,006,676	13,454,530	2,447,854
Dec-18	39,672,886	39,489,710	-183,176	Dec-18	11,022,768	13,970,520	2,947,752
Jan-19	40,736,971	35,035,330	-5,701,641	Jan-19	11,767,366	13,131,970	1,364,604
Feb-19	37,399,151	36,095,310	-1,303,841	Feb-19	10,542,988	12,359,380	1,816,392
Mar-19	41,040,729	39,846,360	-1,194,369	Mar-19	11,148,151	14,090,630	2,942,479
Apr-19	43,086,786	42,644,290	-442,496	Apr-19	11,900,837	14,349,560	2,448,723
May-19	44,539,563	44,911,460	371,897	May-19	12,473,511	15,949,470	3,475,959
Jun-19	45,514,314	45,673,660	159,346	Jun-19	13,090,139	15,908,800	2,818,661
Jul-19	52,429,711	56,949,480	4,519,769	Jul-19	14,997,937	18,726,230	3,728,293
Aug-19	52,198,325	0		Aug-19	14,818,303	0	
Sep-19	44,493,859	0		Sep-19	13,165,218	0	
TOTAL	523,539,495	430,518,260	3,670,950	TOTAL	148,179,918	145,363,510	25,167,113

Kingsville				RWSC			
	Budgeted	Actual	Difference		Budgeted	Actual	Difference
Oct-18	10,465,979	11,526,000	1,060,021	Oct-18	8,686,000	7,837,000	-849,000
Nov-18	10,465,979	14,703,000	4,237,021	Nov-18	7,566,000	6,767,000	-799,000
Dec-18	10,465,979	9,990,000	-475,979	Dec-18	7,426,600	7,249,000	-177,600
Jan-19	10,465,979	5,949,000	-4,516,979	Jan-19	7,345,000	8,378,000	1,033,000
Feb-19	10,465,979	10,005,000	-460,979	Feb-19	6,573,200	6,812,000	238,800
Mar-19	10,465,979	9,083,000	-1,382,979	Mar-19	8,123,200	9,141,000	1,017,800
Apr-19	10,465,979	11,316,000	850,021	Apr-19	8,844,400	9,562,000	717,600
May-19	10,465,979	12,462,000	1,996,021	May-19	9,071,600	7,930,000	-1,141,600
Jun-19	10,465,979	12,484,000	2,018,021	Jun-19	9,421,600	8,791,000	-630,600
Jul-19	10,465,979	13,767,000	3,301,021	Jul-19	10,670,600	11,356,000	685,400
Aug-19	10,465,979	0		Aug-19	10,878,000	0	
Sep-19	10,465,979	0		Sep-19	8,333,800	0	
TOTAL	125,591,753	111,285,000	6,625,206	TOTAL	102,940,000	83,823,000	94,800

Bishop	Budgeted	Actual	Difference
Oct-18	4,397,600	2,413,000	-1,984,600
Nov-18	3,711,000	4,497,000	786,000
Dec-18	4,234,000	330,000	-3,904,000
Jan-19	4,464,400	11,000	-4,453,400
Feb-19	3,550,000	0	-3,550,000
Mar-19	4,585,400	195,000	-4,390,400
Apr-19	4,559,600	0	-4,559,600
May-19	4,897,600	279,000	-4,618,600
Jun-19	4,629,400	0	-4,629,400
Jul-19	7,354,800	3,768,000	-3,586,800
Aug-19	7,643,200	0	
Sep-19	5,273,400	0	
TOTAL	59,300,400	11,493,000	-34,890,800

Banquete	Budgeted	Actual	Difference
Oct-18	2,263,070	1,969,000	-294,070
Nov-18	2,054,046	2,079,220	25,174
Dec-18	2,024,012	2,301,060	277,048
Jan-19	2,028,542	1,919,740	-108,802
Feb-19	1,932,604	1,638,550	-294,054
Mar-19	1,964,422	1,621,910	-342,512
Apr-19	2,101,106	1,739,270	-361,836
May-19	2,222,884	1,848,830	-374,054
Jun-19	2,274,290	1,866,580	-407,710
Jul-19	2,533,618	2,027,620	-505,998
Aug-19	2,501,660	0	
Sep-19	2,139,458	0	
TOTAL	26,039,712	19,011,780	-2,386,814

Driscoll	Budgeted	Actual	Difference
Oct-18	2,674,051	3,930,000	1,255,949
Nov-18	2,604,305	3,666,400	1,062,095
Dec-18	2,527,969	3,524,700	996,731
Jan-19	2,753,560	3,617,100	863,540
Feb-19	2,533,000	3,436,800	903,800
Mar-19	2,802,440	3,726,200	923,760
Apr-19	2,893,740	3,713,000	819,260
May-19	3,100,100	3,900,600	800,500
Jun-19	3,149,760	3,894,100	744,340
Jul-19	3,656,300	4,476,200	819,900
Aug-19	3,340,813	0	
Sep-19	2,935,040	0	
TOTAL	34,971,079	37,885,100	9,189,875

Agua Dulce	Budgeted	Actual	Difference
Oct-18	2,329,796	1,860,260	-469,536
Nov-18	1,956,670	1,747,830	-208,840
Dec-18	1,971,558	2,124,430	152,872
Jan-19	1,912,124	2,028,520	116,396
Feb-19	1,801,380	1,843,580	42,200
Mar-19	1,951,137	1,988,620	37,483
Apr-19	2,321,124	1,964,460	-356,664
May-19	2,307,888	2,541,560	233,672
Jun-19	2,483,146	2,729,180	246,034
Jul-19	2,750,476	2,828,430	77,954
Aug-19	2,550,370	0	
Sep-19	2,180,964	0	
TOTAL	26,516,633	21,656,870	-128,429

Kingsville Actual Usage vs. Bell Chart Volume

	Target Volume	Actual Volume	Difference
Oct-18	12,451,513	11,526,000	-925,513
Nov-18	7,362,963	14,703,000	7,340,037
Dec-18	5,893,607	9,990,000	4,096,393
Jan-19	4,650,000	5,949,000	1,299,000
Feb-19	6,760,471	10,005,000	3,244,529
Mar-19	8,319,028	9,083,000	763,972
Apr-19	10,906,161	11,316,000	409,839
May-19	12,497,858	12,462,000	-35,858
Jun-19	14,240,055	12,484,000	-1,756,055
Jul-19	15,711,155	13,767,000	-1,944,155
Aug-19	15,911,986	0	
Sep-19	13,866,300	0	
TOTAL	128,571,097	111,285,000	12,492,189

Net Revenue per Thousand (1,000) Gallons

Kingsville				NWSC			
	Actual	Net Rev	Per 1000g		Actual	Net Rev	Per 1000g
Oct-18	11,526,000	\$3,791.66	\$0.3290	Oct-18	13,422,420	\$4,137.05	\$0.3082
Nov-18	14,703,000	\$5,193.06	\$0.3532	Nov-18	13,454,530	\$4,730.43	\$0.3516
Dec-18	9,990,000	\$2,537.71	\$0.2540	Dec-18	13,970,520	\$4,407.76	\$0.3155
Jan-19	5,949,000	\$1,446.93	\$0.2432	Jan-19	13,131,970	\$3,938.90	\$0.2999
Feb-19	10,005,000	\$2,891.89	\$0.2890	Feb-19	12,359,380	\$3,641.96	\$0.2947
Mar-19	9,083,000	\$2,692.02	\$0.2964	Mar-19	14,090,630	\$4,341.10	\$0.3081
Apr-19	11,316,000	\$3,670.37	\$0.3244	Apr-19	14,349,560	\$4,270.63	\$0.2976
May-19	12,462,000	\$4,073.76	\$0.3269	May-19	15,949,470	\$4,997.33	\$0.3133
Jun-19	12,484,000	\$4,078.01	\$0.3267	Jun-19	15,908,800	\$4,955.69	\$0.3115
Jul-19	13,767,000	\$0.00	\$0.0000	Jul-19	18,726,230	\$0.00	\$0.0000
Aug-19	0	\$0.00	#DIV/0!	Aug-19	0	\$0.00	#DIV/0!
Sep-19	0	\$0.00	#DIV/0!	Sep-19	0	\$0.00	#DIV/0!
TOTAL	111,285,000	\$30,375.41	\$0.2730	TOTAL	145,363,510	\$39,420.85	\$0.2712
Bishop				RWSC			
	Actual	Net Rev	Per 1000g		Actual	Net Rev	Per 1000g
Oct-18	2,413,000	\$126.37	\$0.0524	Oct-18	7,837,000	\$1,859.35	\$0.2373
Nov-18	4,497,000	\$943.99	\$0.2099	Nov-18	6,767,000	\$1,385.55	\$0.2048
Dec-18	330,000	-\$791.23	-\$2.3977	Dec-18	7,249,000	\$1,522.81	\$0.2101
Jan-19	11,000	-\$800.56	-\$72.7782	Jan-19	8,378,000	\$1,908.52	\$0.2278
Feb-19	0	-\$792.40	#DIV/0!	Feb-19	6,812,000	\$1,310.07	\$0.1923
Mar-19	195,000	-\$885.79	-\$4.5425	Mar-19	9,141,000	\$2,144.35	\$0.2346
Apr-19	0	-\$972.05	#DIV/0!	Apr-19	9,562,000	\$2,374.58	\$0.2483
May-19	279,000	-\$950.88	-\$3.4082	May-19	7,930,000	\$1,790.20	\$0.2258
Jun-19	0	-\$1,113.20	#DIV/0!	Jun-19	8,791,000	\$2,032.60	\$0.2312
Jul-19	3,768,000	\$0.00	\$0.0000	Jul-19	11,356,000	\$0.00	\$0.0000
Aug-19	0	\$0.00	#DIV/0!	Aug-19	0	\$0.00	#DIV/0!
Sep-19	0	\$0.00	#DIV/0!	Sep-19	0	\$0.00	#DIV/0!
TOTAL	11,493,000	-\$5,235.75	-\$0.4556	TOTAL	83,823,000	\$16,328.03	\$0.1948
Driscoll				Banquete			
	Actual	Net Rev	Per 1000g		Actual	Net Rev	Per 1000g
Oct-18	3,930,000	\$1,106.55	\$0.2816	Oct-18	1,969,000	\$421.76	\$0.2142
Nov-18	3,666,400	\$610.67	\$0.1666	Nov-18	2,079,220	\$598.23	\$0.2877
Dec-18	3,524,700	\$939.56	\$0.2666	Dec-18	2,301,060	\$550.37	\$0.2392
Jan-19	3,617,100	\$984.84	\$0.2723	Jan-19	1,919,740	\$393.96	\$0.2052
Feb-19	3,436,800	\$906.75	\$0.2638	Feb-19	1,638,550	\$324.59	\$0.1981
Mar-19	3,726,200	\$1,031.20	\$0.2767	Mar-19	1,621,910	\$323.69	\$0.1996
Apr-19	3,713,000	\$975.88	\$0.2628	Apr-19	1,739,270	\$376.91	\$0.2167
May-19	3,900,600	\$1,003.05	\$0.2572	May-19	1,848,830	\$438.94	\$0.2374
Jun-19	3,894,100	\$1,036.70	\$0.2662	Jun-19	1,866,580	\$451.38	\$0.2418
Jul-19	4,476,200	\$0.00	\$0.0000	Jul-19	2,027,620	\$0.00	\$0.0000
Aug-19	0	\$0.00	#DIV/0!	Aug-19	0	\$0.00	#DIV/0!
Sep-19	0	\$0.00	#DIV/0!	Sep-19	0	\$0.00	#DIV/0!
TOTAL	37,885,100	\$8,595.20	\$0.2269	TOTAL	19,011,780	\$3,879.83	\$0.2041
Agua Dulce				All Customers			
	Actual	Net Rev	Per 1000g		Actual	Net Rev	Per 1000g
Oct-18	1,860,260	\$394.24	\$0.2119	Oct-18	42,957,680	\$11,836.98	\$0.2755
Nov-18	1,747,830	\$520.93	\$0.2980	Nov-18	46,914,980	\$13,982.86	\$0.2980
Dec-18	2,124,430	\$478.33	\$0.2252	Dec-18	39,489,710	\$9,645.31	\$0.2442
Jan-19	2,028,520	\$449.33	\$0.2215	Jan-19	35,035,330	\$8,321.92	\$0.2375
Feb-19	1,843,580	\$383.08	\$0.2078	Feb-19	36,095,310	\$8,665.94	\$0.2401
Mar-19	1,988,620	\$465.06	\$0.2339	Mar-19	39,846,360	\$10,111.63	\$0.2538
Apr-19	1,964,460	\$439.15	\$0.2235	Apr-19	42,644,290	\$11,135.47	\$0.2611
May-19	2,541,560	\$657.51	\$0.2587	May-19	44,911,460	\$12,009.91	\$0.2674
Jun-19	2,729,180	\$714.45	\$0.2618	Jun-19	45,673,660	\$12,155.63	\$0.2661
Jul-19	2,828,430	\$0.00	\$0.0000	Jul-19	56,949,480	\$0.00	\$0.0000
Aug-19	0	\$0.00	#DIV/0!	Aug-19	0	\$0.00	#DIV/0!
Sep-19	0	\$0.00	#DIV/0!	Sep-19	0	\$0.00	#DIV/0!
TOTAL	21,656,870	\$4,502.08	\$0.2079	TOTAL	430,518,260	\$97,865.65	\$0.2273

INTER-OFFICE MEMO

TO: Carola G. Serrato, Executive Director
FROM: Jacob Hinojosa, O&M Supervisor
DATE: August 27, 2019
RE: Maintenance & Technical Report

During the week of July 15, 2019, the following work was completed.

- Exercised generators, downloaded GPS reports and performed line locates.
- Collected/Monitored NAP samples.
- Took daily residuals for the Driscoll Booster Station project. (Booster Station, CR 16 & KI MR)
- Took CP Tech to take CDL exam in Corpus Christi.
- Removed debris from parking area. (Trimmed trees on weekend – first section)
- Corrected chlorine scale for the 1-ton cylinder @ Driscoll P. S.
- Collected Bac-T water samples.
- Mowed grass at office.

During the week of July 22, 2019, the following work was completed.

- Exercised generators, downloaded GPS reports and performed line locates.
- Collected/Monitored NAP samples.
- Took daily residuals for the Driscoll Booster Station project. (Booster Station, CR 16 & KI MR)
- Installed filter on ice machine.
- Met with Stevens Plant personnel to discuss flow rate for the meter.
- Checked colorimeter calibration.
- Brought in old fuel containments that were replaced at pump stations.
- Dumped metal into container at the office.

During the week of July 29, 2019, the following work was completed.

- Exercised generators, downloaded GPS reports and performed line locates.
- Took daily residuals for the Driscoll Booster Station project. (Booster Station, CR 16 & KI MR)
- Collected/Monitored NAP samples.
- Replaced tire on mower trailer.
- Repaired tire on Unit #5.

- Purchased/mounted new tires for mini excavator trailer.
- Took 4" trash pump to get axle replaced.
- Removed debris from parking area. (Trimmed trees on weekend – second section)
- Repaired mower utility trailer ramp.
- Sprayed trees with pruning spray.
- Checked on possible leak inside vault for 42" line at FM 2826.

During the week of August 5, 2019, the following work was completed.

- Exercised generators, downloaded GPS reports and performed line locates.
- Took daily residuals for the Driscoll Booster Station project. (Booster Station, CR 16 & KI MR)
- Collected water samples with Third Coast Environmental DBPs and Nitrite/Nitrate.
- Repaired small leak inside vault for 42" line at FM 2826.
- Took Unit #8 for oil change.
- Loaded diesel containments into metal bin.
- Took Unit #5 for oil change.

During the week of August 12, 2019, the following work was completed.

- Exercised generators, downloaded GPS reports and performed line locates.
- Took daily residuals for the Driscoll Booster Station project. (Booster Station, CR 16 & KI MR)
- Collected/Monitored NAP samples.
- Mowed pump stations.
- Collected Bac-T water samples.
- Dropped off Z-tract mower to get repaired.
- Cleaned out shop.

During the week of August 19, 2019, the following work was completed.

- Exercised generators, downloaded GPS reports and performed line locates.
- Took daily residuals for the Driscoll Booster Station project. (Booster Station, CR 16 & KI MR)
- Collected/Monitored NAP samples.
- Took Unit #10 for oil change.
- Collected Bac-T water samples.
- Took additional photos of the Kingsville chlorine system to send to engineer.
- Repaired leak on 8" spur line going into Banquete Pump Station.
- Repaired leak on 12" spur line going towards Banquete.

O&M Supervisor Report

August 27, 2019

Page 3

- Met with Macaulay Controls at Driscoll Booster Station.
- Replaced tire on Unit #7.
- Picked up new 24" bucket with bladed edge for mini excavator.

To: Carola G. Serrato, Executive Director

From: Armando Yruegas, CP Technician

Date: August 26, 2019

Re: CP Update

As of August 26, 2019, 363 anodes on 313 joints on the 42" water line have been installed. Compared to last month's report which listed 281 anodes on 245 joints. We have replaced 34' old test stations with new ones. As of today, 14,694 LF north of the rectifier on 1st Street in Bishop have had anodes added. Last month's that footage was 13,062 LF. We have completed 42,992 feet of the 52,300 feet in Contract 1. Hopefully we will finish Contract 1 in 3 months.

We have been checking both rectifiers, which are connected to the 42" on 1st Street in Bishop and CR 4. Both are working properly. These 2 rectifiers cover 21,122 feet of cathodic protection on Contract 1, which extends from FM 70 to the Nueces/ Kleberg County line.

We have been installing reflective plates on test stations posts that we bought from Mueller Metals. This provides better visibility of test stations.

On August 14, 2019, we received the new F550 truck to haul the new Bobcat excavator.

ATTACHMENT 3

Tank Liner Bids – Driscoll GST

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 28, 2019
Re: Driscoll Ground Storage Tank (GST) – Installation of Spray-on Liner

Background:

In July, the Board tabled action on securing the services of a paint contractor to install a spray-on liner for the Driscoll GST. Staff was instructed to request two (2) of the three (3) companies providing a bid to also quote the cost of using the zinc epoxy coating which was quoted by Mercer/Fastco bid as an alternate item. Another item discussed by the Board was the requirement by Elite National (Elite) to pay 50% of the cost up-front.

Following the meeting, legal counsel was contacted regarding re-soliciting bids. He recommended (1) providing information on the zinc coating to Elite and NG Painting, (2) requesting a bid using the alternate coating, (3) confirming that the Mercer/Fastco bid would remain valid, (4) research whether there would be any cost consideration as a result of Elite being an out of State company (there is not), and notify the bidders that STWA will not pay any up-front costs.

Analysis:

Confirmation was received stating that the Mercer/Fastco bid remains unchanged. Mr. George Gramatikakis, NG, states that the \$45,000 quote is still valid using the zinc epoxy. Elite has confirmed it will use the zinc epoxy and has agreed to receiving full payment within seven (7) days of completion. Enclosed are the pertinent emails. Additional research has been done, however, regarding Elite's background. Staff has been contacted by Elite's owner, John Duke. Additional information may be available by the Board meeting.

Staff Recommendation:

Based on the information available, staff's opinion remains unchanged from last month and believes that NG or Mercer/Fastco would be the more responsible bidder. Of the two (2) bids, NG has submitted the lower price.

Board Action:

Determine whether any of the three (3) companies should be selected to coat the interior of the Driscoll Ground Storage Tank.

Summarization:

This tank is part of the original Regional System constructed between 1983 and 1985. The tank never had any interior surface rehabilitation.

mcserrato@stwa.org

From: Bill Flickinger <bflickinger@wfaustin.com>
Sent: Wednesday, July 31, 2019 12:01 PM
To: mcserrato@stwa.org
Cc: Allison Nix
Subject: RE: Contract Bid Evaluations

Carola,

Yes, your interpretation is correct.

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: mcserrato@stwa.org <mcserrato@stwa.org>
Sent: Wednesday, July 31, 2019 11:58 AM
To: Bill Flickinger <bflickinger@wfaustin.com>
Cc: Allison Nix <anix@wfaustin.com>
Subject: RE: Contract Bid Evaluations

Bill,

Am I understanding this correctly – if Texas does not have a Bidder Preference and Missouri’s law reads as noted below, then, it’s a “wash?” The info on the Texas Comptroller’s website is also attached and highlighted below.

Carola

Missouri Revised Statutes, §34.076. In letting for bid any contract to a contractor for any public works or product, a contractor or bidder domiciled outside Missouri is required, to be successful, to bid the same percent less than the lowest bid submitted by a contractor or bidder domiciled in Missouri as would be required for the Missouri-domiciled contractor or bidder to succeed over the contractor or bidder domiciled outside Missouri in that contractor's or bidder's state.

Although these preferences theoretically favor "in state" bidders, there is no basis for applying reciprocal preference based on those state statutes since Texas has similar provisions.

From: Bill Flickinger <bflickinger@wfaustin.com>
Sent: Wednesday, July 31, 2019 11:11 AM
To: Carola Serrato (mcgserrato@stwa.org) <mcgserrato@stwa.org>
Cc: Allison Nix <anix@wfaustin.com>
Subject: Contract Bid Evaluations

Carola,

When considering the award of a contract under a competitive bidding process, the Board must comply with the applicable provisions of Chapter 2269, Texas Government Code which are:

"Sec. 2269.055. CRITERIA TO CONSIDER. (a) In determining the award of a contract under this chapter, the governmental entity may consider:

(1) the price;

(2) the offeror's experience and reputation;

(3) the quality of the offeror's goods or services;

(4) the impact on the ability of the governmental entity to comply with rules relating to historically underutilized businesses;

(5) the offeror's safety record;

(6) the offeror's proposed personnel;

(7) whether the offeror's financial capability is appropriate to the size and scope of the project; and

(8) any other relevant factor specifically listed in the request for bids, proposals, or qualifications.

(b) In determining the award of a contract under this chapter, the governmental entity shall:

(1) consider and apply any existing laws, including any criteria, related to historically underutilized businesses; and

(2) consider and apply any existing laws, rules, or applicable municipal charters, including laws applicable to local governments, related to the use of women, minority, small, or disadvantaged businesses."

Note: The foregoing assumes that all bidders are resident bidders (having its principal place of business in Texas). If nonresident bidders are involved, then Chapter 2252, Texas Government Code would apply. In order to award the contract to a nonresident bidder, the nonresident bidder must underbid the lowest bid from a

responsible resident bidder by at least the amount that would be required in that nonresident bidder's state. See

Section 2252.002, Texas Government Code.

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: Laura Blanz <laurablantz@elitenationaltank.com>
Sent: Monday, August 5, 2019 8:34 AM
To: mcserrato@stwa.org
Subject: Re: Driscoll GST Spray on Liner - Alternative Quote - Tnemec Hydro Zinc 91-H2O
Attachments: Kingsville.TX.8.5.pdf

Carola,

Please see attached updated proposal. Please let me know if you have any questions.

Thank you,

On August 2, 2019 at 6:00 PM mcserrato@stwa.org wrote:

Laura,

The STWA Board met on Tuesday, July 30th, and reviewed the quotes for applying an interior spray on liner. However, one of the proposals included the use of an epoxy containing zinc as an alternative coating. Attached is Tnemec's spec sheet on the product. The STWA Board is interested in receiving a quote for this product as a substitute for the previously specified epoxy.

The proposal should still include the same preparation process as previously used. In addition, the proposal should include the application of the entire interior of the tank, floor, walls and underside of roof.

If you are still interested in providing a quote, please provide it by **August 21st** which would allow review by staff and our legal counsel.

Finally, the STWA Board will be utilizing the applicable provisions of Chapter 2269, Texas Government Code (see below) when considering the award of the job. This includes the "offeror's financial capability." As such, the STWA Board will only award the job to a contractor that accepts payment upon completion of the job.

Please contact me if you need any additional information or clarification.

Thanks and have a good weekend,

Carola

Carola G. Serrato

Executive Director

South Texas Water Authority

PO Box 1701

Kingsville, Texas 78364

361-592-9323 x112

"Sec. 2269.055. CRITERIA TO CONSIDER. (a) In determining the award of a contract under this chapter, the governmental entity may consider:

(1) the price;

(2) the offeror's experience and reputation;

(3) the quality of the offeror's goods or services;

(4) the impact on the ability of the governmental entity to comply with rules relating to historically underutilized businesses;

(5) the offeror's safety record;

(6) the offeror's proposed personnel;

(7) whether the offeror's financial capability is appropriate to the size and scope of the project; and

(8) any other relevant factor specifically listed in the request for bids, proposals, or qualifications.

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(2) consider and apply any existing laws, rules, or applicable municipal charters, including laws applicable to local governments, related to the use of women, minority, small, or disadvantaged businesses.”

Laura Blanz

Office Manager

Elite National

6320 Brookside Plaza #249

Kansas City, MO 64113

Phone: 816-406-1786

www.elitenationaltank.com

Elite National

"A COMPLETE TANK SERVICE COMPANY"

www.elitenationaltank.com

6320 Brookside Plaza #249

Kansas City, MO 64113

Office: 816-406-1768

August 5, 2019

South Texas Water Authority
ATTN: Carola Serrato
P.O. Box 1701
Kingsville, TX 78364

361-592-9323 Ext:112
Mcserrato@stwa.org

Elite National will furnish all labor, material, equipment and insurance necessary to complete the following service(s) to the following tank(s):

(1) 150,000 Gallon Galvanized Ground Storage Tank (D29ft X H32ft)

Mobilization to: Kingsville, Texas

All work performed on the above listed tank(s) will be in accordance with any and all applicable AWWA (American Water Works Association) and OSHA (Occupational Safety and Health Administration) guidelines.

SERVICES:

Interior Paint:

- Sand blast interior of the tank to remove severely rusted and abraded areas to an SSPC #10 (Near White Metal), up to 25%. Followed with an SSPC #7 (Brush Blast) to all remaining interior surfaces to establish an anchor profile
- Spot prime bare metal areas with Tnemec 91H20 Zinc Rich Epoxy
- Stripe coat interior seams with Tnemec Series 20-1255 Pota-Pox
- Apply a complete coat of Tnemec 91H20 Zinc Rich Epoxy to 100% of interior tank surfaces

WARRANTY

The following warranty statement applies only to the work and maintenance performed under the current contract and scope of work. Any additional issues or deficiencies that may arise during the course of this contract that are not directly related to the current scope of work will not be included in the warranty and shall be the sole responsibility of the owner to pay for any existing repairs or deficiencies.

Paint: The interior paint system will be covered under this warranty for a period of one (1) year. Elite National will re-inspect the coating system at a time that correlates with the warranty period to ensure adhesion of all applied coating systems. If there are any deficiencies that have stemmed from the application of the coating system, Elite National will take appropriate action(s) to remedy the situation to the best of its ability and to the customers satisfaction without causing undue hardship to either party involved in the process. This warranty does not cover any damage to the paint system that is caused by client neglect, acts of nature, vandalism, structural breakdown, or any other event that is not directly related to the work completed by Elite National or any of its employee representatives.

All of the above to be completed in a substantial and workman like manner for the sum of:

Thirty-Two Thousand Five Hundred Dollars and Zero Cents (\$32,500)

The parties approving this contract certify that they are fully authorized to do so, and that all legal requirements have been complied with. You are hereby authorized to furnish all labor, material, equipment, and insurance required to complete the work mentioned in said proposal and according to the terms thereof.

All quotations subject to acceptance within 30 days.

Payment Terms: 100% Due within 7 days of completion.

**There will be a 17% late payment fee assigned to any and all balances not paid in full by 30 days from satisfactory completion of the project.

ADDITIONAL TERMS:

- If needed, customer will be required to remove vehicles and/or equipment from the job site and surrounding area to prevent any damages and if necessary place a physical barricade around the perimeter to restrict access of unauthorized personnel
- Handling, removal, and disposal of hazardous and or contaminated material such as lead or asbestos, is not covered in this quote
- Customer is to provide a dumpster and /or dumpster services for the removal of waste generated during this project (general garbage, paint buckets, etc.)

- Down Time, (if caused by the customer) will be charged at a rate of \$50.00 per hour, per man. Maximum daily rate will be \$480.00 per man
- Customer is to provide adequate power and water needed to job-site

Accepted this: _____ day of _____, 20_____

By: _____

Title: _____

Respectfully Submitted By:

A handwritten signature in black ink, appearing to read 'J. Duke', written in a cursive style.

John Duke, CEO
Elite National

mcgserrato@stwa.org

From: Adrian Garza <a.garza@mercercontrols.com>
Sent: Tuesday, August 6, 2019 11:18 AM
To: mcgserrato
Cc: Oscar Juarez; MERCERCONTROLS; Bill Flickinger; Dony Cantu, dcantu@stwa.org; Frances Rosales; jhinojosa; Jo Ella Wagner; s gabrysch
Subject: Re: Driscoll GST Spray on Liner - Alternative Quote - Tnemec Hydro Zinc 91-H20
Attachments: M.jpg; Tnemec Hydro Zinc 91 H2O.pdf

Good Morning,

We will not be needing to update our quote.
Our prices will remain the same.

Thank you,

Adrian Garza

Adrian Garza

Electrical Engineer EIT
a.garza@mercercontrols.com



Since 1992

MERCER CONTROLS, INC.

Physical Address: 804 Apollo Drive
Billing Address: PO Box 777
Edna, TX 77957

(361) 782-7168 -Office
(361) 782-7706 -Fax

From: "mcgserrato" <mcgserrato@stwa.org>
To: "Oscar Juarez" <oscarjuarez1@yahoo.com>, "MERCERCONTROLS" <mercercontrols@aol.com>
Cc: "a garza" <a.garza@mercercontrols.com>, "Bill Flickinger" <bflickinger@wfaustin.com>, "Dony Cantu, dcantu@stwa.org" <dcantu@stwa.org>, "Frances Rosales" <fvrosales@stwa.org>, "jhinojosa" <jhinojosa@stwa.org>, "Jo Ella Wagner" <jwagner@stwa.org>
Sent: Friday, August 2, 2019 5:08:16 PM
Subject: Driscoll GST Spray on Liner - Alternative Quote - Tnemec Hydro Zinc 91-H20

Mr. Mercer:

Per our discussion earlier in the week, below is the template of the email send to two other contractors that submitted quotes on the installation of a spray-on interior liner for the Driscoll GST. I am providing this information to you, Oscar Juarez, and Adrian Garza in the event the delay in awarding the bid requires an updated quote. As you can see, the information would be needed by August 21st. The Board meeting is scheduled for September 3rd.

Have a good weekend. Please let me know if you require any additional information.

Carola

Carola G. Serrato

Executive Director

South Texas Water Authority

PO Box 1701

Kingsville, Texas 78364

361-592-9323 x112

[Contractor name],

The STWA Board met on Tuesday, July 30th, and reviewed the quotes for applying an interior spray on liner. However, one of the proposals included the use of an epoxy containing zinc as an alternative coating. Attached is Tnemec's spec sheet on the product. The STWA Board is interested in receiving a quote for this product as a substitute for the previously specified epoxy.

The proposal should still include the same preparation process as previously used. In addition, the proposal should include the application of the entire interior of the tank, floor, walls and underside of roof.

*If you are still interested in providing a quote, please provide it by **August 21st** which would allow review by staff and our legal counsel.*

Finally, the STWA Board will be utilizing the applicable provisions of Chapter 2269, Texas Government Code (see below) when considering the award of the job. This includes the "offeror's financial capability." As such, the STWA Board will only award the job to a contractor that accepts payment upon completion of the job.

Please contact me if you need any additional information or clarification.

Thanks and have a good weekend,

Carola

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Executive Director

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From: George Gramatikakis <george@ngpainting.net>
Sent: Tuesday, August 13, 2019 12:17 PM
To: mcserrato@stwa.org
Cc: Bill Flickinger; Dony Cantu; Frances Rosales; Jacob Hinojosa; Jo Ella Wagner
Subject: Re: Driscoll GST Spray on Liner - Alternative Quote - Tnemec Hydro Zinc 91-H20

Carola,

The use of this product would not change the pricing. The previous quote would remain the same.

Thanks,

George Gramatikakis
General Manager
NG Painting, LP
o. (830) 257-5940
c. (214) 801-3268
f. (830) 792-4968
e. george@ngpainting.net

On Aug 2, 2019, at 4:58 PM, <mcserrato@stwa.org> <mcserrato@stwa.org> wrote:

George,

The STWA Board met on Tuesday, July 30th, and reviewed the quotes for applying an interior spray on liner. However, one of the proposals included the use of an epoxy containing zinc as an alternative coating. Attached is Tnemec's spec sheet on the product. The STWA Board is interested in receiving a quote for this product as a substitute for the previously specified epoxy.

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Please contact me if you need any additional information or clarification.

Thanks and have a good weekend,

Carola

Carola G. Serrato
Executive Director

South Texas Water Authority

PO Box 1701
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361-592-9323 x112

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<Tnemec Hydro Zinc 91 H2O.pdf>

ATTACHMENT 4

Resolution 19-47

SOUTH TEXAS WATER AUTHORITY

RESOLUTION 19-47

RESOLUTION AWARDING THE BID FOR INSTALLATION OF A TANK LINER
FOR THE DRISCOLL GROUND STORAGE TANK.

WHEREAS, the South Texas Water Authority solicited bids for installation of a tank liner for the Driscoll Ground Storage Tank and

WHEREAS, the Board of Directors of the South Texas Water Authority has reviewed the bids and finds that _____ has submitted the lowest responsible bid.

NOW, THEREFORE, BE IT RESOLVED that the South Texas Water Authority Board of Directors awards the bid for installation of a tank liner for the Driscoll Ground Storage Tank to _____.

Duly adopted this 3rd day of September, 2019.

KATHLEEN LOWMAN, PRESIDENT

ATTEST:

RUDY GALVAN, JR., SECRETARY/TREASURER

ATTACHMENT 5
Fiscal Year 2020 Budget

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 29, 2019
Re: Final Draft Fiscal Year 2020 Budget

Background:

Enclosed please find the two (2) versions of Final Draft Fiscal Year 2020 Budgets, including a General Fund Budget, Tax Fund Budget, Special Services Fund Budget, Debt Service Fund Budget, and Capital Project Fund Budget. One set is based on the *current M&O tax rate of \$0.067886/\$100*. The second set is based on the *higher tax rate of \$0.070059/\$100* which includes the 8% allowable increase on the M&O tax rate. This year, the average home cost for STWA's district is \$88,405. Multiplying the difference (\$0.002173/\$100) between the two rates times that average home value is \$1.92/year.

Both versions are based on a Handling Charge rate of \$0.426386/1000g, a sales volume of about 530 million gallons, a 2.7 % adjustment (overall) to salaries with the exception of my salary, \$425,350 in capital acquisition (\$225,350 in the General Fund Budget and \$200,000 from the Capital Projects Fund Budget), and net income ending balances in the General Fund. All major components are now available including the tax collection fees, estimated appraisal district fees, the cost of water from the City of Corpus Christi and medical/dental insurance premiums.

Analysis:

The budget version based on the current M&O tax rate has an ending balance of \$283,732 and the version based on the higher M&O tax rate has an ending balance of \$328,963, for a difference of \$45,231. Remaining funds will increase the Reserve balance and will be used to address future infrastructure needs, particularly any related to the condition of the 42" waterline.

The Interest and Sinking (I&S) tax rate is required to be based on the debt service schedule and a rate that will generate the necessary funds to pay the annual interest and principal on the bonds. Since the overall tax base has increased, the I&S tax rate has decreased. The revenues and expenses in the proposed Debt Service Fund Budget from FY 19 to FY 20 are only slightly different with an anticipated increase in revenues of \$8,428 and \$2,010 in increased expenses.

The proposed Special Services Fund Budget indicates that approximately \$25,000 (\$24,973) in additional revenue charged to the Nueces and Ricardo Water Supply Corporations should be generated.

For the Capital Project Fund Budget, the Board will recall that \$5.1M was issued in bonds to address three (3) main projects – the relocation of the 42" line at US 77/1-69 and CR 36, Kingsville Pump Station Improvements (tank/pumps) and Bishop Pump Station Improvements. Projects came in under budget and as such additional projects have been undertaken including installation of an emergency generator for the Kingsville PS, assessments on the 42" waterline, and conversion of the Driscoll Booster Station from a chlorination booster to a chloramine booster station. The Board agreed that remaining funds should be used to cover the cost of a CP crew to install additional sacrificial anodes on the 42" line.

The enclosed proposed FY 2020 Capital Project Fund Budget shows an anticipated FY 19 ending balance of these bond funds of \$719,809. The proposed budget also shows anticipated interest earnings revenue of \$17,000 and \$736,809 in expenses for an ending balance of \$0. However, it should be noted that the \$516,809 in Cathodic Protection expenses will not likely be spent in a year's time. Salaries, benefits, and materials are running approximately \$10,000/month. Therefore, the remaining balance should cover about four (4) years of CP activities.

Staff Recommendation :

Consider adopting the budget based on the slightly higher M&O tax rate.

Board Action:

Adopt a FY 2020 Budget.

Summarization:

Adoption of one of these final budgets should result in increasing STWA's Reserve balance by approximately \$284,000 to \$329,000. The Reserve balance as of July 31, 2019 is approximately \$3,050,000.

**SOUTH TEXAS WATER AUTHORITY
GENERAL FUND
PROPOSED FY2020 BUDGET**

**O & M TAX RATE: \$0.067886
I & S TAX RATE: \$0.016852
HANDLING CHARGE: \$0.426386
WATER RATE: \$2.512020**

	2019 ADOPTED BUDGET	2019 AMENDED BUDGET	2020 PROPOSED BUDGET
REVENUES			
Water Service Revenue	\$1,366,000	\$1,366,000	\$1,336,941
Handling Charge Revenue	\$221,255	\$221,255	\$226,930
Premium Incremental Increase	\$20,000	\$32,000	\$20,000
Surcharge - Out of District	\$7,545	\$7,299	\$7,545
Interest Income	\$37,000	\$55,250	\$60,000
Other Revenue			
Operating & Maintenance Fees	\$0	\$0	\$0
Miscellaneous Revenues	\$5,000	\$12,000	\$12,000
TOTAL REVENUES	\$1,656,800	\$1,693,804	\$1,663,416
EXPENDITURES			
Water Service Expenditures:			
Bulk Water Purchases	\$1,366,000	\$1,366,000	\$1,336,941
Water Loss	\$0	\$0	\$0
TOTAL WATER SERVICE	\$1,366,000	\$1,366,000	\$1,336,941
Payroll Costs			
Salaries & Wages -			
Permanent Employees	\$329,340	\$315,000	\$338,292
Part-Time Employee	\$1,677	\$1,495	\$1,729
Overtime - NWSC	\$0	\$0	\$0
Stand-by Pay - NWSC	\$0	\$0	\$0
Overtime - RWSC	\$0	\$0	\$0
Stand-by Pay - RWSC	\$0	\$0	\$0
Overtime - STWA	\$12,500	\$14,700	\$12,500
Stand-by Pay - STWA	\$1,300	\$1,300	\$1,300
Janitorial Pay - STWA Overtime	\$8,500	\$7,800	\$8,500
Employee Retirement Premiums	\$44,959	\$54,500	\$46,677
Group Insurance Premium	\$169,292	\$169,292	\$177,763
Unemployment Compensation	\$1,034	\$300	\$875
Workers' Compensation	\$6,841	\$5,500	\$6,250
Car Allowance	\$6,000	\$6,000	\$6,000
Hospital Insurance Tax	\$3,817	\$3,817	\$3,962
TOTAL PERSONNEL	\$585,260	\$579,704	\$603,848
Supplies & Materials			
Repairs & Maintenance	\$80,000	\$80,000	\$80,000
Meter Expense	\$5,000	\$5,000	\$5,000
Tank Repairs	\$25,000	\$25,000	\$50,000
Major Repairs	\$25,000	\$25,000	\$25,000
TOTAL SUPPLIES & MATERIALS	\$135,000	\$135,000	\$160,000

	2019 ADOPTED BUDGET	2019 AMENDED BUDGET	2020 PROPOSED BUDGET
Other Operating Expenditures:			
Professional Fees			
Legal	\$30,000	\$25,000	\$30,000
Auditing	\$9,750	\$9,750	\$9,750
Engineering	\$12,500	\$12,500	\$12,500
Management & Consulting	\$7,500	\$7,500	\$7,500
Inspections	\$4,000	\$4,000	\$6,000
Leak Detection	\$0	\$0	\$0
Banquete Overhead Tank Demolition	\$30,000	\$30,000	\$35,000
TOTAL PROFESSIONAL FEES	\$93,750	\$88,750	\$100,750
Consum Supplies/Materials			
Postage	\$6,500	\$6,500	\$7,500
Printing/Office Supplies	\$27,500	\$29,000	\$30,000
Janitorial/Site Maintenance	\$6,000	\$6,000	\$6,000
Fuel/Lubricants/Repairs	\$34,000	\$44,000	\$30,000
Chemicals/Water Samples	\$52,500	\$52,500	\$52,500
Safety Equipment	\$1,500	\$2,200	\$1,500
Small Tools	\$2,000	\$2,000	\$2,000
TOTAL CON. SUPPLIES/MATERIALS	\$130,000	\$142,200	\$129,500
Recurring Operating Costs			
Telephone/Communications	\$20,654	\$20,654	\$14,000
Utilities	\$112,500	\$102,500	\$110,000
D & O Liability Insurance	\$3,500	\$3,500	\$3,500
Property Insurance	\$30,000	\$47,292	\$47,300
General Liability	\$2,750	\$3,200	\$3,200
Auto Insurance	\$2,050	\$2,225	\$2,225
Travel/Training/Meetings	\$10,000	\$10,000	\$10,000
Rental-Equipment/Uniforms	\$5,000	\$5,000	\$5,000
Dues/Subscriptions/Publication	\$15,000	\$22,500	\$15,000
Pass Through Cost	\$600	\$400	\$400
Educational Materials	\$0	\$0	\$0
TOTAL RECURRING OPER. COSTS	\$202,054	\$217,271	\$210,625
Miscellaneous			
Miscellaneous Expenditures	\$7,500	\$7,500	\$7,500
TOTAL MISCELLANEOUS	\$7,500	\$7,500	\$7,500
Total Administrative & Operations Exp.	\$2,519,564	\$2,536,425	\$2,549,164
Capital Outlay			
Capital Acquisition	\$240,400	\$398,444	\$225,350
Engineering	\$0	\$5,000	\$0
TOTAL CAPITAL OUTLAY	\$240,400	\$403,444	\$225,350
TOTAL EXPENDITURES (w/o D.S. exp.)	\$2,759,964	\$2,939,869	\$2,774,514
Excess (Deficiencies) of Revenue Over Expenditures	-\$1,103,164	-\$1,246,065	-\$1,111,098

	2019 ADOPTED BUDGET	2019 AMENDED BUDGET	2020 PROPOSED BUDGET
OTHER FINANCE SOURCE (USES)			
Transfer to Other Funds			
Disposition of Assets (Surplus Sale)	\$1,500	\$15,000	\$1,500
Transfer from Tax Accounts	\$1,238,343	\$1,238,343	\$1,393,329
TOTAL OTHER FINANCING SOURCES (USES)	\$1,239,843	\$1,253,343	\$1,394,829
EXCESS (DEFICIENCIES) OF REVENUES OVER OTHER SOURCES (USES)	\$136,679	\$7,278	\$283,732
NET INCOME	\$136,679	\$7,278	\$283,732

Capital Acquisition

a. New truck	\$32,500
b. RWSC Booster	\$15,000
c. Technology Upgrades	\$5,000
d. Large Air Compressor	\$25,000
e. Truck Utility Bed	\$11,000
f. New Chlorine & LAS Scales	\$16,850
g. Banquete PS Including Hydro Tank	<u>\$120,000</u>
	\$225,350
Engineering	\$0

**SOUTH TEXAS WATER AUTHORITY
GENERAL FUND - TAX ACCOUNTS
PROPOSED FY2020 BUDGET**

**O & M TAX RATE: \$0.067886
I & S TAX RATE: \$0.016852
HANDLING CHARGE: \$0.426386
WATER RATE: \$2.512020**

	2019 ADOPTED BUDGET	2019 AMENDED BUDGET	2020 PROPOSED BUDGET
REVENUES			
Ad Valorem - Current (M & O)	\$1,257,158	\$1,257,158	\$1,420,260
Delinquent Taxes	\$27,500	\$27,500	\$30,000
Penalty & Interest - Tax Accounts (M & O)	\$16,000	\$16,000	\$19,000
TOTAL M&O TAX REVENUES	\$1,300,658	\$1,300,658	\$1,469,260
EXPENDITURES			
Tax Collector Fees	\$38,597	\$38,597	\$49,868
Appraisal Districts	\$23,718	\$23,718	\$26,063
Refunds	\$0	\$0	\$0
TOTAL EXPENDITURES	\$62,315	\$62,315	\$75,931
REVENUES OVER EXPENDITURES	\$1,238,343	\$1,238,343	\$1,393,329
OTHER USES			
Transfer to Revenue Fund (Tax)	\$1,238,343	\$1,238,343	\$1,393,329
TOTAL EXPEND. & OTHER USES	\$1,300,658	\$1,300,658	\$1,469,260
Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$0	\$0	\$0

**SOUTH TEXAS WATER AUTHORITY
GENERAL FUND - SPECIAL SERVICES
PROPOSED FY2020 BUDGET**

**O & M TAX RATE: \$0.067886
I & S TAX RATE: \$0.016852
HANDLING CHARGE: \$0.426386
WATER RATE: \$2.512020**

	2019 ADOPTED BUDGET	2020 PROPOSED BUDGET
REVENUES		
Ricardo Water Supply Corporation 1014 customers	\$302,824	\$308,794
Nueces Water Supply Corporation 1000 customers	\$285,529	\$304,531
TOTAL SPECIAL SERVICES REVENUE	\$588,353	\$613,326
EXPENDITURES		
Personnel	\$319,559	\$328,454
Overhead	\$268,794	\$284,871
TOTAL SPECIAL SERVICES EXPENDITURES	\$588,353	\$613,326
REVENUES OVER EXPENDITURES	\$0	\$0

**SOUTH TEXAS WATER AUTHORITY
DEBT SERVICE FUND
PROPOSED FY2020 BUDGET**

**O & M TAX RATE: \$0.067886
I & S TAX RATE: \$0.016852
HANDLING CHARGE: \$0.426386
WATER RATE: \$2.512020**

	FY2019 ADOPTED BUDGET	FY 2020 PROPOSED BUDGET
REVENUES		
Ad Valorem - Current	\$364,889	\$369,963
Ad Valorem - Delinquent	\$7,000	\$9,500
Penalty & Interest - Tax Accounts	\$5,500	\$5,500
Out-of-District Surcharge	\$2,019	\$1,873
Interest on Temporary Investments	\$3,250	\$4,250
Miscellaneous	<u>\$0</u>	<u>\$0</u>
TOTAL TAXES & INTEREST	\$382,658	\$391,086
OTHER FINANCING SOURCES		
	<u>\$0</u>	<u>\$0</u>
TOTAL OTHER FINANCE SOURCES	\$0	\$0
Total Revenue and Other Financing Sources	\$382,658	\$391,086
EXPENDITURES		
Fiscal Agent Fees	\$200	\$200
Bond Interest Expense	\$122,350	\$117,850
Bond Principal Payments	\$225,000	\$230,000
Tax Collector Fees	\$10,739	\$12,379
Appraisal District Fees	\$6,600	\$6,470
Miscellaneous Fees	<u>\$0</u>	<u>\$0</u>
TOTAL EXPENDITURES	\$364,890	\$366,900
OTHER USES		
TOTAL EXPEND. & OTHER USES	\$364,890	\$366,900
Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$17,769	\$24,187

**SOUTH TEXAS WATER AUTHORITY
FY 2020 PROPOSED BUDGET
CAPITAL PROJECT FUND**

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	\$375,000.00	7.21%

\$5,307,386.40 100.00%

	2013, 2014, 2015	2016	2017	2018	2019	PROJECTED	
	REVENUE & EXPEND.	REVENUE & EXPEND.	REVENUE & EXPEND.	REVENUE & EXPEND.	REVENUE & EXPEND. as of 07/31/19	FINAL 2019 REVENUE & EXPEND.	2020 PROPOSED BUDGET
REVENUES							
Bond Proceeds	\$5,307,386.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Earnings	\$5,058.84	\$8,624.35	\$11,987.27	\$17,651.00	\$19,233.00	\$21,000.00	\$17,000.00
Other Income	<u>\$7,167.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total Revenue and Other Financing Sources	\$5,319,612.24	\$8,624.35	\$11,987.27	\$17,651.00	\$19,233.00	\$21,000.00	\$17,000.00
EXPENDITURES							
Right of Way Acquisition	\$57,436.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Engineering Fees	\$519,027.00	\$70,053.00	\$102,326.00	\$5,400.00	\$0.00	\$0.00	\$20,000.00
Construction Costs	\$1,157,406.80	\$1,581,729.53	\$375,603.27	\$228,483.70	\$6,441.00	\$6,441.00	\$200,000.00
42" Line - Cathodic Protection	\$0.00	\$0.00	\$0.00	\$0.00	\$132,972.00	\$165,000.00	\$516,809.06
Pipeline Condition Assessment	\$0.00	\$100,605.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Legal & Administrative Fees	\$61,988.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cost of Bond Issuance	\$98,669.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous Fees	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL EXPENDITURES	\$1,894,526.80	\$1,752,387.53	\$477,929.27	\$233,883.70	\$139,413.00	\$171,441.00	\$736,809.06
TOTAL EXPEND. & OTHER USES	\$1,894,526.80	\$1,752,387.53	\$477,929.27	\$233,883.70	\$139,413.00	\$171,441.00	\$736,809.06
Excess Bond Proceeds/ Transfer to Debt Service to use toward first Debt Service payment.	\$8,717.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Financing Expenditures	\$1,903,244.30	\$1,752,387.53	\$477,929.27	\$233,883.70	\$139,413.00	\$171,441.00	\$736,809.06
Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$3,416,367.94	-\$1,743,763.18	-\$465,942.00	-\$216,232.70	-\$120,180.00	-\$150,441.00	-\$719,809.06
FUND BALANCE	\$1,903,244.30	\$1,672,604.76	\$1,206,662.76	\$990,430.06	\$870,250.06	\$719,809.06	\$0.00

**SOUTH TEXAS WATER AUTHORITY
GENERAL FUND
PROPOSED FY2020 BUDGET**

**O & M TAX RATE: \$0.070059
I & S TAX RATE: \$0.016852
HANDLING CHARGE: \$0.426386
WATER RATE: \$2.512020**

	2019 ADOPTED BUDGET	2019 AMENDED BUDGET	2020 PROPOSED BUDGET
REVENUES			
Water Service Revenue	\$1,366,000	\$1,366,000	\$1,336,941
Handling Charge Revenue	\$221,255	\$221,255	\$226,930
Premium Incremental Increase	\$20,000	\$32,000	\$20,000
Surcharge - Out of District	\$7,787	\$7,299	\$7,787
Interest Income	\$37,000	\$55,250	\$60,000
Other Revenue			
Operating & Maintenance Fees	\$0	\$0	\$0
Miscellaneous Revenues	\$5,000	\$12,000	\$12,000
TOTAL REVENUES	\$1,657,042	\$1,693,804	\$1,663,658
EXPENDITURES			
Water Service Expenditures:			
Bulk Water Purchases	\$1,366,000	\$1,366,000	\$1,336,941
Water Loss	\$0	\$0	\$0
TOTAL WATER SERVICE	\$1,366,000	\$1,366,000	\$1,336,941
Payroll Costs			
Salaries & Wages -			
Permanent Employees	\$329,340	\$315,000	\$338,292
Part-Time Employee	\$1,677	\$1,495	\$1,729
Overtime - NWSC	\$0	\$0	\$0
Stand-by Pay - NWSC	\$0	\$0	\$0
Overtime - RWSC	\$0	\$0	\$0
Stand-by Pay - RWSC	\$0	\$0	\$0
Overtime - STWA	\$12,500	\$14,700	\$12,500
Stand-by Pay - STWA	\$1,300	\$1,300	\$1,300
Janitorial Pay - STWA Overtime	\$8,500	\$7,800	\$8,500
Employee Retirement Premiums	\$44,959	\$54,500	\$46,677
Group Insurance Premium	\$169,292	\$169,292	\$177,763
Unemployment Compensation	\$1,034	\$300	\$875
Workers' Compensation	\$6,841	\$5,500	\$6,250
Car Allowance	\$6,000	\$6,000	\$6,000
Hospital Insurance Tax	\$3,817	\$3,817	\$3,962
TOTAL PERSONNEL	\$585,260	\$579,704	\$603,848
Supplies & Materials			
Repairs & Maintenance	\$80,000	\$80,000	\$80,000
Meter Expense	\$5,000	\$5,000	\$5,000
Tank Repairs	\$25,000	\$25,000	\$50,000
Major Repairs	\$25,000	\$25,000	\$25,000
TOTAL SUPPLIES & MATERIALS	\$135,000	\$135,000	\$160,000

	2019 ADOPTED BUDGET	2019 AMENDED BUDGET	2020 PROPOSED BUDGET
Other Operating Expenditures:			
Professional Fees			
Legal	\$30,000	\$25,000	\$30,000
Auditing	\$9,750	\$9,750	\$9,750
Engineering	\$12,500	\$12,500	\$12,500
Management & Consulting	\$7,500	\$7,500	\$7,500
Inspections	\$4,000	\$4,000	\$6,000
Leak Detection	\$0	\$0	\$0
Banquete Overhead Tank Demolition	\$30,000	\$30,000	\$35,000
TOTAL PROFESSIONAL FEES	\$93,750	\$88,750	\$100,750
Consum Supplies/Materials			
Postage	\$6,500	\$6,500	\$7,500
Printing/Office Supplies	\$27,500	\$29,000	\$30,000
Janitorial/Site Maintenance	\$6,000	\$6,000	\$6,000
Fuel/Lubricants/Repairs	\$34,000	\$44,000	\$30,000
Chemicals/Water Samples	\$52,500	\$52,500	\$52,500
Safety Equipment	\$1,500	\$2,200	\$1,500
Small Tools	\$2,000	\$2,000	\$2,000
TOTAL CON. SUPPLIES/MATERIALS	\$130,000	\$142,200	\$129,500
Recurring Operating Costs			
Telephone/Communications	\$20,654	\$20,654	\$14,000
Utilities	\$112,500	\$102,500	\$110,000
D & O Liability Insurance	\$3,500	\$3,500	\$3,500
Property Insurance	\$30,000	\$47,292	\$47,300
General Liability	\$2,750	\$3,200	\$3,200
Auto Insurance	\$2,050	\$2,225	\$2,225
Travel/Training/Meetings	\$10,000	\$10,000	\$10,000
Rental-Equipment/Uniforms	\$5,000	\$5,000	\$5,000
Dues/Subscriptions/Publication	\$15,000	\$22,500	\$15,000
Pass Through Cost	\$600	\$400	\$400
Educational Materials	\$0	\$0	\$0
TOTAL RECURRING OPER. COSTS	\$202,054	\$217,271	\$210,625
Miscellaneous			
Miscellaneous Expenditures	\$7,500	\$7,500	\$7,500
TOTAL MISCELLANEOUS	\$7,500	\$7,500	\$7,500
Total Administrative & Operations Exp.	\$2,519,564	\$2,536,425	\$2,549,164
Capital Outlay			
Capital Acquisition	\$240,400	\$398,444	\$225,350
Engineering	\$0	\$5,000	\$0
TOTAL CAPITAL OUTLAY	\$240,400	\$403,444	\$225,350
TOTAL EXPENDITURES (w/o D.S. exp.)	\$2,759,964	\$2,939,869	\$2,774,514
Excess (Deficiencies) of Revenue Over Expenditures	-\$1,102,922	-\$1,246,065	-\$1,110,856

	2019 ADOPTED BUDGET	2019 AMENDED BUDGET	2020 PROPOSED BUDGET
OTHER FINANCE SOURCE (USES)			
Transfer to Other Funds			
Disposition of Assets (Surplus Sale)	\$1,500	\$15,000	\$1,500
Transfer from Tax Accounts	\$1,238,343	\$1,238,343	\$1,438,319
TOTAL OTHER FINANCING SOURCES (USES)	\$1,239,843	\$1,253,343	\$1,439,819
EXCESS (DEFICIENCIES) OF REVENUES OVER OTHER SOURCES (USES)	\$136,921	\$7,278	\$328,963
NET INCOME	\$136,921	\$7,278	\$328,963

Capital Acquisition

a. New truck	\$32,500
b. RWSC Booster	\$15,000
c. Technology Upgrades	\$5,000
d. Large Air Compressor	\$25,000
e. Truck Utility Bed	\$11,000
f. New Chlorine & LAS Scales	\$16,850
g. Banquete PS Including Hydro Tank	<u>\$120,000</u>
	\$225,350
Engineering	\$0

**SOUTH TEXAS WATER AUTHORITY
GENERAL FUND - TAX ACCOUNTS
PROPOSED FY2020 BUDGET**

**O & M TAX RATE: \$0.070059
I & S TAX RATE: \$0.016852
HANDLING CHARGE: \$0.426386
WATER RATE: \$2.512020**

	2019 ADOPTED BUDGET	2019 AMENDED BUDGET	2020 PROPOSED BUDGET
REVENUES			
Ad Valorem - Current (M & O)	\$1,257,158	\$1,257,158	\$1,465,721
Delinquent Taxes	\$27,500	\$27,500	\$30,000
Penalty & Interest - Tax Accounts (M & O)	\$16,000	\$16,000	\$19,000
TOTAL M&O TAX REVENUES	\$1,300,658	\$1,300,658	\$1,514,721
EXPENDITURES			
Tax Collector Fees	\$38,597	\$38,597	\$50,177
Appraisal Districts	\$23,718	\$23,718	\$26,225
Refunds	\$0	\$0	\$0
TOTAL EXPENDITURES	\$62,315	\$62,315	\$76,402
REVENUES OVER EXPENDITURES	\$1,238,343	\$1,238,343	\$1,438,319
OTHER USES			
Transfer to Revenue Fund (Tax)	\$1,238,343	\$1,238,343	\$1,438,319
TOTAL EXPEND. & OTHER USES	\$1,300,658	\$1,300,658	\$1,514,721
Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$0	\$0	\$0

**SOUTH TEXAS WATER AUTHORITY
GENERAL FUND - SPECIAL SERVICES
PROPOSED FY2020 BUDGET**

**O & M TAX RATE: \$0.070059
I & S TAX RATE: \$0.016852
HANDLING CHARGE: \$0.426386
WATER RATE: \$2.512020**

	2019 ADOPTED BUDGET	2020 PROPOSED BUDGET
REVENUES		
Ricardo Water Supply Corporation 1014 customers	\$302,824	\$308,794
Nueces Water Supply Corporation 1000 customers	\$285,529	\$304,531
TOTAL SPECIAL SERVICES REVENUE	\$588,353	\$613,326
EXPENDITURES		
Personnel	\$319,559	\$328,454
Overhead	\$268,794	\$284,871
TOTAL SPECIAL SERVICES EXPENDITURES	\$588,353	\$613,326
REVENUES OVER EXPENDITURES	\$0	\$0

SOUTH TEXAS WATER AUTHORITY
 DEBT SERVICE FUND
 PROPOSED FY2020 BUDGET

O & M TAX RATE: \$0.070059
 I & S TAX RATE: \$0.016852
 HANDLING CHARGE: \$0.426386
 WATER RATE: \$2.512020

	2019 ADOPTED BUDGET	2020 PROPOSED BUDGET
REVENUES		
Ad Valorem - Current	\$364,889	\$369,962
Ad Valorem - Delinquent	\$7,000	\$9,500
Penalty & Interest - Tax Accounts	\$5,500	\$5,500
Out-of-District Surcharge	\$2,019	\$1,873
Interest on Temporary Investments	\$3,250	\$4,250
Miscellaneous	<u>\$0</u>	<u>\$0</u>
TOTAL TAXES & INTEREST	\$382,658	\$391,085
OTHER FINANCING SOURCES		
	<u>\$0</u>	<u>\$0</u>
TOTAL OTHER FINANCE SOURCES	\$0	\$0
Total Revenue and Other Financing Sources	\$382,658	\$391,085
EXPENDITURES		
Fiscal Agent Fees	\$200	\$200
Bond Interest Expense	\$122,350	\$117,850
Bond Principal Payments	\$225,000	\$230,000
Tax Collector Fees	\$10,739	\$12,070
Appraisal District Fees	\$6,600	\$6,308
Miscellaneous Fees	<u>\$0</u>	<u>\$0</u>
TOTAL EXPENDITURES	\$364,890	\$366,428
OTHER USES		
TOTAL EXPEND. & OTHER USES	\$364,890	\$366,428
Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$17,769	\$24,659

**SOUTH TEXAS WATER AUTHORITY
FY 2020 PROPOSED BUDGET
CAPITAL PROJECT FUND**

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	\$375,000.00	7.21%

\$5,307,386.40 100.00%

	2013, 2014, 2015 REVENUE & EXPEND.	2016 REVENUE & EXPEND.	2017 REVENUE & EXPEND.	2018 REVENUE & EXPEND.	2019 REVENUE & EXPEND. as of 07/31/19	PROJECTED FINAL 2019 REVENUE & EXPEND.	2020 PROPOSED BUDGET
REVENUES							
Bond Proceeds	\$5,307,386.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Earnings	\$5,058.84	\$8,624.35	\$11,987.27	\$17,651.00	\$19,233.00	\$21,000.00	\$17,000.00
Other Income	<u>\$7,167.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total Revenue and Other Financing Sources	\$5,319,612.24	\$8,624.35	\$11,987.27	\$17,651.00	\$19,233.00	\$21,000.00	\$17,000.00
EXPENDITURES							
Right of Way Acquisition	\$57,436.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Engineering Fees	\$519,027.00	\$70,053.00	\$102,326.00	\$5,400.00	\$0.00	\$0.00	\$20,000.00
Construction Costs	\$1,157,406.80	\$1,581,729.53	\$375,603.27	\$228,483.70	\$6,441.00	\$6,441.00	\$200,000.00
42" Line - Cathodic Protection	\$0.00	\$0.00	\$0.00	\$0.00	\$132,972.00	\$165,000.00	\$516,809.06
Pipeline Condition Assessment	\$0.00	\$100,605.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Legal & Administrative Fees	\$61,988.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cost of Bond Issuance	\$98,669.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous Fees	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL EXPENDITURES	\$1,894,526.80	\$1,752,387.53	\$477,929.27	\$233,883.70	\$139,413.00	\$171,441.00	\$736,809.06
TOTAL EXPEND. & OTHER USES	\$1,894,526.80	\$1,752,387.53	\$477,929.27	\$233,883.70	\$139,413.00	\$171,441.00	\$736,809.06
Excess Bond Proceeds/ Transfer to Debt Service to use toward first Debt Service payment.	\$8,717.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Financing Expenditures	\$1,903,244.30	\$1,752,387.53	\$477,929.27	\$233,883.70	\$139,413.00	\$171,441.00	\$736,809.06
Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$3,416,367.94	-\$1,743,763.18	-\$465,942.00	-\$216,232.70	-\$120,180.00	-\$150,441.00	-\$719,809.06
FUND BALANCE	\$1,903,244.30	\$1,672,604.76	\$1,206,662.76	\$990,430.06	\$870,250.06	\$719,809.06	\$0.00

ATTACHMENT 6

Resolution 19-49

SOUTH TEXAS WATER AUTHORITY
Resolution 19 - 49

A RESOLUTION ADOPTING THE RECOMMENDED FISCAL YEAR 2020 BUDGET.

WHEREAS, the South Texas Water Authority is required to adopt a budget for each fiscal year, and

WHEREAS, with the adoption of this budget, the Authority adopts the following Handling Charge and *estimated* Water Rate for Customers:

A Handling Charge of \$0.426386 per thousand gallons PLUS the cost of water purchased from the City of Corpus Christi which is based on *estimated* monthly sales volume as follows:

Month	ESTIMATED Volume	Corpus Christi Water Cost	Corpus Christi Price Per 1000g
October-2019	44,241,871	\$111,138.34	\$2.512062
November-2019	40,165,086	\$100,966.76	\$2.513794
December-2019	40,212,943	\$101,086.17	\$2.513772
January-2020	42,192,792	\$106,025.89	\$2.512891
February-2020	37,798,942	\$95,063.24	\$2.514971
March-2020	40,508,305	\$101,823.09	\$2.513635
April-2020	43,190,409	\$108,514.94	\$2.512478
May-2020	46,585,418	\$116,985.49	\$2.511204
June-2020	45,968,403	\$115,446.04	\$2.511422
July-2020	52,906,104	\$132,755.60	\$2.509268
August-2020	53,749,788	\$134,860.60	\$2.509044
September-2020	44,697,160	\$112,274.29	\$2.511889

The *estimated* Total Monthly Water Rate per month is as follows:

Month	Handling Charge	Corpus Christi Price Per 1000g	Estimated Total Price Per 1000g
October-2019	\$0.426386	\$2.512062	\$2.938448
November-2019	\$0.426386	\$2.513794	\$2.940180
December-2019	\$0.426386	\$2.513772	\$2.940158
January-2020	\$0.426386	\$2.512891	\$2.939277
February-2020	\$0.426386	\$2.514971	\$2.941357
March-2020	\$0.426386	\$2.513635	\$2.940021
April-2020	\$0.426386	\$2.512478	\$2.938864
May-2020	\$0.426386	\$2.511204	\$2.937590
June-2020	\$0.426386	\$2.511422	\$2.937808
July-2020	\$0.426386	\$2.509268	\$2.935654
August-2020	\$0.426386	\$2.509044	\$2.935430
September-2020	\$0.426386	\$2.511889	\$2.938275

Out of District Customers shall pay an in lieu of taxes monthly charge based on the Customer's taxable value and the adopted tax rate.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the South Texas Water Authority adopts the attached Fiscal Year 2020 Budget and above stated water rates as reviewed by the Board of Directors.

Duly adopted this 3rd day of September, 2019.

KATHLEEN LOWMAN, PRESIDENT

ATTEST:

RUDY GALVAN, SECRETARY/TREASURER

ATTACHMENT 7

Resolution 19-50

SOUTH TEXAS WATER AUTHORITY

Resolution 19-50

RESOLUTION ADOPTING THE FISCAL YEAR 2020/TAX YEAR 2019 TAX RATE.

WHEREAS, the South Texas Water Authority Board of Directors has determined that it is necessary to levy and collect ad valorem taxes for the 2019 tax year, and

WHEREAS, the combined appraisal rolls of the South Texas Water Authority have been compiled by the Appraisal Districts in Nueces and Kleberg Counties, and

WHEREAS, South Texas Water Authority held a public hearing on a proposed tax rate for the tax year 2019 on September 3, 2019 at 5:30 p.m. at 2302 East Sage Road, Kingsville, Texas 78363.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Texas Water Authority that the following tax rate shall be levied for Fiscal Year 2020/Tax Year 2019:

\$_____ per \$100 of taxable value for the purposes of maintenance and operation

\$_____ per \$100 of taxable value for debt service

\$_____ total tax rate per \$100 of taxable value

Duly adopted this 3rd day of September, 2019.

KATHLEEN LOWMAN, PRESIDENT

ATTEST:

RUDY GALVAN, SECRETARY/TREASURER

ATTACHMENT 8

Banquete Pump Station Improvements

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 27, 2019
Re: Update on Banquete PS to Serve the Nueces Water Supply Corporation (NWSC)

Background:

As reviewed during the last Regular Board Meeting, the Nueces County grant project for Cyndie Park was planned as two (2) construction phases. The first phase, a four-mile 4" waterline, was placed into service in the early part of April. The second phase, construction of a new Banquete pump station devoted solely to the Nueces Water Supply Corporation (NWSC), unfortunately was unable to proceed as a result of the bids being much higher than the available grant funds.

During the last STWA Board meeting, the Board authorized staff to provide a letter of commitment to Nueces County in the amount of \$355,000. Staff was also authorized as the contracted management for NWSC to provide a letter of commitment in the amount of \$108,000. These funds together with the \$614,000 in remaining grant funds totals \$1,077,000. Enclosed are the latest emails pertaining to the re-advertising of this project by the Nueces County Purchasing Department.

Analysis:

As you can see, the Nueces County staff person that was assigned to this project is no longer working for the County. As such, the advertising has been delayed.

Staff Recommendation:

Keep the Board updated on this project.

Board Action:

Provide feedback to staff.

Summarization:

The Board will recall staff has previously reported on discussions with engineers from LNV Engineering (LNV) on a reduction to the overall project cost. Robert Viera, LNV, continues to indicate that there should be ways to modify the design/specifications, without affecting the performance of the pump station, in the event the bids are again higher than the available funds.

From: Maria M. Bedia <maria.bedia@nuecesco.com>
Sent: Tuesday, August 27, 2019 2:09 PM
To: 'Carola Serrato'
Subject: FW: Banquete Pump Station - Potential STWA Funds and Dedicated NWSC Funds

Good afternoon, Carola. I apologize for missing your call yesterday. Unfortunately, our Purchasing Department is short-handed and our contracts & bids assistant left the County for employment with the Port. We do not have an estimated timeline for the re-bid. Once I know the bid advertisement dates, I will let you know.

Thank you.

[~~COLOR COPY GOLD SEAL copy (2)]

Maria M. Bedia
Grants Administrator
Nueces County
(361) 888-0225 Phone
(361) 960-3599 Cell
maria.bedia@nuecesco.com<mailto:maria.bedia@nuecesco.com>

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From: Michael Robinson <Michael.Robinson1@nuecesco.com>
Sent: Wednesday, August 21, 2019 2:59 PM
To: Commissioner Joe Gonzalez <joe.gonzalez@nuecesco.com>
Cc: Robert Viera <rviera@Invinc.com>; Maria M. Bedia <maria.bedia@nuecesco.com>
Subject: Re: Banquete Pump Station - Potential STWA Funds and Dedicated NWSC Funds

I believe that Maria is correct with regard to this project. I had some discussions with Annette late last week reviewing all her current projects and plan to review this to ensure that all documents are in order for us to send the Banquete Booster Pump project out for advertisement as soon as possible.

Also, I will be conducting interviews for Annette's replacement in the coming weeks so please bear with me as we try to address all currently open projects as best we can in the meantime.

Best regards,
Michael

Sent from my iPhone

On Aug 20, 2019, at 5:53 PM, Maria M. Bedia <maria.bedia@nuecesco.com<mailto:maria.bedia@nuecesco.com>> wrote:

Per my conversation with Robert recently, Purchasing has the plans as requested. I know Annette's last day of employment was today and Michael is on vacation this week. Since no changes are needed in the bid packet, there should be nothing needed from our office to rebid the project. It is in Purchasing's queue to rebid.

Michael will have to provide the timeline for advertisement, pre-bid conference, and bid opening.

Thanks,
Maria

From: Commissioner Joe Gonzalez <joe.gonzalez@nuecesco.com<mailto:joe.gonzalez@nuecesco.com>>
Sent: Tuesday, August 20, 2019 4:01 PM
To: Maria M. Bedia <maria.bedia@nuecesco.com<mailto:maria.bedia@nuecesco.com>>; Michael Robinson <Michael.Robinson1@nuecesco.com<mailto:Michael.Robinson1@nuecesco.com>>
Cc: Robert Viera <rviera@lnvinc.com<mailto:rviera@lnvinc.com>>
Subject: RE: Banquete Pump Station - Potential STWA Funds and Dedicated NWSC Funds

Maria and Michael,
What is the status on bidding this project out? Please provide status.

Joe A. Gonzalez (JAG)
Nueces County Commissioner Pct 2
901 Leopard, Rm 303.7
Corpus Christi, Tx 78380
(361) 888-0296

From: Robert Viera <rviera@lnvinc.com<mailto:rviera@lnvinc.com>>
Sent: Thursday, August 08, 2019 10:59 AM
To: Commissioner Joe Gonzalez <joe.gonzalez@nuecesco.com<mailto:joe.gonzalez@nuecesco.com>>; Michael Robinson <Michael.Robinson1@nuecesco.com<mailto:Michael.Robinson1@nuecesco.com>>
Cc: Maria M. Bedia <maria.bedia@nuecesco.com<mailto:maria.bedia@nuecesco.com>>
Subject: RE: Banquete Pump Station - Potential STWA Funds and Dedicated NWSC Funds

Commissioner,

We will be delivering the plans to Annette right after lunchtime.

Respectfully,

Robert M Viera, PE, RPLS
Senior Vice President

LNV
engineers | architects | surveyors

801 Navigation Blvd, Suite 300
Corpus Christi, Texas 78408
P 361-883-1984 F 361-883-1986
https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.LNVINC.com&c=E,1,ApTO3VNd3kyQN3nTnH5INiKcpzO520-443_hwRA-Wd0bo6aC2L5U9u_UdWuEck8KOfNjexbhYiUCwv7U5pef1LJrIFq_P8AzGEwqNIEg&typo=1<https://gcc01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.lnvinc.com%2F&data=02%7C01%7C%7Cce369c5f55fa4d625b4a08d7267209a0%7Cf587591e3b6b45d3960b5daa419ab71b%7C0%7C0%7C637020143536904447&sdata=9zZpQeB65AEP1xrVub8X%2BNBgCXppG5s6%2FHMuJNv7IUM%3D&reserved=0

From: Commissioner Joe Gonzalez <joe.gonzalez@nuecesco.com<mailto:joe.gonzalez@nuecesco.com>>

Sent: Wednesday, August 07, 2019 8:52 AM

To: Michael Robinson <Michael.Robinson1@nuecesco.com<mailto:Michael.Robinson1@nuecesco.com>>; Robert Viera <rviera@Invinc.com<mailto:rviera@Invinc.com>>

Subject: RE: Banquete Pump Station - Potential STWA Funds and Dedicated NWSC Funds

Good! Robert lets rock n roll with the revise plans.

From: Michael Robinson <Michael.Robinson1@nuecesco.com<mailto:Michael.Robinson1@nuecesco.com>>

Sent: Wednesday, August 07, 2019 7:57 AM

To: Maria M. Bedia <maria.bedia@nuecesco.com<mailto:maria.bedia@nuecesco.com>>

Cc: Commissioner Joe Gonzalez <joe.gonzalez@nuecesco.com<mailto:joe.gonzalez@nuecesco.com>>; mcgserrato@stwa.org<mailto:mcgserrato@stwa.org>; Sandra Santos

<sandra.santos@nuecesco.com<mailto:sandra.santos@nuecesco.com>>; Robert Viera

<rviera@Invinc.com<mailto:rviera@Invinc.com>>; Dony Cantu <dcantu@stwa.org<mailto:dcantu@stwa.org>>; Frances

Rosales <fvrosales@stwa.org<mailto:fvrosales@stwa.org>>; Jacob Hinojosa

<jhinojosa@stwa.org<mailto:jhinojosa@stwa.org>>; Jo Ella Wagner <jwagner@stwa.org<mailto:jwagner@stwa.org>>;

Natalie Eckstrom <natalie.eckstrom1@co.nueces.tx.us<mailto:natalie.eckstrom1@co.nueces.tx.us>>

Subject: Re: Banquete Pump Station - Potential STWA Funds and Dedicated NWSC Funds

Back on May 8<x-apple-data-detectors://0>th<x-apple-data-detectors://0> when I took the award to Commissioners Court the motion was made to reject all bids and go out for bid again. Now we just need recent dated specifications & drawings from LNV to review and make the bid packet to bid out. There is no need for agenda item at this time.

Best regards,

Michael Robinson

Sent from my iPhone

On Aug 5, 2019, at 8:08 PM, Maria M. Bedia <maria.bedia@nuecesco.com<mailto:maria.bedia@nuecesco.com>> wrote: Thank you, Carola, for the letters of commitment! We are excited to, once again, get this project rolling.

Commissioner, I spoke to Robert earlier and he is working on getting the blank plans and specs to Purchasing, per their request. I have also sent an email to Michael (copied herein) to see what we need to provide in order to place the re-bid on the August 14th agenda.

Thank you.

<image002.jpg>

Maria M. Bedia

Grants Administrator

Nueces County

(361) 888-0225 Phone

(361) 960-3599 Cell

maria.bedia@nuecesco.com<mailto:maria.bedia@nuecesco.com>

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From: Commissioner Joe Gonzalez <joe.gonzalez@nuecesco.com<mailto:joe.gonzalez@nuecesco.com>>

Sent: Monday, August 05, 2019 4:13 PM

To: mcgserrato@stwa.org<mailto:mcgserrato@stwa.org>; Commissioner Joe Gonzalez <joe.gonzalez@nuecesco.com<mailto:joe.gonzalez@nuecesco.com>>; Maria M. Bedia <maria.bedia@nuecesco.com<mailto:maria.bedia@nuecesco.com>>
Cc: 'Robert Viera' <rviera@Invinc.com<mailto:rviera@Invinc.com>>; 'Dony Cantu' <dcantu@stwa.org<mailto:dcantu@stwa.org>>; 'Frances Rosales' <fvrosales@stwa.org<mailto:fvrosales@stwa.org>>; 'Jacob Hinojosa' <jhinojosa@stwa.org<mailto:jhinojosa@stwa.org>>; 'Jo Ella Wagner' <jwagner@stwa.org<mailto:jwagner@stwa.org>>
Subject: RE: Banquete Pump Station - Potential STWA Funds and Dedicated NWSC Funds

Maria,

Please make sure this gets on the next agenda of August 14th to re-bid!

Commissioner JAG

From: mcgserrato@stwa.org<mailto:mcgserrato@stwa.org> <mcgserrato@stwa.org<mailto:mcgserrato@stwa.org>>
Sent: Monday, August 05, 2019 3:29 PM
To: Commissioner Joe Gonzalez <joe.gonzalez@nuecesco.com<mailto:joe.gonzalez@nuecesco.com>>; Maria M. Bedia <maria.bedia@nuecesco.com<mailto:maria.bedia@nuecesco.com>>
Cc: 'Robert Viera' <rviera@Invinc.com<mailto:rviera@Invinc.com>>; 'Dony Cantu' <dcantu@stwa.org<mailto:dcantu@stwa.org>>; 'Frances Rosales' <fvrosales@stwa.org<mailto:fvrosales@stwa.org>>; 'Jacob Hinojosa' <jhinojosa@stwa.org<mailto:jhinojosa@stwa.org>>; 'Jo Ella Wagner' <jwagner@stwa.org<mailto:jwagner@stwa.org>>
Subject: RE: Banquete Pump Station - Potential STWA Funds and Dedicated NWSC Funds

Commissioner Gonzalez and Maria,

Attached is a letter of commitment from the Nueces Water Supply Corporation in the amount of \$108,000.

Please let me know if you need any additional information.

Thanks,

Carola

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

From: Commissioner Joe Gonzalez <joe.gonzalez@nuecesco.com<mailto:joe.gonzalez@nuecesco.com>>
Sent: Friday, July 19, 2019 2:29 PM
To: Maria M. Bedia <maria.bedia@nuecesco.com<mailto:maria.bedia@nuecesco.com>>
Cc: Robert Viera <rviera@Invinc.com<mailto:rviera@Invinc.com>>; Carola G. Serrato (mcgserrato@stwa.org<mailto:mcgserrato@stwa.org>) <mcgserrato@stwa.org<mailto:mcgserrato@stwa.org>>
Subject: RE: Banquete Pump Station - Potential STWA Funds and Dedicated NWSC Funds

I believe Carola did present to the board. Once you receive confirmation from Carola in writing, please place on the agenda ASAP.

ATTACHMENT 9

License Agreement – City of Bishop

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 29, 2019
Re: City of Bishop/STWA License Agreement – Bishop East Pump Station

Background:

As the Board is aware, STWA has been attempting to negotiate a License Agreement with the City of Bishop. Based on legal counsel's recommendation, STWA will not execute the Water Supply Contract with the City until this Agreement is finalized.

The City met on July 31st and did not take any action on the License Agreement. However, Council persons suggested that meeting in person with representatives from each entity could result in reaching a consensus to present to each governing body. STWA arranged for a Special Meeting on August 6th (including providing the required 72-hour public notice). On August 7th, Ms. Contreras was emailed the names of selected Board members and potential meeting dates were requested. To date, meeting dates have not been provided per my request. In response to my most recent follow-up email of August 26th, Ms. Contreras indicated that the Council is meeting on August 28th and she will let me know about any outcome.

The members selected by the Board were Board President Kathleen Lowman, Board Vice-President Brandon Barrera, Board Secretary-Treasurer Rudy Galvan, and Board Member Steve Vaughn. The members appointed are intended to provide three (3) participants and one (1) alternate in order to provide the greatest flexibility in scheduling a meeting.

Analysis:

The following is a chronology since the beginning of the year:

January 5, 2019 – City provides STWA with their redline version of License Agreement.
January 8, 2019 – Joint Meeting at City's request between Council and STWA Board
January 23, 2019 – STWA responds to City with its modifications to License Agreement
January 30, 2019 – City approves Water Supply Contract
January 31, 2019 – Bill Flickinger emails Gerald Benadum about Contract and License Agreement. Mr. Flickinger inquires if Mr. Benadum will be sending the proposed changes to the License Agreement to him for review so that the Contract and License Agreement can be finalized at the same time. He adds that "any changes to the License Agreement will require approval of the STWA Board of Directors so we would appreciate receiving those changes from you at the earliest possible time."
June 21, 2019 – Gerald Benadum email to Bill Flickinger including redline License Agreement.
July 15, 2019 – Bill Flickinger email to Gerald Benadum. STWA response to their redline version.

Since August 7th, our office has been contacted by the City's Public Works Director, Panfilo "Bom" Flores, to request assistance with regulating the incoming disinfection feed rates at the Bishop West Side Pump Station. He notified us that the City's groundwater well system was experiencing operational issues. He was uncertain on the length of time that the City would be using STWA's supply. Since August 16th, the City has utilized only STWA's supply. That more recent usage plus four (4) days at the beginning of the month totals 6,831,000 gallons. That volume multiplied times the incremental fee is \$2,912.64.

Staff Recommendation:

Continue to communicate with City representatives in order to schedule a negotiation meeting.

Board Action:

Provide feedback to staff and legal counsel.

Summarization:

Staff believes that the above-listed chronology clearly exhibits STWA's continued good faith effort to negotiate this Agreement with the City by responding in a timely manner and offering information and assistance when requested.

mcserrato@stwa.org

From: bishopcitysecretary@corpus.twcbc.com
Sent: Tuesday, August 27, 2019 10:56 AM
To: mcserrato@stwa.org; mayormiller-bishop@corpus.twcbc.com
Cc: 'Bill Flickinger'; 'Gerald Benadum'; 'Dony Cantu'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'; Tem Miller
Subject: RE: STWA Representatives - License Agreement Negotiations - Meeting Arrangements

Good Morning Carola,

Council is meeting tomorrow in closed session, I will let you know Thursday morning if any decisions were made.

Respectfully,

Cynthia L. Contreras
City Secretary
City of Bishop
PO Box 356
Bishop, Texas 78343
Phone: (361) 584-2567 ext. 106
Fax: (361) 584-3253
bishopcitysecretary@corpus.twcbc.com

From: mcserrato@stwa.org <mcserrato@stwa.org>
Sent: Monday, August 26, 2019 5:24 PM
To: Cynthia Contreras <bishopcitysecretary@corpus.twcbc.com>
Cc: Bill Flickinger <bflickinger@wfaustin.com>; Gerald Benadum <glbenadum@att.net>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>
Subject: FW: STWA Representatives - License Agreement Negotiations - Meeting Arrangements

Good Afternoon Cynthia,

Just a quick follow-up to my email below. STWA staff is in the process of generating STWA's agenda and packet for the Board meeting next Tuesday, Sep 3rd. The Bishop – STWA License Agreement is an item on the agenda. I was hoping to provide an update to the Board. Any word on possible meeting dates?

Thanks,
Carola

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

From: mcgserrato@stwa.org <mcgserrato@stwa.org>

Sent: Wednesday, August 7, 2019 10:49 AM

To: Cynthia Contreras <bishopcitysecretary@corpus.twcbc.com>

Cc: Gerald Benadum <gbenadum@att.net>; Bill Flickinger <bflickinger@wfaustin.com>; Kathleen Lowman <klowman126@aol.com>; 'Rudy Galvan' <rudybodyman@yahoo.com>; Brandon Barrera (brandon.barrera2015@yahoo.com) <brandon.barrera2015@yahoo.com>; Steven C. Vaughn <scvenv@aol.com>; Albert Guajardo (albertg@corpus.twcbc.com) <albertg@corpus.twcbc.com>; Bill Boswell (billb@corpus.twcbc.com) <billb@corpus.twcbc.com>; Janie Dominguez (janied@corpus.twcbc.com) <janied@corpus.twcbc.com>; Kabrina Lawrence (kabrinal@corpus.twcbc.com) <kabrinal@corpus.twcbc.com>; Nathan Garza (nathang@corpus.twcbc.com) <nathang@corpus.twcbc.com>; Tem Miller (mayormiller-bishop@corpus.twcbc.com) <mayormiller-bishop@corpus.twcbc.com>; 'Dony Cantu' (dcantu@stwa.org) <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>

Subject: STWA Representatives - License Agreement Negotiations - Meeting Arrangements

Good Morning Cynthia,

Per our recent telephone conversation after the July 31st Council meeting, the STWA Board considered during a Special Meeting appointing members to meet with City Council representatives to discuss the proposed License Agreement.

During our phone call, you reported that Council members suggested meeting in person could perhaps address the items that remain unresolved. You stated that the Council discussed three (3) Council persons participating. Mayor Tem Miller, Councilman Albert Guajardo, and Councilman Bill Boswell were named as possible representatives with Mayor Pro Tem Kabrina Lawrence as a possible alternate. However, my impression was that the selected persons was not definite.

I indicated in the past the STWA Board had taken formal action in appointing negotiation representatives; but, I agreed to discuss the matter with STWA legal counsel Bill Flickinger and Board President Kathleen Lowman.

During yesterday's Special meeting, the Board appointed Kathleen Lowman, Vice-President Brandon Barrera, Board Member Rudy Galvan, and Board Member Steve Vaughn as representatives. The Board agreed that three (3) representatives would attend the meeting(s) with one person acting as an alternate depending on Board Members' schedules. This should allow for greater flexibility in setting a meeting date(s).

The STWA representatives are copied on this email as well as the entire City Council. However, this email is not intended to circumvent the Open Meetings Act. And, it is not a request for any action/response from Council or Board members. If you will provide the names of the selected City representatives future email recipients will be modified accordingly.

It warrants mention that the STWA Board acknowledged and agreed, as you and I discussed, that legal counsel should be present during the meeting(s) – we assume that would be Mr. Gerald Benadum on behalf of the City. Mr. Benadum is also copied on this email. The STWA Board also understands that you, as City Secretary, and I, as Executive Director, would be present.

Mr. Flickinger has been contacted about arrangements for a meeting. He has asked that we select possible dates and requests that the meeting time be after 10 a.m. to allow for his travel the morning of the meeting. It should be noted he has stated that he would only attend a meeting(s) in person and would not "attend" a meeting(s) by telephone. Further, he has stated that he would not agree to STWA representatives attending a meeting if the City's attorney is present and he is unable to attend. These details were reported to the Board during yesterday's Special meeting.

With regards to a location, the STWA Board suggests that the meeting occur in the STWA conference room which will allow the ten (10) attendees to be seated around a conference table.

In closing, please provide several dates convenient for the Council members', Mr. Benadum's and your schedule. STWA staff will poll the STWA representatives and get back with you on the preferred date(s).

As always, please let me know if you need any additional information. We look forward to meeting with the City and moving this matter forward.

Have a good day,

Carola

Carola G. Serrato
Executive Director

South Texas Water Authority

PO Box 1701

Kingsville, Texas 78364

361-592-9323 x112

ATTACHMENT 10

Water Supply Contract – City of Driscoll

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 27, 2019
Re: City of Driscoll – 20-Year Wholesale Water Supply Contract

Background:

After STWA's August 6th meeting, I attended the August 7th City Council meeting and addressed the Council under Public Comment. Mayor Mark Gonzalez and John Valls, who had previously been acting as an Interim City Administrator, were not in attendance. Council persons Ariana Maldonado and Elissa Rivera were present as well as Armendina Garcia, City Secretary. Copies of the proposed contract (provided in the past) and correspondence, including requests for meetings to discuss the contract were provided. That correspondence dates back to 2016.

My comments emphasized meeting to negotiate a contract. I suggested representatives, including legal counsels, meet to address any of the Council's concerns. A brief history on the NWSC – STWA joint project was made in order to clarify that there are now two (2) pumps devoted to the City and two (2) pumps belonging to NWSC. The incremental fees in the amount of approximately \$32,000 in the last 18 months were also reported. I concluded by offering to attend a meeting with the subject on a future agenda.

Analysis:

After the August 7th meeting, there were no requests received to attend another Council meeting or meet with any City representatives. As such, on Thursday, August 22nd I stopped by City Hall and spoke with Ms. Garcia. I inquired whether there had been any requests to review information with the Council. Ms. Garcia indicated there were not; but, she added that the City has been busy with budget and rate matters. Nonetheless, I requested the contract be placed on the agenda of the Council's next meeting, which is on September 4th. Enclosed is a follow-up email to Ms. Garcia. An item that warrants mention is that Mr. Valls' contract negotiation involvement will likely be limited and he may not be acting as an interim administrator.

As you can see, I contacted Bill Flickinger, Willatt and Flickinger, to check on his availability for the City's September 4th meeting. During our discussion, I reviewed the information on the Texas State Directory with Mr. Flickinger including the City's attorney of record, Mr. Michael G. Morris. Following our telephone call, Mr. Flickinger and Mr. Morris spoke and the attached summary was provided to Mr. Morris, who indicated he would be in contact with the City.

Staff Recommendation:

My recommendations are unchanged. Keep the Board updated on this matter and continue to contact the City to arrange a meeting with legal counsel and City representatives.

Board Action:

Provide feedback to staff and legal counsel.

Summarization:

Staff believes the City securing a long-term contract with STWA and no longer paying incremental fees should be part of the City's budget/water rate considerations.

From: Bill Flickinger <bflickinger@wfaustin.com>
Sent: Wednesday, August 28, 2019 5:03 PM
To: mgmorris@ohmlegal.net
Cc: Allison Nix; 'Carola Serrato (mcserrato@stwa.org)'
Subject: RE: City of Driscoll - STWA Contract
Attachments: STWA Driscoll Summary Water Supply Contract Negotiations Aug 2019.pdf; STWA Driscoll Contract Handout Council Meeting 08072019.pdf; STWA Driscoll Council Meeting Handout 08072019 (003).pdf

Dear Mike:

In follow-up to our telephone conversation, I am writing to provide some additional information on the proposed Water Supply Contract between the City of Driscoll and South Texas Water Authority and the efforts made to date to get a contract in place.

I understand the City is placing this item on its September 4, 2019 agenda. STWA's Executive Director, Carola Serrato will attend that meeting.

Attached is the current draft of the proposed contract and a chart of the efforts made to get a contract in place. This was provided to the City Council at its August 7, 2019 meeting.

Also, attached is additional information on the proposed contract and the premium charges being paid by the City because no contract is in place. This was provided to the City Council at its August 7, 2019 meeting.

Please advise if any additional information is needed at this time. STWA would like to proceed as quickly as possible toward a signed contract. We believe that execution of a contract is also in the best interests of the City. Thank you.

Very truly yours,

Bill Flickinger

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

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

Email: bflickinger@wfaustin.com<<mailto:bflickinger@wfaustin.com>>

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From: Allison Nix <anix@wfaustin.com> On Behalf Of Bill Flickinger
Sent: Tuesday, August 27, 2019 1:04 PM
To: mgmorris@ohmlegal.net
Cc: Bill Flickinger <bflickinger@wfaustin.com>; Allison Nix <anix@wfaustin.com>
Subject: City of Driscoll

Dear Mr. Morris:

We represent South Texas Water Authority ("STWA"), and STWA has a pending request with the City of Driscoll. Do you still represent the City? Please respond to confirm your representation, after which we will send you additional information regarding the specific request.

Thank you.

Very truly yours,

Bill Flickinger

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

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

Email: bflickinger@wfaustin.com<<mailto:bflickinger@wfaustin.com>>

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Summary of Contract Negotiations - City of Driscoll/STWA

Date	Description	Comment
18-Aug-14	Joint Meeting STWA& Wholesale Customers including City of Driscoll	STWA Board stated Rates and Budget were STWA Board responsibility and those controls would not be relinquished to Wholesale Customers.
29-Jun-16	Letter to Mayor John Aguilar with Offered Contract	Rate is based on same methodology used for last 15 years - Same methodology used currently with exception of added Incremental Fee
7-Jul-16	Letter to Mayor John Aguilar with replacement Exhibit A	Clarifies City's water volume is the net amount after Nueces WSC usage credit
20-Jul-16	Email to Mayor John Aguilar - request to be placed on Council Agenda	Council meeting scheduled for August 3, 2016
12-Aug-16	Handout to Council containing 20 Highlights of offered contract	Council meeting was rescheduled. Handout reviews No Take or Pay, Rate Calculation unchanged and able to enter into an O&M Agreement if City unable to operate and maintain transferred facilities.
9-Aug-17	Letter to Mayor Marcos Zavala - FY 2018 budget & NewGen rate study	Provides copy of approved New Gen premium/incremental fee study
9-Oct-17	Letter to Mayor Marcos Zavala - notice of possible Incremental Fee	Letter notifies City of upcoming Board consideration of a policy and need for long term contract.
31-Oct-17	Letter to Mayor Marcos Zavala - Notice of Order - Premium Fee	Letter provides notice of premium/incremental fee. Letter states fee is effective as of Dec 1, 2017. Reiterates need for long-term contract.
3-Aug-18	Letter to Mayor Marcos Zavala - Follow-up on Contract negotiations	Letter outlines previous contact requesting negotiations with City. Also provides update on negotiations with other wholesale customers.
27-Aug-18	Email to John Valls	Provided John with copy of letter to Mayor Zavala which was copied to other Council members.
5-Sep-18	Email to John Valls	Follow-up on Aug 2018 email. Suggested meetings similar to that used to negotiate contract with the City of Kingsville
15-Oct-18	Email to John Valls	Follow-up to previous emails. Provided STWA Board schedule. Inquired about Council meeting schedule. Still would like to meet, including legal counsel.
20-Nov-18	Email to John Valls	Follow-up on previous emails. Provided STWA Board Dec meeting date. Inquired about meeting with reps and legal counsel.
20-Nov-18	Email FROM John Valls	Council wants to hold mayoral election first.
19-Feb-19	Email to John Valls	Inquiring about timeline for second election to fill vacancy created when Councilman Gonzalez elected as Mayor. Still inquiring about meeting with reps and legal counsel.
15-Mar-19	Email to John Valls	Follow-up on contract negotiations. Provided STWA Board schedule. Understand election is on May 4th. Still interested in meeting with reps.
22-Mar-19	Emails to Armendina Garcia, City Secretary	Forward of previous emails to John Valls.
9-May-19	Email to John Valls and Armendina Garcia, City Secretary.	Acknowledge new Council person, Elissa Rivera. Continue to ask for meeting with reps, including legal counsel.
7-Aug-19	Attend Council Meeting - provide Handouts	Continue to request contract negotiation meetings
22-Aug-19	Visit with Armendina Garcia at City Hall	Request water supply contract agenda item on September 4 meeting agenda
27-Aug-19	Follow-up emails on August 22nd request	Ms. Garcia to provide copy of posted agenda
Various	Several telephone calls were made to City Hall requesting meetings.	Mr. Valls suggested during a June 13th phone call to meet w/individual Council members. No responses have been received as a result of telephone messages.

mcserrato@stwa.org

From: mcserrato@stwa.org
Sent: Wednesday, August 28, 2019 8:41 AM
To: 'Driscoll City Secretary'
Cc: Bill Flickinger
Subject: RE: City Council Meeting - STWA Agenda Item

Thank-you, I appreciate your assistance.

Have a good day,
Carola

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

From: Driscoll City Secretary <citysecretary@cityofdriscoll.com>
Sent: Tuesday, August 27, 2019 3:48 PM
To: mcserrato@stwa.org
Subject: Re: City Council Meeting - STWA Agenda Item

I will be working on the September 4 agenda on Thursday.. as soon as I have it completed and posted., I can email you a copy. Gonna put you as the first item to speak on.

Thank you
Dina

Sent from my iPhone

On Aug 27, 2019, at 10:16 AM, "mcserrato@stwa.org" <mcserrato@stwa.org> wrote:

Good Morning Dina,

This is a follow-up on our recent brief visit and my request to have the offered Driscoll – STWA Wholesale Water Supply Contract placed on the Council’s September 4th agenda.

I realize that this is the time of year busy with rate and budget adoptions. However, as I mentioned to the Council on August 7th, without a wholesale contract, the City continues to pay incremental fees to STWA. Since October 2018, the City has paid over \$16,000 in those fees.

Please let me know if anything changes with regards to the September 4th meeting/agenda. STWA’s attorney, Bill Flickinger, is willing to attend a Council meeting as well. Unfortunately, he is out of state on that date. But, he is willing to attend another meeting.

Thanks and have a good day,

Carola

Carola G. Serrato
Executive Director

South Texas Water Authority

PO Box 1701

Kingsville, Texas 78364

361-592-9323 x112

ATTACHMENT 11

Resolution 19-51

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 27, 2019
Re: Annexation Petitions – Approval of:
Resolution 19-51 – Don K. Mikeman and Penny Mikeman, Tracts 3 and 4, Cyndie Park Unit 2
Resolution 19-52 – Sandra L. Acosta, Tract 16 and 17, Cyndie Park Unit 1
Resolution 19-53 – Eva Helene Perez, Tract 23, Cyndie Park Unit 1

Background:

As reviewed in previous meetings, the Nueces County Grant Administration office acquired funds to address water quality problems in the Cyndie Park subdivisions. A new 4" waterline was extended from the Nueces Water Supply Corporation (NWSC) 6" line and was placed into service on April 8th. However, the Cyndie Park subdivisions are not within South Texas Water Authority's district boundaries. Therefore, a property owner living outside of STWA's boundaries will request retail water service from the Nueces Water Supply Corporation (NWSC) and is also required to request annexation into STWA's district. This results in the new NWSC member paying the same costs as all other NWSC customers, specifically their NWSC retail water bill and property taxes to STWA.

Analysis:

Enclosed are three (3) resolutions to complete the annexation process for the three (3) above-listed property owners in the Cyndie Park area. These residents will be responsible for paying the same property taxes to STWA as well as the same water rates for their retail service to the NWSC.

Staff Recommendation:

Adopt Resolutions 19-51, 19-52, and 19-53.

Board Action:

Determine whether to adopt Resolutions 19-51, 19-52, and 19-53.

Summarization:

Overall, the process to annex the necessary properties into STWA's district has proceeded well. However, on August 15th, follow-up letters were sent to the remaining eight (8) property owners that needed to file their NWSC and STWA paperwork. Four (4) of the owners have responded. These property owners were given notice of an October 15th deadline to complete the process, which is six (6) months after NWSC began providing retail water service.

Chapter 551, Texas Government Code.

SIGNED AND SEALED the 3rd day September, 2019.

Rudy Galvan, Jr., Secretary
Board of Directors

Kathleen Lowman, President
Board of Directors

SOUTH TEXAS WATER AUTHORITY

Resolution 19-51

THE STATE OF TEXAS	§
COUNTIES OF KLEBERG AND NUECES	§
SOUTH TEXAS WATER AUTHORITY	§

WHEREAS, the Board of Directors conducted a hearing on this date in reference to the annexation of the territory described in Exhibit A attached hereto; and

WHEREAS, it was deemed advisable by the Board to approve the annexation of such territory to the Authority; and

WHEREAS, it is officially found and determined: that a case of emergency or urgent public necessity exists which required the holding of the meeting at which this Resolution was adopted and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

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

1. That the annexation of the territory described in Exhibit A is hereby approved by this Board, and it is hereby found that there will be benefit to the territory as amended.
2. That pursuant to Article 7, Chapter 436, Acts of the 66th Legislature, Regular Session, 1979, no election is required to approve the annexation as the petition was signed by all residents and landowners of the annexed territory.

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

STATE OF TEXAS :
COUNTY OF NUECES :

TO THE BOARD OF DIRECTORS OF THE SOUTH TEXAS WATER AUTHORITY:

The undersigned (herein called "Petitioner"), holder of title to the territory described by metes and bounds in Exhibit "A" which is attached hereto and incorporated herein for all purposes, being all of the residents and landowners of such territory, as shown by the tax rolls of Nueces County, Texas, and acting pursuant to the provisions of Section 11006.052, Special District Local Laws Code, respectfully petitions the Board of Directors of South Texas Water Authority that the territory described by metes and bounds in Exhibit "A" be added to and become a part of the established South Texas Water Authority, and in support of this petition would show as follows:

I.

Fee simple title and full ownership of the aforesaid territory, which lies wholly within Nueces County, Texas, is vested in Petitioner.

II.

The addition of said territory to South Texas Water Authority is feasible and practical, would be to the best interest both to the territory and to the Authority and would benefit said territory.

III.

The Authority will be able to supply water, or have water supplied, to the added territory.

IV.

This petition shall constitute an election on the part of the Petitioner, its successors and assigns, for the aforesaid land and any improvements which may be constructed thereon to become liable for all present and future debts of the Authority in the same manner and to the same extent as other lands and improvements in the Authority are liable for the Authority's debts.

V.

Petitioner hereby authorizes the Board of Directors of the Authority to levy taxes and set rates sufficient to pay their share of the aforementioned outstanding indebtedness.

WHEREFORE, Petitioner prays that this petition be properly filed, as provided by law; that the Board of Directors of South Texas Water Authority hear and consider the petition in keeping with the provisions of Section 11006.052, Special District Local Laws Code; and that this petition in all things be granted and that the territory described in Exhibit "A" be added to and become a part of the established South Texas Water Authority; that after this petition is granted the Board's order thereon be filed of record and be recorded in the Deed Records of Nueces County, Texas; and that the area described in Exhibit "A" be thereafter a component part of South Texas Water Authority.

[Signatures and Acknowledgement on following page.]

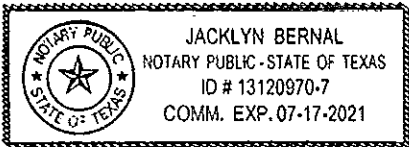
EXECUTED this 20 day of June, 2019.

Don K. Mikeman
Don K. Mikeman
Penny Mikeman
Penny Mikeman

ACKNOWLEDGEMENT

STATE OF TEXAS
COUNTY of Nueces
Texas

Subscribed and sworn to before me Don K. Mikeman on this the
20 day of June, 2019



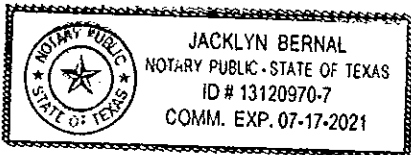
NOTARY SEAL

[Signature]
Notary Public
My Commission Expires: 7-17-2021

ACKNOWLEDGEMENT

STATE OF TEXAS
COUNTY of Nueces

Subscribed and sworn to before me Penny Mikeman on this the
20 day of June, 2019



NOTARY SEAL

[Signature]
Notary Public
My Commission Expires: 7-17-2021

Exhibit "A"

To

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

Property Description:

Tract Three (3), CYNDIE PARK UNIT 2, in Nueces County, Texas, being a tract of land containing 0.73 acres, more or less, and Tract Four (4), CYNDIE PARK UNIT 2, in Nueces County, Texas, being a tract of land containing 0.575 acres, more or less, out of a 29.59 acre Unit No. 2 of a 59.59 acre tract out of 238.79 acres standing in the names of John S. McGregor and C.C. Speed by Deed recorded in Volume 1840, Page 1017 of the Deed Records of Nueces County, Texas and all being out of the CASA BLANCA GRANT and being a part of Blocks Twenty-Four (24) and Twenty-Five (25) of the MANTOR, BRIGGS & KUYKENDALL SUBDIVISION of 5155.97 acres in Nueces County, Texas, according to map or plat recorded in Volume 2, Page 57 of the Map Records of Nueces County, Texas and being more particularly described by metes and bounds of the Warranty Deed recorded under Document No. 2001040902 of the Official Records of Nueces County, Texas.

ATTACHMENT 12

Resolution 19-52

Chapter 551, Texas Government Code.

SIGNED AND SEALED the 3rd day September, 2019.

Rudy Galvan, Jr., Secretary
Board of Directors

Kathleen Lowman, President
Board of Directors

SOUTH TEXAS WATER AUTHORITY

Resolution 19-52

THE STATE OF TEXAS §
COUNTIES OF KLEBERG AND NUECES §
SOUTH TEXAS WATER AUTHORITY §

WHEREAS, the Board of Directors conducted a hearing on this date in reference to the annexation of the territory described in Exhibit A attached hereto; and

WHEREAS, it was deemed advisable by the Board to approve the annexation of such territory to the Authority; and

WHEREAS, it is officially found and determined; that a case of emergency or urgent public necessity exists which required the holding of the meeting at which this Resolution was adopted and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

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

1. That the annexation of the territory described in Exhibit A is hereby approved by this Board, and it is hereby found that there will be benefit to the territory as amended.
2. That pursuant to Article 7, Chapter 436, Acts of the 66th Legislature, Regular Session, 1979, no election is required to approve the annexation as the petition was signed by all residents and landowners of the annexed territory.

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

STATE OF TEXAS :
COUNTY OF NUECES :

TO THE BOARD OF DIRECTORS OF THE SOUTH TEXAS WATER AUTHORITY:

The undersigned (herein called "Petitioner"), holder of title to the territory described by metes and bounds in Exhibit "A" which is attached hereto and incorporated herein for all purposes, being all of the residents and landowners of such territory, as shown by the tax rolls of Nueces County, Texas, and acting pursuant to the provisions of Section 11006.052, Special District Local Laws Code, respectfully petitions the Board of Directors of South Texas Water Authority that the territory described by metes and bounds in Exhibit "A" be added to and become a part of the established South Texas Water Authority, and in support of this petition would show as follows:

I.

Fee simple title and full ownership of the aforesaid territory, which lies wholly within Nueces County, Texas, is vested in Petitioner.

II.

The addition of said territory to South Texas Water Authority is feasible and practical, would be to the best interest both to the territory and to the Authority and would benefit said territory.

III.

The Authority will be able to supply water, or have water supplied, to the added territory.

IV.

This petition shall constitute an election on the part of the Petitioner, its successors and assigns, for the aforesaid land and any improvements which may be constructed thereon to become liable for all present and future debts of the Authority in the same manner and to the same extent as other lands and improvements in the Authority are liable for the Authority's debts.

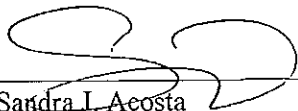
V.

Petitioner hereby authorizes the Board of Directors of the Authority to levy taxes and set rates sufficient to pay their share of the aforementioned outstanding indebtedness.

WHEREFORE, Petitioner prays that this petition be properly filed, as provided by law; that the Board of Directors of South Texas Water Authority hear and consider the petition in keeping with the provisions of Section 11006.052, Special District Local Laws Code and that this petition in all things be granted and that the territory described in Exhibit "A" be added to and become a part of the established South Texas Water Authority; that after this petition is granted the Board's order thereon be filed of record and be recorded in the Deed Records of Nueces County, Texas; and that the area described in Exhibit "A" be thereafter a component part of South Texas Water Authority.

[Signatures and Acknowledgement on following page.]

EXECUTED this 18 day of July, 2019.

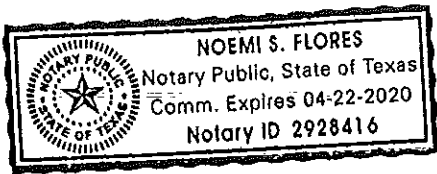

Sandra J. Acosta


ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY of Nueces

Subscribed and sworn to before me Sandra J. Acosta on this the
18th day of July, 2019




Notary Public
My Commission Expires: 4/22/20

NOTARY SEAL

Exhibit "A"

To

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

Property Description:

Cyndie Park Unit 1, Tract 16 & 17, a 1.370 acre tract being described in a Deed recorded in Document No. 618803, Deed Records, Nueces County, Texas, said 1.370 acre tract as being out of Tract 25, Mantor Briggs and Kuykendall's Subdivision, as shown on a map recorded in Volume 2, Page 57, Map Records, Nueces County, Texas, said 1.370 acre tract also being out of the Juan De La Garza Montemayor, Et al, Survey, Abstract 221, Nueces County, Texas. Said 1.370 acre tract being more particularly described by metes and bounds in the General Warranty Deed recorded under Document No. 2018006888 of the Official Records of Nueces County, Texas.

ATTACHMENT 13

Resolution 19-53

Chapter 551, Texas Government Code.

SIGNED AND SEALED the 3rd day September, 2019.

Rudy Galvan, Jr., Secretary
Board of Directors

Kathleen Lowman, President
Board of Directors

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

STATE OF TEXAS :
COUNTY OF NUECES :

TO THE BOARD OF DIRECTORS OF THE SOUTH TEXAS WATER AUTHORITY:

The undersigned (herein called "Petitioner"), holder of title to the territory described by metes and bounds in Exhibit "A" which is attached hereto and incorporated herein for all purposes, being all of the residents and landowners of such territory, as shown by the tax rolls of Nueces County, Texas, and acting pursuant to the provisions of Section 11006.052, Special District Local Laws Code, respectfully petitions the Board of Directors of South Texas Water Authority that the territory described by metes and bounds in Exhibit "A" be added to and become a part of the established South Texas Water Authority, and in support of this petition would show as follows:

I.

Fee simple title and full ownership of the aforesaid territory, which lies wholly within Nueces County, Texas, is vested in Petitioner.

II.

The addition of said territory to South Texas Water Authority is feasible and practical, would be to the best interest both to the territory and to the Authority and would benefit said territory.

III.

The Authority will be able to supply water, or have water supplied, to the added territory.

IV.

This petition shall constitute an election on the part of the Petitioner, its successors and assigns, for the aforesaid land and any improvements which may be constructed thereon to become liable for all present and future debts of the Authority in the same manner and to the same extent as other lands and improvements in the Authority are liable for the Authority's debts.

V.

Petitioner hereby authorizes the Board of Directors of the Authority to levy taxes and set rates sufficient to pay their share of the aforementioned outstanding indebtedness.

WHEREFORE, Petitioner prays that this petition be properly filed, as provided by law; that the Board of Directors of South Texas Water Authority hear and consider the petition in keeping with the provisions of Section 11006.052, Special District Local Laws Code and that this petition in all things be granted and that the territory described in Exhibit "A" be added to and become a part of the established South Texas Water Authority; that after this petition is granted the Board's order thereon be filed of record and be recorded in the Deed Records of Nueces County, Texas; and that the area described in Exhibit "A" be thereafter a component part of South Texas Water Authority.

[Signatures and Acknowledgement on following page.]

EXECUTED this 24 day of July, 20 19.

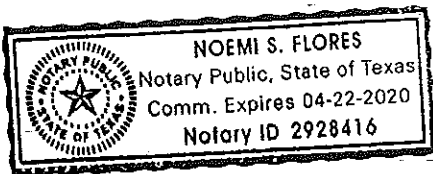
Eva Helene Perez
Eva Helene Perez

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY of Kleberg

Subscribed and sworn to before me Eva Helene Perez on this the
24 day of July, 20 19.



Noemi S Flores
Notary Public

My Commission Expires: 4/22/2020

NOTARY SEAL

Exhibit "A"

To

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

Property Description:

Tract Twenty-three (23), Cyndie Park Unit 1, in Nueces County, Texas, and being more particularly described by metes and bounds description in Exhibit A on the Special Warranty Deed with Vendor's Lien recorded under Document No. 2001055993 of the Official Records of Nueces County, Texas.

ATTACHMENT 14

Annexation Petitions

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 27, 2019
Re: Setting a Public Hearing for Annexation:
1. Resolution 19-54 – Jakob Parks – Tract 8, Cyndie Park Unit 2
2. Resolution 19-55 – Arnold and Sarah Flores – Lot 33 and SW ½ of Lot 32, Cyndie Park Unit 1

Background:

As stated in other memoranda associated with annexations, the Nueces Water Supply Corporation is now providing water service to the Cyndie Park area. As the Board is aware, a property owner living outside of South Texas Water Authority's (STWA) district boundaries will request retail water service from the Nueces Water Supply Corporation (NWSC) and is then required to request annexation into STWA's district. This results in the new NWSC member paying the same costs as all other NWSC customers, specifically their NWSC retail water bill and property taxes to STWA.

Analysis:

As the Board is aware, this is a two-step process. The first step sets the time and date for the public hearing and authorizes publication of the required notice. After the public hearing, the Board considers a resolution approving the annexation. Attached are two (2) more petitions requesting annexation into STWA's district. One petition is for Jakob Parks and the second petition is for Arnold and Sarah Flores. There are two (2) separate resolutions associated with setting a time and date for a public hearing. The public hearing would be held prior to the September 24th Board meeting.

Staff Recommendation:

Adopt Resolutions 19-54 and 19-55.

Board Action:

Determine whether to adopt Resolutions 19-54 and 19-55.

Summarization:

This annexation process provides uniformity between all NWSC members.

ATTACHMENT 15

Resolution 19-54

SOUTH TEXAS WATER AUTHORITY

Resolution 19-54

RESOLUTION OF DETERMINATION OF VALIDITY OF ANNEXATION PETITION,
SETTING PUBLIC HEARING AND AUTHORIZING PUBLICATION OF NOTICE.

WHEREAS, Jakob Parks (Petitioner), has filed the attached petition (the Petition) with the South Texas Water Authority requesting annexation of his property into the South Texas Water Authority in order to allow water service to his property to be provided by Nueces Water Supply Corporation, and

WHEREAS, the South Texas Water Authority Board of Directors has reviewed the Petition and finds that it meets all of the requirements for annexation into the South Texas Water Authority's District, and

WHEREAS, the Board of Directors hereby sets a public hearing to hear evidence for or against the proposed annexation of this property to be held on September 24, 2019 at 5:30 p.m. at the South Texas Water Authority, 2302 East Sage Road, Kingsville, Texas.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the South Texas Water Authority hereby authorizes the publication of the attached Notice of Public Hearing on Annexation for a public hearing to be held on September 24, 2019 at 5:30 p.m. at South Texas Water Authority, 2302 East Sage Road, Kingsville, Texas. At such hearing all interested persons may appear and offer evidence for or against the proposed annexation of the property described in Exhibit A of the Petition.

Duly adopted this 3rd day of September, 2019.

KATHLEEN LOWMAN, PRESIDENT

ATTEST:

RUDY GALVAN, JR., SECRETARY/TREASURER

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

STATE OF TEXAS :
COUNTY OF NUECES :

TO THE BOARD OF DIRECTORS OF THE SOUTH TEXAS WATER AUTHORITY:

The undersigned (herein called "Petitioner"), holder of title to the territory described by metes and bounds in Exhibit "A" which is attached hereto and incorporated herein for all purposes, being all of the residents and landowners of such territory, as shown by the tax rolls of Nueces County, Texas, and acting pursuant to the provisions of Section 11006.052, Special District Local Laws Code, respectfully petitions the Board of Directors of South Texas Water Authority that the territory described by metes and bounds in Exhibit "A" be added to and become a part of the established South Texas Water Authority, and in support of this petition would show as follows:

I.

Fee simple title and full ownership of the aforesaid territory, which lies wholly within Nueces County, Texas, is vested in Petitioner.

II.

The addition of said territory to South Texas Water Authority is feasible and practical, would be to the best interest both to the territory and to the Authority and would benefit said territory.

III.

The Authority will be able to supply water, or have water supplied, to the added territory.

IV.

This petition shall constitute an election on the part of the Petitioner, its successors and assigns, for the aforesaid land and any improvements which may be constructed thereon to become liable for all present and future debts of the Authority in the same manner and to the same extent as other lands and improvements in the Authority are liable for the Authority's debts.

V.

Petitioner hereby authorizes the Board of Directors of the Authority to levy taxes and set rates sufficient to pay their share of the aforementioned outstanding indebtedness.

WHEREFORE, Petitioner prays that this petition be properly filed, as provided by law; that the Board of Directors of South Texas Water Authority hear and consider the petition in keeping with the provisions of Section 11006.052, Special District Local Laws Code and that this petition in all things be granted and that the territory described in Exhibit "A" be added to and become a part of the established South Texas Water Authority; that after this petition is granted the Board's order thereon be filed of record and be recorded in the Deed Records of Nueces County, Texas; and that the area described in Exhibit "A" be thereafter a component part of South Texas Water Authority.

[Signatures and Acknowledgement on following page.]

EXECUTED this 6 day of Aug, 2019.

Jakob Parks
Mr. Jakob Parks

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY of REAL

Subscribed and sworn to before me Jakob Parks on this the
6th day of Aug., 2019 me

Patsy A. Ruiz
Notary Public

My Commission Expires: 1-19-2022

NOTARY SEAL



ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY of _____

Subscribed and sworn to before me _____ on this the
_____ day of _____, 20____.

Notary Public

My Commission Expires: _____

NOTARY SEAL

Exhibit "A"

To

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

Property Description

Tract Eight (8), CYNDIE PARK UNIT 2 in Nueces County, Texas being a tract of land containing 0.64 acres, more or less, out of a 29.59 acre Unit # 2 out of a 59.59 acre tract out of 238.79 acres standing in the names of John S. McGregor and C.C. Speed by Deed recorded in Volume 1840, Page 1017 of the Deed Records of Nueces County, Texas and all being out of THE CASA BLANCA GRANT and being a part of Blocks Twenty-Four (24) and Twenty-Five (25) of the MANTOR, BRIGGS & KUYKENDALL SUBDIVISION of 5155.97 acres in Nueces County, Texas, according to map or plat recorded in Volume 2, Page 57 of the Map Records of Nueces County, Texas, and being more particularly described by metes and bounds in the Correction General Warranty Deed recorded under Document No. 2019013895 of the Official Records of Nueces County, Texas.

NOTICE OF PUBLIC HEARING ON ANNEXATION

THE STATE OF TEXAS SOUTH TEXAS WATER AUTHORITY

Pursuant to a Resolution adopted by the Board of Directors of South Texas Water Authority, a hearing shall be held at the South Texas Water Authority, 2302 East Sage Road, Kingsville, Texas, on September 24, 2019 at 5:30 p.m. with respect to the Petition filed by Jakob Parks for annexation of the territory described below, on the question of whether the territory sought to be annexed will be benefited by the improvements, works, and facilities then owned or operated or contemplated to be owned or operated by the Authority or by the other functions of the Authority. All interested persons may appear at such hearing and offer evidence for or against the proposed annexation.

Signed this the 3rd day of September, 2019.

Kathleen Lowman, President
Board of Directors
South Texas Water Authority

That certain lot or tract of land situated in Nueces County, Texas, and more particularly described as follows:

Tract Eight (8), CYNDIE PARK UNIT 2 in Nueces County, Texas being a tract of land containing 0.64 acres, more or less, out of a 29.59 acre Unit# 2 out of a 59.59 acre tract out of 238.79 acres standing in the names of John S. McGregor and C.C. Speed by Deed recorded in Volume 1840, Page 1017 of the Deed Records of Nueces County, Texas and all being out of THE CASA BLANCA GRANT and being a part of Blocks Twenty-Four (24) and Twenty-Five (25) of the MANTOR, BRIGGS & KUYKENDALL SUBDIVISION of 5155.97 acres in Nueces County, Texas, according to map or plat recorded in Volume 2, Page 57 of the Map Records of Nueces County, Texas, and being more particularly described by metes and bounds in the Correction General Warranty Deed recorded under Document No. 2019013895 of the Official Records of Nueces County, Texas.

ATTACHMENT 16

Resolution 19-55

SOUTH TEXAS WATER AUTHORITY

Resolution 19-55

RESOLUTION OF DETERMINATION OF VALIDITY OF ANNEXATION PETITION,
SETTING PUBLIC HEARING AND AUTHORIZING PUBLICATION OF NOTICE.

WHEREAS, Arnold Flores and Sarah Flores (Petitioners), have filed the attached petition (the Petition) with the South Texas Water Authority requesting annexation of their property into the South Texas Water Authority in order to allow water service to their property to be provided by Nueces Water Supply Corporation, and

WHEREAS, the South Texas Water Authority Board of Directors has reviewed the Petition and finds that it meets all of the requirements for annexation into the South Texas Water Authority's District, and

WHEREAS, the Board of Directors hereby sets a public hearing to hear evidence for or against the proposed annexation of this property to be held on September 24, 2019 at 5:30 p.m. at the South Texas Water Authority, 2302 East Sage Road, Kingsville, Texas.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the South Texas Water Authority hereby authorizes the publication of the attached Notice of Public Hearing on Annexation for a public hearing to be held on September 24, 2019 at 5:30 p.m. at South Texas Water Authority, 2302 East Sage Road, Kingsville, Texas. At such hearing all interested persons may appear and offer evidence for or against the proposed annexation of the property described in Exhibit A of the Petition.

Duly adopted this 3rd day of September, 2019.

KATHLEEN LOWMAN, PRESIDENT

ATTEST:

RUDY GALVAN, JR., SECRETARY/TREASURER

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

STATE OF TEXAS :
COUNTY OF NUECES :

TO THE BOARD OF DIRECTORS OF THE SOUTH TEXAS WATER AUTHORITY:

The undersigned (herein called "Petitioner"), holder of title to the territory described by metes and bounds in Exhibit "A" which is attached hereto and incorporated herein for all purposes, being all of the residents and landowners of such territory, as shown by the tax rolls of Nueces County, Texas, and acting pursuant to the provisions of Section 11006.052, Special District Local Laws Code, respectfully petitions the Board of Directors of South Texas Water Authority that the territory described by metes and bounds in Exhibit "A" be added to and become a part of the established South Texas Water Authority, and in support of this petition would show as follows:

I.

Fee simple title and full ownership of the aforesaid territory, which lies wholly within Nueces County, Texas, is vested in Petitioner.

II.

The addition of said territory to South Texas Water Authority is feasible and practical, would be to the best interest both to the territory and to the Authority and would benefit said territory.

III.

The Authority will be able to supply water, or have water supplied, to the added territory.

IV.

This petition shall constitute an election on the part of the Petitioner, its successors and assigns, for the aforesaid land and any improvements which may be constructed thereon to become liable for all present and future debts of the Authority in the same manner and to the same extent as other lands and improvements in the Authority are liable for the Authority's debts.

V.

Petitioner hereby authorizes the Board of Directors of the Authority to levy taxes and set rates sufficient to pay their share of the aforementioned outstanding indebtedness.

WHEREFORE, Petitioner prays that this petition be properly filed, as provided by law; that the Board of Directors of South Texas Water Authority hear and consider the petition in keeping with the provisions of Section 11006.052, Special District Local Laws Code and that this petition in all things be granted and that the territory described in Exhibit "A" be added to and become a part of the established South Texas Water Authority; that after this petition is granted the Board's order thereon be filed of record and be recorded in the Deed Records of Nueces County, Texas; and that the area described in Exhibit "A" be thereafter a component part of South Texas Water Authority.

[Signatures and Acknowledgement on following page.]

EXECUTED this 26 day of August, 2019.

Arnold Flores

Arnold Flores

Sarah M. Flores

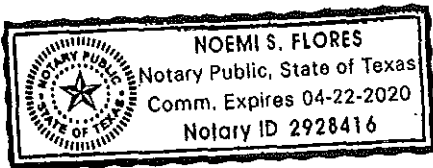
Sarah Flores

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY of Kleberg

Subscribed and sworn to before me Arnold Flores on this the 26 day of August, 2019.



Noemi S. Flores
Notary Public

My Commission Expires: 4/22/2020

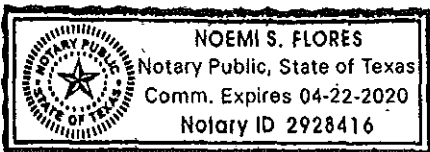
NOTARY SEAL

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY of Kleberg

Subscribed and sworn to before me Sarah Flores on this the 26 day of August, 2019.



Noemi S. Flores
Notary Public

My Commission Expires: 4/22/2020

NOTARY SEAL

Exhibit "A"

To

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

Property Description:

Lot 33, and the southwest 1/2 of Lot 32, Cyndie Park Unit 1, an addition to the City of Robstown, Nueces County, Texas, municipally known as 4617 Cyndie Lane at FM Road 1833, Robstown, Texas, and as described in the Warranty Deed with Vendor's Lien recorded under Document No. 2008040507 of the Official Records of Nueces County, Texas.

NOTICE OF PUBLIC HEARING ON ANNEXATION

THE STATE OF TEXAS
SOUTH TEXAS WATER AUTHORITY

Pursuant to a Resolution adopted by the Board of Directors of South Texas Water Authority, a hearing shall be held at the South Texas Water Authority, 2302 East Sage Road, Kingsville, Texas, on September 24, 2019 at 5:30 p.m. with respect to the Petition filed by Arnold Flores and Sarah Flores for annexation of the territory described below, on the question of whether the territory sought to be annexed will be benefited by the improvements, works, and facilities then owned or operated or contemplated to be owned or operated by the Authority or by the other functions of the Authority. All interested persons may appear at such hearing and offer evidence for or against the proposed annexation.

Signed this the 3rd day of September, 2019.

Kathleen Lowman, President
Board of Directors
South Texas Water Authority

That certain lot or tract of land situated in Nueces County, Texas, and more particularly described as follows:

Lot 33, and the southwest $\frac{1}{2}$ of Lot 32, Cyndie Park Unit 1, an addition to the City of Robstown, Nueces County, Texas, municipally known as 4617 Cyndie Lane at FM Road 1833, Robstown, Texas, and as described in the Warranty Deed with Vendor's Lien recorded under Document No. 2008040507 of the Official Records of Nueces County, Texas.

ATTACHMENT 17

H.B. No. 2840 – Public’s Right to Address Board of Directors

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 27, 2019
Re: HB 2840 – Rules pertaining to Public Comment during an Open Meeting

Background:

Attached please find a resolution provided by Bill Flickinger, Willatt and Flickinger, pertaining to a policy for Public Comment during an Open Meeting. Recently, the State Legislature enacted HB 2840 which allows for additional time for a person requiring a translator.

Analysis:

In the past, the number of persons requesting time to address the Board under Public Comment has been very limited. As such, a written policy and/or resolution were not adopted. However, given the recent legislation, staff believed it was an appropriate time to request information from legal counsel. It is staff's understanding that the provided resolution is virtually identical to all of the other water districts that Willatt and Flickinger represent, with the exception of one district that has numerous persons present at all of their open meetings.

Staff Recommendation:

Adopt Resolution 19-56.

Board Action:

Determine whether to adopt Resolution 19-56.

Summarization:

Staff believes the enclosed resolution is a reasonable and fair Public Comments Policy.

From: Jeniffer Concienne <jconcienne@wfaustin.com>
Sent: Friday, August 16, 2019 11:19 AM
To: Carola Serrato (mcserrato@stwa.org)
Cc: Bill Flickinger; Allison Nix
Subject: STWA - RESOLUTION & SAMPLE LANGUAGE
Attachments: Resolution-PublicComment.docx; bill-insert.docx

Good Afternoon Carola,

As discussed with Bill, please find attached the following:

1. Resolution Adopting Rules Regarding Public's Right to Address the Board of Directors; and
2. Sample language to include on the monthly bills

Please let us know if you need anything further. Thank you and have a good weekend.

Jeniffer Concienne

Legal Assistant
Willatt & Flickinger, PLLC
Attorneys at Law
12912 Hill Country Blvd., Suite F-232
Austin, Texas 78738
Ph: (512) 476-6604
Fx: (512) 469-9148
jconcienne@wfaustin.com

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PASSED AND ADOPTED the ____ day of _____, 2019.

Kathleen Lowman
President, Board of Directors

ATTEST:

Rudy Galvan, Jr.
Secretary, Board of Directors

[DISTRICT SEAL]

SOUTH TEXAS WATER AUTHORITY

BOARD MEETING ON _____, 2019

ATTENDANCE SHEET FOR MEMBERS OF THE PUBLIC WISHING TO ADDRESS THE BOARD

All members of the public wishing to address the Board of Directors must sign this Attendance Sheet by printing their name and listing the item(s) on the agenda they wish to address with the Board. Any member of the public that wishes to address the Board of Directors regarding any matter not on the agenda must also sign the Attendance Sheet by printing their name and check the box below indicating they wish to speak during the Public Comments section of the agenda. Providing other contact information on the Attendance Sheet, such as address, email address and phone number shall be **optional**.

Printed Name	I Specifically Wish to Address Agenda Item No(s):	Check Here if You Wish to Make Public Comments Not Related to an Agenda Item	Address (optional)	Phone Number (optional)	Email Address (optional)
		<input type="checkbox"/>			
		<input type="checkbox"/>			
		<input type="checkbox"/>			
		<input type="checkbox"/>			
		<input type="checkbox"/>			
		<input type="checkbox"/>			
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		<input type="checkbox"/>			
		<input type="checkbox"/>			

ATTACHMENT 18

Resolution 19-56

RESOLUTION 19-56

**RESOLUTION ADOPTING RULES REGARDING
PUBLIC'S RIGHT TO ADDRESS THE BOARD OF DIRECTORS OF
SOUTH TEXAS WATER AUTHORITY**

THE STATE OF TEXAS §
 §
COUNTY OF KLEBERG §

WHEREAS, the Board of Directors of South Texas Water Authority (the "Authority") finds it is necessary to adopt reasonable rules regarding the public's right to address the Board of Directors at a Board meeting.

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

1. All members of the public wishing to address the Board of Directors must sign an Attendance Sheet (substantially in the form attached hereto) by printing their name and listing the item(s) on the agenda they wish to address with the Board. Any member of the public that wishes to address the Board of Directors regarding any matter not on the agenda must also sign the Attendance Sheet by printing their name and indicating they wish to speak during the Public Comments section of the agenda. Providing other contact information on the Attendance Sheet, such as address, email address and phone number shall be optional.
2. Members of the public who wish to address the Board of Directors on a matter not on the agenda will be required to speak at the beginning of the Board meeting under the item for Public Comments.
3. Members of the public wishing to address the Board of Directors on a specific agenda item will be required to speak when the item is called and prior to consideration by the Board.
4. All members of the public will be limited to three (3) minutes for each agenda item for which they have signed up to speak. If speaking under the Public Comments section, the limit shall be three (3) minutes per speaker.
5. No assignment of unused speaking time is permitted. For example, no speaker can give their unused time to another speaker or reserve it for another item on the agenda.
6. At a Board meeting where more than ten (10) members of the public have signed up to speak, all speakers shall be limited to one (1) minute each per item per person, including speakers under the Public Comments section of the agenda.

7. A member of the public who addresses the Board of Directors through a translator will be given at least twice the amount of time as a member of the public who does not require the assistance of a translator.

PASSED AND ADOPTED the ____ day of _____, 2019.

Kathleen Lowman
President, Board of Directors

ATTEST:

Rudy Galvan, Jr.
Secretary, Board of Directors

[DISTRICT SEAL]

ATTACHMENT 19

Depository Bids

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 27, 2019
Re: Current Depository and Resolution extending the Depository Contract for STWA Funds

Background:

The last time the Board formally considered extension of the Depository Contract was in the latter part of September 2017. At this time, staff is seeking the Board's guidance on whether to advertise for a depository or continue utilizing the services of Prosperity Bank (Prosperity). Finance Manager Jo Ella Wagner was contacted by Prosperity to remind STWA that the depository agreement is nearing the end of its 2-year term. Prosperity is agreeing to renew the current depository agreement with the current provisions. In 2017, Prosperity renewed the agreement and increased the interest earning rate to a 0.4%. STWA pays no bank fees. STWA does, however, pay for the cost of deposit slips and bank checks.

Analysis:

For the past eight (8) years, Prosperity has been STWA's depository. Previously, STWA had either advertised or sought proposals from all of the local banks. However, in the past, the proposals included fees for every deposit made and check processed. Prosperity has never charged those type of fees.

Staff Recommendation:

Staff believes Prosperity is providing quality service. However, if the Board's preference is to seek proposals, staff will contact the local banks for such.

Board Action:

Provide instruction on whether to seek depository proposals or a renewal from Prosperity.

Summarization:

Ms. Wagner has been pleased with the services provided by Prosperity and has praised the bank on correcting any problems in a timely manner. She has also expressed her satisfaction with the bank's response whenever information is required.

ATTACHMENT 20

Voltus Demand Response and Peak Saver Agreement

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 29, 2019
Re: Voltus Demand Response and Peak Saver Agreement – ERCOT Program

Background:

As reported in a recent update, our office was contacted by a representative of the company Voltus Inc. Further staff reported that Voltus is a Qualified Scheduling Entity (QSE) with ERCOT. A QSE assists ERCOT in operating a program called Demand Response, which acts to prevent brownouts and blackouts on the Texas Electrical Grid during high demand times or events. This is accomplished by paying electrical users with the capability of switching to emergency generators to do so when demand is high. Information was requested from staff on consumption, which was provided for the Agua Dulce, Sablatura Park, Banquete, Central, Driscoll, Bishop East, Kingsville, RWSC #1, and RWSC #2 pump stations.

Analysis:

The most recent request asked of energy consumers to raise thermostats and conserve energy was on August 12th of this year. Several years ago, an atypical cold snap in Texas lasting more than a few days also resulted in asking the public to lower thermostats and conserve energy. Articles on Texas' electric grid and its reliability are easily found online particularly as it relates to the State's economy and overall growth.

According to Mr. Tom LaFargue, Voltus, STWA has the potential to earn approximately \$4,000 in a year's time when called upon to transfer from the conventional energy supply to the emergency generators located at the above-named pump stations. In addition, according to Mr. LaFargue, the response time to transfer to emergency generator use should be 30 minutes. However, when informed that depending on scheduled field work and the repercussions for failing to do so in the allotted time, he indicated that there were not any penalties. It is not clear based on the provided Agreement whether that is the case or not.

The Agreement provided by Mr. LaFargue was reviewed by legal counsel, Bill Flickinger. Mr. Flickinger has indicated that there are several provisions that require modification or clarification and at least one provision that is unacceptable.

Staff Recommendation:

Consider pursuing additional information and clarification in order to participate in ERCOT's Demand Response Program.

Board Action:

Based on legal counsel's recommendation, either table action on or reject entering into a Demand Response and Peak Saver Agreement with Voltus.

Summarization:

Staff has not been able to locate the Demand Response Program rules referred to in the Voltus Agreement. Following my conversation with Mr. Flickinger, staff attempted to contact ERCOT to speak to a staff person regarding their program. Unfortunately, without a specific name, the operator could not connect me to a person. I was advised to send a request to their IT email, info@ERCOT.com. Attached is a copy of the email.

From: mcserrato@stwa.org
Sent: Thursday, August 29, 2019 2:59 PM
To: 'info@ercot.com'
Subject: Demand Response Program

To Whom It May Concern:

I am contacting you in my capacity as Executive Director for South Texas Water Authority, a water conservation and reclamation district located in Kleberg and Nueces Counties. Our office was contacted by a representative of a company called Voltus. According to the Voltus representative, Voltus is a QSE, Qualified Scheduling Entity, for ERCOT's Demand Response Program. My understanding of that program is that it is intended to assist ERCOT and the State of Texas in avoiding rolling brownouts or blackouts by switching to emergency generators when demand is extremely high.

The Agreement provided by Voltus references ERCOT's Program Rules. However, a search of ERCOT's website does not provide a link to those rules.

I attempted to call ERCOT and speak to a staff person associated with the Demand Response Program. However, without a specific name, the operator was unable to connect me to an actual person. I was advised to email my request.

My request – please provide a link to or copy of the Demand Response Program rules. Also, I would very much appreciate speaking to someone about the program and the role of a QSE.

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

From: Bill Flickinger <bflickinger@wfaustin.com>
Sent: Thursday, August 29, 2019 12:46 PM
To: mcserrato@stwa.org
Cc: Allison Nix
Subject: RE: STWA - Voltus Contract

Carola:

My comments on the Voltus Contract are:

1. The name of the Authority needs to be corrected. They picked up the "Industrial Development Corporation" designation, probably from the TCEQ records.
2. Section 4a references the enrolled amount which is not defined or stated in the contract. I assume it is \$4,044.07 being the amount in the proposal. The enrolled amount should be specified in the contract. I have no way of determining if allowing Voltus to keep 59% of the payments is reasonable or an industry standard commission/fee for these types of services.
3. Section b is very confusing in that it states the Authority pays 0% of electricity demand charge savings to Voltus. Exhibit 2 describes the payments to Voltus under that section, but with 0% paid to Voltus, I am not sure why we need Exhibit 2. Does this imply that the Authority will have additional direct savings that need not be shared with Voltus?
4. Section 5a releases Voltus from all liability, even for breach of contract and failure to pay. That section is not acceptable as written.
5. The contract term is five years with no early termination or provision for withdrawal from the program if there are problems.

Please advise if you need any further information on this contract. Thank you.

Very truly yours,

Bill Flickinger

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

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

Email: bflickinger@wfaustin.com

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From: mcgserrato@stwa.org <mcgserrato@stwa.org>
Sent: Thursday, August 22, 2019 5:22 PM
To: Bill Flickinger <bflickinger@wfaustin.com>
Subject: FW: Voltus Demand Response Meeting Recap

Bill,

Per your email and my email to Mr. Lafargue, attached is the contract which he referenced. I have not read through it yet.

Carola

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

From: Tom Lafargue <tlafargue@voltus.co>
Sent: Thursday, August 22, 2019 5:12 PM
To: Carola Serrato <mcgserrato@stwa.org>
Cc: Dony Cantu <dcantu@stwa.org>; Frances Rosales <fvrosales@stwa.org>; Jacob Hinojosa <jhinojosa@stwa.org>; Jo Ella Wagner <jwagner@stwa.org>
Subject: Re: Voltus Demand Response Meeting Recap

Hi Carola,

Thank you for sending this over and taking my call just now. I've attached a copy of our agreement for your legal team's review. Should be fairly simple since the agreement is only one page. We will submit to hold with ERCOT once I have the addresses that correspond to the ESI IDs.

Best,
Tom

On Thu, Aug 22, 2019 at 4:57 PM <mcgserrato@stwa.org> wrote:

Tom,

Based on your email and after consulting with STWA's legal counsel, attached are the ESI ID numbers for the nine (9) pump stations. With regards to a contract, this would need to be presented to the STWA Board. There is not a meeting scheduled in August. The next meeting is for September 3rd followed by a second meeting on September 24th. Our attorney would need to review the contract and time would need to be provided for such.

Carola

Carola G. Serrato

Executive Director

South Texas Water Authority

PO Box 1701

Kingsville, Texas 78364

361-592-9323 x112

From: Tom Lafargue <tlafargue@voltus.co>
Sent: Thursday, August 22, 2019 11:20 AM
To: Carola Serrato <mogserrato@stwa.org>
Subject: Re: Voltus Demand Response Meeting Recap

Carola,

Attached is an estimated proposal for your facilities. It looks like we can earn South Texas Water Authority a little over \$4k/year in this program. Please review and let me know what you think.

If this is of interest to your organization, please provide the ESI IDs for each of the 9 facilities. In case you're unfamiliar, the ESI ID is a 22 digit number located on the electric bill that will likely start with 1020. We would need to submit these to ERCOT by Monday in order to get you into the Fall program. If, for whatever reason, you decide that this is not a good fit, no harm is done in submitting the ESI IDs. In other words, providing the ESI IDs does not mean you are moving forward with the contract.

Please let me know if you have any questions.

Best,

Tom LaFargue

Voltus, Inc.

832.840.9097

On Wed, Aug 21, 2019 at 7:15 PM Carola Serrato <mcserrato@stwa.org> wrote:

The stations work off demand. We don't have pump time records. However, the peak hours are going to be typical municipal usage with demand in hours when people are waking up to get to work and school and the same in evening. Except for Kingsville which only supplements their groundwater wells.

Carola

Sent from my iPhone

On Aug 21, 2019, at 5:35 PM, Tom Lafargue <tlafargue@voltus.co> wrote:

Carola,

Thank you for providing this information. I will get to work on this. What are the normal operating hours for each pump station?

On Wed, Aug 21, 2019 at 5:04 PM <mcserrato@stwa.org> wrote:

Tom,

Attached is a pdf file with about two – two and a half years of pump station electricity consumption. There are only nine (9) stations listed – there is a tenth station in Ricardo; but it does not have an emergency generator.

The units are kW-Hrs. The totals are on the far right side of the spreadsheet.

Carola

Carola G. Serrato

Executive Director

South Texas Water Authority

PO Box 1701

Kingsville, Texas 78364

361-592-9323 x112

From: noreply@salesforce.com <noreply@salesforce.com> **On Behalf Of** Tom Lafargue
Sent: Tuesday, August 20, 2019 9:17 AM
To: mcserrato@stwa.org
Subject: Voltus Demand Response Meeting Recap

Carola,

Thank you for your time this morning. It was a pleasure speaking with you.

I look forward to building a proposal for you to see if this could be a good fit. Please send over a year's electricity consumption and include normal operating hours for your 10 stations. This will give me an idea of your eligibility for the program, and allow you to go to the board with an estimate of what you can earn.

Please let me know if you have questions.

Best,
Tom LaFargue
Voltus, Inc.
832.840.9097

--

Tom LaFargue - Sales Director

Voltus, Inc. | 832.840.9097

tlafargue@voltus.co | www.voltus.co

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Tom LaFargue - Sales Director

Voltus, Inc. | 832.840.9097

tlafargue@voltus.co | www.voltus.co

--

Tom LaFargue - Sales Director

Voltus, Inc. | 832.840.9097

tlafargue@voltus.co | www.voltus.co



Demand Response and Peak Saver Agreement

This Demand Response and Peak Saver Agreement ("Agreement"), effective as of September 6, 2019 ("Effective Date"), is made between Voltus, Inc. ("Voltus"), located at 2443 Fillmore St. #380-3427, San Francisco, CA 94115, and South Texas Water Authority Industrial Development Corporation ("Customer"), located at 2302 East Sage Road PO Box 1701 Kingsville, TX 78364 both defined herein as the Parties to this Agreement.

1. **Term.** This Agreement shall commence on the Effective Date and end September 5, 2024 (the "Term").
2. **Voltus Managed Services**
 - a. *Demand Response Scope of Services:* Voltus will manage Customer's participation in the demand response program(s) ("Program") listed on Exhibit 1, in accordance with rules set forth by the grid operator and/or utility ("Operator"). Voltus will (i) work with Customer to develop an appropriate curtailment plan; (ii) manage all aspects of Customer's participation in the Program(s) and (iii) process all Program payments in accordance with the rules set forth by the Operator.
 - b. *Peak Saver Scope of Services:* Voltus will provide services to help Customer reduce and/or eliminate Customer's demand charges at the sites listed on Exhibit 1. Voltus will (i) analyze site-specific information (e.g., energy interval data, utility bills), (ii) present to customer savings available for each site based on specific energy reduction strategies, (iii) finalize with site personnel the demand reduction plan and dispatch protocol, (iv) notify and dispatch sites in connection with potential peak demand hours, and (v) provide post-season analysis and reporting on savings delivered.
 - c. *Voltlet and Voltapp:* In the event that Customer does not already have electric metering that satisfies Program requirements, Voltus will equip Customer with a system that collects energy data ("Voltlet") and provides visibility of this data through the Voltus cloud ("Voltapp"). At the Customer's request, such system may enable remote distributed generation control and direct load management. Voltus will install, free of charge, the system at each Customer facility as identified in Exhibit 1, which may be amended with the Customer's consent to reflect additional locations.
3. **Customer Requirements**
 - a. *Utility Data:* Customer hereby authorizes utility data access for Voltus for facilities listed in Exhibit 1.
 - b. *Voltus System Installation:* In the event a Voltlet needs to be installed, Customer will provide Voltus personnel, or their designee, with access to meters and/or equipment at facilities listed on Exhibit 1 in order to install the Voltlet.
 - c. *Acceptance Testing:* If the program requires acceptance testing, Customer will work with Voltus to prove Customer capability at each facility in a timely manner prior to Voltus registration of each facility in the Program(s).
 - d. *Demand Response Performance:* Customer will reduce electrical demand when notified by Voltus in accordance with Program rules. The Parties understand that the capacity listed on Exhibit 1 represents the best estimate of performance and that performance may vary.
4. **Payments**
 - a. *Demand Response Payment Sharing:* Voltus will pay Customer 61% of all payments obtained by Voltus owing to Customer's performance in the Program(s), up to the total enrolled amount.
 - b. *Peak Saver Shared Savings:* Customer will pay Voltus 0% of electricity demand charge savings owing to Customer's performance in accordance with this Agreement. Such payments are due to Voltus within forty-five (45) days of each calendar month in which the savings accrue to Customer. The calculation of savings for each site is defined on Exhibit 2. Notwithstanding the foregoing, any such payments owed to Voltus shall be subtracted from payments owed to Customer per paragraph 4a.
 - c. *Underperformance:* In no event shall Customer be penalized for underperformance.
 - d. *Payment Timing:* Voltus will make quarterly electronic payments to Customer within forty-five (45) days of the end of the program period and Voltus' receipt of payment from the Operator.
5. **General Terms**
 - a. *Limitation on Liability:* Voltus is not liable for Customer participation in Program(s). All remedies or damages are expressly waived, including any indirect, punitive, special, consequential, or incidental damages, lost profit, or other business interruption damages.
 - b. *Choice of Law:* This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Texas without giving effect to choice of law rules.



Name: _____

Title: _____

Date: _____

Email: _____

Signature: _____

Name: _____

Title: _____

Date: _____

Email: _____

Signature: _____

Exhibit 2 - Peak Saver Savings Calculation

Payments owed by Customer to Voltus are calculated as follows:

- Eligible Interval: an "Eligible Interval" is any of the time intervals published and determined by the electric grid operator and/or utility used to set Customer's electricity demand charges that also occurred on a day for which Voltus notified Customer to reduce its energy consumption
- Savings Calculation: for any Eligible Interval, Customer's demand reduction savings shall equal Customer's average energy consumption during such period as measured versus its baseline ("Baseline").
- Customer Baseline: the methodology for calculating the amount of curtailed electrical load attributable to each site in the Agreement is based on an industry-standard demand response baseline methodology known as "High 5 in 10". This method calculates how much electricity was not consumed during the load curtailment period compared to how much the site would have otherwise consumed under normal operation during that time. High 5 in 10 is the average of the highest 5 out of 10 non-event, non-holiday weekdays for each time interval of dispatch. Previous event days during the past 10 weekdays are eliminated from the calculation and substituted with the next previous non-event, non-holiday weekday.

Can an
~~exp~~ example
be provided?

Average energy consumption
How is baseline established?



ERCOT Demand Response for South Texas Water Authority

Date: 8/22/19
Customer Name: Carola Serrato

Contact: Tom LaFargue
Tlafarque@votus.co
 832.840.9097

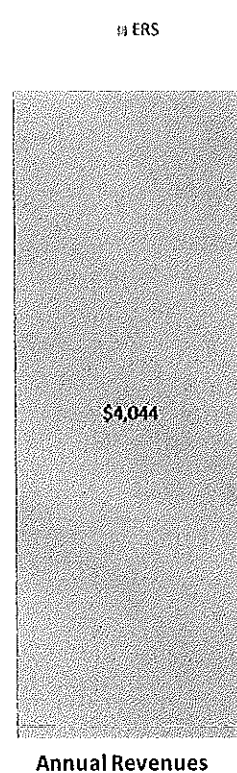
Financial Opportunity from Demand Response Participation: **\$4,044.07**

ERCOT Demand Response Program Details

Transmission/Distribution Service Provider:	Centerpoint	\$4,500
ERS Participation - Spring (Feb-May):	yes	\$4,000
ERS Participation - Summer (Jun-Sep):	yes	\$3,500
ERS Participation - Winter (Oct-Jan):	yes	\$3,000
Peak Saver participation (Jun-Sep):	yes	\$3,000
CLM Participation:	no	\$3,000

Estimated ERS Program Revenue

Enrolled kW:	130	\$2,500
Total Expected Revenue:	\$4,044	\$2,000
Testing Parameters:	One 30-minute test event will be called once per year.	\$1,500
Expected Dispatches:	Maximum 12 hours per contract period.	\$1,000
Notification Lead Time:	30 mins	\$500
Participated time periods:	M-F, 5am-8am	\$500
	M-F, 8am-1pm	\$500
	M-F, 1pm-4pm	\$500
	M-F, 4pm-7pm	\$500
	M-F, 7 pm-10pm	\$500



Benefits of Voltus Demand Response Program

No Cost, No Risk

- No Cost – Real-time access to meter-level energy data to support all energy and environmental reporting pursuits
- No Risk – Voltus bears 100% of the risk of underperformance.

Operational

- Advanced notification of grid emergency—potential blackout/brownout
- Sensitive IT equipment protected from compromised power quality

Community

- Cashflow positive sustainability program
- Contribution to the stability of the power grid—helps prevent power failures

Financial

- Receive payments within 45 days after Voltus receives payment for the contract period.

Estimates are based on available data and subject to change.

FORUM

Trouble in Texas hints at wider US power shortages

Terry Jarrett

In recent years, Texas has become a bellwether for advances in wind turbines and renewable energy. The wide-open, breezy Texas Panhandle offers some of the best wind resources in the country. But some surprising shortfalls are emerging in Texas' electricity production — and that could prove instructive for other states that are looking to ramp up their reliance on renewable power.

New technologies are undoubtedly helping to make wind and solar power more attractive. But Texas is learning that the transition from baseload power plants to weather-dependent renewables brings unintended consequences — including new costs and complexities that pose challenges for reliability.

In recent years, Texas jumped head-first into the large-scale deployment of wind turbines. And as this subsidized wind generation came online, coal plants found they could no longer compete in the region's electricity market. However, these were coal plants that had long anchored the state's energy portfolio. And now, Texas is finding that the loss of this coal capacity, along with

a greater reliance on wind power, is leading to power shortages. The problem is that these new wind systems are entirely dependent on favorable weather conditions. In contrast, the coal plants they replaced typically ran non-stop for months at a time.

On Aug. 12, a heatwave drove electricity demand in Texas to an all-time high. Electricity prices across the Texas power grid surged 36,000 percent, to roughly \$6,537 per megawatt-hour — far higher than the average Texas price of \$20 to \$30 per megawatt-hour. Not only did electricity demand climb enormously as Texans cranked their air conditioners in 100-degree weather, but electricity generation at Texas wind farms simultaneously fell 50 percent due to lack of wind in the hot, listless air.

Things actually got worse the next day, when temperatures in Dallas climbed past 103 degrees. Electricity prices briefly surged past \$9,000 per megawatt-hour. And the region hit an alarm point as available power reserves dwindled to just 2,121 megawatts — a safety margin of less than 3 percent.

With the electricity market in Texas shifting from baseload coal plants to renewables, 20 percent of the state's pow-

er in 2019 is expected to come from wind. It's now a guessing game of whether or not there will be enough electricity when consumers need it the most. Wind sources are unpredictable, and with greater reliance on weather-dependent power, regulators in Texas and other states need to make sure markets are adequately valuing power plants that support grid reliability. It's a situation one industry analyst described as "designed to play chicken with blackouts." The stakes of the game are that high.

As states look to incorporate more renewable energy, they should consider the importance of a balanced, diverse mix of energy sources. They shouldn't need a crisis, or unexpected outage, to start focusing on reliable electricity production.

*Terry M. Jarrett is an energy attorney and consultant who has served on both the board of the National Association of Regulatory Utility Commissioners and the Missouri Public Service Commission. He contributes regularly to LeadingLightEnergy.com. This article was submitted to the *Caller-Times*, unsolicited.*

ATTACHMENT 21
City of Corpus Christi Rate Model

Memorandum

To: South Texas Water Authority Board of Directors
From: Carola G. Serrato, Executive Director
Date: August 29, 2019
Re: NewGen Strategies (NewGen) review of the City of Corpus Christi Annual Rate “true-up” and Rate Model

Background:

As part of the STWA June 21, 2019 Meeting agenda, the Board approved a \$3,000 service agreement to review the annual information provided by the City of Corpus Christi related to the Settlement Agreement “true-up” and Rate Model calculations. The Board may also recall that, in the past, the cost of these services has been shared with the Nueces Water Control and Improvement District #4. Based on the recent emails (enclosed) it appears this is still the case. At this time, Mr. Chris Ekrut, NewGen, has requested additional information from the City. The City has answered Mr. Ekrut’s questions and provided attachments. There may be a few more questions asked of the City. Staff anticipates getting a final email from Mr. Ekrut in the near future.

Analysis:

As the Board is aware, the City’s proposed rates are slightly lower than the current rates. However, the rates will not go into effect until January 1, 2020. The City Council will need to take action on the rates for the matter to be finalized. At this time, staff has not received any indication from NewGen that there are any major issues with the “true-up” or proposed rates from the model.

Staff Recommendation:

Keep the Board updated on NewGen Strategies and Solutions review of Corpus Christi’s Rates and Model.

Board Action:

Provide feedback to staff and the consultant.

Summarization:

As the Board can see from the enclosed email chain, a thorough review of the information provided by the City occurs as part of these services.

mcserrato@stwa.org

From: Chris Ekrut <cekrut@newgenstrategies.net>
Sent: Tuesday, August 27, 2019 1:28 PM
To: mcserrato@stwa.org
Cc: 'Bill Flickinger'; 'Mark Young'; Jo Ella Wagner; Frances Rosales
Subject: RE: due Thursday Round#2: Questions from Public Agency (wholesale) customers: Updated Rate Model (8-1-19)

Thanks Carola – I will try to send follow-ups out by Thursday morning.

Chris Ekrut | NewGen Strategies & Solutions, LLC
Chief Financial Officer
Director, Environmental Practice
275 W. Campbell | Suite 440 | Richardson, TX 75080
Office: (972) 232-2234 | Mobile: (214) 498-8132
cekrut@newgenstrategies.net
Please visit us at www.newgenstrategies.net



From: mcserrato@stwa.org <mcserrato@stwa.org>
Sent: Monday, August 26, 2019 3:44 PM
To: Chris Ekrut <cekrut@newgenstrategies.net>
Cc: 'Bill Flickinger' <bflickinger@wfaustin.com>; 'Mark Young' <myoung@ncwid4.org>; Jo Ella Wagner <jwagner@stwa.org>; Frances Rosales <frosales@stwa.org>
Subject: RE: due Thursday Round#2: Questions from Public Agency (wholesale) customers: Updated Rate Model (8-1-19)

Chris,

Will you be following up with:

- Item 1 – Reba didn't answer what the funds have been used for thus far - \$3.3M. Also, are we to assume that the revenues include any interest earnings?
- Item 3 – Reba's answer still doesn't answer whether the money is being paid in a proper allocation between water, wastewater, and stormwater if all departments are being house in the structure, correct?
- Item 4c – Do we know if the Master Plan will also be funded from the RWDCRF?
- Item 11 – Do we know the amount paid to Smith Pump Co. for the services listed in the Attachment A – Scope of Work?

BTW, last week in my capacity as Co-Chair for the Coastal Bend Regional Water Planning Group (CBRWPG), I reviewed letters from a CC consultant on the City's proposed application to the TCEQ for water rights permits for desalination of sea water – two locations. The CBRWPG should be receiving a letter asking our Group to send a letter to the TCEQ stating that the City's permit filings are consistent with our 2016 Plan – they provided us with a template letter for our response. However, I felt compelled to raise objections to their statement that the need for the desal is for municipal/industrial use. The 2016 Plan does not show any shortages except in manufacturing. I am not certain how their final letter(s) will read.

Carola

mcserrato@stwa.org

From: Martha Messer <MarthaMe@cctexas.com>
Sent: Thursday, August 29, 2019 9:11 AM
To: Chris Ekrut; Reba George
Cc: mcserrato@stwa.org; Bill Flickinger; 'Dony Cantu'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'; Mark Young; violetwater@aol.com; Mark Van Vleck; Dan Grimsbo; Lisa Aguilar [LGL]; Miles Riskey; Constance Sanchez; Reed, Grady
Subject: RE: due Thursday Round#2: Questions from Public Agency (wholesale) customers: Updated Rate Model (8-1-19)

The first savings from the bond refunding will come about in FY2020. Since we can't true-up a year until the year is done, the true-up of FY2020 will be included in rates calculated in Summer of 2021 to determine rates for FY2022.

Martha

From: Chris Ekrut [mailto:cekrut@newgenstrategies.net]
Sent: Thursday, August 29, 2019 8:58 AM
To: Reba George
Cc: mcserrato@stwa.org; Bill Flickinger; 'Dony Cantu'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'; Mark Young; violetwater@aol.com; Mark Van Vleck; Dan Grimsbo; Lisa Aguilar [LGL]; Miles Riskey; Constance Sanchez; Martha Messer; Reed, Grady
Subject: RE: due Thursday Round#2: Questions from Public Agency (wholesale) customers: Updated Rate Model (8-1-19)

[[WARNING: E-mail from outside e-mail system, avoid clicking on links or attachments. When in doubt, call the Help Desk at 826-3766]]

Reba –

Thanks for sending the second round of responses. I am still reviewing, but will try to get my final round of questions to you soon.

In the interim, I saw the news story in the Caller Times about the City's planned bond refunding. Was that factored into this year's rate model, or will any savings be passed through as part of the true-up next year?

<https://www.caller.com/story/news/local/2019/08/27/bond-refunding-saves-city-corpus-christi-estimated-4-million/2132748001/>

Thanks,
Chris

Chris Ekrut | NewGen Strategies & Solutions, LLC
Chief Financial Officer
Director, Environmental Practice
275 W. Campbell | Suite 440 | Richardson, TX 75080
Office: (972) 232-2234 | Mobile: (214) 498-8132
cekrut@newgenstrategies.net
Please visit us at www.newgenstrategies.net

mcserrato@stwa.org

From: Chris Ekrot <cekrot@newgenstrategies.net>
Sent: Thursday, August 29, 2019 8:58 AM
To: Reba George
Cc: mcserrato@stwa.org; Bill Flickinger; 'Dony Cantu'; 'Frances Rosales'; 'Jacob Hinojosa'; 'Jo Ella Wagner'; Mark Young; violetwater@aol.com; Mark Van Vleck; Dan Grimsbo; Lisa Aguilar [LGL]; Miles Risley; Constance Sanchez; Martha Messer; Reed, Grady
Subject: RE: due Thursday Round#2: Questions from Public Agency (wholesale) customers: Updated Rate Model (8-1-19)

Reba –

Thanks for sending the second round of responses. I am still reviewing, but will try to get my final round of questions to you soon.

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<https://www.caller.com/story/news/local/2019/08/27/bond-refunding-saves-city-corpus-christi-estimated-4-million/2132748001/>

Thanks,
Chris

Chris Ekrot | NewGen Strategies & Solutions, LLC
Chief Financial Officer
Director, Environmental Practice
275 W. Campbell | Suite 440 | Richardson, TX 75080
Office: (972) 232-2234 | Mobile: (214) 498-8132
cekrot@newgenstrategies.net
Please visit us at www.newgenstrategies.net



From: Reba George <RebaG@cctexas.com>
Sent: Sunday, August 25, 2019 4:50 PM
To: Chris Ekrot <cekrot@newgenstrategies.net>
Cc: mcserrato@stwa.org; Bill Flickinger <bfflickinger@wfaustin.com>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; Mark Young <myoung@ncwcid4.org>; violetwater@aol.com; Mark Van Vleck <MarkVV@cctexas.com>; Dan Grimsbo <DanG@cctexas.com>; Lisa Aguilar [LGL] <LisaA@cctexas.com>; Miles Risley <MilesR@cctexas.com>; Constance Sanchez <ConstanceP@cctexas.com>; Martha Messer <MarthaMe@cctexas.com>; Reed, Grady <Grady.Reed@hdrinc.com>
Subject: FW: due Thursday Round#2: Questions from Public Agency (wholesale) customers: Updated Rate Model (8-1-19)

Chris – please see additional responses and attachments.

Thank you, Reba

From: Reba George <RebaG@cctexas.com>
Sent: Thursday, August 15, 2019 3:32 PM
To: Chris Ekrot <cekrut@newgenstrategies.net>

Subject: FW: Questions from Public Agency (wholesale) customers: Updated Rate Model (8-1-19)
Importance: High

Chris – responses to the questions submitted.....Thank you, Reba

=====

1. **What is the current balance of the Raw Water Development Charge Reserve Fund? When are these funds anticipated to be utilized and for what purpose?**
The RWDCRF current balance is \$13,778,856.88, The funds are anticipated to be utilized each year for Water Supply projects such as Desal, Aquifer Storage and Recovery and Water Supply Planning (attachment 1) What is referred to as "Attachment 1" – can this be provided? Attached. Will items 4(a) and 4(b) below be funded with these dollars? Is there an accounting summary available for this fund which shows expenditures to-date and where this money is being spent? Yes both 4a and 4b will be funded with these dollars..
2. **Specific to the Packery Channel Water Line planned funding of \$400,000 in debt, will any of this work be reimbursed by FEMA associated with damage from Hurricane Harvey? We are supposed to receive \$376,249.85 but we have not received anything yet. If the \$400K in debt is put into rates, how will the reimbursement from FEMA be recognized in rates once received? FEMA reimbursements are recorded as revenue. The reimbursement related to the Packery Channel Water Line, when received and earned, will be entered as Non-Rate Revenue in the Network Rate calculation on COSWtrRates**
3. **In correspondence last year, we had substantial discussion regarding the Utility Building Expansion Project. Via e-mail on 6/28, the following statement was made. Based on this statement, can you clarify how this capital cost is being allocated between all utility functions in this year's model? This project has not made any progress since 6/28/18, but will be addressed as per the response below.**
Utility Building Expansion Project: Letters from both STWA and NWCID#4 were received. We will follow this email up with a written response, but as we proceed with the design and construction portion of this project, we will utilize an appropriate cost allocation plan based on shared workspace among Water, Wastewater, and Storm Water employees. Cost allocations will be included in the rate model update for 2020. We've confirmed that the current rate model does not include the debt from the Utility Building Expansion Project in the Raw Water, Treatment or Network rates.
Unfortunately I'm not certain the response answers the original question or I'm not understanding the information provided. Can you explain further how this capital cost is being allocated in rates for FY 2020? I apologize if it was confusing. It really is not part of the rate picture. As we have it modeled now, it is being paid for with cash that comes out of the Water Capital Fund. Since it is being paid for with revenue generated in previous years, it does not add to the rates for future years.
4. **Can you provide more information on the following planned capital projects?**
 - a. **ASR Study - \$400,000 planned cash funding,**
ASR is a long-term water supply strategy to effectively integrate the City's regional water supply to achieve long-range water planning goals. We are currently completing the first part of the feasibility study and working towards a TCEQ experimental permit application for a pilot test well.
Specific to the ASR Study, can you provide a map or a description of the location that is being considered for the ASR project as well as the pilot test well? Yes, see attached map
 - b. **Seawater Desalination - \$1,000,000 planned cash funding**
Seawater Desalination, in the siting and permitting phase of the project. two preferred area along the Corpus Christi Ship channel and the La Quinta Channel area have been chosen. Permits to support 30 and 40 MGD plants will be applied for in Oct-Dec time frame.

Are there other industrial or governmental participants in the Seawater Desalination Study? If so, can you disclose who the participant is and their % share of the project? There are no other participants in the Seawater Desalination Siting and permitting project..

- c. **Water Supply Master Plan - \$500,000 planned cash funding. What will be studied as part of this project?** Water Supply Master Plan, The Water Supply Master Plan will support optimal operations of existing water supplies and aid in decision making for potential development of future water supply sources.

Has the City already released an RFQ for this work and is it available for review? If a consultant has been selected, can you indicate which firm will be utilized? Yes, the City released an RFQ including Water Supply Master Plan (Utilities Raw Water Master Plan/50 years) project. The RFQ document is attached for your review. Hazen and Sawyer was selected for this project.

- d. **ONSWTP Construction Manager - \$750,000 planned cash funding**

This is for construction management for upcoming, large construction projects at the ON Stevens Water Treatment Plant. Due to the complexity of upcoming work, concurrent presence of multiple contractors, and performing work at a live facility, the impact can range from significant project delays and degraded quality of final product to complete loss of water production facility, leaving City without water. This is a highly critical coordination and risk management function.

Has the City already released an RFQ for this work and is it available for review? If a consultant has been selected, can you indicate which firm will be utilized? No, the City has not released an RFQ for this work.

5. **Specific to the \$300,000 planned debt funding associated with the ONSWTP Filter Bldg Rehabilitation Ph #2 and the \$2,000,000 planned debt funding associated with the ONSWTP On Site Hypochlorite Generation, will funds for these projects come from an existing debt issuance, or a new issuance during FY 2020?** New debt issued in 2020.
6. **Can you explain what is driving the personnel increases in the Office of Environmental Programs, Utilities Planning Group, and Utilities Director? Are additional personnel being added or reassigned from other departments?** The Utilities Planning Group has 3 new positions. The Utilities Director has acquired three Asst Director positions – not new positions, just moved. The Office of Environmental Programs has had no change in # positions – but has hired new positions in the last year (vacant positions are budgeted at minimum step, but actual hiring salaries may be higher). Specific to the movement of positions to Asst Director under the Utilities Director, from which departments did these positions come from? I'm trying to identify which departments saw a decrease in personnel expense in relation to the movement of these positions to the Utilities Director Department. One from each of the following areas: Support Services, Water Treatment, and Maintenance of Lines.
7. **What is driving the year over year increase specific to Other Contractual Services for the Utilities Planning Group?** City temps are now divided out from Salaries and Wages. The Utilities Planning Group history in the model has never included Temps, so it was added into Other Contractual Services.
8. **In the 2018 model, the Utilities Planning Director was partially assigned to the Gas function. In the 2019 model, there is no allocation of this department to gas, and the allocation to water has increased from 36.88% to 40.00%. What is the basis for this change?** The Utilities Planning Director is not managing Gas Department – a re-organization occurred. Can you further detail this reorganization? If the Utilities Planning Director is not managing the Gas Department, which individual in the City will be responsible for this oversight function? There is a Director of Gas, Bill Mahaffey, and that position reports to Mark Van Vleck, Assistant City Manager.
9. **It appears that there have been increases in "Other Contractual Services", "Other Charges", and "Other Allocations" specific to the Water Administration Department. What is driving these increases?** Other Contractual Services increase includes legal fee estimates from our Legal Dept, Other Charges includes Customer Relationship Management software to be implemented in 2020, and Other Allocations (Internal service allocations) have also gone up across all Departments.

10. What is driving the increase in "Other Contractual Services" specific to the Water Construction department? Addition of 2 full water crews (9 temps converted to permanent, and 7 new positions) to address more in-house construction projects saving up to 40% of contractor cost.
11. On the raw water side, specific to the MRP II Mary Rhodes Pipeline, what is represented by the expenses contained in the line-items labelled "Resource Purchases" and "Other Contractual Services"? Resource Purchases are payments to LNRA. Other Contractual Services includes a service agreement for all the pumps at pump stations. Specific to the service agreement referenced as part of contractual services, what individual or firm is the service agreement with and what services are covered under this agreement? Smith Pump Co. (Scope of Work attached)

From: Reba George <RebaG@cctexas.com>

Sent: Friday, August 2, 2019 3:58 PM

To: mcgserrato@stwa.org; Bill Flickinger <bflickinger@wfaustin.com>; Chris Ekrut <cekrut@newgenstrategies.net>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; Mark Young <myoung@ncwid4.org>; violetwater@aol.com

Cc: Mark Van Vleck <MarkVV@cctexas.com>; Dan Grimsbo <DanG@cctexas.com>; Lisa Aguilar [LGL] <LisaA@cctexas.com>; Miles Risley <MilesR@cctexas.com>; Constance Sanchez <ConstanceP@cctexas.com>; Martha Messer <MarthaMe@cctexas.com>; Reed, Grady <Grady.Reed@hdrinc.com>

Subject: FY 2020 Wholesale Rates and Updated Rate Model (8-1-19)

All:

A revised utility rate model. We erroneously used two years for true ups (FY17 and FY18) in the 7-25 URM draft instead of one (FY18).

Revised rate summary below.....Reba

adjusted for only one year true up (FY18)

DRAFT 8/1 URM	1/1/2019	1/1/2020
Raw Water		
Rate payer rate	0.963	0.982
Development charge	0.05	0.05
TOTAL	\$ 1.013	\$ 1.032
% increase		1.9%
\$ increase		\$ 0.019
Resale Treated (STWA, SPMWD)		
Raw diversion	0.086	0.099
Treatment	1.441	1.364
TOTAL	\$ 1.527	\$ 1.463
% increase		-4.2%
\$ increase		\$ (0.064)
Resale Treated, Delivered (NCWID#4-Port A, Violet)		
Raw diversion	0.086	0.099
Treatment	1.441	1.364
Network	0.680	0.633
TOTAL	\$ 2.207	\$ 2.096
% increase		-5.0%
\$ increase		\$ (0.111)

From: Reba George

Sent: Friday, July 26, 2019 12:20 PM

To: 'mcgserrato@stwa.org' <mcgserrato@stwa.org>; 'Bill Flickinger' <bflickinger@wfaustin.com>; 'Chris Ekrut' <cekrut@newgenstrategies.net>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; Mark Young <myoung@ncwid4.org>; violetwater@aol.com

Cc: Mark Van Vleck <MarkVV@cctexas.com>; Dan Grimsbo <DanG@cctexas.com>; Lisa Aguilar (LisaA@cctexas.com) <LisaA@cctexas.com>; Miles Risley <MilesR@cctexas.com>; Constance Sanchez <ConstanceP@cctexas.com>; Martha Messer <MarthaMe@cctexas.com>; 'Reed, Grady' <Grady.Reed@hdrinc.com>

Subject: FY 2020 Wholesale Rates and Updated Rate Model

All:

For your review....I've summarized impacts below. Please forward any questions you may have....Thank you for your patience, Reba

DRAFT 7/25 URM	1/1/2019	1/1/2020
Raw Water		
Rate payer rate	0.963	1.019
Development charge	0.05	0.05
TOTAL	\$ 1.013	\$ 1.069
% increase		5.5%
\$ increase		\$ 0.056
Resale Treated (STWA, SPMWD)		
Raw diversion	0.086	0.100
Treatment	1.441	1.365
TOTAL	\$ 1.527	\$ 1.465
% increase		-4.1%
\$ increase		\$ (0.062)
Resale Treated. Delivered (NCWID#4-Port A, Violet)		
Raw diversion	0.086	0.100
Treatment	1.441	1.365
Network	0.680	0.633
TOTAL	\$ 2.207	\$ 2.098
% increase		-4.9%
\$ increase		\$ (0.109)

From: Reba George

Sent: Tuesday, July 23, 2019 4:24 PM

To: mcgserrato@stwa.org

Cc: Bill Flickinger <bflickinger@wfaustin.com>; Chris Ekrut <cekrut@newgenstrategies.net>; Martha Messer <MarthaMe@cctexas.com>; Dan Grimsbo <DanG@cctexas.com>; Mark Van Vleck <MarkVV@cctexas.com>; 'Dony

Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>

Subject: RE: FY 2019 Rates and Updated Rate Model

Carola – we are so close to finalizing. We should be able to send a Draft URM to everyone in the next day or two.

Thank you for your patience....Reba

From: mogserrato@stwa.org <mogserrato@stwa.org>

Sent: Tuesday, July 23, 2019 3:00 PM

To: Reba George <RebaG@cctexas.com>

Cc: Bill Flickinger <bflickinger@wfaustin.com>; Chris Ekrut <cekrut@newgenstrategies.net>; Martha Messer <MarthaMe@cctexas.com>; Dan Grimsbo <DanG@cctexas.com>; Mark Van Vleck <MarkVV@cctexas.com>; 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jacob Hinojosa' <jhinojosa@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>

Subject: RE: FY 2019 Rates and Updated Rate Model

[[WARNING: E-mail from outside e-mail system, avoid clicking on links or attachments. When in doubt, call the Help Desk at 826-3766]]

Good Afternoon Reba,

Any update on the availability of the model? The STWA Board meets next Tuesday and we were hoping to present a second draft budget with an idea on the cost of water from the City.

Carola

Carola G. Serrato

Executive Director

South Texas Water Authority

PO Box 1701

Kingsville, Texas 78364

361-592-9323 x112

From: Reba George <RebaG@cctexas.com>

Sent: Tuesday, July 9, 2019 4:01 PM

To: mogserrato@stwa.org

Subject: RE: FY 2019 Rates and Updated Rate Model

Carola – We will get it out to everyone as soon as we can....promise! There are just so many moving parts!

Thanks,

Reba

From: mogserrato@stwa.org <mogserrato@stwa.org>

Sent: Tuesday, July 09, 2019 3:44 PM

To: Reba George <RebaG@cctexas.com>; 'Chris Ekrut' <cekrut@newgenstrategies.net>; 'Brian Williams' <BGW@spmwd.net>; 'Mark Young' <myoung@ncwcid4.org>; violetwater@aol.com

Cc: Martha Messer <MarthaMe@cctexas.com>; Dan Grimsbo <DanG@cctexas.com>; Mark Van Vleck <MarkVV@cctexas.com>; 'Bill Flickinger' <bflickinger@wfaustin.com>; 'Frances Rosales' <fvrosales@stwa.org>;

jhinojosa@stwa.org

Subject: RE: FY 2019 Rates and Updated Rate Model

[[WARNING: E-mail from outside e-mail system, avoid clicking on links or attachments. When in doubt, call the Help Desk at 826-3766]]

Reba,

Thank-you for the update. The STWA Board is scheduled to meet a week later than usual in July – on July 30th. Do you think the model will be available prior to the meeting?

Carola

Carola G. Serrato
Executive Director

South Texas Water Authority

PO Box 1701

Kingsville, Texas 78364

361-592-9323 x112

From: Reba George <RebaG@cctexas.com>

Sent: Tuesday, July 9, 2019 3:31 PM

To: mogserrato@stwa.org; Chris Ekrot <cekrut@newgenstrategies.net>; Brian Williams <BGW@sprnwd.net>; Mark Young <myoung@ncwcid4.org>; violetwater@aol.com

Cc: Martha Messer <MarthaMe@cctexas.com>; Dan Grimsbo <DanG@cctexas.com>; Mark Van Vleck <MarkVV@cctexas.com>; 'Bill Flickinger' <bflickinger@wfaustin.com>; 'Frances Rosales' <fvrosales@stwa.org>;

jhinojosa@stwa.org

Subject: FY 2019 Rates and Updated Rate Model

Good afternoon –

Just wanted to provide an update on our process. We met with new City Manager Peter Zanoni to go over our proposed FY20 budget. We are currently waiting for HDR via Grady Reed to update the rate model with some modifications. Once we receive the model and conduct an initial check, we will distribute a draft version to all of you.

We had anticipated having some 'user-friendly' functionality with this model, but we were delayed in getting a contract completed before we had to start working on our 2019 update. The 2020 update should be easier to review and navigate.

Thank you,

Reba N. George

Assistant Director of Support Services

Water Utilities

361-826-1648



Attachment A – Scope of Work

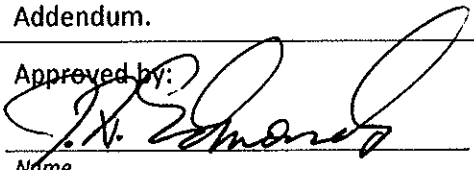
The Maintenance of the pumps shall be as outlined in the following schedule:

Equipment Service Schedule

Item No.	Equipment Service Description	Frequency	Special Instructions	Note
1	Vertical Turbine Pumps			
a.	Check packing lubrication piping	Quarterly		
b.	Check and Adjust Packing glands	Quarterly		
c.	Replace packing glands	Special	As needed	
d.	Check Coupling alignment	Annually		
e.	Check hold down bolts on pumps and motors for proper torque	Quarterly		
f.	Clean Drains	Special	As needed	
g.	Exercise pumps	Special		1
h.	Measure vibration	Annually		
i.	Pull and Inspect Pumps	Special	Within 6 months of maintenance agreement end date	
j.	Pump Performance Testing	Special	Within 6 months of maintenance agreement end date	1
k.	Check Impeller Clearance	Quarterly		
m.	Check shaft seal	Quarterly		
n.	Check for noise or vibrations	Quarterly		
o.	Excessive Temperatures Verify RTD Readings	Quarterly		
p.	Ensure no fluid or lubricant leaks	Quarterly		
q.	Check oil lubricant level	Quarterly		
r.	Check auxiliary supplies if fitted	Quarterly		
s.	Check for bearing lubricant change due to pump operation record	Semi-annually		
t.	Inspection of bowl assembly	Special	Every 3 to 5 years	
2	Pump Motors			
a.	Check Oil levels	Quarterly		
b.	Change oil	Semi-annually	Depends on run time	
c.	Clean air passages (intake and exhaust)	Quarterly		
d.	Verify all covers are in place and secure	Quarterly		
e.	Check for proper lubrication	Quarterly		
f.	Check bearing temperature rise	Quarterly		
g.	Check phase, voltage, frequency, and power consumption	Quarterly		
h.	Check for worn spots on interconnecting wiring	Quarterly		
i.	Check electrical connections	Quarterly		
j.	Inspect and clean rotor ends, windings, and fan blades	2.5 years after installation		
k.	Check resistance of windings	Semi-annually		
l.	Check cable insulation resistance	Semi-annually		
m.	Verify motor space heaters work	Semi-annually		
n.	Check bearing cooling lines and coils	Quarterly		
o.	Rotate Pump Shaft by Hand	Quarterly		
p.	Inspection of motor	Annually		
q.	Check for abrasive or electrically conducting dusts	Semi-annually	Due to unusual service	
r.	Check for proper ventilation against dirt accumulation or fungus growth	Semi-annually	Due to unusual service	
s.	Measure vibrations	Annually		
Notes				
1	Pumps should be exercised every month if not in operation. Run each pump for four hours and check the pump and motor as indicated.			
1	All testing and measurements shall be done in accordance with the technical specifications 44 42 56.02, 3.03			
2				

Equipment Service Requirements
Mary Rhodes Pipeline Phase 2 – Pumps and Motors

ADDENDUM NUMBER 2

Project:	RFQ NO. 2018-10 FY 2018-2019 Capital Improvement Projects and Bond 2018 Remaining Projects	RFQ Number: <u>2018-10</u>
Owner:	City of Corpus Christi	
City		
Engineer:	Jeff H. Edmonds, P.E.	
Designer:	N/A	
Addendum No.	<u>2</u>	Specification Section: <u>N/A</u>
		Issue Date: <u>Nov. 20 2018</u>
<p>Acknowledge receipt of this Addendum in the Bid Form submitted for this Project. Failure to acknowledge receipt of this addendum in the Bid Form may render the Bid as non-responsive and serve as the basis for rejecting the Bid.</p> <p>Make the additions, modifications or deletions to the Contract Documents described in this Addendum.</p>		
<p>Approved by: </p> <p>Name <u>J. H. Edmonds</u> Date <u>11/20/18</u></p>		
<p>Addendum Items:</p> <p><u>This addendum addresses the following changes:</u></p> <ul style="list-style-type: none">• Added <i>Feasibility Studies for Bond 2020 and Future CIP Projects</i> to each of the following groups: Group A – Transportation, Project No. 34 Group B – Utilities, Project No. 8 Group F – Public Buildings, Parks & Facilities, Project No. 2• Updated Exhibit A and Exhibit A-1		

GROUP A – TRANSPORTATION PROJECTS (continued)		Total Budget	Indicate Project Interest by Priority
24	Castenon Street - Trojan Dr. to Delgado St.	\$1,100,000	
25	Junior Beck Drive - Dead End to Bear Ln.	\$1,400,000	
26	JFK Causeway Access Road Improvements	\$1,500,000	
27	Airline Road - SPID to McArdle Rd.	\$2,100,000	
28	Laguna Shores Road - Mediterranean Dr. to Wyndale St.	\$2,875,000	
29	South Oso Parkway - S. Staples St. to S. Oso Pkwy.	\$450,000	
30	Long Meadow Drive - Hunt Dr. to St. Andrews Dr.	\$1,600,000	
31	Sunnybrook Road Sidewalk Improvements from Ayers to Evelyn (CDBG)	\$1,042,000	
32	Street Preventative Maintenance Program (SPMP)	\$15,300,000	
33	Subsurface Utility Engineering (SUE)	TBD	
34	Feasibility Studies for Bond 2020 and Future CIP Projects (Transportation)	TBD	

GROUP B – UTILITY PROJECTS		Total Budget	Indicate Project Interest by Priority
1	Utilities Raw Water Master Plan / 50 years	TBD	
2	Mary Rhodes Pipeline Phase 1 On-Going Cathodic Protection	\$300,000	
3	Mary Rhodes Pipeline Phase 2 System Improvements	\$800,000	
4	ONSWTP Filter Building Rehabilitation - Phase 2	\$2,500,000	
5	ONSWTP Filtration System Hydraulic Improvements	\$2,065,000	
6	Citywide Lift Station Repair	\$8,000,000	
7	Ship Channel Utility Line Relocations (DELETE)	TBD	
8	Feasibility Studies for Bond 2020 and Future CIP Projects (Utilities)	TBD	

GROUP C – UTILITY RATE MODEL		Total Budget	Indicate Project Interest by Priority
1	Utility Rate Model	TBD	

- Describe your approach to overall team formation and coordination of team members with résumé by separate appendix of key team individuals who will work on this project (note: a maximum one-page limit per team member). Résumés do not count towards the 25-page limit.

B. Experience and Qualifications of the Project Manager (Maximum 20 points)

- Discuss the experience and qualifications of the project manager who will successfully provide the services outlined in this RFQ within the last five years
- Briefly describe your PM's experience, qualifications and performance with similar projects in the Coastal Bend Area
- Demonstrate familiarity with City's key infrastructure, drivers and policies relevant to coordinating the program activities with all other City departments.
- Please briefly describe the skills, knowledge and experience of the PM assigned to successfully complete the respective projects.

Within the 4 criteria of Part B above demonstrate experience, knowledge and qualifications for the following areas, as applicable:

Groups A & B - Transportation/Traffic Engineering Design and Utilities Engineering Design

- Geometric design for roadways and intersections (State, County, City, Local government)
- Pavement selections and life cycle analysis
- Utility Coordination (Public and Private)
- Surveying
- AutoCAD drafting (Plan & Profile, Cross Sections, Earthwork)
- Traffic Engineering/Management Strategies and Concepts
- Signalization/traffic engineering
- ADA Standards for Accessible Design and Texas Accessibility Standards
- Cost estimating
- Design Coordination and Scheduling
- Construction Sequencing and Scheduling
- Subsurface utility engineering
- Geotechnical Investigations, testing, sampling, etc.
- Experience with USACE/GLO permitting for coastal habitat, mitigation, etc.
- Other special capabilities pertinent to transportation planning, design and developments
- Water, Wastewater, Storm water design (State, County, City, Local government)
- Hydrology/Hydraulics of gravity and force mains
- Water and Wastewater plant projects demonstrating integrated design of complex systems comprised of structural, mechanical, electrical, automation and control, information technology, and operational elements
- Other special capabilities pertinent to utility system design
- Community Development Block Grant (CDBG) Program

Group C – Utility Rate Model

- Familiarity with common municipal utilities infrastructure, rate structures and models, cost and demand drivers, economic development considerations, policies, standards, and guidelines.
- Expertise with specifying, evaluating, selecting, procuring and/or developing and deploying municipal financial and utility rate modeling software solutions.

- Familiarity with and practical application of AWWA's Manual M1, "Principles of Water Rates, Fees, and Charges," to the projects.
- Familiarity with and application of Texas Administrative Code Title 30, Part 1, Chapter 291, Subchapter B, "Rates, Rate-Making, and Rates/Tariff Changes" to the projects
- Ability to implement utility rate model on a variety of software platforms and to integrate the model with customers' financial and utility billing systems
- Demonstrated familiarity with recognized and generally accepted good modeling and software development principles, quality control, and verification and validation of systems solutions

Group D – Planning Services

- Development of area master plans incorporating existing public/private infrastructure, future infrastructure concepts and natural environment
- Soliciting and incorporating stakeholder input from diverse communities using a variety of media
- Land use analysis and projections balancing infrastructure and natural environment
- Transportation plans
- Utility needs based on future projections
- Cost benefit analysis and/or fiscal impact analysis
- Assessing appropriateness of existing land use regulations and developing recommendations for code amendments
- Identifying development and redevelopment strategies
- Housing needs assessments
- Economic development planning
- Public facilities, services, and infrastructure planning
- Capital Improvement planning
- Resiliency and sustainability planning

Group E – Type A Projects

- Public facilities, services, and infrastructure planning
- Architectural design for building repair/remodel including conceptual layout, architectural narrative, life safety analysis, exterior wall assembly, and roof assemblies.
- Mechanical, electrical power, fire protection, lighting, MIS access, grounding and communications, plumbing, etc.
- Structural design including framing system, foundation, fire resistance, windstorm resistance statement, etc.
- Coastal facility and structure planning, design, and maintenance
- Knowledge and experience with federal, state and local requirements (USACE, FEMA, GLO, City and other regulatory agencies).
- Capital Improvement planning
- AutoCAD Drafting (Plan & Profile, Cross sections, Earthwork, etc.)
- Utility coordination (Public and Private)
- Cost estimating and cost benefit analysis
- Environmental protection of surrounding area
- Construction sequencing and scheduling
- Resiliency and sustainability planning

GROUP B – UTILITY PROJECTS

1. Utilities Raw Water Master Plan / 50 years

<u>Project Description</u>	<u>Project Budget</u>
This project includes the development of Water Supply Strategic Plan for the City of Corpus Christi for the next 50 years. The Plan shall provide a diversity of water supply resource acquisition strategies which consider drought impacts, ensuring these strategies are achievable and sustainable (to include other governmental or private interest), environmentally responsible, promote public policy with community support and are fiscally responsible. This plan must promote options that will all likely to be adopted by the Region "N" planning group in order to be included in the State of Texas Water Plan which is a pre-requisite to obtaining low cost funding from the Water development Board.	TBD

2. Mary Rhodes Pipeline Phase 1 On-Going Cathodic Protection

<u>Project Description</u>	<u>Project Budget</u>
This project provides for survey, assessment, design, and construction and maintenance of the Cathodic Protection system for Mary Rhodes Pipeline Phase 1. The pipeline was constructed in 1990s and requires periodic installation of new test stations with zinc anode groundbeds, installation of zinc anodes at existing test stations, and removal and replacement of portions of the test station components at existing test stations. This project is a multiple year program with one base year plus two one-year renewal options.	\$300,000 Design & Construction

3. Mary Rhodes Pipeline Phase 2 System Improvements

<u>Project Description</u>	<u>Project Budget</u>
This project will include various required improvements to Mary Rhodes Phase 2 pumping system. Improvements will include but not limited to river bank stabilization due to natural erosion and other improvements as identified in condition assessment.	\$800,000 Design & Construction

4. O. N. Stevens Water Treatment Plant Filter Building Rehabilitation - Phase 2

<u>Project Description</u>	<u>Project Budget</u>
This project will complete rehabilitation of the Filter Building at ONSWTP originally constructed in 1954. Phase 1 addressed the North wing and was completed in 2013. Under Phase 2, the South wing will be rehabilitated to house Water Quality (WQ) and Environmental Quality (EQ) staff currently located in the Chemical Building at ONSWTP. The work will consist of removing hazardous asbestos, performing structural repairs as needed, and reconfiguring available space to accommodate multiple offices, breakroom and restrooms. Currently, WQ and EQ staff is housed in a former sub-standard industrial building in close proximity to hazardous chemicals.	\$2,500,000 Design & Construction

GROUP B – UTILITY PROJECTS (continued)

5. O. N. Stevens Water Treatment Plant Filtration System Hydraulic Improvements

<u>Project Description</u>	<u>Project Budget</u>
This project will upgrade filtration system components and equipment that has reached the end of services life. Additionally, the project will address post-filtration hydraulic bottlenecks which will assist ONSWTP in meeting future capacity requirement of 200 MGD. Improvements will include but will not be limited to: upgrades to filtration system piping; replacement of filter gates, valves, and actuators; and filtration system effluent piping and channel hydraulic improvements.	\$2,065,000 Design & Construction

6. Citywide Lift Station Repair

<u>Project Description</u>	<u>Project Budget</u>
This project provides for implementation of a strategic lifecycle program for future lift station projects with funding requirements and cost benefit analysis for the City's 103 Lift Stations. The project identifies, prioritizes and implements specific capital improvement in a phased design and construction approach to extend lift station service life, reduce long-term maintenance costs, improve flows, and meet Texas Commission on Environmental Quality guidelines including reducing overflows and redundant systems. Successful Respondents will be awarded an MSA with subsequent task orders. This is a multiple year program with a base year plus two one-year renewal options.	\$8,000,000 Design & Construction

7. ~~Ship Channel Utility Line Relocations (DELETE)~~

<u>Project Description</u>	<u>Project Budget</u>
Underground utility line relocations are required for the widening and increased depth of the ship channel project. Construction must be completed by 2020.	TBD Design & Construction

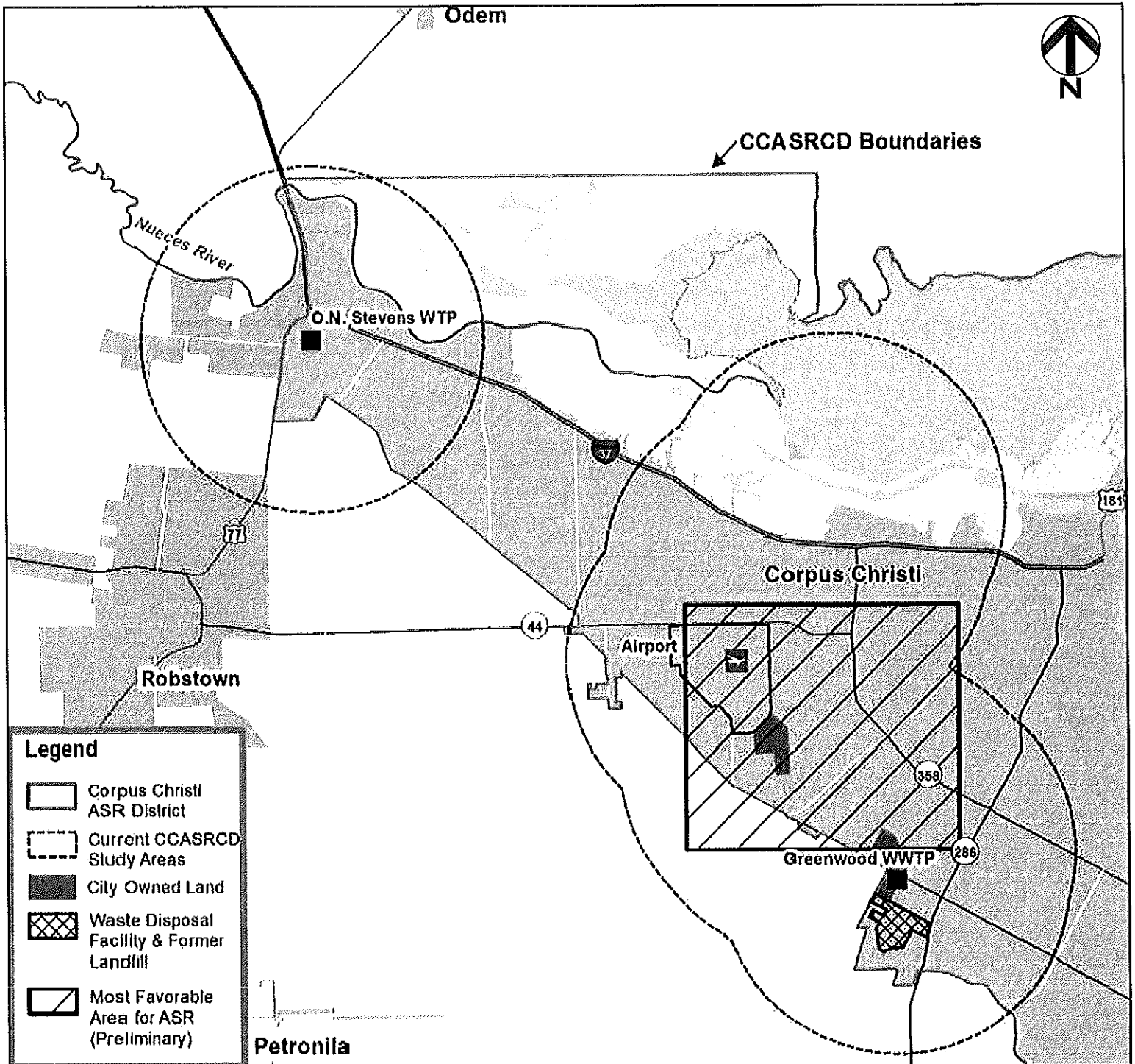
8. Feasibility Studies for Bond 2020 and Future CIP Projects (Utilities)

<u>Project Description</u>	<u>Project Budget</u>
This project provides for the preparation of an Engineering Report with schematic designs and cost estimates for future citywide projects. The work includes the necessary investigations, research and analysis with various meetings with key stakeholders and operating departments. Multiple firms may be selected.	TBD

GROUP C – UTILITY RATE MODEL

1. Utility Rate Model Analysis and Implementation

<u>Project Description</u>	<u>Project Budget</u>
<p>The objective of this project is to analyze, evaluate, and improve existing City of Corpus Christi's utility rate structure and implement the new model in user-friendly software application. The consulting team selected for this project shall analyze the impact on the Utility rates of the City's strategic initiatives related to water supply and sustainability, conservation, and optimization of treatment, distribution, and collection, as well as the wastewater system including collection, lift stations, and wastewater treatment plants, development of a storm water use fee structure and review of the gas rate structure.</p> <p>The analysis shall include but not limited to the existing water supply, treatment, and distribution systems; emerging water resources such as desalination, reuse, conservation; drought management; water supply development and utility impact fee structures; sanitary sewer overflows; allocation of storm water system costs to the beneficiaries; gas system rates; and impact of the new administrative structure of the Utilities department. The analysis shall take into account historic and projected population growth; economic development and industry growth; residential land development; impact of existing and emerging energy sources; and regulatory and legal requirements.</p> <p>The existing rate model is implemented in Microsoft Excel using tables and macros. Among many inputs to the model are historic and projected O&M costs, historic and projected revenues, projected CIP expenditures, and outstanding debt information.</p> <p>This project is a multiple year program with the base year analysis, design, and implementation plus two one-year technical support options.</p>	TBD



VICINITY MAP

NOT TO SCALE

Project Number: E16265

Corpus Christi Aquifer Storage and Recovery Feasibility Study

CITY COUNCIL EXHIBIT

CITY OF CORPUS CHRISTI, TEXAS
DEPARTMENT OF ENGINEERING SERVICES



**Raw Water Supply Development Fund
4041**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>Total</u>
Beg Fund Bal	12,287,278.62	10,490,044.44	9,872,869.37	9,311,265.87	7,699,046.01	6,714,417.03	4,888,444.68	1,462,346.64	-	
Revenue	1,491,578.26	1,781,092.39	1,720,801.61	1,716,181.74	1,626,785.56	2,054,969.89	1,848,016.10	3,451,671.76	1,462,346.64	17,153,443.95
Expense		(16,141.79)	4,306.54	4,578.24	14,565.70	(10,394.09)	22,043.75	25,573.72	-	44,532.07
Transfers		-	1,099,320.00	1,150,000.00	-	1,080,735.00			-	3,330,055.00
End Fund Bal	13,778,856.88	12,287,278.62	10,490,044.44	9,872,869.37	9,311,265.87	7,699,046.01	6,714,417.03	4,888,444.68	1,462,346.64	13,778,856.88

FY2019 is
unaudited and
does not include
year-end revenue
accrual and
uncollectible
expense

FOR YOUR INFORMATION

2019 (86th) LEGISLATIVE UPDATE

Information in italics is as a result of my conversation with Bill Flickinger (BF) on 8-15-19.

Property Tax Reform

SENATE BILL NO. 2 – Effective January 1, 2020 – This legislation addresses tax reform and amends various sections of the Tax Code and Water Code. Developed Districts (one that has issued bonds to serve at least 95% build-out) will be subject to an automatic election if the Voter-Approval Tax Rate (previously the Rollback Tax Rate) would impose more than 3.5% operation and maintenance taxes on the average homestead. This amount may be offset by an Unused Increment Rate which will allow a District to carry over unused tax increases for a three-year period. Special Taxing Units (those that levy taxes at a rate of less than 2.5 cents per \$100) will be subject to an automatic election if the maintenance and operations tax rate exceeds 8% and Districts which are not considered “Developed Districts” will be subject to a petition for election at this same threshold.

The legislation also imposes new disclosure requirements on the comptroller and taxing units. The comptroller will prescribe the new tax forms that will be filled in electronically. Tax rate and hearing information must also be prominently displayed on the home page of an internet web site for a taxing unit. This website requirement is now mandatory and must match a format prescribed by the comptroller.

BF and I discussed the definition of “Developed Districts.” At first glance, it appears it would not be applicable to STWA. However, BF indicated that he would be researching the matter. BF also stated that due to the extensive nature of SB 2, additional information would be forthcoming. This bill will definitely be a consideration for the budget process next year.

Transparency

HOUSE BILL NO. 305 – Effective September 1, 2019 – This legislation amends Chapter 2051 of the Government Code to require a political subdivision with taxing authority that at any time maintained a publicly accessible website on or after January 1, 2019, to post the political subdivision’s contact information, each elected officer, the date and location of the next election for officers, requirement and deadline for filing for candidacy, each notice of meeting and each record of a meeting.

This bill is not applicable to STWA.

HOUSE BILL NO. 3001 – Effective September 1, 2019 – This legislation amends Chapter 140 of the Local Government Code to have the comptroller post audit reports, affidavits of financial dormancy, annual financial reports and any other information the comptroller finds relevant or necessary on the comptroller’s website. Alternatively, the comptroller may post on its website a direct link to the information separately posted by the political subdivision.

BF believes that providing STWA’s annual audit to the Comptroller’s office should comply with HB 3001.

SENATE BILL NO. 239 – Effective September 1, 2019 – This legislation amends Chapter 403 of the Government Code by requiring the posting of a link to the internet website of the district which describes in plain language how a resident may petition to require board meetings be held not further than 10 miles from the boundary of the district. The legislation also amends Chapter 551 of the Government Code by requiring districts with a population of 500 or more, on written request by a resident, to make an audio recording of reasonable quality of the hearing and provide the recording in electronic format not later than the fifth business day after the date of the hearing. The minutes to a meeting of the board must also be posted to the district’s website.

BF and I agree that this would have a minimal impact on STWA since to my knowledge the STWA Board has never met in a location outside of the STWA District. It was agreed that a separate website section with Board meeting minutes would address the last item.

Chapter 49 of the Water Code is also amended and requires that a resolution establishing meeting locations add a justification of why a meeting will not be held within 10 miles of the district on a resolution establishing the locations of a meeting place, if applicable. Once at least 50 electors reside in a district, on written request of at least five electors, the board shall meet inside the district or within 10 miles of the district if no suitable meeting place exists inside the district. The Board may designate a new meeting place if at the hearing, the board determines a new meeting place would be beneficial to the district and not deprive the residents of a reasonable opportunity to attend the meeting.

Again, BF and I agree that this would have a minimal impact on STWA.

Finally, the legislation also amends Chapter 49 Water Code by requiring meeting information on water bills. A district providing potable water or sewer service shall include on a district’s bill the statement on obtaining such information which is found in the statute.

I questioned whether this was applicable and if information needs to be added to STWA’s monthly wholesale invoices. The answer is “yes” and the language from the statute will be added.

Legislation Affecting Water Districts

HOUSE BILL NO. 2590 – Effective September 1, 2019 – This legislation amends Chapter 54 of the Water Code by adding the requirement that temporary directors appointed during the initial creation of a District must be residents of the county in which the district is located, the neighboring county, or a county in the same metropolitan statistical area. The commission may appoint temporary directors who do not meet the requirements if it is shown that reasonable efforts were made to comply. The legislation also describes hearing requirements for conversion of a district, and adds a section stating that districts may enter into a contract with a retail public utility for water or sewer under which the retail public utility may use the district’s water or sewer system to serve customers within the district.

This bill is not applicable to STWA.

HOUSE BILL NO. 2914 – Effective September 1, 2019 – This legislation amends Chapter 49 of the Water Code by allowing for the adoption of an order dissolving the district from either the majority of owners in the district or from the board of directors (after giving notice to all landowners in the district and with none objecting). A district may not be dissolved if there is outstanding bonded indebtedness, contractual obligations to pay money or it maintains and operates public works or facilities.

This bill is not applicable to STWA as long as there is outstanding debt and public work operations are occurring.

SENATE BILL NO. 911 – Effective September 1, 2019 – This legislation amends Chapter 49 of the Water Code by giving the TCEQ the ability to request additional information from a district after reviewing its audit report. The TCEQ may review and investigate a district's financial records and may conduct an on-site audit of a district's financial information.

This bill is applicable to STWA; however, it does not require any action on our part.

Levee Improvement Districts

This entire section is not applicable.

HOUSE BILL NO. 2202 – Effective September 1, 2019 – This legislation amends Chapter 57 of the Water Code to allow districts with a population of 2,000 or more to increase the total number of directors to five and describes the process for establishing staggered terms.

Municipal Management Districts

This entire section is not applicable.

HOUSE BILL NO. 304 – Effective September 1, 2019 – This legislation updates Chapter 375 of the Local Government Code by removing the residency requirement for serving as a director on a board, acquiring improvements, and funding projects.

HOUSE BILL NO. 2018 – Effective September 1, 2019 – This legislation amends Chapter 375 of the Local Government Code to require districts to provide a description of metes and bounds of the district as of the date the annexation takes effect and to provide this information to neighboring districts and those with overlapping boundaries.

Public Information Act

SENATE BILL NO. 943 – Effective January 1, 2020 – This legislation amends Chapter 552 of the Government Code to define what is and what is not a Governmental Body for purposes of the statute (which includes districts) and addresses the disclosure of certain contracting information relating to purchases of goods from a private vendor, major contracts with a state agency and most other types of contracts which would involve a district. Exceptions are added under this chapter for protection related to reoccurring competitive situations, trade secrets, internal operations, and other confidential and proprietary information.

STWA will continue to disclose information as required by the Open Records Act and, as in the past, confirm with legal counsel when a request is submitted to ensure that STWA is in compliance with the law.

SENATE BILL NO. 944 – Effective September 1, 2019 – This legislation amends Chapter 552 of the Government Code to require current or former employees of a governmental body who maintain public information on a privately-owned device to forward the information to the governmental body to preserve it on a governmental server or other form of backup. It also defines Temporary Custodian and discusses the procedure for obtaining information from the Temporary Custodian upon request. The legislation also describes the methods by which one can make a written request under the Chapter (mail, email, hand delivery, fax etc.) and requires the Attorney General to create a public request form that provides the requestor the option of excluding from the request, information that the governmental body determines is confidential or could be subject to an exception the governmental body would assert.

Should this type of situation arise, STWA will follow the correct procedure. My personal telephone is very likely the device with any public information in the form of texts to/from field personnel. However, the information would also be stored on the STWA-issued cell phone used by the employee.

HOUSE BILL NO. 2840 – Effective September 1, 2019 – This legislation amends Chapter 551 of the Government Code to allow members of the public to address the government body during an open meeting regarding an agenda item at the meeting before or during the body's consideration of the item. Reasonable time limits can be imposed, but members of the public who make use of a translator to address the body must be given twice the amount of time as those that do not require assistance.

BF will be providing a policy for the STWA Board to consider for adoption.

SENATE BILL NO. 1640 – Effective September 1, 2019 – This legislation amends Chapter 551 of the Government Code to make it a crime to engage in a communication or series of communications outside of an authorized meeting in which the members engage in individual communications that constitute fewer than a quorum of the members but engaging in the series of communications would constitute quorum. Members must have knowledge that such communications would involve a quorum and would constitute a deliberation.

STWA complied with this requirement and will continue to do so.

Municipal Annexation

This entire section is not applicable.

HOUSE BILL NO. 347 – Effective September 1, 2019 – This legislation amends Chapter 43 of the Local Government Code by repealing the tiered system for annexation based on consent, request of owners, petition and election. The requirement for two public hearings prior to a municipality adopting an ordinance to annex an area is now reduced to one hearing.

HOUSE BILL NO. 4257 – Effective September 1, 2019 – This legislation amends Chapter 43 of the Local Government Code to state that disapproval of proposed annexation does not affect any legal obligation of a municipality to provide governmental services to an area regardless of whether the municipality holds a certificate of convenience and necessity. A municipality may also not charge rates for water which are higher than rates in other similarly situated areas solely because the district disapproved a proposed annexation.

SENATE BILL NO. 1303 – Effective September 1, 2019 – This legislation amends Chapters 41 and 43 of the Local Government Code to require a municipality to maintain a copy of an extraterritorial jurisdiction (ETJ) map in a location easily accessible to the public which includes an internet website. A home-rule municipality must also give written notice to each property owner in an area of an adoption or amendment to an annexation plan which includes a description of the area included, a statement that the plan will expand the ETJ to include the property, a statement of purpose of the ETJ designation and a brief description of each municipal ordinance.

SENATE BILL NO. 1468 – Effective September 1, 2019 – This legislation amends Chapters 43 of the Local Government Code to require a municipality which operates a municipally owned water utility and is a party to a strategic partnership agreement the ability to annex a district if it also annexes all of the unincorporated area served by the district that is located within the municipality's ETJ. This restriction will only apply if the municipality is annexing 400 or more water or wastewater connections.

Legislation Affecting Bonds

Should STWA issue bonds in the future, the following legislation will be considered and bond counsel advice would be sought to ensure that the new bonds are issued in compliance with all applicable laws.

HOUSE BILL NO. 440 – Effective September 1, 2019 – This legislation amends Chapter 1253 of the Government Code to restrict a political subdivision from issuing general obligation bonds to improve real property or purchase personal property if the weighted average maturity of the issue of bonds exceeds 120 percent of the reasonably expected weighted average economic life of the same. Unspent general obligation bond proceeds may only be used for the specific purposes for which they were authorized, to retire the bonds or for purposes otherwise approved through an election.

HOUSE BILL NO. 477 – Effective September 1, 2019 – This legislation amends Chapter 1251 of the Government Code to describe what must be included on the ballot (purposes, principal amount, taxes to be imposed) along with a voter information document which will provide further details on the debt obligations and their impact on taxes. This information must also be displayed on an internet website no later than the 21st day before the election day.

SENATE BILL NO. 1303 – Effective September 1, 2019 – This legislation amends Chapter 1251 of the Government Code to require a ballot measure seeking voter approval of the issuance of a debt obligation to state in plain language the specific purposes for which debt obligations are to be authorized, the total principal amount and the taxes sufficient to pay the principal and interest.

Contracting and Procurement

HOUSE BILL NO. 793 – Effective September 1, 2019 – This legislation amends Chapter 2270 of the Government Code which deals with restrictions on companies that boycott Israel. The amendment excepts sole proprietorships from being considered companies for purposes of the chapter and states that the provisions under this chapter will only apply to a contract between a governmental entity and a company if the company has 10 or more full time employees and has a value of \$100,000 or more to be paid wholly or partly from public funds.

BF has a verification form that he will provide to STWA.

HOUSE BILL NO. 1999 – Effective September 1, 2019 – This legislation amends Chapter 2272 of the Government Code to require a governmental entity asserting a construction liability claim to provide each party with the entity possessing a contract for the design or construction of an affected structure which identifies the defects, present condition, prior modifications and maintenance on the system. Each party must be afforded the right to inspection and opportunity to correct the defect if possible to resolve the claim. The legislation also addresses procedural issues under a lawsuit, recovery of costs and exceptions for emergency repairs.

Should a STWA construction project, either while still actively underway or after its completion, exhibit identified defects, this legislation is an added process to resolve the issue.

HOUSE BILL NO. 2263 – Effective September 1, 2019 – This legislation amends Chapter 2254 of the Government Code to allow for a political subdivision to enter into a contingent fee contract if it gives prior notice at an open meeting, why a traditional hourly fee arrangement will not work and the reasons for entering into the contingent fee arrangement. Before the contract can be approved the political subdivision must submit the contract to the attorney general for approval.

STWA, to my knowledge, has never entered into a contingent fee contract. However, should the STWA Board decide to do so, this legislation would need to be followed – provide a reason why a contingency contract and not hourly fee and submit to AG before approval.

Ethics / Lobbying / Form 1295 Disclosures

STWA has not engaged or hired any persons to engage in lobbying activities on STWA's behalf. However, should STWA determine to do so in the future, these laws would need to be followed.

HOUSE BILL NO. 1495 – Effective September 1, 2019 – This legislation amends Chapter 140 of the Local Government Code to require a budget line item for directly or indirectly influencing or attempting to influence the outcome of legislation or administrative action.

SENATE BILL NO. 65 – Effective September 1, 2019 – This legislation amends Chapter 2252 of the Government Code to require a 1295 disclosure for services that would require a person to register as a lobbyist.

Water Utilities

HOUSE BILL NO. 3142 – Effective September 1, 2019 – This legislation amends Chapter 341 of the Health and Safety Code to have the TCEQ to establish a system to provide automatic reminders to public drinking water supply systems about regulatory reporting requirements under the federal Safe Drinking Water Act.

This bill is applicable to STWA; however, it does not require any action on our part.

HOUSE BILL NO. 3339 – Effective September 1, 2019 – This legislation amends Chapter 16 of the Water Code to require an application and a description of a proposed or adopted water conservation plan in any application for financial assistance.

This bill is applicable to STWA; however, it does not require any action on our part except to update our Water Conservation Plan as already required. BF will be checking if the financial assistance is all types – TWDB, Bonds, Private Bank, etc.

HOUSE BILL NO. 3552 – Effective September 1, 2019 – This legislation amends Chapter 341 of the Health and Safety Code to require a person in charge of a public water supply system that furnishes public or private use drinking water containing fluoride to not permanently terminate the fluoridation of the water unless written notice is provided to customers at least 60 days in advance.

Should the City of Corpus Christi decide to cease fluoride treatment, the City would need to notify STWA and in turn STWA must notify its wholesale customers in writing.

Property Tax Administration and Collection

Although these new laws are applicable to STWA, any action or procedural changes would be taken by either the appraisal districts or tax offices performing these functions on behalf of STWA.

HOUSE BILL NO. 1883 – Effective September 1, 2019 – This legislation amends Chapter 33 of the Tax code by allowing an eligible person serving on active duty in any branch of the United States armed forces during a war or national emergency declared in accordance with federal law to accrue interest on the delinquent tax owed at a lower rate and to not incur an additional penalty.

HOUSE BILL NO. 1885 – Effective January 1, 2020 – This legislation amends Chapter 33 of the Tax Code by allowing the governing body of a taxing unit to waive penalties and interest on a delinquent tax if, the property is subject to a mortgage without a required escrow account, the mortgagee failed to mail a bill to the owner of the property or the taxpayer paid the tax not later than the 21st day after the taxpayer knew or should have known about the delinquency.

HOUSE BILL NO. 2441 – Effective January 1, 2020 – This legislation amends Chapter 11 of the Tax Code to allow an eligible disabled person who is 65 or older to receive both a disabled and elderly residence homestead exemption in the same year if the person receives the exemptions with respect to taxes levied by different taxing units.

HOUSE BILL NO. 1856 – Effective September 1, 2019 – This legislation amends Chapter 1 of the tax code to require a collector from a taxing unit who is to deliver a refund, to send it to the mailing address on the appraisal roll unless the person files a written request with the collector or taxing unit that the refund owed be sent to the address in the request. Refunds are to be paid to the owner of the property on the date the tax was paid.

Elections

HOUSE BILL NO. 933 – Effective September 1, 2019 – This legislation amends Chapter 4 of the Election Code to require the county to post a copy of the notice of election given by the county and polling locations on its website. Chapter 31 of the election code is amended to require similar posting requirements on the secretary of state’s website and requires the county election office to submit contact information which will appear on the website.

This legislation applies to a county.

HOUSE BILL NO. 1850 – Effective September 1, 2019 – This legislation amends Chapter 82 of the Election Code to have the early voting clerk provide in a downloadable format, a current copy of the register for posting and the record of each voter participating in an election on the internet website of the authority ordering the election. At a minimum the voter registration number for each voter listed in the register must be posted.

Should STWA hold a future election, this new law would need to be followed either by county employees acting on behalf of STWA or if Nueces and Kleberg Counties decline to conduct the election on behalf of STWA then by the contracted person or employee appointed by the Board as the Early Voting Clerk.

County Assistance District

This entire section is not applicable.

HOUSE BILL NO. 956 – Effective September 1, 2019 – This legislation amends Chapter 387 of the Local Government Code to allow for a governing body of a County Assistance District to petition the commissioners court of the county to dissolve the district if the majority of the governing body finds that the district’s functions cannot be accomplished to the benefit of residents and owners of land in the district. Hearings will be held and the commissioners court shall order the district dissolved if it unanimously votes that dissolution of the district is in the best interest of the district and there are no outstanding bonds payable.

Disaster Preparedness

The majority of the following bills add new resources in terms of disaster preparedness or recovery. In each section, the key component has been underlined. The responsibility for enactment is by other agencies. However, STWA should benefit from the resulting plans, guidance documents and funding in terms of disaster preparedness.

HOUSE BILL NO. 5 – Effective September 1, 2019 – This legislation amends Chapter 418 of the

Government Code by providing for the development of a catastrophic debris management plan and model guide for use by political subdivisions. It shall include procedures for the burning and disposal of debris, contracting standards for debris removal and examine local laws and their impact on disaster relief efforts. The Texas Division of Emergency Management shall develop the plan and guide by January 1, 2020.

HOUSE BILL NO. 6 – Effective September 1, 2019 – This legislation amends Chapter 418 of the Government Code to establish a Disaster Recovery Task Force to deal with the long-term recovery of natural and man-made disasters. The task force will brief the legislature and work on submitting reports to federal agencies.

HOUSE BILL NO. 7 – Effective September 1, 2019 – This legislation amends Chapter 418 of the Government Code by creating a disaster response guide for local officials regarding disaster response and recovery. This will include information related to federal funding, contracting for debris removal, coordinating housing, obtaining assistance from other organization and developing a catastrophic debris management plan. The legislation also establishes the process for obtaining a disaster recovery loan.

SENATE BILL NO. 7 – Effective September 1, 2019 – This legislation amends Chapters 15 and 16 of the Water Code to create a flood infrastructure fund to make grants and loans to eligible political subdivisions related to a flood project. Guidelines for approval and the process for use and implementation of the fund are outlined in the Bill.

SENATE BILL NO. 8 – Effective September 1, 2019 – This legislation amends Chapter 16 of the Water Code to add requirements for a state flood plan, regional flood planning and a dam repair and maintenance plan.

HOUSE BILL NO. 3815 – Effective September 1, 2019 – This legislation amends Chapter 5 of the Property Code to require disclosure of flooding information on a seller's disclosure notice to include prior flood damage information, insurance coverage, and claims and flood hazard zone locations.

HOUSE BILL NO. 492 – Effective January 1, 2020 – This legislation amends Chapter 11 of the Tax Code to allow for tax exemptions to personal property and improvements to real property in areas declared by the governor to be a disaster area. The legislation outlines the process for applying for an exemption and the different levels of damage assessments which will impact the amount of the exemption.

HOUSE BILL NO. 443 – Effective September 1, 2019 – This legislation amends Chapter 11 of the Tax Code to allow for a residence home exemption for a damaged home for up to five years if it is located in an area declared to be a disaster area by the governor following a disaster and the residential structure is rendered uninhabitable as a result of the disaster.

SENATE BILL NO. 812 – Effective September 1, 2019 – This legislation amends Chapter 23 of the Tax Code to add political subdivisions of the state to the administration of the disaster recovery program which exempts certain replacement improvements from being considered new improvements for appraisal purposes.

HOUSE BILL NO. 2345 – Effective September 1, 2019 – This legislation amends Chapter 86 of the Education Code to establish the institute for a disaster resilient Texas which will develop data analytic tools to aid in disaster planning and mitigation.

HOUSE BILL NO. 2794 – Effective September 1, 2019 – This legislation amends Chapter 61 of the Education Code to reorganize the Texas Division of Emergency Management as part of the Texas A&M University system.

HOUSE BILL NO. 285 – Effective September 1, 2019 – This legislation amends Chapter 418 of the Government Code to have the governor to issue a proclamation before hurricane season instructing the public on hurricane preparedness and to reach out to various state entities for outreach coordination. The governor will also publish on an internet website a report on preparedness of state agencies for hurricane response.

HOUSE BILL NO. 2320 – Effective September 1, 2019 – This legislation amends Chapter 418 of the Government Code to include private wireless communication, internet, and cable services providers in the disaster planning process and determine the availability of equipment to assist in response immediately following a disaster. It also addresses hardening essential utility infrastructure and work on disaster billing awareness during a disaster.

HOUSE BILL NO. 26 – Effective September 1, 2019 – This legislation amends Chapter 12 of the Water Code to regulate dams by requiring owners to notify local emergency operation centers in downstream communities when spillway releases are made to regulate flood waters.

HOUSE BILL NO. 289 – Effective September 1, 2019 – This legislation amends Chapter 418 of the Government Code to establish a disaster recovery task force to provide for financial assistance and recovery planning related to housing. The legislation specifically outlines disaster housing recovery measures and empowers local governments to develop recovery plans to fund, educate and assist those with needs for post-disaster housing assistance.

SENATE BILL NO. 416 – Effective September 1, 2019 – This legislation amends Chapter 416 of the Government Code to allow for the attorney general to provide legal counsel to a political subdivision subject to a declared state of disaster on issues related to disaster mitigation, preparedness, response and recovery. Requests must come from the emergency management director designated for the political subdivision.

SENATE BILL NO. 494 – Effective September 1, 2019 – This legislation amends Chapter 551 of the Government Code to allow for the posting of a supplemental notice to an open meeting agenda at least one hour prior to a meeting being convened for agenda items related to emergency or public necessity. This includes unforeseeable situations such as natural disasters, epidemics and civil disturbances.

SENATE BILL NO. 799 – Effective September 1, 2019 – This legislation amends Chapter 418 of the Government Code to create a business advisory council which will provide advice and expertise on actions state and local governments can take to assist businesses in recovering from a disaster.