

MEMORANDUM

TO: South Texas Water Authority Board of Directors
FROM: Jose M Graveley, President
DATE: October 16, 2023
SUBJECT: Meeting Notice and Agenda for the South Texas Water Authority

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

Tuesday, October 24, 2023
5:30 p.m.
South Texas Water Authority
2302 East Sage Road, Kingsville, Texas

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

Agenda

1. Call to order.
2. Citizen comments. This is an opportunity for citizens to address the Board of Directors concerning an issue of community interest that is not on the agenda. Comments on the agenda items must be made when the agenda item comes before the Board. The President may place a time limit on all comments. The response of the Board to any comment under this heading is limited to making a statement of specific factual information in response to the inquiry, or, reciting existing policy in response to the inquiry. Any deliberation of the issue is limited to a proposal to place it on the agenda for a later meeting.
3. Approval of Minutes. (Attachment 1)
4. Payment of Bills. (Attachment 2)
5. Operation and Maintenance Report. (Attachment 3)
6. Tax year 2023 tax roll/levy for the South Texas Water Authority's district in Nueces County. (Attachment 4)
7. **Resolution 23-26.** Resolution adopting the tax roll/levy for the South Texas Water Authority's district in Nueces County for tax year 2023. (Attachment 5)
8. STWA Board of Directors Meeting Schedule for 2023. (Attachment 6)
9. Request to close office for staff Christmas luncheon and gift exchange. (Attachment 7)
10. Raftelis Rate Study. (Attachment 8)
 - Review of Corpus Christi Rate Model
 - Phase 3 – Rate and Financial Planning Study

11. Declaration of surplus property. (Attachment 9)
12. **Resolution 23-31.** Resolution authorizing the sale of surplus property of the South Texas Water Authority. (Attachment 10)
13. Selection of auction company for surplus sale. (Attachment 11)
14. Bank Depository Agreement. (Attachment 12)
15. Authorization to create additional checking account for STWA General and authorizing signators. (Attachment 13)
16. **Resolution 23-32.** Resolution approving the opening of an additional checking account for STWA General and authorizing signators. (Attachment 14)
17. Specifications for two Fiscal Year 2024 pickup trucks. (Attachment 15)
18. STWA Master Plan. (Attachment 16)
19. Administration Report.
20. 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.

JMG/JM/fdl
Attachments

This meeting notice was posted on STWA's website, www.stwa.org, and on indoor and outdoor bulletin boards at STWA's administrative offices, 2302 East Sage Road, Kingsville, Texas at 2:30 pm on October 26, 2023
James DeLeon
Assistant Secretary

ATTACHMENT 1

Approval of Minutes

SOUTH TEXAS WATER AUTHORITY
Regular Board of Directors Meeting
September 26, 2023
Minutes

Board Members Present:

Jose Graveley
Frances Garcia
Rudy Galvan, Jr.
Kathleen Lowman
Joe Morales
Patsy Rodgers
Arturo Rodriguez

Board Members Absent:

Imelda Garza
Angela Pena

Staff Present:

John Marez
Frances De Leon
Jo Ella Wagner
Nigel Gomez
Patrick Sendejo

Guests Present:

Margaret Somereve, TCAP
Rogelio Rodriguez, Water Finance Exchange
Ivan Luna, I.C.E.
Sergio Luna, I.C.E.

1. Call to Order.

Mr. Jose Graveley, Board President, called the Regular Meeting of the STWA Board of Directors to order at 5:31 p.m. A quorum was present.

2. Citizen Comments.

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

3. Presentation on Electric Rates by TCAP.

Ms. Margaret Somereve representing Texas Coalition on Affordable Power (TCAP) gave an overview of TCAP's history and operations. She explained that cities and political subdivisions have been able to get competitive rates on electricity as a result of being members of TCAP. Ms. Wagner added that STWA has experienced a huge cost savings since becoming a member.

4. Approval of Minutes.

Ms. Lowman made a motion to approve the minutes of the September 12, 2023 Public Hearing and Regular Meeting as presented. Ms. Rodgers seconded. The motion passed by unanimous vote.

The order of the agenda was changed to accommodate the guests.

18. Presentation from ICE – STWA Master Plan.

Mr. Ivan Luna of International Consulting Engineers (I.C.E.) highlighted some of the major points of the STWA Master Plan. He stated he would like to schedule a workshop to listen to

any comments and answer any questions that the Board has. He commented that although complete information is not yet available, the area is experiencing a large amount of growth and he stressed the importance of conducting a thorough inspection of the entire length of the 42-inch waterline in order to best determine how to protect and maintain the line in the future.

Mr. Rogelio Rodriguez of Water Finance Exchange discussed the progress of STWA's application for Texas Water Development Board (TWDB) funding. STWA was ranked 28th among 276 applications. Mr. Rodriguez stated that he has been in contact with TWDB because STWA was not included in the invite list for funding despite the high ranking and at this point, he is waiting on an explanation. He urged the Board to send letters to the TWDB about the situation prior to their October 3rd closing date for comments.

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

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

STWA Investment Report for Quarter ended June 30, 2023
Treasurer's Report for period ending June 30, 2023
Revenue Fund Income Statement for period ending June 30, 2023
Tax Fund Income Statement for period ending June 30, 2023
Special Services Income Statement for period ending June 30, 2023
STWA Revenue Fund Balance Sheet – June 30, 2023
STWA Revenue Fund Trial Balance for June, 2023
STWA Debt Service Fund Income Statement for period ending June 30, 2023
STWA Debt Service Fund Balance Sheet – June 30, 2023
STWA Debt Service Fund Trial Balance – June, 2023
STWA Capital Projects Fund Income Statement for period ending June 30, 2023
STWA Capital Projects Fund Balance Sheet – June 30, 2023
STWA Capital Projects Fund Trial Balance – June, 2023
Treasurer's Report for period ending July 31, 2023
Revenue Fund Income Statement for period ending July 31, 2023
Tax Fund Income Statement for period ending July 31, 2023
Special Services Income Statement for period ending July 31, 2023
STWA Revenue Fund Balance Sheet – July 31, 2023
STWA Revenue Fund Trial Balance for July, 2023
STWA Debt Service Fund Income Statement for period ending July 31, 2023
STWA Debt Service Fund Balance Sheet – July 31, 2023
STWA Debt Service Fund Trial Balance – July, 2023
STWA Capital Projects Fund Income Statement for period ending July 31, 2023
STWA Capital Projects Fund Balance Sheet – July 31, 2023
STWA Capital Projects Fund Trial Balance – July, 2023
Treasurer's Report for period ending August 31, 2023
Revenue Fund Income Statement for period ending August 31, 2023
Tax Fund Income Statement for period ending August 31, 2023
Special Services Income Statement for period ending August 31, 2023
STWA Revenue Fund Balance Sheet – August 31, 2023
STWA Revenue Fund Trial Balance for August, 2023

STWA Debt Service Fund Income Statement for period ending August 31, 2023
STWA Debt Service Fund Balance Sheet – August 31, 2023
STWA Debt Service Fund Trial Balance – August, 2023
STWA Capital Projects Fund Income Statement for period ending August 31, 2023
STWA Capital Projects Fund Balance Sheet – August 31, 2023
STWA Capital Projects Fund Trial Balance – August, 2023
STWA 2012 Bond Election Report
Anticipated vs Actual Water Rate Charged and Net Revenue Worksheets
The following invoices were presented for Board approval:

- Maguire Iron, Inc. \$ 4,000.00

Mr. Morales made a motion to approve the Quarterly Report, Treasurer's Reports and payment of the invoice as presented. Mr. Galvan seconded and all voted in favor.

6. Operation and Maintenance Reports.

The Board reviewed the Cathodic Protection update. There were no questions from the Board. The O&M report will be presented at the next meeting.

7. Bids for purchase of compact track loader.

Mr. Marez presented two bids for the purchase of a compact track loader. He explained that after the last meeting, staff contacted the bidding vendors in order to clarify some questions on the taxes that were included on some of the bids. The bid from NPE in the amount of \$76,066.56 remains the lowest bid and meets the specifications approved by the Board.

8. Resolution 23-24. Resolution awarding the bid for the purchase of one compact track loader.

Ms. Lowman made a motion to adopt Resolution 23-24 awarding the bid for the purchase of a compact track loader to NPE in the amount of \$76,066.56. Ms. Rodgers seconded. The motion passed by unanimous vote.

9. Fiscal Year 2023 Budget Amendments.

Ms. Wagner reviewed the amended budget. Total Revenues increased by \$977,688 and Total Expenditures increased by \$1,456,598 for a decrease of \$270,632 in Net Income ending at \$227,998. Ms. Lowman made a motion to approve the amended FY 2023 budget. Ms. Rodgers seconded and all voted in favor.

10. Tax year 2023 tax roll/levy for the South Texas Water Authority's district in Kleberg County.

Ms. Wagner presented the Kleberg County tax roll/levy for Tax Year 2023 reflecting a taxable value of \$1,610,877,737 and a total levy amount of \$1,135,133.31. She recommended approval

of Resolution 23-25 adopting the tax roll/levy for the South Texas Water Authority's district in Kleberg County for tax year 2023.

11. Resolution 23 25. Resolution adopting the tax roll/levy for the South Texas Water Authority's district in Kleberg County for tax year 2023.

Ms. Lowman made a motion to approve Resolution 23-25 adopting the tax roll/levy for South Texas Water Authority's district in Kleberg County for tax year 2023. Ms. Garcia seconded the motion and all voted in favor.

12. Tax year 2023 tax roll/levy for the South Texas Water Authority's district in Nueces County.

The 2023 Nueces County tax roll has not been completed and will be presented at the next meeting.

13. Resolution 23-26. Resolution adopting the tax roll/levy for the South Texas Water Authority's district in Nueces County for tax year 2023.

Ms. Rodgers made a motion to table Resolution 23-26, Mr. Rodriguez seconded and the motion passed unanimously.

14. STWA Investment Policies:
a) South Texas Water Authority General Fund
b) South Texas Water Authority Debt Service Fund
c) South Texas Water Authority Capital Project Fund

Mr. Marez informed the Board that review and approval of STWA's Investment Policies is required every year and added that there have been no changes to the Policies since last year. He recommended adoption of Resolutions 23-27, 23-28 and 23-29 approving the STWA General Fund, Debt Service Fund and Capital Project Fund Investment Policies.

15. Resolutions 23-27 through 23-29. Resolutions approving the following South Texas Water Authority Investment Policies:
a) South Texas Water Authority General Fund
b) South Texas Water Authority Debt Service Fund
c) South Texas Water Authority Capital Project Fund

Ms. Lowman made a motion to adopt Resolutions 23-27, 23-28 and 23-29. Mr. Galvan seconded. All voted in favor.

16. Bids for 2023 or 2024 half-ton pickup truck to replace damaged 2019 Ford F-150 4x4 truck.

Mr. Marez stated that bid packets were again sent out and only one bid was received. He presented a bid for a 2023 Chevrolet 1500 Crew Cab LT 4x4 from Caldwell Country Chevrolet in the amount of \$58,530. He stated that the bid met all specifications except that this truck has

cloth seats. Caldwell included an additional cost of \$1,250 for vinyl seats for a total of \$59,780.00.

17. Resolution 23-30. Resolution awarding the bid for the purchase of one half-ton pickup truck.

Mr. Galvan moved to adopt Resolution 23-30 awarding the bid to Caldwell Country Chevrolet in the amount of \$59,750 to include vinyl seats. Ms. Rodgers seconded the motion. All voted in favor.

19. Administration Report.

Mr. Marez reported that Seven Seas recently held a groundbreaking for their desalination plant in Alice, Texas and he and two STWA Board Members attended. He also stated that he would poll the Board for a date for a workshop with I.C.E. on the STWA's Master Plan.

20. Adjournment.

With no further business to discuss, Mr. Galvan made a motion to adjourn the meeting at 7:00 p.m. Mr. Graveley seconded. All voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary

ATTACHMENT 2

Payment of Bills

RAFTELIS
 227 W. Trade St
 Suite 1400
 Charlotte, NC 28202



South Texas Water Authority
 2302 E. Sage Road
 Kingsville, TX 78363

September 14, 2023
 Invoice No: 29986

Project R-9129TX23.01 South Texas Water Authority - Water Rate and Financial Planning Study
Professional Services from August 01, 2023 to August 31, 2023

Professional Personnel

	Hours	Rate	Amount	
Sr. Manager				
Flores, Angie	1.50	295.00	442.50	
Sr. Consultant				
Williams, Christopher	8.00	230.00	1,840.00	
Totals	9.50		2,282.50	
Total Professional Fees				2,282.50

Technology & Communications Charge	95.00	
	95.00	95.00

Contract	Current	Prior Billings		
Total Billings	2,377.50	0.00	2,377.50	
Contract Ceiling			16,899.00	
Remaining			14,521.50	
			Total this Invoice	\$2,377.50

	Current	Prior	Total	Received	AR Balance
Billings to Date	2,377.50	0.00	2,377.50	0.00	2,377.50

RAFTELIS
 227 W. Trade St
 Suite 1400
 Charlotte, NC 28202



South Texas Water Authority
 2302 E. Sage Road
 Kingsville, TX 78363

October 10, 2023
 Invoice No: 30500

Project R-9129TX23.01 South Texas Water Authority - Water Rate and Financial Planning Study
Professional Services from September 01, 2023 to September 30, 2023

Professional Personnel

	Hours	Rate	Amount	
Sr. Manager				
Flores, Angie	5.00	295.00	1,475.00	
Sr. Consultant				
Williams, Christopher	16.50	230.00	3,795.00	
Totals	21.50		5,270.00	
Total Professional Fees				5,270.00

Technology & Communications Charge			215.00	
			215.00	215.00

Contract	Current	Prior Billings		
Total Billings	5,485.00	2,377.50	7,862.50	
Contract Ceiling			16,899.00	
Remaining			9,036.50	
			Total this Invoice	\$5,485.00

Outstanding Invoices

Number	Date	Balance
29986	9/14/2023	2,377.50
Total		2,377.50

	Current	Prior	Total	Received	AR Balance
Billings to Date	5,485.00	2,377.50	7,862.50	0.00	7,862.50

ATTACHMENT 3

O&M Report

Memorandum

To: South Texas Water Authority Board of Directors and John Marez, Administrator
From: Nigel Gomez, O&M Manager
Date: September 7, 2023
Re: O&M Activities

During the Week of July 3rd:

Admin:

- Fourth of July Holiday
- DLQOR Report
- Review GPS records
- City Gallons Report
- Water Loss Report
- TRWA Apprenticeship Weekly Hours Update
- Master Plan w/ ICE

Operations:

- Collect/Monitor NAP samples – STWA, RWSC & NWSC
- Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
- Collect Bac-T Samples
- Weekly CL 17 Verification
- Locates – STWA, RWSC, NWSC
- Completed service orders for NWSC and RWSC
- Completed Taps - 0

Safety & Maintenance:

Safety Meetings:

“Avoid Slips & Trips”

- Generators – Exercise Transfer Switch
- Weekly Preventative Maintenance – Heavy Equipment
- Disinfect Pump Stations
- Office AC Maintenance, Main AC Filter Change out & Clean Ice Machine
- Daily Vehicle Maintenance Report – Interior, Exterior & Under The Hood Inspections
- Office AC Maintenance

During the Week of July 10th:

Admin:

- Review GPS records
- TRWA Apprenticeship Weekly Hours Update

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run &
RWSC Meter Run @ Office
Collect Bac-T Samples
Weekly CL17 Verification
Locates – STWA, RWSC, NWSC
Completed service orders for NWSC and RWSC
DR 900 Calibration
Master Plan w/ ICE
Meter Readings - RWSC
Remote & Manual Meter Readings – NWSC
Flushing – NWSC & RWSC
Fluid Meter Services Meter Testing
Warehouse Inventory – NWSC & RWSC
Completed Taps - 0

Safety & Maintenance:

Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment
Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood
Inspections

During the Week of July 17th:

Admin:

Review GPS records
TRWA Apprenticeship Weekly Hours Update
Master Plan w/ ICE

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run &
RWSC Meter Run @ Office
Collect Bac-T Samples
Weekly CL 17 Verification
Completed service orders for NWSC and RWSC
Lockouts – NWSC
Flushing – NWSC & RWSC
Completed Taps – 2

Safety & Maintenance:

Safety Meetings:

“Be Prepared for an Emergency”

Generators – Exercise Transfer Switch

Weekly Preventative Maintenance – Heavy Equipment

Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood
Inspections

During the Week of July 24th:

Admin:

Review GPS records

TRWA Apprenticeship Weekly Hours Update

Master Plan w/ ICE

UIR Training

Meet w/ Odessa Pumps

ICE/JCS Meeting – Master Plan

Meet w/ CD Electric

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC

Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run &
RWSC Meter Run @ Office

Collect Bac-T Samples

Weekly CL 17 Verification

Completed service orders for NWSC and RWSC

Lockouts – RWSC

Flushing – NWSC & RWSC

Master Plan w/ ICE

Completed Taps - 1

Safety & Maintenance:

Safety Meetings:

“Job Hazard Analysis: Identify and Reduce Hazards”

Generators – Exercise Transfer Switch

Weekly Preventative Maintenance – Heavy Equipment

Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood
Inspections

Memorandum

To: South Texas Water Authority Board of Directors and John Marez, Administrator
From: Nigel Gomez, O&M Manager
Date: September 21, 2023
Re: O&M Activities

During the Week of August 1st:

Admin:

- Review GPS records
- City Gallons Report
- Water Loss Report
- TRWA Apprenticeship Weekly Hours Update
- Master Plan w/ICE
- Field Tech Interviews
- Walk Thru w/ CD Electric
- RWSC Transmission Line Replacement Meeting

Operations:

- Collect/Monitor NAP samples – STWA, RWSC & NWSC
- Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
- Collect Bac-T Samples
- Weekly CL 17 Verification
- Locates – STWA, RWSC, NWSC
- Completed service orders for NWSC and RWSC
- Completed Taps - 3

Safety & Maintenance:

Safety Meetings:

“Emergency Kit A for 100 & 150 pound Chlorine Cylinders”

- Generators – Exercise Transfer Switch
- Weekly Preventative Maintenance – Heavy Equipment
- Disinfect Pump Stations
- Office AC Maintenance, Main AC Filter Change out & Clean Ice Machine
- Daily Vehicle Maintenance Report – Interior, Exterior & Under The Hood
- Inspections
- Office AC Maintenance

During the Week of August 7th:

Admin:

- Review GPS records
- TRWA Apprenticeship Weekly Hours Update
- Master Plan w/ ICE
- RWSC Transmission Line Replacement Meeting
- Walk Thru w/ ICE & JCS – Master Plan
- Verizon/Reveal GPS Meeting
- CCW Meeting – Meter Relocation
- STWA Transmission Line Digitize Photos – Tesla Site

Operations:

- Collect/Monitor NAP samples – STWA, RWSC & NWSC
- Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
- Collect Bac-T Samples
- Weekly CL17 Verification
- Locates – STWA, RWSC, NWSC
- Completed service orders for NWSC and RWSC
- Meter Readings - RWSC
- Remote Meter Readings – NWSC
- Completed Taps - 0

Safety & Maintenance:

Safety Meetings:

“Avoid Arc Flash”

- Generators – Exercise Transfer Switch
- Weekly Preventative Maintenance – Heavy Equipment
- Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood Inspections

During the Week of August 14th:

Admin:

- Review GPS records
- TRWA Apprenticeship Hour Updates
- Master Plan w/ ICE
- ADT Troubleshooting

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run &
RWSC Meter Run @ Office
Collect Bac-T Samples
Weekly CL 17 Verification
Locates – STWA, RWSC, NWSC
Completed service orders for NWSC and RWSC
Lockouts – NWSC
DR900 Calibration
Warehouse Inventory
Completed Taps - 2

Safety & Maintenance:

Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment
Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood
Inspections

During the Week of August 21st:

Admin:

Review GPS records
TRWA Apprenticeship Hour Updates
Master Plan w/ ICE
AMPP Rectifier Training

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run &
RWSC Meter Run @ Office
Collect Bac-T Samples
Weekly CL 17 Verification
Completed service orders for NWSC and RWSC
Lockouts – RWSC & NWSC
Flushing – NWSC & RWSC
Completed Taps - 2

Safety & Maintenance:

Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment
Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood
Inspections

During the Week of August 28th:

Admin:

- Review GPS records
- TRWA Apprenticeship Hour Updates
- Master Plan w/ ICE
- GIS Mapping
- Walk Thru w/ ICE & JP Morin – Master Plan
- Walk Thru w/ ICE & Smith Pumps

Operations:

- Collect/Monitor NAP samples – STWA, RWSC & NWSC
- Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
- Collect Bac-T Samples
- Weekly CL 17 Verification
- Locates – STWA, RWSC, NWSC
- Completed service orders for NWSC and RWSC
- Flushing – NWSC & RWSC
- Completed Taps - 1

Safety & Maintenance:

Safety Meetings:

“Work Safely Around Electric Lines”

- Generators – Exercise Transfer Switch
- Weekly Preventative Maintenance – Heavy Equipment
- Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood Inspections

Memorandum

To: South Texas Water Authority Board of Directors and John Marez, Administrator
From: Nigel Gomez, O&M Manager
Date: October 20, 2023
Re: O&M Activities

During the Week of September 4th:

Admin:

- Labor Day Holiday
- Review GPS records
- City Gallons Report
- Water Loss Report
- TRWA Apprenticeship Weekly Hours Update
- Master Plan w/ICE
- CSI Training

Operations:

- Collect/Monitor NAP samples – STWA, RWSC & NWSC
- Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
- Collect Bac-T Samples
- Weekly CL 17 Verification
- Locates – STWA, RWSC, NWSC
- Meter Readings – RWSC
- Remote Meter Readings - NWSC
- Completed service orders for NWSC and RWSC
- Completed Taps - 1

Safety & Maintenance:

Safety Meetings:

“Confined Space Entry: A Deadly Situation”

- Generators – Exercise Transfer Switch
- Weekly Preventative Maintenance – Heavy Equipment
- Disinfect Pump Stations
- Office AC Maintenance, Main AC Filter Change out & Clean Ice Machine
- Daily Vehicle Maintenance Report – Interior, Exterior & Under The Hood
- Inspections
- Office AC Maintenance

During the Week of September 11th:

Admin:

Review GPS records
TRWA Apprenticeship Weekly Hours Update

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
Collect Bac-T Samples
Weekly CL17 Verification
Locates – STWA, RWSC, NWSC
Completed service orders for NWSC and RWSC
DR 900 Calibration
Completed Taps - 0

Safety & Maintenance:

Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment
Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood Inspections

During the Week of September 18th:

Admin:

Review GPS records
TRWA Apprenticeship Hour Updates

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
Collect Bac-T Samples
Weekly CL 17 Verification
Locates – STWA, RWSC, NWSC
Completed service orders for NWSC and RWSC
Lockouts – NWSC
DR900 Calibration
Completed Taps - 4

Safety & Maintenance:

Safety Meetings:

“Guide to Chainsaw Safety”

Generators – Exercise Transfer Switch

Weekly Preventative Maintenance – Heavy Equipment

Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood

Inspections

During the Week of September 25th:

Admin:

Review GPS records

TRWA Apprenticeship Hour Updates

GIS Mapping

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC

Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office

Collect Bac-T Samples

Weekly CL 17 Verification

Locates – STWA, RWSC, NWSC

Completed service orders for NWSC and RWSC

Lockouts – RWSC

Flushing – NWSC & RWSC

Completed Taps - 7

Safety & Maintenance:

Generators – Exercise Transfer Switch

Weekly Preventative Maintenance – Heavy Equipment

Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood

Inspections

ATTACHMENT 4

Nueces County Tax Roll/Levy

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



Kevin Kieschnick
Assessor and Collector of Taxes

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

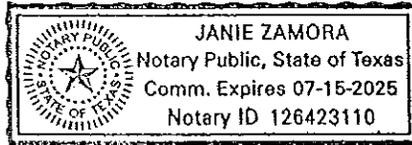
**CERTIFICATION OF TAX LEVY FOR THE TAX YEAR 2023
SOUTH TEXAS WATER AUTHORITY**

Total Appraised Value @ 100% of Market Value	\$ 2,085,178,560
Less: <i>Partial Exemptions</i>	
<i>Ag-Use account value loss and abatements</i>	\$ 632,789,258
Total Net Appraised Value	\$ 1,452,389,302
Assessment Ratio	100%
Total Taxable Value	\$ 1,452,389,302
2023 Adopted Tax Rate	.070374 /\$100
2023 Ad Valorem Tax Levy	\$ 1,022,104.45
Plus: Late Rendition Penalty - Personal Property Accounts	\$ 862.87
Less: 5% of Late Rendition Penalty to the Appraisal District	\$ 43.14
Plus: Late Ag Penalty	\$ 50.51
2023 Total Ad Valorem Tax Levy	\$ 1,022,974.69

Submission of the Tax Levy for 2023 for approval by the Board of Directors of South Texas Water Authority in accordance with Section 26.09(e) of the Texas Property Tax Code.

Kevin Kieschnick
Nueces County
Tax Assessor-Collector

SWORN AND SUBSCRIBED TO before me at Corpus Christi, Texas this 5th day of October, A.D., 2023.



Notary Public, State of Texas

THE STATE OF TEXAS
COUNTY OF NUECES

The Tax Levy is hereby approved by the Board of Directors of the South Texas Water Authority on this _____ day of _____, A.D., 2023.

Chairman,
South Texas Water Authority

ATTEST:

Secretary,
South Texas Water Authority

For information contact:
voice
fax

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

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

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

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



Kevin Kieschnick
Assessor and Collector of Taxes

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

October 5, 2023

RECEIVED

OCT 06 2023

SOUTH TEXAS WATER AUTHORITY

Ms. Jo Ella Wagner
Executive Director
South Texas Water Authority
2302 E Sage RD.
Kingsville, TX 78363

RE: Certification of 2023 Tax Levy

Dear Ms. Wagner:

Enclosed please find the 2023 Certification of Tax Levy for the South Texas Water Authority.

Please return a signed copy of the certification upon the approval of the jurisdiction's tax levy.

If you have any questions regarding these calculations, please feel free to call my office at 361-888-0307.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Kieschnick", written over a horizontal line.

Kevin Kieschnick
Nueces County Tax Assessor-Collector

For information contact:
voice
fax

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

Voter Registration
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(361) 888-0339

ATTACHMENT 5

Resolution 23-26

SOUTH TEXAS WATER AUTHORITY

Resolution 23-26

A RESOLUTION ADOPTING THE TAX ROLL/LEVY FOR THE SOUTH TEXAS WATER AUTHORITY'S DISTRICT IN NUECES COUNTY FOR TAX YEAR 2023.

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

WHEREAS, the South Texas Water Authority has the power to collect ad valorem taxes to pay debt service for outstanding bonds, and

WHEREAS, the tax roll/levy of the South Texas Water Authority has been compiled by Nueces County for the purpose of levying an established tax rate on said valuation.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the South Texas Water Authority adopts the 2023 tax roll/levy compiled by the Nueces County Tax Assessor/Collector on behalf of the Authority.

Duly adopted this 24th day of October, 2023.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

ATTACHMENT 6

STWA Board of Directors Meeting Schedule

Memo

To: South Texas Water Authority Board of Directors
From: John Marez, Exec Dir/Administrator
Date: October 20, 2023
Topic: STWA Board of Directors Meeting Schedule 2024

Background:

Staff request the Board review the proposed meeting dates for 2024. Enclosed shows the suggested meeting dates.

Analysis:

Typically, the STWA board meets on a monthly basis but there are some exceptions listed below. Regarding the Fiscal Year 2024 (Oct 23-Sept 24) budget and rate adoption, the appraisal districts' certified tax roll deadline falls on July 25th. As the result of changes in state law and the timeframe of disclosing property tax rates we noticed during the 2023 calendar year that some of our meeting dates changes as a result.

This allows for additional time for staff to develop the end of the year budget and make any additional amendments. Traditionally, the Board has combined the November and December meeting dates.

Staff Recommendation:

Set meeting dates work best for the majority of the Board members.

Board Action:

Determine whether the following schedule is acceptable or if alternative dates are needed.

January 23, 2024	July – No Meeting
February 27, 2024	August 6, 2024
March 19, 2024	September 3, 2024
April 23, 2024	September 24, 2024
May 21, 2024	October 22, 2024
June 18, 2024	December 10, 2024

Summary:

Approving these dates will assist the Authority in establishing quorums in order to conduct necessary Business and be available and accountable to the public on a predictable basis.

Should any unpredicted circumstances arise meeting dates and times can change to address the immediate needs of the STWA system.

ATTACHMENT 7

Office Closure for Christmas Luncheon

Memo

To: South Texas Water Authority Board of Directors
From: John Marez, Exec Dir/Administrator
Date: October 20, 2023
Topic: Request to Close Office for Staff Christmas Luncheon

Background:

Staff request the Board approve the closure of the office for our Annual Christmas Luncheon.

Analysis:

An ongoing practice of the STWA is to seek official approval of the board to allow the office to close for an annual Christmas luncheon for staff. Although a specific date has not been identified to hold this luncheon seeking the board's input allows staff whether or not to select a date to shut down for the approximately 2 ½ hours for this party.

Staff Recommendation:

Determine whether to allow the office to close during the business day for approximately 2 ½ hours to hold a staff Christmas luncheon.

Board Action:

Motion to approve the closure of the STWA office to hold a Christmas luncheon on a date finalized by staff.

Summary:

Closing the office for a Christmas Luncheon has been an on-going tradition at STWA. Allowing the staff to enjoy time to celebrate the holidays supports moral and gives much needed relief.

ATTACHMENT 8

Raftelis Rate Study

Memo

To: South Texas Water Authority Board of Directors
From: John Marez, Exec Dir/Administrator
Date: October 20, 2023
Topic: Raftelis Rate Study

Background:

This item is broken down into two sections.

- A review of the Corpus Christi Rate Model and Report. (attachment provided)
- Rate and Financial Planning Study (background provided)

Analysis:

On the August 8, 2023 board meeting a motion was made and passed to approve Phase 1 and Phase 2 to enact immediately while holding off to a future date to implement Phase 3. With the increased petition and interest from industry (large water volume users) there is an immediate need to implement Phase 3. This amount was estimated at \$29,818 to complete this portion of the original Raftelis proposal.

Staff Recommendation:

Establish whether or not the need for a Rate and Financial Planning Study is needed at this time.

Board Action:

Motion to accept the Phase 3 proposal by Raftelis.

Summary:

Approving this item will allow Raftelis, a nationally recognized firm in water rate studies, and a company we are already utilizing for Rate Modeling, to analyze the current market rates and determine whether those figures cover the cost for water usage in our system.

MEMO

To: John Marez, STWA Executive Director/Administrator
Joella Wagner, STWA, Asst. Executive Director/Finance Manager
Brian G. Williams, P.E., SPMWD, General Manager/District Engineer
Rebecca Klaevemann, SPMWD, Secretary/Treasurer & Administrative Service Manager

From: Angie Flores, Senior Manager, Raftelis
Christopher Williams, Senior Consultant, Raftelis

Date: October 20, 2023

Re: Corpus Christi Model Review

Summary

South Texas Water Authority retained Raftelis to review the City of Corpus Christi (City) Water and Wastewater Rate Model (Model). This review was completed for South Texas Water Authority (STWA), San Patricio Municipal Water District (SPMWD), and Nueces County Water Control and Improvement District #4 (NCWCID #4). The Model¹ was developed by NewGen Strategies and follows the methodology used in previous rate study models. The Model uses the Cash-Basis methodology described in the American Water Works Association's *Principles of Water Rates, Fees, and Charges, M1 Manual* (M1 Manual). Raftelis reviewed the model to determine if the previous methodology was used in accordance with the South Texas Water Authority and the San Patricio Municipal Water District contracts. More specifically, Raftelis reviewed the calculation of the rates for the following classes:

- Non-Ratepayer Contract (w/o Choke Credit) - SPMWD
- Treated Water Wholesale – SPMWD and STWA²
- Treated Water Network (OCL) – NCWCID #4³

The memo will address the drivers for the rate increases in FY 2024.

Rate Adoption

The City of Corpus Christi Council considered the rates calculated in the Model at two meetings on August 29, 2023, and September 5, 2023. The City reached out initially on August 16, 2023, offering to send the model for review. The model was received on August 25, 2023, with a deadline of September 15, 2023, for questions. Questions were provided to the City on September 14, 2023. Unfortunately, by this time, the City had adopted the rates. If concerns about the model were significant and would require changes, the only

¹ "Corpus Christi W WW Rate Model_2.3.12_Alt #2_Upload Ready.xlsm" provided by NewGen Strategies

² This rate includes the Raw Water Diversion and Treatment rates

³ This rate includes the Raw Water Diversion, Treatment, and Network rates.

recourse would be to appeal the rates formally. While the contracts do not have notification requirements for rate changes, Raftelis recommends that STWA and SPMWD request the rate model by June of each year and request notification of rate changes as soon after that to prepare for the impact of rate increases.

Table 1 shows the rates adopted by the City. The rates will be effective January 1, 2024.

Table 1: Adopted Rates

Customer Class	Current	Proposed
Non-Rate Payer Contract (w/o Choke Credit)		
Non-Ratepayer Rate (SPMWD)	\$1.01	\$1.00
<i>% Increase</i>		(1%)
<i>\$ Increase</i>		(\$0.01)
Resale Treated (STWA, SPMWD)		
Raw Diversion	\$0.10	\$0.12
Treatment	\$1.19	\$1.62
Total	\$1.28	\$1.74
<i>% Increase</i>		36%
<i>\$ Increase</i>		\$0.46
Resale Treated, Delivered (NCWCID #4, Violet WSC)		
Raw Diversion	\$0.10	\$0.12
Treatment	\$1.19	\$1.62
Network	\$0.42	\$0.67
Total	\$1.71	\$2.74
<i>% Increase</i>		59%
<i>\$ Increase</i>		\$1.03

FY 2024 Revenue Requirement

The City’s water revenue requirement from FY 2023 to FY 2024 is increasing by \$13.2 million. The methodology used in the model allocates the total water revenue requirement to the customer classes using the method generally defined in the MI Manual. The allocation of costs is functionalized between raw water, raw water diversion, water treatment, network (Pumping, Storage, and Transmission), distribution, utility billing, meters, and administration. The costs form the basis for the rates.

Non-Rate Payer Rate

The Non-Ratepayer rate is developed using the Raw Water Composite costs with adjustments for an actual true-up. The volume rate revenue requirement for this rate decreased from FY 2023 to FY 2024. This was primarily due to reduced non-ratepayer adjustments that included the true-up.

Raw Water Diversion

The Raw Water Diversion costs increased by \$568,839. The primary drivers include Light and Power expense increases, debt service, and the settlement true-up.

Treatment Rate

Table 2 shows the costs allocated to the Water Treatment and Network rates. Water Treatment is given 84% of the costs, and the Network is allocated 16% of the total. O&M increased by \$6.2 million and Minor Capital increased by \$873,000. South Texas Water Authority and San Patricio Municipal Water District pay the Treatment Rate.

Table 2: Revenue Requirement Increases and Allocations

Cost	FY 2023	FY 2024	Water Treatment	Network
Total O&M	\$43,022,042	\$49,212,514	\$29,515,832	\$11,348,033
Total Minor Capital	\$380,088	\$1,253,029	\$990,899	\$655,715
Debt Service	<u>\$38,468,050</u>	<u>\$42,076,630</u>	<u>\$5,893,833</u>	<u>\$4,976,526</u>
Total	\$81,870,180	\$92,542,173	\$36,400,564	\$16,980,274

Table 3 shows the details of the treatment rate revenue requirement increase. The drivers for this increase include operations and maintenance (O&M) expenses, capital expenses, and adjustments related to the true-up. The O&M expense increases make up \$5.4 million, driven by the O&M increases at the Stevens Water Treatment Plant. Total Chemical costs are rising by \$5.64 million, of which the Treatment Rate is allocated 84% of the increase. Like many other utilities, the City indicated they have also realized significant price increases from their chemical vendors, ranging from “10% to 40% increases and others 105% to 700% depending on the market for a particular chemical.”⁴

Capital Expenses are increasing by \$3.7 million, with \$685,000 from minor capital expenses and \$2.9 million from existing debt service. Most of the increase in debt service is related to the 2023 Subordinate Revenue Bond issuance of \$9.6 million. Of the total bond issuance, \$4.2 million of the bond proceeds were used for water. Of the amount related to water, \$1.8 million is related to water treatment. The debt service allocated to Water Treatment in FY 2023 does not include the debt service for two bonds, Series 2022A and Series 2023. This contributes to the significant increase in debt service, as shown in Table 3.

Table 3: Water Treatment Costs

Cost	FY 2023	FY 2024	Inc / (Dec)
O&M Expenses	\$24,067,197	\$29,515,832	\$5,448,635
Capital Expenses (Includes Debt Service)	\$3,312,399	\$7,003,269	\$3,690,870
Adjustments (includes True-Up)	(\$4,591,498)	(\$453,861)	\$4,137,637
Coverage	(\$4,713,102)	(\$169,604)	\$4,543,498
Cost for Water Loss, not Prev. Billed	<u>\$1,049,478</u>	<u>\$1,023,408</u>	<u>(\$26,070)</u>
Total	\$28,550,678	\$37,258,251	\$8,707,573
Gallons	24,079,111	22,946,427	(1,132,687)
Volume Rate per 1,000 gallons	\$1.19	\$1.62	\$0.43

Adjustments are also significantly contributing to the increase in the revenue requirement. The Settlement True-up is factored in the adjustments. The true-up increased by \$4.2 million from *negative* \$4,093,927 to \$82,898. This is caused by an under-recovery of revenue for \$1.186 million and an over-recovery in budget to actual expenditures of \$1.103 million.

The coverage calculation is a function of the calculated net operating revenue, as shown in Table 4. As can be seen, this increases the coverage that must be added to the revenue requirement.

⁴ See attached document, “2023 Rate Model Review – Public Agency Questions and Response” dated 9/29/2024, sic. 9/29/2023

Table 4: Coverage Calculation

Category	FY 2023	FY 2024	Inc / (Dec)
Rate Revenue Requirement	\$22,788,098	\$36,065,240	\$13,277,142
Less Minimum Charge Revenue	<u>\$23,779</u>	<u>\$58,896</u>	<u>\$35,117</u>
Preliminary Operating Revenue	\$22,811,878	\$36,124,136	\$13,312,258
Less Operating Expenses	<u>\$24,067,197</u>	<u>\$29,515,832</u>	<u>\$5,448,635</u>
Net Operating Revenue available for Debt Service	(\$1,255,319)	\$6,608,304	\$7,863,623
Subordinate Coverage Requirement ⁵	\$3,457,782	\$6,777,907	\$3,320,125
Coverage Surplus / (Deficit)	(\$4,713,102)	(\$169,604)	\$4,543,498

The recovery of the water loss is based on the difference between the total raw water diversions and the total water sold, as shown in Table 3.

Network Rate

As shown in Table 2, 16% of the revenue requirement is allocated to the Network Rate. Table 5 shows the rate calculation and the total costs allocated to the Network rate. As shown, in FY 2024, the Network costs increased by \$4,474,551. This resulted in a \$0.25 rate increase to the network customers, which includes the Nueces County WCID.

Table 5: Network Costs

Cost	FY 2023	FY 2024	Inc / (Dec)
O&M Expenses	\$10,119,441	\$11,348,033	\$1,228,592
Capital Expenses (Includes Debt Service)	\$4,106,645	\$5,632,241	\$1,525,595
Adjustments (less Min. Charge Rev)	(\$6,773,199)	(\$4,859,839)	\$1,913,360
Coverage	\$4,409,664	\$5,723,005	\$1,313,340
Cost for Water Loss, not Prev. Billed	<u>\$124,623</u>	<u>\$143,882</u>	<u>\$19,259</u>
Total	\$7,880,529	\$12,355,080	\$4,474,551
Gallons	18,609,329	18,491,204	(118,126)
Volume Rate per 1,000 gallons	\$0.42	\$0.67	\$0.25

Forecasted Rates

The model provided by the City forecasts rates beyond FY 2024. The forecasted treatment and network rates in FY 2025 are \$1.93 per 1,000 gallons and \$0.70 per 1,000 gallons, respectively. The treatment rate continues to increase to \$2.17, \$2.75, and \$2.90 from FY 2026 through FY 2028. The primary driver for these increases is debt service related to Stevens Water Treatment Plant improvements. The additional cost is also associated with the Desalination project for raw water.

⁵ All debt allocated to the Water Treatment rates is subordinate lien debt.

Memo

To: South Texas Water Authority Board of Directors
From: John Marez, Exec Dir/Administrator
Date: August 4, 2023
Re: Water Rate Study – Raftelis 2023

Background:

Until 2021, NewGen Strategies provided a review of the Corpus Christi water rate model as well as a true-up of the city's rates in the event the city either over-or under-charged its wholesale customers including STWA, the San Pat Municipal Water District (SPMWD) and the Nueces County Water Control and Improvement District #4 (Port Aransas). Most recently, STWA shared the consultant's overall cost to review the rate model and analyze the true-up cost. This amount was split with other special water districts from our area. In 2022, NewGen was hired by the City of Corpus Christi to conduct their water rate study which excluded the STWA from using the same firm. That year NewGen's Chris Ekrut recommended utilizing the company Expergy to begin working for the STWA in the same role. (To this date, Expergy still has not provided a rate study for STWA although being paid in full for their invoice they submitted).

In 2023, after discussing with our consultants at Water Finance Exchange we were connected with a national firm, Raftelis, to discuss analyzing our water rate needs. Mr. Rodriguez from WFX felt that Raftelis' ties to south Texas would help bridge the gap of immediately understanding the makeup of our water system and the various special requirements the STWA system holds as a wholesale provider.

After several emails, phone call and zoom meetings the STWA and Angie Flores with Raftelis began discussing our needs regarding their services associated with studying the city's rate model. Ms. Flores has provided a proposal in the amount of \$5,060 for the rate model review.

Analysis:

Raftelis will review the City of Corpus Christi Rate model will make certain that the study observes industry standards for wholesale customers and STWA's contract with the City of Corpus Christi. All subjects or concerns will be reviewed with the City's consultant to ensure that Raftelis completely understand the process and methodology. After Raftelis' review, they will provide a memo to STWA outlining their findings. The study should take 6-months to complete the study and present their findings.

Raftelis provided in their original proposal three total phases to include the CC Rate Model Review, Industrial Customer Study, and Rate and Financial Planning Study.

This current proposal is seeking the Phase 1 cost but the board can determine all 3 phases are necessary and should be included together since these tasks must be completed in order to seek a better overview of our charges to the WSCs and other wholesale customers.

Staff Recommendation:

Determine whether to authorize staff to execute the service agreement with Raftelis \$5,060 for review of Corpus Christi's Rates and Model (Phase 1).

SPMWD has agreed to split the cost of Phase 1.

Board Action:

Authorize staff to execute the service agreement with Raftelis at their proposed amount of \$5,060 for review of Corpus Christi's Rates and Model (Phase 1).

Optional:

Add Phase 2 (Industrial Customer Negotiations) \$11,839

Add Phase 3 (Rate and Financial Planning Study) \$29,818

Summary:

The review and true-up is intended to ensure that the City's proposed allocated and budgeted expenses are applied properly to STWA as a wholesale purchaser from the City. The true-up should also serve to recoup any overcharges or undercharges. It is important to note, however, that the true-up will always have a one-year lag.

Our Finance Manager has recommended we approach both the Ricardo and Nueces Water Supply Districts boards to see if they are willing to sharing in this cost since determining accurate rates is important to the STWA as a Wholesale Provider and to our wholesale customers

ATTACHMENT 9

Surplus Property

Memo

To: South Texas Water Authority, Board of Directors
From: John Marez, Exec Dir/Administrator
Date: October 20, 2023
Re: Declaration of Surplus Property

Background:

Our most recently declaration of surplus property was on May 19, 2023 for outdated and unused salvage property owned by the STWA. Provided for today is the declaration of a vehicle that staff is requesting the Board consider for declaration as salvage property.

Analysis:

This is the first step taken in order for the board to authorize the auction of our surplus work truck that has been out of service for over a year. On the next agenda item staff is requesting the declaration of an auction company to work on the Authority's behalf to receive the best price available.

Staff Recommendation:

Declare this truck as surplus property and authorize staff to utilize an auction firm to sell this vehicle on the Authority's behalf.

Board Action:

Determine whether to declare this property as salvage/surplus property items.

Summary:

Staff believes this truck has a value and is worth attempting to place for bid in the open market.

John Marez

From: auctionservices@cmauctions.com
Sent: Thursday, October 12, 2023 3:31 PM
To: jmarez@stwa.org
Subject: CM Auctions
Attachments: BuyBoard C.M. Company Auctions.pdf; WCTMWD.pdf

Good Afternoon John,

Thanks for the call back this morning. Here at CM Auctions we are to make the process easy on all that are involved. We take pride in coming to you to take pictures, videos, and descriptions. We handle the process from beginning to end whether you have one item or a fleet of surplus equipment and supplies. We have been in the auction business for over 23 years, with Mr Gregory Chittum leading the way. TX Auctioneer #13963.

Here are some links to auctions we have done for Water Departments and Municipalities

<https://bid.cmauctions.com/auctions/1473202/lots>

<https://bid.cmauctions.com/auctions/1471948/lots>

Attached is the contract for the West Central Texas Municipal Water District. You can use this as an example. One thing people like is we do not require to sign a long term contract. The contract used will be for this sale so that you can judge us on our performance.

Also attached is our Buyboard award contract. Here is a link to them.

<https://app.buyboard.com/Shop/Vendors/Details?id=6299>

Thanks for your time, and we look forward to working with you.

David Casavant
Sales Manager
CM Company Auctions
500 Chestnut St
Suite 103
Abilene TX 79602
o-325-677-3555
c-325-812-2756
www.cmauctions.com



July 27, 2023

Sent Via Email: auctionservices@cmauctions.com

David Casavant
C.M. Company Auctions
500 Chestnut St Suite 103
Abilene, TX 79602

Welcome to BuyBoard!

Re: *Notice of The Local Government Purchasing Cooperative Contract Award*; Proposal Invitation No. 708-23, Auction Services

Congratulations, The Local Government Purchasing Cooperative (Cooperative) has awarded your company a BuyBoard® contract based on the above-referenced Proposal Invitation. The contract is effective for an initial one-year term of September 1, 2023, through August 31, 2024, and may be subject to two possible one-year renewals. Please refer to the Proposal Invitation for the contract documents, including the General Terms and Conditions of the Contract.

To review the items your company has been awarded, please review Proposal Tabulation No. 708-23 at: www.buyboard.com/vendor. Only items marked as awarded to your company are included in this contract award, and only those awarded items may be sold through the BuyBoard contract. All sales must comply with the contract terms and must be at or below the awarded pricing as set forth in the General Terms and Conditions.

The contract will be posted on the BuyBoard website as an online electronic catalog(s). **You are reminded that, in accordance with the General Terms and Conditions, all purchase orders must be processed through the BuyBoard.** Except as expressly authorized in writing by the Cooperative's administrator, you are not authorized to process a purchase order received directly from a Cooperative member that has not been processed through the BuyBoard or provided to the Cooperative. If you receive a purchase order directly from a Cooperative member that you have reason to believe has not been received by the Cooperative or processed through the BuyBoard, you must promptly forward a copy of the purchase order by email to info@buyboard.com.

A list of Cooperative members is available on the buyboard.com website. Once the contract is active, the BuyBoard vendor relations staff will be contacting you to assist with the resources available and to provide any support you may need as an awarded BuyBoard vendor.

On behalf of the Cooperative, we appreciate your interest in the Cooperative and we are looking forward to your participation in the program. If you have any questions, feel free contact me at bids@buyboard.com.

Sincerely,

Ava Benford, Cooperative Procurement Manager
Texas Association of School Boards, Inc.,
Procurement Administrator for the National Purchasing Cooperative

CM Company Auctions

500 Chestnut Suite 103 Abilene TX 79602

325-677-3555 / Auctionservices@cmauctions.com



Contract for Consignment

- A. The undersigned ("Owner or Legal Representative") instructs C.M. Company Auctions (the "Auctioneer") to sell as its agent, consigned inventory provided by means of a PUBLIC AUCTION (Online Onsite), or by Owner Legal Representative of consignments at public auction to be held at 500 Chestnut St, Suite 103, Abilene, TX on or about or at such other place or date as the Auctioneer may, at its sole discretion deem appropriate.
- B. The Owner, Guarantor and Auctioneer agree that the terms and conditions of this Contract to Auction shall be those set out hereafter.
- C. **Owner understands that this auction is an absolute sale, with NO RESERVE OR MINIMUMS OR BUYBACKS!**
- D. Owner shall provide a list of items for inventory, disclose any defects or repairs to equipment, free of hazardous materials, and provide title and ownership verification before auction start date. EX "Copy of Titles or MSO"
- E. NO Auction Proceeds will be dispersed prior to providing satisfying documents to convey title of consignments to auction company.
- F. Owner represents and warrants:
 - The Equipment is completely and accurately described
 - Owner is the owner of record and beneficial owner of the Equipment, and the Equipment is not subject to any claim by any person or to any registered or unregistered charges, liens, or interests of any nature
 - The Consignments is not subject to the collection or attraction of any taxes, liens or claims of an authority of competent jurisdiction of any kind and nature, notwithstanding any past, present, or future use to which the Equipment may have been, presently is or hereafter.
- G. Complete and accurate descriptions of the Equipment and any encumbrances and liens thereon or contrary interest therein are as follows and may be listed on a separate sheet.
- H. Owner agrees to pay Auctioneer an auction commission based on the gross sale price of the Consignments, or any part thereof as follows:
 - 10 % Commission of final selling price.
- I. In consideration of Auctioneer agreeing to enter into this Contract, the undersigned Guarantor guarantees and agrees with Auctioneer to duly pay any monies which may become due by Owner to Auctioneer, to be bound by and duly perform and observe, punctually, each and every provision of this Contract; provided, however, that the liability of Guarantor shall not be affected by any extension of time, indulgence or any act whatsoever of Auctioneer done either with or without notice to Guarantor.
- J. Consignor payment checks will be processed no sooner than 5 days and no later than 15 days after the sale date.
- K. Contract will remain in place until termination and be used for all auctions from date of signed contract.
- L. To Terminate contract please submit in writing to address above.

This Contract to Auction Is An Official Legal Binding Document

Company Name: West Central Texas Municipal Water District
 Address: 410 Hickory St Abilene TX 79601
 Telephone: 325 673 8254 Email: Blake.Woodall@WCTMWD.org
 Signature: [Signature] Date 6/1/2023
 C.M. COMPANY AUCTIONS REP
DA AC Date 5/28/2023

cmauctions.com Gregory Chittum Texas Licensed Auctioneer #13963



ATTACHMENT 10

Resolution 23-31

SOUTH TEXAS WATER AUTHORITY

Resolution 23-31

A RESOLUTION AUTHORIZING THE SALE OF SURPLUS PROPERTY OF THE SOUTH TEXAS WATER AUTHORITY.

WHEREAS, the following property has been replaced and is no longer in use nor suitable for use by the Authority:

Item #	QTY	Description
1	1	2013 Chevrolet Pickup Truck

and

WHEREAS, the list of property has been reviewed by the Authority's Board of Directors.

NOW, THEREFORE, BE IT RESOLVED that the Authority declares the property as surplus property and authorizes sale of the property.

Duly adopted this 24th day of October, 2023.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

ATTACHMENT 11

Auction Company for Online Surplus Sale

Memo

To: South Texas Water Authority, Board of Directors
From: John Marez, Exec Dir/Administrator
Date: October 20, 2023
Re: Selection of Auction Company for Surplus Sale

Background:

With the approval of Item 11 on the 10/24/23 agenda this is the second step for the sale of a surplus truck. Our legal department has reviewed this item and provided recommendation for the process we are pursuing to select an auction company to sell our surplus truck. Two companies contacted STWA to provide these services.

Public Service is an auction firm having worked with multiple governmental entities throughout the US.

CM Auctions is a Texas based auction firm with offices located in South Texas has also sold for organizations throughout the US.

Both are familiar with our needs and have provided documentation to show the previous work they completed with successful bids.

Analysis:

This is the second and final step taken in order for the surplus declared truck to be placed on the market for the general public to place a bid for purchase.

Staff Recommendation:

Approve an auction firm to sell this one surplus vehicle. When future items are declared surplus this same firm or other firms will have an opportunity to provide their services on behalf of the STWA property/equipment.

Board Action:

Motion to accept an auction firm to place our surplus truck up for auction through their online bid portal (website).

Summary:

Seeking a professional firm to provide the auction service removes the burden on our staff to have to prepare the vehicle and advertise the sale and coordinate the purchase of our truck. This will be a time saver and potentially make more money for the Authority for this bid on the internet.

John Marez

From: Bill Flickinger <bflickinger@wfaustin.com>
Sent: Tuesday, October 17, 2023 12:21 PM
To: John Marez
Cc: fvrosales@stwa.org; Allison Nix
Subject: RE: CM Auctions - STWA

John:

The two-step process for STWA includes having the Board declare the property surplus and then having the Board authorize the method of sale or disposition of the property. Unless the property is real property, no newspaper notice is needed. The Board can determine the method for sale of the property. Often an auction service is used but is not required. There is no requirement that STWA obtain bids for an auction service. An auction company that is buy-board approved may have a better rate, however, being buy-board approved is not required for that type of service. It is up to the Board to determine if they should solicit other proposals. The decision on which service to use is often based on results and not necessarily the price of the service.

After the sale proceeds are received, they must be deposited into a surplus bond proceeds account if the property was originally purchased with bond proceeds. If the property was originally purchased with general funds, then the sale proceeds can be deposited into the general fund.

Please advise if any questions remain or if additional information is required at this time. Thank you.

Very truly yours,

Bill Flickinger

Willatt & Flickinger, PLLC
Attorneys at Law

Michigan Office:
28 W. Chicago Street, Suite 2-E
Coldwater, Michigan 49036
Phone: (517) 781-5005
Facsimile: (517) 781-5006

Texas Office:
12912 Hill Country Blvd., Suite F-232
Austin, Texas 78738
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Email: bflickinger@wfaustin.com

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From: John Marez <jmarez@stwa.org>
Sent: Friday, October 13, 2023 6:11 PM
To: Bill Flickinger <bflickinger@wfaustin.com>
Cc: fvrosales@stwa.org
Subject: FW: CM Auctions

Bill:

The STWA currently has one vehicle we plan to declare surplus at our next board meeting, October 24th. As a subsequent step we plan to seek an auction company's services to market and advertise the vehicle for sell.

The email below shows an online auction company that has worked for other PWS and auctioned their surplus property. They recently approached me to utilize their services for this one vehicle. They are listed on the TASB BuyBoard and I was wondering if that alone allows us to use this company or do we need to go through a formal bidding process to seek any other interested auction firms? Our Business Manager, Frances DeLeon, has received calls from other firms offering a similar service.

I understand Procurement laws allow entities to use the BuyBoard without going out for bids but since there has been other interested parties should we offer a bid and then award for auction services?

Let me know thoughts and next steps. As always thanks for your assistance.

John

From: auctionservices@cmauctions.com <auctionservices@cmauctions.com>
Sent: Thursday, October 12, 2023 3:31 PM
To: jmarez@stwa.org
Subject: CM Auctions

Good Afternoon John,

Thanks for the call back this morning. Here at CM Auctions we are to make the process easy on all that are involved. We take pride in coming to you to take pictures, videos, and descriptions. We handle the process from beginning to end whether you have one item or a fleet of surplus equipment and supplies. We have been in the auction business for over 23 years, with Mr Gregory Chittum leading the way. TX Auctioneer #13963.

Here are some links to auctions we have done for Water Departments and Municipalities

<https://bid.cmauctions.com/auctions/1473202/lots>

<https://bid.cmauctions.com/auctions/1471948/lots>

Attached is the contract for the West Central Texas Municipal Water District. You can use this as an example. One thing people like is we do not require to sign a long term contract. The contract used will be for this sale so that you can judge us on our performance.

Also attached is our Buyboard award contract. Here is a link to them.

<https://app.buyboard.com/Shop/Vendors/Details?id=6299>

Thanks for your time, and we look forward to working with you.

David Casavant
Sales Manager
CM Company Auctions
500 Chestnut St
Suite 103
Abilene TX 79602
o-325-677-3555
c-325-812-2756
www.cmauctions.com

John Marez

From: Frances De Leon <fvrosales@stwa.org>
Sent: Friday, October 20, 2023 10:40 AM
To: John Marez
Subject: FW: Public Surplus - Information Requested

Information on Public Surplus online auction.

From: Don S Clayton <Donclayton@thepublicgroup.com>
Sent: Friday, October 20, 2023 10:30 AM
To: Frances V. Rosales <fvrosales@stwa.org>
Cc: fvrosales@stwa.org
Subject: Public Surplus - Information Requested

Frances,

Thank you for speaking with me today! Public Surplus is the largest of the online auction companies selling only government equipment and surplus. We get around 8,000,000 discrete hits per day on the website from people looking to purchase items you would be selling. The State of Texas has chosen us exclusively to sell their surplus along with hundreds of other agencies in Texas. We are free to use as the buyers pay all fees and those fees are some of the lowest in the industry.

Take the Easy Way Out: Public Surplus is easy, intuitive and some even call it fun.

Increase Competition: The Public Surplus buyer database contains hundreds of thousands of qualified buyers who are looking for the type of surplus that government agencies sell.

Save Money: Why pay for an auction service when you can use Public Surplus for free? Public Surplus does not charge your agency any amount for using our service. The buyer pays our low commission fee.

Make More Money: Public Surplus provides a true auction environment. If a bid is placed within the final five minutes of an auction, the auction will automatically extend for an additional five minutes, ensuring that every buyer has the opportunity to place their bid. Agencies have seen significant increases in sales prices due to this feature, and it ensures a fair and legal auction process.

Use As Needed: Public Surplus is available as needed to any government agency requiring an effective method to dispose of its surplus. No contracts are required, no sales volume commitment is required, and no auction frequency commitment is required. *Agencies that require a contract can piggyback on one of several existing competitively bid contracts.*

Reduce Stress: With Public Surplus's perpetual auction format, surplus is sold as soon as it is removed from service, at its highest point of value. No need to allow surplus to build up, and no need to plan, stage, and hold a live auction.

Save Space: If your warehouse and outdoor storage space is limited, implementing Public Surplus will reduce your inventory and enable your agency to use its real estate in a more effective manner.

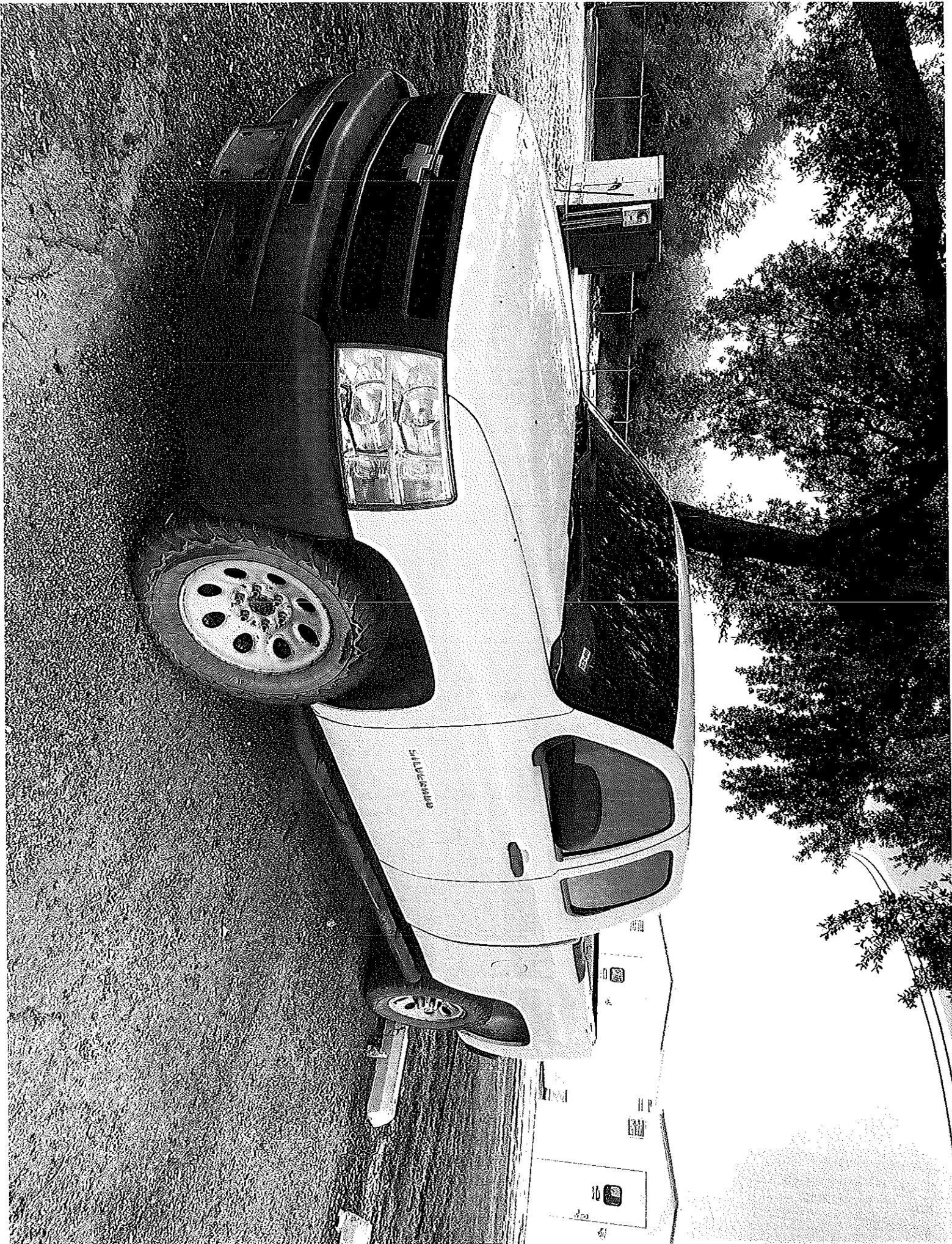
Be In Compliance: Public Surplus includes features and functions that ensure compliance with federal, state and local regulations. Reports are easily produced to address any audit or inquiry, and are available online 24/7/365 for a minimum of seven (7) years.

A Public Surplus pilot program is the easiest way to "test drive" Public Surplus and experience the success that more than 6,000 agencies throughout the United States have experienced.

I will contact you within the next week to follow up, but please contact me if you have any questions.

Sincerely,

Don Clayton
The Public Group - Public Surplus
1 801-932-7000 x 505
donclayton@thepublicgroup.com



ATTACHMENT 12

Bank Depository Agreement

Memorandum

To: South Texas Water Authority Board of Directors
From: John Marez, Administrator
Date: October 20, 2023
Re: 2-year Extension of the Depository Agreement for STWA Funds

Background:

The last time the Board formally considered extension of the Depository Contract with Prosperity Bank (Prosperity) was on September 7, 2021 which extended the agreement until October 31, 2023. Finance Manager Jo Ella Wagner contacted Prosperity to inquire about renewing the current depository contract for an additional 2-year term. Prosperity is agreeing to renew the current depository agreement with the current provisions. The interest rate on our checking accounts will remain at the Prosperity Bank NOW account rate of 0.15% plus (+) 15 basis points (.15%) for a total rate of 0.30%. The bank is recommending STWA to open a Money Market Account in addition to the three (3) accounts STWA currently has in order to take advantage of a 2.15% to 3.00% interest rate plus (+) .10%. Although most Money Market Accounts have withdrawal restrictions, Prosperity has lifted all restrictions on the Money Market account for STWA.

Analysis:

For the past twelve (12) years, Prosperity has been STWA's depository. Previously, STWA had either advertised or sought proposals from all of the local banks. Over time the proposals included fees for every deposit made and check processed. Prosperity has never charged any fees for their services and is proposing no fees with the two (2) year extension.

Staff Recommendation:

Staff feels that Prosperity provides a quality service, above average interest earnings, and fast response time when staff needs assistance. However, if the Board's preference is to seek proposals, staff will contact the local banks for such and present at the next board meeting.

Board Action:

Provide instruction on whether to seek depository proposals or accept the Depository Services Contract offered by STWA's current depository, Prosperity, for an additional 2-year term.

Summarization:

Ms. Wagner has been very pleased with the overall services provided by Prosperity and has praised the bank on correcting problems in a timely manner. Opening a Money Market Account in addition to the current checking accounts will provide greater interest earnings for STWA without any restrictions.



PROSPERITY BANK®

October 19, 2023

South Texas Water Authority
ATTN: Mr. John Marez
2302 E. Sage Road
Kingsville, TX 78363

Dear Mr. Marez:

The Depository Services Contract between the South Texas Water Authority and Prosperity Bank has been renewed on a two-year basis. The previous renewal of the contract by and between the Authority and the Bank was as of November 1, 2021.

By signing this letter and returning it for our files, you agree to renewal of this contract for an additional two years- November 1, 2023 through October 31, 2025. All terms will remain the same except for the following:

NOW Accounts- Prosperity Bank NOW sheet rate + .15%

Current posted rates as of 7/12/23: Rate 0.15% APY 0.15%

Money Market Accounts - Prosperity Bank Premier Money Market sheet rate + .10%

<i>Current posted rates as of 7/12/23</i>		<i>Rate</i>	<i>APY</i>
<i>Tier 1</i>	<i>\$0 - \$9,999.99</i>	<i>0.85%</i>	<i>0.85%</i>
<i>Tier 2</i>	<i>\$10,000 - \$24,999.99</i>	<i>1.10%</i>	<i>1.11%</i>
<i>Tier 3</i>	<i>\$25,000 - \$49,999.99</i>	<i>1.35%</i>	<i>1.36%</i>
<i>Tier 4</i>	<i>\$50,000 - \$99,999.99</i>	<i>1.75%</i>	<i>1.76%</i>
<i>Tier 5</i>	<i>\$100,000 - \$249,999.99</i>	<i>2.15%</i>	<i>2.17%</i>
<i>Tier 6</i>	<i>\$250,000 - \$999,999.99</i>	<i>3.00%</i>	<i>3.04%</i>
<i>Tier 7</i>	<i>\$1,000,000...</i>	<i>3.00%</i>	<i>3.04%</i>

Certificates – Sheet Rates

Prosperity Bank reserves the right to accept or decline additional depository funds in the aggregate, in excess of \$5,000,000.00

We appreciate our business relationship with the South Texas Water Authority and look forward to working with you in the future. If you have any questions, please let me know. I may be reached at 361-592-2639 or by email edmundogarza@prosperitybankusa.com.

Sincerely,

Edmundo J. (Eddie) Garza
Banking Center President

Agreed and accepted on behalf of South Texas Water Authority:

South Texas Water Authority
Agreed and accepted on behalf of Prosperity Bank:

Title

Date

Edmundo J. Garza

Banking Center President
Title

Date

Joella Wagner

From: Edmundo Garza (85) <edmundo.garza@prosperitybankusa.com>
Sent: Thursday, October 19, 2023 3:07 PM
To: Joella Wagner
Cc: Velma Martinez (85); Renee Rodriguez (85)
Subject: STWA Renewal of Depository Contract
Attachments: KingsvilleMFP143546.pdf

Jo Ella,

Good afternoon and please see the attached for your information.

As noted, we are getting you the letter for the renewal as requested for your board information/acceptance.

The letter indicates the rates being provided as previously discussed (mostly).

There was a slight change to the rates provided in that we bumped your rates for MMA's up 0.10% instead of the posted rates.

So, on the letter - if you look at the rates for an MMA of \$100,000-249,999 - it states the rate is 2.15%, but STWA would be earning 2.25% instead. The rate paid will be the posted rates plus 0.10%.

STWA will be getting the same rate increase of 0.15% above our current NOW rates. This is the same earnings spread as previously being earned by STWA for the NOW accounts.

Please return the letter "agreed and accepted" on the bottom portion if you all accept.

We will return the letter back signed once you all have accepted.

As noted prior, if you all will be making changes to the signature cards - we must obtain information on the new signers for the account currently open and the proposed new MMA.

Velma can get with you as to the information that will be needed for the members that will be signing.

Please contact me with any questions or concerns via email or cell.

Edmundo J. (Eddie) Garza
Banking Center President | NMLS# 1125256
Prosperity Bank
Kingsville Banking Center
1830 South Brahma Boulevard
Kingsville, TX 78363
361.592.2639 - Direct
361.592.4922 - Fax
361.207.0642 - Cell
edmundo.garza@prosperitybankusa.com



ATTACHMENT 13

Checking Account for STWA General

Memorandum

To: South Texas Water Authority Board of Directors
From: John Marez, Administrator
Date: October 20, 2023
Re: Authorization to create an additional checking account for STWA General and authorizing signators.

Background:

As mentioned in the previous line item, Prosperity Bank is recommending STWA open a Money Market Account – General to take advantage of the higher interest rates the account pays. In the past two (2) years the Money Market rate at Prosperity has gone from 0.10% to over 3.00%. Mr. Eddie Garza, Banking Center President, informed Ms. Wagner that since STWA funds are considered Public Funds, all fees are waived and STWA can make unlimited withdrawals from the account without penalty. All deposits will go into the Money Market account and transfers will be made into the checking accounts to cover expenses.

The current signators for the General Account are designated by resolution as the Executive Director, Finance Manager, Business Risk Manager, Board President, Board Vice-President, and Board Secretary/Treasurer.

Analysis:

Opening a Money Market Account – General allows STWA to increase interest earnings on funds already at Prosperity Bank and give staff an additional place to diversify the Authority's funds. Currently the majority of STWA's funds are at TexPool.

Staff Recommendation:

Staff recommends opening a Money Market Account - General at Prosperity Bank that will earn substantially more interest than the current three (3) accounts and have zero banking fees. Also, the current designated signators on the General Account should be added to this account.

Board Action:

Provide instruction on whether to open a Money Market Account – General at Prosperity Bank and add the current designated signators to sign on the account.

Summarization:

Earning additional interest on funds that are already being deposited at Prosperity Bank will bring in additional revenue for the Authority. Additionally, designating the same signators on the Money Market Account – General keeps all accounts consistent.

ATTACHMENT 14

Resolution 23-32

SOUTH TEXAS WATER AUTHORITY

Resolution 23-32

A RESOLUTION APPROVING THE OPENING OF AN ADDITIONAL CHECKING ACCOUNT FOR STWA GENEERAL AND AUTHORIZING SIGNATORS.

WHEREAS, South Texas Water Authority is a functioning Conservation and Reclamation District established by the Texas Legislature, and

WHEREAS, Prosperity Bank is named as depository for South Texas Water Authority, and

WHEREAS, a checking account has been established for the purpose of depositing funds in a Money Market account.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the South Texas Water Authority Board of Directors approves the opening of an additional checking account for General Funds
2. That the following Board Officers and Employees are authorized as signators on the account:

Board President
Board Vice President
Board Secretary/Treasurer
Executive Director
Finance Manager
Business/Risk Manager

Duly adopted this 24th day of October 2023.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

ATTACHMENT 15

FY 2024 Truck Specifications

Memo

To: South Texas Water Authority Board of Directors
From: John Marez, Exec Dir/Admin
Date: October 20, 2023
Topic: Specifications for 2023 or 2024 a Half-ton Pickup Truck 4-Door Crew or Extended Cab Standard Bed – Gas Engine

Background:

Based on the STWA's budgeted amount for two new trucks and the need to replace our aging trucks bid approvals are necessary at the beginning of the fiscal year to improve the opportunities to keep the cost of vehicles within budget and to allow for any delays in available vehicles.

Analysis:

Allow staff to submit a bid proposal to any available dealerships that have demonstrated previous interest in submitting a competitive bid.

Staff Recommendation:

Authorize staff to submit a bid proposal reflecting current price and vehicle specifications.

Board Action:

Authorize staff to submit a bid proposal for two Half-Ton Pickup Trucks based on the specifications provided. (attached).

Summary:

After submission of specification to the open market bid recommendation will then be provided at a future board meeting, (target date in December 2023) Price, delivery, make/model will be provided to the board to make most informed decision.

(Note: This approach is keeping with best practices when dealing bidding information prior to a public vote.)

SPECIFICATION SHEET
For 2023 - 2024 Work Truck
1/2 TON 4x2 or 4 x 4 PICKUP TRUCK
4-DOOR CREW or EXTENDED CAB STANDARD-BED (GAS ENGINE)

GVWR (lbs) Gross Vehicle Weight Rating: 6,400 minimum
Payload (lbs) 1,690 minimum

Transmission: 4 speed automatic minimum
Engine: 8 cylinder gas engine
Alternator: Standard with 8 cylinder gas engine
Steering: Power
Battery: Standard with 8 cylinder gas engine
Brakes: Power or Power vented disc

Wheel Base: 119 - 133 min.

Shock Absorbers:

 Front - Heavy duty

 Rear -- Heavy duty

Cooling System: Standard

Parking Brakes: Cable to rear wheels

Fuel Tank: 25 gal. min.

Tire Size: Four (4) Standard size all-terrain for truck with standard size spare

Color: White

Directional Signals: Factory installed front and rear with warning switch.

Heater: Factory installed with defrosters.

Accessories :

- Towing package.
- Inside upper cab light.
- Cigarette lighter.
- Extra 12V plug.
- Air Conditioner factory installed in dash.
- AM/FM clock/radio.
- Standard mirrors.
- Tinted windows.
- Instrument gauges-Fuel, oil pressure, engine temperature and amp meter.
- Seats – standard.
- Rear view mirror with day/night switch.
- Factory installed cruise control.
- Prefer without automatic stop/start.

**PURCHASING SPECIFICATIONS ON
1/2 TON TRUCKS**

- A. CLASSIFICATION: The vehicles described herein are used by the various departments of the Authority for transportation of personnel and hauling all types of cargo, and towing all types of trailers.
- B. ORDERING AND BIDDING DATA: The following instructions and information are intended to assist bidders in understanding these specifications, and in completing and submitting bids to the Authority.
1. Bid sheets are included with the bid invitation. They are to be considered a part of this specification. The specific vehicle and the quantity required will be indicated on the bid sheet.
 2. Bidder shall fill in all the blank spaces provided on the bid sheet and return one copy of each with bid.
 3. Vehicles to be supplied shall be in accordance with the requirements stated in this specification and the requirements stated on the bid sheet.
 4. All bids shall be delivered by Certified Mail to South Texas Water Authority 2302 E. Sage Road, Kingsville, Texas 78363 or hand delivered to the Authority's office at 2302 E. Sage Road, Kingsville, Texas and clearly marked "Sealed Bid."
 5. The vehicles or equipment described herein shall be purchased from the lowest and best responsible bidder submitting a proposal; or, if appropriate, all bids may be rejected. The determination as to which bidder submitted the lowest bid shall rest solely with the Authority. The Authority reserves the right to waive any irregularities in the bids. In making this decision, the initial purchase price will be considered and the following items will also be considered.
 - a. Scheduled delivery times.
 - b. Facilities of the supplier; they must have facilities adequate to service what they sell.
 - c. Past performance of the supplier and manufacturer concerning such things as meeting scheduled delivery times and parts and service support, both before and after warranty.
 6. The latest editions of descriptive literature (picture, brochures, etc.) on all equipment the bidder proposed to furnish shall be furnished with each bid. This literature shall include a copy of all applicable standard manufacturer's warranties.

PURCHASING SPECIFICATIONS

PAGE 3

- C. GENERAL REQUIREMENTS: The following general requirements are applicable to each purchase in accordance with this specification, unless otherwise indicated on the bid sheet.
1. Selling dealer, distributor, supplier, and manufacturer shall be responsible for having complied with all Federal and State of Texas standards, regulations and laws concerning vehicles, applicable and effective on the date of manufacture, including safety, noise and emission control standards as apply to both private industry and governmental agencies. This also includes compliance with applicable OSHA requirements indicated in FMVSS No. 108 and Texas Uniform Act Regulating Traffic on Highways. A State Inspection must be included.
 2. Quantities, color, mounting and other requirements for lamps signals and reflectors, on the vehicles described herein, must meet the requirements indicated in FMVSS No. 108 and Texas Uniform Act Regulating on Highways.
 3. **Do not place decals or markings of any type pertaining to advertisement other than trademarks or model designation normally installed by manufacturer on equipment delivered.**
 4. Speedometer drive train must be properly calibrated in relation to axle ratio and tire size to give accurate readings.
 5. Vehicles shall be equipped with steel disc type wheels. RH5 Deg. two piece center locking rim will not be acceptable. Spoke wheels are not acceptable.
 6. All tires shall be new and the tread style furnished shall be the tire manufacturer's standard design for original equipment line of tire, unless otherwise specified on the bid sheet. All tires and wheels shall be properly balanced prior to delivery. All tires on each vehicle will be the same design, size, and load range rating.
 7. Only the factory applied paint will be acceptable. Sectional painting necessary to repair shipping damage is acceptable; however, any other repainting to meet the specification is not acceptable, unless prior approval, in writing, is obtained. Unless otherwise specified, bodies and equipment mounted onto a truck cab and chassis shall have the final coat of paint to match the cab and chassis.
 8. The term "Heavy Duty" as used in this specification shall mean that the item to which the term is applied shall exceed the usual quantity, quality, or capacity supplied with standard production vehicles, and it shall be able to withstand unusual strain, exposure, temperature, wear and use.
 9. All vehicles, including all accessory equipment furnished under this specification, shall be new, the latest model in current production, and shall be in of good quality workmanship and material. The bidder represents that all units offered under this specification shall meet or exceed the minimum requirements specified for each vehicle series listed herein. All like units shall be equipped with the same components throughout. Vehicles that have been driven more that 200 miles at the time of delivery to the original destination point will not be considered new units and will not be

acceptable without prior written approval.

10. At time of delivery, the successful bidder shall furnish the Authority a manufacturer's certificate of origin, and a manufacturer's new vehicle warranty of each unit. The warranty will be at least the same as the offered to commercial trade and shall be honored by any of the manufacturer's authorized dealers. Warranties shall also be supplied covering all accessory equipment and bodies supplied by the vehicle dealer. All warranties shall be effective the date of delivery of the vehicles to the Authority's Kingsville Facilities. Each vehicle shall have a Texas Department of Public Safety inspection sticker attached prior to delivery. All vehicles must be delivered to 2302 E. Sage Road, Kingsville, Texas.
 11. All vehicles shall be completely assembled, serviced, adjusted, clean and all standard equipment, and specified options shall be installed and the unit made ready for continuous, heavy duty service. Servicing includes the anti-freeze in the cooling system, a thorough condition and specification compliance inspection shall be made by the servicing dealer. Where feasible, an Authority representative may desire to conduct an acceptance inspection at the delivery dealer's facility. All items omitted from the specifications, including manufacturers standard equipment items, and accessory equipment and bodies supplied by the vehicle dealer which are clearly necessary for the complete operation of the vehicle shall be considered a requirement although not directly specified in this specification.
 12. Concurrent to delivery of equipment, the items listed below shall be supplied for each different type of size of vehicle and accessory equipment installed or furnished. Required literature must be delivered with the vehicles and normal delivery cannot be accepted until all items listed are supplied.
 - a. Operating and Servicing (owner's) Manual in written form; one copy of each per vehicle.
 - b. Shop overhaul, part, and repair manuals to cover all components and systems; one copy of each per type and model of vehicle.
 13. Upon receipt, each vehicle shall be inspected for condition and specification compliance by an Authority representative prior to acceptance. If a unit has to be rejected for any reason, the selling dealer shall be required to pick up the vehicle, accomplish necessary repairs, and return the vehicle to the Authority.
- D. **ADDITIONAL REQUIREMENTS:** In addition to the requirements in the Specification Sheet and the general requirement in Paragraph C, the vehicle to be supplied must also comply with the requirements indicated below except as changed by the Specification Sheet.
1. Cab - Conventional
 - a. Sun visors - Two - padded.
 - b. Seats - Bench type, with foam cushioned seat and back, covered with standard truck vinyl material or stained resistant cloth, for three people. Seats shall be

equipped with seat belts for three persons.

2. Mirror - Standard truck mirrors, chrome, polished aluminum or may be same as truck color.
 3. Engine:
 - a. Cooling system - minimum size and capacity offered by manufacturer for 8 cylinder gasoline engine.
 4. Chassis:
 - a. Brakes - heavy duty, largest capacity and lining available. Standing parking brake.
 - b. Shock absorbers - heavy duty, front and rear.
 - c. Steering - power assist.
 - d. Springs - to meet or exceed GVWR.
 - e. Transmission - Automatic.
 - f. Front bumper
 - g. Tires - should a conflict between tire and GVWR specifications exist, the GVWR will take precedence and the larger sized tire will be used. All tires to be steel belted radials. Tubeless.
 - h. Wheels - all wheels shall be steel disc type wheels.
- E. Contractor agrees to indemnify, save harmless and defend the Authority, its agents, servants, and employees, and each of them against and hold it and them harmless from any and all lawsuits, claims, demands, liabilities, losses or expends, including court costs and attorney fees, for or account of any injury to any person, or any death at any time resulting from such injury, or any damage to any property, which may arise or which may be alleged to have arisen out of or in connection with the bid process, delivery or preparation of the vehicle covered by this contract. The foregoing indemnity shall apply except if such injury, death or damage is caused directly by the negligence or other fault of the Authority, its agents, servants, or employees or any other person indemnified hereunder.

ATTACHMENT 16

STWA Master Plan

Memo

To: South Texas Water Authority Board of Directors
From: John Marez, Exec Dir/Administrator
Date: October 20, 2023
Re: STWA Master Plan

Background:

During our December 20, 2022 board meeting ICE engineers have been working with STWA to develop a comprehensive Master Plan. This set of short and long-term goals has established the guidance for the STWA and the Nueces and Ricardo Water Supply Corporations to declare priorities for the Operations and Maintenance of our facilities.

Analysis:

The final presentation of this Master Plan will provide the STWA with the ability to identify projects and pursue funding opportunities so the burden is not solely on our customers to fund.

Staff Recommendation:

Accept this final presented plan and provide any feedback regarding timeframe, scope and estimated cost of projects.

Board Action:

Approve the Master Plan as Amended.

Summary:

The provided STWA Master Plan will be a living document that will change when projects are completed and when new challenges occur.

This blueprint has required a multifaceted approach including input from our Management and staff in the areas of Operations & Maintenance, Business, and Finance.