

COUNTY LINE SPECIAL UTILITY DISTRICT

Meeting Minutes

Board of Directors Meeting –July 15, 2024 at 6:30 P.M.

District Office-8870 Camino Real, Umland, Texas 78640

Board Members Present:

Toni Brewer

Joe Howe

Tracy Scheel

Rebecca Moore

William Ilse

~~Earl Sparks~~

Others Present:

Mike Gershon with Lloyd Gosselink Rochelle & Townsend, P.C. (CLSUD Legal Counsel) Via Zoom

Peter Newell with Guadalupe-Blanco River Authority

Brian Perkins with Guadalupe-Blanco River Authority

Chris Betz

Allison Nieto with Southwest Engineers

Jeff Kallus with Southwest Engineers

Tom Walker with Southwest Engineers Via Zoom

Bill Fry with Plum Creek Utility-OMMS-BVRT

Ronja Keyes with Plum Creek Utility-OMMS-BVRT

Jesse Pena with Quiddity Engineering

Humberto Ramos, County Line Special Utility District Staff

Doug Schnautz, County Line Special Utility District Staff

France Alston, County Line Special Utility District Staff

Tracie Crowell, County Line Special Utility District Staff

Karina Ortega, County Line Special Utility District Staff

Darlene Cisneros, County Line Special Utility District Staff

Leonard Cisneros, County Line Special Utility District Staff

Farah Najdawi, County Line Special Utility District Staff

JoAnn Barrera, County Line Special Utility District Staff

Drew Schnautz, County Line Special Utility District Staff Via Zoom

The following represents the actions taken by the Board of Directors (Board) of the County Line Special Utility District (CLSUD). The Board of Directors convened in a meeting at the date, time and location stated above.

- A. CALL TO ORDER.** Director Brewer called the meeting to order at 6:30 P.M.
- B. ROLL CALL.** Quorum of the Board was present, with Directors Brewer, Howe, Ilse, Scheel, Moore and Sparks in attendance.
- C. PUBLIC COMMENT.** No Public Comment.

D. CONSENT AGENDA:

D.1 Consider and take action to approve the minutes of the June 17, 2024 regular Board meeting. Director Scheel made a motion to approve the minutes from the June 17, 2024 board of directors meeting. Director Ilse seconded the motion and the motion passed unanimously. 6 Aye, 0 Nay.

E. REPORTS. The Board of Directors received the following reports:

E.1 Wastewater Treatment Plant Report. Bill Fry with Plum Creek Utility-OMMS reported residential connections were made, but no commercial connections. The plant is running great, recent rains did not cause any big issues and is in compliance. No maintenance was done to the CLSUD (County Line Special Utility District) facilities except keeping the sites clean.

E.2 Engineer's Report. Allison Nieto with Southwest Engineers reported the Porter Creek Lift Station is under construction and is about fifty percent (50%) complete, expected completion is end of August. The Porter Creek Force Main is under construction and is about ninety-five percent (95%) complete, a walk through is scheduled for this Friday and the project is expected to be complete by the end of this month. Construction contracts have been executed for the Porter Creek Gravity Main Project, waiting to schedule a pre-construction meeting until the CMI contract with Pape Dawson is finalized, expected completion of this project is end of December. Easement acquisition and design are in progress for the FM 2720 Gravity Main, hope to advertise for bids in late July or August, advertising for bids is dependent upon easement execution. The Commercial Area Wastewater Project is on hold since Spanish Retail Center decided to switch to a septic system instead of hooking up to wastewater, working on a new route since they declined to grant a wastewater easement. Working on a draft report for the Wastewater CIP (Capital Improvements Plan) Amendment, should be ready for internal review in early August; CLSUD Board to take action at the August Board Meeting to schedule a Public Hearing prior to the October Board Meeting so they can take action at the October Board Meeting. The Impact Fee Advisory Committee, which consists of five (5) members will need to meet before the

board takes action. Working on exhibits for the Wastewater CCN (Certificate of Convenience and Necessity) Amendment. The TCEQ (Texas Commission on Environmental Quality) Bond Issuance Report was submitted to TCEQ on July 2; received notification July 12 that the first stage of review was complete and declared administratively complete and has moved on to the second stage of review. Plans approved/under construction for seven (7) projects; plans have been submitted for review for nine (9) projects and service and application fees have been paid for thirteen (13) projects.

Jeff Kallus with Southwest Engineers reported Well #2 at the Brooks Well site is in operation and only has a few punch items to complete. Once the punch items are complete, the retainage will be released. The San Marcos waterline project is complete, and the contractor requested the retainage. The FM 2720 waterline which is roughly two and a half miles (2 ½) of twenty-four-inch (24") water line is in the ground, pressure and Bac-T tests will be conducted this week. This will initially serve the Bolling Subdivision. Building foundation has been poured, block walls erected and the grade ring for the ground storage tank is poured, and interior fill complete at the Reuse Water Plant. Still need an easement and plans are almost complete for the Reuse Line Extension to the concrete plant. Construction plans and specifications are about eighty percent (80%) complete for the elevated storage tank on Misty Lane. Preparing bid documents for the FM 2001 waterline relocation. The CRWA (Canyon Regional Water Authority) Water analysis and Goforth Interim Water Request analysis should be complete in the next week or so. Director Howe asked about the status of the generator grant at the Brooks Well Site, Jeff did not have an update, but will reach out for an update for the next meeting.

E.3 Capacity Report. Jeff Kallus with Southwest Engineers reported County Line currently has 6,422 active meters with 2,135 in reserves. NSSAs (Non-Standard Service Agreements) provided to developers to execute account for 447 LUEs (Living Unit Equivalent). NSSAs being prepared by our attorney accounts for 1,194 LUES; remaining phases of developments accounts for 4,554 LUES; new service requests account for 9,787 LUES and old service requests account for 2,352 LUES.

E.4 Easement Report. Tom Walker with Southwest Engineers reported they are working on ten (10) tracts on the FM 2720 extension, the tracts are owned by Walton/RUC and Capital Land Investment, thinks they are getting close to wrapping those up. Still working on obtaining two (2) subordinations for the easements located on Cotton Gin Road for the Camino East Subdivision. Acquired the easement from Hollis Burklund on Misty Lane, still working with John Siemering to obtain an easement. Mr. Siemering hired Mr. Burklund to represent him, Mr. Walker thinks they have the easement language worked out and hopes to wrap up this easement soon.

E.5 Financial Report. France Alston with County Line Special Utility District (CLSUD) reported total income for the month was \$742,256.00, total expenses were \$553,497.00 leaving a bottom line of \$188,759.00. Interest income was \$81,465.00. CLSUD is averaging a wastewater income of about \$5,785.00 each month. The San Marcos payment is currently \$88,512.00 but will increase to \$109,500.00 in July. Technology expenses are up due to SCADA. Started Edmunds Financials at a cost of \$12,000.00. Have a Canyon Regional Water Authority (CRWA) payment on our books in the amount of \$189,827.00, in 2017 this amount was \$300,000.00. Ms. Alston has not been able to find any payments but will investigate it.

E.6 CRWA, GBRA & ARWA Report. Humberto Ramos with County Line Special Utility District (CLSUD) reported the following.

- HCWTP -Overage: At the November 13th CRWA BOT Item I. Approving an annual overage charge procedure from NewGen Strategies & Solutions, LLC was tabled to allow Crystal Clear SUD to hear Chris Ekrut's presentation at a meeting of all participants.
 - On November 29th a meeting of all the participants was held. The outcome was to implement the overage charge presented by Chris Ekrut for the past two years of overages. The Overage will be addressed at the Nov. 8th CRWA BOM. The issue is still unresolved.
 - On December 8th, County Line SUD sent a letter to CRWA BOT regarding their position on the method and process.
 - On December 15th, Martindale WSC sent a letter to CRWA regarding withholding Operations and Maintenance as a result of violation of its responsibilities under the terms of the Amended and Restated Regional (Hays/Caldwell Counties Area) Water Supply and Treatment Contract.
 - An overage item was on the January 8th CRWA BOT Agenda. A vote was taken, and the item failed.
 - On January 25, 2024, Maxwell SUD representatives, Martindale representatives and CLSUD representatives met with Paul Terrel (attorney for Crystal Clear) to try and resolve the overage issue.
 - On February 8th, Paul Terrel, attorney for Crystal Clear sent an email to Maxwell Attorney (Zach) and CLSUD attorney (Mike) regarding leasing water from each entity in an effort to resolve the overage issue.
 - Demand letter dated February 9, 2024 was sent by Maxwell SUD, CLSUD, and Martindale SUD to CRWA and Crystal Clear SUD.
 - At the February 12th CRWA Board
 - Took action to approve resolution CRWA 23-11-078 concerning an Annual Overage Charge Procedure which adopted an annual overage share procedure developed by NewGen Strategies & Solutions, LLC to be applied when the contractual annual allocation of treated water is exceeded by a participating member of the Amended Restated (Hays/Caldwell Counties Area) Water Supply and Treatment Contract, dated February 9, 2021. Meeting after Executive Session, CRWA passed Resolution CRWA 23-11-078.
 - On February 15th CRWA sent a letter in response to the February 9th demand letter requesting mediation. Subsequently all entities agreed to seek mediation.
 - Mediation is set for May 17th.
Action taken at CRWA BOT Meeting on June 10, 2024 was to seek arbitration and inquire with member entities and their interest. LG will provide an update on the arbitration during executive session of the July 15, 2024 BOD Meeting. CRWA will be working to amend the 2021 Regional Hays Caldwell Water Supply and

Treatment Contract and will be sending out revisions to all the participating entities. CLSUD will be awaiting proposed amendments and discussing them with its Board at a future meeting. In addition, once CRWA obtains comments and consensus on the amendments from the participating entities action will be taken at a future CRWA BOT meeting to amend the 2021 agreement.

HCWTP – Improvements/Membrane Replacement/Pipeline

- CRWA Staff submitted a TWDB Swift Application (\$24.9M) for improvements without CLSUD Pipeline. Subsequently, CRWA submitted a TWDB D-Fund application (\$19M).
- CLSUD Staff met with interim CRWA GM Randy Schwenn on pipeline funding and coordinated an effort to achieve funding. CRWA scheduled a meeting with all entities for the week of March 20th. The meeting was scheduled for April 10th.
- ~~The meeting for April 10th was postponed until after mediation.~~
- Met with CRWA on May 23rd and member entities to revive previous discussions on the pipeline and Maxwell Wheeling Agreement.
- At the CRWA BOT held on July 8th, CRWA passed a resolution to proceed with a Request for SWIFT Funding of \$24M. This action does not obligate the participating entities into seeking this funding as there are many questions not yet resolved to include the CLSUD pipeline and contribution of San Marcos. Total SWIFT commitment borrowed in three tranches: \$1,500,000 Contract Revenue Bonds, Series 2024; \$11,710,000 Contract Revenue Bonds, Series 2025; and \$11,710,000 Contract Revenue Bonds, Series 2026. Texas Water Development Board (TWDB) confirmed that CRWA must close on some funds in calendar year 2024. The authority cannot combine the first tranche with the second tranche for issuance in calendar year 2024. The funding cycle for calendar year 2024 and the first tranche of Bonds is as follows and would repeat each year for the 2nd and 3rd financings in a similar manner: May 17, 2024 – TWDB Application considered administratively complete by TWDB; July 2024 – CRWA adopts resolution requesting financial assistance from TWDB (Resolution by CRWA is required to proceed with TWDB approval of project for SWIFT funding); July 23, 2024 – TWDB Board of Trustees approves CRWA Project for SWIFT funding; September 2024 – Financing Agreement with TWDB executed by CRWA (Timing for execution of Financing Agreement is not yet known but expected to be due in September 2024. There are no penalties applicable to entities who choose to not move forward prior to the deadline for the financing agreement); October 2024 – TWDB sells SWIFT Bonds to relend to local issuers (Penalties may be incurred by local entities who have executed a financing agreement with TWDB and pull out of the financing at the following intervals); and December 31, 2024 – Deadline for CRWA to close on its first SWIFT Bond issuance.

- CRWA BOM - Meeting held on June 5th, of importance was the request for the 3rd occasion to set up meetings with CRWA and HCWTP entities for the Pall Trailer, Expansion of the plant, and pipeline; set up meetings with entities interested in Wells Ranch III project.
- No Meeting held in July.

CRWA BOT – Meeting held on June 10th. Of concern are:

Item 6 Presentations/Discussions

- A. Discussion of proposed amendment to the Regional Hays Caldwell Water Supply and Treatment Contract. Please see the last bullet point on HCWTP above.

Item 9 General Business

- A. CRWA 24-07-004 Concerning Approval to Proceed with Request for SWIFT Funding. Adopt Resolution 24-07-004 approval to proceed with request for SWIFT Funding for improvements to the Hays Caldwell WTP. (Please refer to the last bullet under HCWTP).
- B. CRWA 24-07-005 Concerning Approval of the Amendment to the 2001 Water Transportation and Wheeling Agreement with Maxwell SUD. This item was approved.
- C. CRWA 24-07-006 Concerning Approval of the Draft Interlocal Agreement with County Line SUD and Martindale WSC. Adopt Resolution 24-07-006 providing for the pass-through and reimbursement to CRWA of compensation and other costs payable from CRWA to Maxwell SUD under the proposed amendment to the 2001 Water Transportation and Wheeling Agreement. (This item was approved contingent of review and non-substantial changes are made by Martindale and CLSUD.

- CRWA Wells Ranch III Project

- No agreement has been finalized, only drafted with errors.
- Gonzales County Underground Water Conservation District – CRWA is requesting that certain conditions of the 920 AF be excluded as part of the permit requirement. Intent is to use the permitted water for East Central, SHWSC and Green Valley. The district will also require additional mitigation fees and monitoring wells.
- CRWA is trying to determine how to move forward with utilizing the 920 AF for Green Valley SUD, East Central SUD and Springs Hill WSC.
- A meeting for the members of Wells Ranch III will be coordinated soon. Still awaiting a meeting with CRWA and other members to determine the path forward for this project. Note, at the end of 2024, CLSUD has paid more than \$600,000 for water leases to which there is no agreement.

- CRWA is still trying to complete an agreement with Green Valley SUD, East Central SUD and Springs Hill WSC.
- GBRA/Gonzales Carrizo Water Supply Project
 - The hearing was originally set for the week of April 22, 2024, but extension has been granted. It is now scheduled for mid-June.
 - GBRA is still actively negotiating with the protestants in an attempt to settle
 - GBRA received 100% design packages for the eastern pipelines, northern pipeline, and booster pump station and is currently reviewing the design.
 - GBRA has received approximately 59 appraisals and has initial offers out to 53 landowners for the pipeline easements.
 - Recall CLSUD is contracted for 2,419 AF or 27.63% of the total project. In addition, GBRA needs additional funding in the amount of \$19,421,475 to complete the project. CLSUD portion is \$5,366,153.564. GBRA is currently working on the debt schedule.
 - Met with GBRA on February 5th to discuss potential increased cost for CLSUD Financial Plan. Based on this meeting they informed CLSUD the need is \$68M. Waiting on debt schedule from GBRA.
 - Met with GBRA on April 29th to discuss the delivery points for the project.
 - Met with GBRA on July 2nd to discuss and get an update on the project. GBRA will present and update to the CLSUD BOT on July 15. In addition, a discussion and update on GBRA's WaterSecure Project occurred. With regard to the WaterSecure Project it is estimated that the project will cost between \$3,900 to \$4,000/ AF.
- Alliance Regional Water Authority (ARWA) BOT- Chris Betz reported the next meeting will be July 24, 2024 at the office of CLSUD. Leaks were found and fixed when tests were conducted on the eastern end of the pipeline. All the installed pipes have been treated with chlorinated water. Hope to adopt the budget for the next fiscal year at the next meeting. Segment C is almost in place, CLSUD has water to test the segment. Mr. Betz announced he is stepping down from ARWA after seventeen (17) years at their August meeting or sooner and a new representative will be appointed. Director Brewer will write a letter recommending Tracy Scheel be appointed to the ARWA Board of Trustees. Humberto Ramos will also attend the ARWA meetings.
- Region L – Region L is in its 4th year of the 5-year plan. The 2026 Region L Plan is due October 20, 2025. Current activities to complete the 2026 Plan, are to have each Water User Group (WUG) review previous 2021 Plan water management strategies (WMS) and submit new WMS. Currently CLSUD has the following WMS from the previous 2021 Plan:
 - a.) CLSUD Trinity Well Field -potential after two phases – 1,000 AF beginning 2050 to 2070

b.) Brackish Edwards Project – Phase I (500 AF) year 2050; Phase II (1,500 AF) year 2060; Phase III (1,500 AF) year 2070

c.) Non-potable Reuse – year 2020 (500 AF); year 2070 (3,360 AF)

In addition, CLSUD will be submitting WMS's (3,000 AF) associated with potential projects with BVRT and Maxwell as a result of our MOU and in addition, CLSUD will submit facilities improvement for the Booster Site at HWY 21 and possible expansion of the High Road Pump Station.

E.7 General Manager's Report and Office Expansion Report. Humberto Ramos with County Line Special Utility District (CLSUD) reported the following.

General Manager Report

- Ended working arrangement with Chris Betz, Special Project Coordinator for CLSUD on July 8th. This will result in a vacancy at the ARWA. Recommend at the August 19th BOD Meeting consideration for the vacancy be forwarded to CRWA for appointment.
- Will meet with the Executive Committee on July 19th to continue work on developing a recommended rate to be proposed to the whole Board at a future meeting.
- Continue working with various developers within CLSUD CCN.

City of Uhland Meeting(s)

- City Council Meeting –Attended the meeting held on July 10th; Franchise Agreement was approved which will add a three percent (3%) tax to CLSUD customers who live in the City of Uhland. This tax will be assessed each month and will be a pass through to the City of Uhland. CLSUD has not reviewed the Agreement yet.

City of Kyle

- Forwarded invoice as per the request by City Kyle staff to resolve CCN transfers and funds owed to CLSUD. City of Kyle owes almost \$139,000.00 to CLSUD.

Project Nora (Mega Site)

- No new update

Office Expansion

- The Building Committee met on June 28th. Staff prepared answers to questions from the meeting and forwarded responses to the Committee Chair on July 10, 2024. The committee will meet again July 19, 2024.

E.8 President's Report. Director Brewer reported the Building Committee met a couple weeks ago to review Farah Najdawi's documentation she put together. The committee had several questions for Ms. Najdawi to follow up on regarding sewer, the building plans we currently have, and our existing building and possible other sites. The committee meets again Friday, July 19, 2024 to review all the information Ms. Najdawi gathered.

E.9 General Counsel's Report. Mike Gershon with Lloyd Gosselink Rochelle & Townsend, P.C. reported at the board meeting last month, the Edwards Aquifer Authority Water Supply Agreement was discussed and approved with the City of San Marcos. Section A of the contract had some ambiguous language about reimbursement of certain costs. Mr. Gershon and Mr. Ramos followed up with the attorney for the City of San Marcos and Tyler Hjorth and they stated if we were to be charged any costs it would be their responsibility to be involved in the charges, and that section does not add any costs to what they intend to charge us. The attorney and Mr. Hjorth wrote a statement that stated, "we will not be charging you any costs under that section." CLSUD will be charged a take or pay payment for fifty percent (50%) of the volume and the remaining volume is charged as we pump it up to 500-acre feet. The Public Utility Commission (PUC) reviewed our response to the complaint filed by Allison Garcia and they thought we were being proactive and instructed us to follow up by the end of July with the results of the leak detection tests. The leak detection inspection has been completed for Allison Garcia. Aqua Tech conducted the wastewater test and American Leak Detection conducted the water test. The inspections did not detect any leaks in any of our water and wastewater lines. Allison Nieto with Southwest Engineers provided three (3) options to possibly resolve the standing water issue, still waiting on the costs for the options. A consent and release document will be generated by Mr. Gershon for Ms. Garcia to sign accepting whichever option is chosen and to withdraw her complaint she filed with the PUC. Mr. Gershon followed up on the Public Utility Commission (PUC) complaint filed by the mayor of Umland because the PUC is overdue in closing their investigation and providing a conclusion. There is an informal and formal complaint process, we are still in the informal complaint process. The ball is still in the PUC staff's court.

F. ITEMS FOR ACTION OR DISCUSSION/DIRECTION:

F.1 Update Presentation on GBRA TX130 Project. Peter Newell, the senior engineering director and Brian Perkins with Guadalupe-Blanco River Authority (GBRA) presented this item. This is a Carrizo Groundwater Supply Project and Expansion. GBRA and Alliance Regional Water Authority (ARWA) entered into an agreement in 2018 to do a regional water supply program for the area bringing a total of 30,000-acre feet of water. The original GBRA customers are New Braunfels Utilities, Lockhart and Goforth Special Utility District for a total of 15,000-acre feet per year uniform. The GBRA TX130 Expansion Customers are County Line Special Utility District (2,419 AF/yr), Maxwell Special Utility District, Goforth Special Utility District and Camino Real Utilities for a total of 8,757-acre feet per year with peaking. The Alliance Regional Water Authority (ARWA) Customers are San Marcos, Buda, Kyle, County Line Special Utility District, Crystal Clear Special Utility District and Green Valley Special Utility District for a total of 15,000-acre feet per year with peaking. The well fields are in the east; Segments A and B to the Booster Pump Station; Segment C, which GBRA is not a participant of; and Segments D and E head South to New Braunfels Utilities and CRWA. The goal was to have water online by the middle of 2023, but the whole program has been delayed. The elements that have already been completed as part of the expansion project are Segment A from the ARWA Treatment Plant (line went from a 42" to a 48"); Lockhart Integration (line went from a 16" to a 24"); and Well Field Transmission

(line went from a 30" to a 36"). The new component of the expansion is a line that goes around the east side of Lockhart to the Booster Pump Station called the Eastern Line and then the Northern Line which includes all the delivery points to the new customers including County Line Special Utility, Maxwell Special Utility District, Goforth Special Utility District and Camino Real Utilities. The elements still in design are the TX130 Eastern Pipeline; TX130 Booster Pump Station; TX130 Northern Pipeline; WTP Expansion and the GBRA Well Field Expansion. Land acquisition update: total of sixty-three (63) parcels; appraisals completed on sixty-two (62) parcels; offers made on fifty-five (55) parcels; fifteen (15) offers have been accepted and Eminent Domain on thirty-five (35) parcels. Specifics around the Booster Pump Station are: five (5) horizontal split case pumps; PVC pipeline with ductile iron fittings (24" to 16" delivery line); monitored by SCADA to monitor the flows and chlorine residual; and back up generation. A new permit had to be requested from Gonzales County Underground Water Conservation District, anticipating receiving information back in September or October of this year. Project is being SWIFT funded, going through the process of engineering feasibility reports and environmental data forms and working with the water board and Texas Commission on Environmental Quality (TCEQ) for all the coding. Well Field expansion is anticipated to be completed by July 2026 and the Treatment Plant Expansion is anticipated to be completed by February 2027. Pipeline projects are anticipated to be completed by June 2026 and the Booster Pump Station by August 2026. Expansion funding and CGSP: original CGSP (15,000-acre feet per year) funding through SWIFT at \$213 million; first round of TX130 Expansion funding through SWIFT and private at \$167 million; current cost estimate is \$244 million due to the increase in price of land and materials; second round of TX130 Expansion Funding through SWIFT at \$87 million, this amount includes contingency money and additional money for land acquisitions; currently, CLSUD's cost share is \$67-\$73 million, this amount is only the expansion costs. Director Howe asked why this project is called the TX130 and Mr. Newell stated he wasn't sure since the line does not actually follow 130, it does cross it at one point. At one time, there was a review of possibly using right of ways along 130 but was later determined that would not be a good fit for their needs. Director Moore asked if they have been awarded funding yet, Mr. Newell stated they have been awarded the \$167 million which is a combination of State and private funds. The \$87.7 million is still pending the Water Development Boards board meeting at the end of this month. Humberto asked the following three (3) questions: 1. What is the cost per acre foot. CAPITAL COSTS ARE COMING IN AROUND \$1,300-\$1,400 PER ACRE FOOT AND OPERATIONS COSTS ARE COMING IN AROUND \$500-\$600 PER ACRE FOOT; 2. Will the water be delivered by 2027. YES, and 3. Is there any more water that we can get from this project. NO. Under the contract, everyone will pay their fair share.

F.2 Discuss, consider, and take action to approve Interlocal Cooperation Agreement by and between Canyon Regional Water Authority, County Line Special Utility District and Martindale Water Supply Corporation. Humberto Ramos with County Line Special Utility District (CLSUD) said this item needs to be tabled because Martindale Water Supply Corporation did not get their comments to the agreement completed and therefore, we were only able to review a draft version of the agreement. Director Scheel made a motion to table. Director Moore seconded the motion and the motion passed unanimously. 6 Aye, 0 Nay

F.3 Discuss, consider, and take action to delegate authority to negotiate and enter an agreement with K Friese + Associates for water system master plan and engineering service. Farah Najdawi with County Line Special Utility District discussed this item. On June

17, 2024, the County Line Special Utility District (CLSUD) board authorized the solicitation of RFQs for a Water System Master Plan and Engineering Service. The Request for Quotes (RFQ) was posted on the CLSUD website and emailed to fourteen (14) engineering consultants the next day. By the due date of July 2, 2024, six (6) responses were received. An internal evaluation committee reviewed the responses on July 9, 2024, and the average score of the respondents was eighty-four (84) out of one hundred (100). K. Friese + Associates (KFA) was selected as the qualified firm due to their extensive experience in water system projects, offering services such as hydraulic modeling, pump station design, pipeline design, and regulatory approvals. They demonstrated the ability to identify system deficiencies and improvements, serve projected growth, and effectively use ARWA supply. The committee noted KFA's extensive project portfolio, specialized expertise, and ability to provide comprehensive recommendations for water conservation and alternative water supplies. K. Friese + Associates was chosen to provide Water Master Plan and Engineering Services to CLSUD. The results of the evaluation committee are shown in the Table below.

Firm Name		Utility Engineering Group	K Friese + Associates	Quiddity	Freese and Nichols	Southwest Engineers	HDR
Grading Criteria	Grade	Score					
Firm and Project Team Introduction	Out of 5	5	5	5	5	5	5
Experience of the Firm with similar work	Out of 10	10	10	10	10	9	9
Resume of Proposed Project Manager	Out of 10	10	10	10	9	9	10
Resumes of Proposed Lead Technical Professional(s)	Out of 10	10	9	9	8	8	10
Support Personnel Experience	Out of 15	12	15	14	15	14	15
Scope of Work	Out of 30	20	28	24	26	17	25
Change Request to Standard Form of Agreement	Out of 5	5	5	5	5	5	5
Conflicts of Interest	Out of 5	5	5	5	5	5	5
Historical Underutilized Business	Out of 5	0	5	0	0	0	3
Litigation Disclosure	Out of 5	5	5	0	5	5	0
TOTALS		82	97	82	88	77	87

Proposed Water/Wastewater Projects

Project	Estimated Construction Cost
FM 2720 Extension to Bob White Road	\$2,010,600
Bob White Road Booster Station	\$1,315,000
Cotton Gin Rd. Water Line Relocation	\$1,143,713.75
Reuse Booster Station	\$1,418,000

Reuse Water Line Extension to Concrete Plant	\$152,000
FM 2001 Water Line Relocation (21.4% project share)	\$22,670
Farmers Road Water Line Steelhorn Upsize (54% construction)	\$305,000
Subdivision Review/NSSAs	\$60,000
Cotton Gin Road Water Line Relocate (Hays County 82% project share)	\$1,537,700
FM 2001 Water Line Relocate (78.6% project share Hays County)	\$83,530
Commercial Area Wastewater	\$425,000
FM 150 Wastewater Main	\$1,103,650
FM 2720 Gravity Main	\$1,600,000
Misty Lane Water Line – Misty Farms	\$631,340
Farmers Road Waterline – Steelhorn – 6" (46% construction)	\$319,000
Total Project Cost	\$12,127,204

The projected cost for Water Master Plan services is estimated to be between \$175,000 and \$200,000, covering a scope of work that spans five (5) years. Amendments to this plan may be necessary to address evolving needs. For engineering services, the projected cost is 10-14% of the estimated cost of the proposed projects. The list of proposed water and wastewater projects for the next year is detailed in the Table above. Director Scheel made a motion to delegate authority to negotiate and enter an agreement with K. Friese + Associates for Water System Master Plan not to exceed \$200,000.00 in engineering services and to deviate from our default Master Services Agreement terms. Director Ilse seconded the motion and the motion passed. 5 Aye, 1 Nay Director Howe was not sure what he was voting on, so he opposed.

F.4 Discuss, consider, and take action to approve Meter Install Rate for Individual Service.

Humberto Ramos with County Line Special Utility District (CLSUD) discussed this item. Currently CLSUD charges \$935.00 per meter for meter installations for individual service. Individual service is categorized as an individual customer who wants a meter set at their place of residence or commercial establishment. Internally, staff assessed the current rate and found due to the increased cost of materials, CLSUD should be charging \$1,258.38 per meter. This is an increase of \$323.38 per meter. Based on statutory law, increasing a tariff/fee requires only 72-hour notice. If approved, staff will utilize bill inserts, the company website and point of sale information to inform customers of the new meter installation rate. Director Scheel asked why backflow is not included in the new rate and Doug Schnautz with CLSUD responded backflow is now built into the new meters. Director Scheel also asked why a curb valve is not included in the new rate and Mr. Schnautz said he isn't sure why it was included in the rate CLSUD has been charging. Director Scheel made a motion to approve the meter install rate for individual services from \$935.00 to \$1,258.38 and have the general manager and Lloyd Gosselink codify and create resolution effective August 1, 2024. Director Sparks seconded the motion and the motion passed unanimously. 6 Aye, 0 Nay

F.5 Discuss, consider, and take action to approve Task Order from Southwest Engineers for Phase 2 Cotton Gin Road Survey Work and Water Line Relocation. Humberto Ramos with County Line Special Utility District (CLSUD) discussed this item. At the June 17, 2024 CLSUD Board Meeting, this item was tabled. At that time staff was concerned value engineering had not taken place with the use of Cobb Fendley as the first proposed Right of Way (ROW) agent. Subsequently, Southwest Engineers submitted a Task Order listing Southwest Engineers as the ROW agent saving \$5,000.00. Previously Hays County did a road widening project along Cotton Gin Road, which required a relocation of CLSUD waterlines from near Ewald Drive to Bonanza Street referred to as Phase 1. Hays County has since acquired ROW for their Phase 2 road widening from Bonanza Street to near SH 21. This acquisition has moved CLSUD's water line into Hays County ROW and some instances beneath the new property lines/fence lines. It is estimated that roughly 8,000 linear feet of waterline will need to be relocated. The total cost for the relocation is estimated to be approximately \$1,735,000, of which 75% is reimbursable. The non-reimbursable portion includes the upsize cost of a 3-inch waterline to a proposed 12-inch waterline as well as existing roadway crossings that will need relocation. Southwest Engineers is submitting a task order to allow surveying to start on the project and easement acquisitions to proceed. Additional engineering will be needed for design, bidding/award and construction to which the Task Order is not for. The Utility Coordinator for the project indicated that the road construction will start in February 2025. Director Scheel made a motion to approve Task Order from Southwest Engineers for Phase 2 Cotton Gin Road survey work and relocate water lines in the amount of \$32,000.00 and not to exceed \$65,000.00 for a total of \$97,000.00. Director Howe seconded the motion and the motion passed unanimously. 6 Aye, 0 Nay

F.6 Discuss, consider, and take action to advertise the FM 2720 Gravity Main Project. Allison Nieto with Southwest Engineers discussed this item. The project follows the West side of FM 2720 to the Bollinger Subdivision and down to what will be the Plum Creek Utility (PCU) Warf 3 located on Misty Lane. This project is needed to serve several upcoming developments, including the Bollinger Subdivision, Neimann Farms, and Lantana Subdivision. It consists of +/- 15,000 linear feet (about three (3) miles) of 18" and 21" gravity main pipe. Easements for this project are still pending, but the project will not be advertised until those are executed (or execution is imminent). Hope to have easements wrapped up by the end of July or August. Based on the date of execution of the Non-Standard Service Agreement (NSSA) for the Bollinger Subdivision, this project will need to be completed and operational in August 2025. This was included in the Wastewater Capital Improvement Plan (CIP) approved last September and had an estimated construction cost of \$4.1 million. Director Scheel made a motion to advertise the FM 2720 Gravity Main Project. Director Moore seconded the motion and the motion passed unanimously. 6 Aye, 0 Nay

F.7 Discuss, consider, and take action regarding Amended and Restated Regional (Hays/Caldwell Counties Area) Water Supply and Treatment Contract, Water Transportation and Wheeling Agreement between Maxwell SUD and CRWA, CRWA staff's draft Memorandum of Understanding, and CLSUD's demand letter to CRWA. Humberto Ramos with County Line Special Utility District (CLSUD) stated we are currently waiting for Canyon Regional Water Authority (CRWA) to complete amendments to the 2021 contract and circulate amongst the entities. No action was taken on this item.

F.8 Discuss, consider, and take action authorizing the acquisition of the following easements and property in support of the District's water pipeline infrastructure projects.

- A. Tract 1, Parker Easement, Camino East, Lennar**
- B. Tract 3, Yusuf Easement, Camino East, Lennar**
- C. Misty Lane Easement**

Secured the easements for A and B, but still waiting on subordinations from the lienholders.
No action was taken on this item.

F.9 Discuss, consider, and take action regarding the transfer of wastewater CCN service area from Gristmill Utility Company to County Line Special Utility District, and the Sewer CCN Service Area Transfer Agreement between Gristmill Utility Company and County Line Special Utility District. Mike Gershon with Lloyd Gosselink stated that on July 1, 2024 a joint motion to submit evidence was filed and a proposed notice of approval, waiting for the judge to sign off on it. No action was taken.

G. BOARD MEMBER ITEMS OR FUTURE AGENDA ITEMS. No items were given.

H. EXECUTIVE SESSION. Meeting did not enter Executive Session.

I. ADJOURNMENT. Director Ilse made a motion to adjourn the meeting and Director Sparks seconded the Motion, Motion passed unanimously. 6 Aye, 0 Nay. Meeting was adjourned at 8:14 P.M.



Date 8/19/24

Toni Brewer
County Line SUD, Board President