

**NOTICE OF REGULAR MEETING OF THE
ECTOR COUNTY UTILITY DISTRICT OF ECTOR COUNTY**

Notice is hereby given that on the 11th day of August 2021; the Board of Directors of the Ector County Utility District of Ector County will hold a Regular Board Meeting with a Directors' Workshop beginning at 1:30 P.M. and the Board Meeting will commence at 2:30 P.M. in the District's Board Room located at 1039 N. Moss Avenue, Odessa, Ector County, Texas 79763. The subjects to be discussed are listed on the August 11th, 2021 regular meeting agenda:

AGENDA

1. Call to Order.
2. Petition for Annexation
3. Discuss and consider approval to lift moratorium on new high-volume water customers.
4. Discuss and consider approval of deposit, monthly rates, and usage rates per 1,000 gallons on Portable Meters/Backflow.
5. Discuss and consider approval of Bill of Sale & Partial Release to abandon Triple L, Inc. pipeline and 1977 easement to Marcus Paul Thompson (W74 Oil Tools).
6. Discuss and consider approval of new Water Line Easement from Marcus Paul Thompson (W74 Oil Tools).
7. Discuss and consider approval of Utility Improvements Service Agreement by and between Ector County Utility District and Petroleum Wholesale LP (Main Street Market #110)
8. Discuss and consider approval of Water Sales Contract to Petroleum Wholesale, LP (Main Street Market #110).
9. Discuss and consider approval of termination letter for Interlocal Agreement with City of Odessa for Billing & Collection Services.
10. Discuss and consider approval of Utility Improvements Service Agreement with Lynx Homes, LLC.
11. Discuss and consider approval of Texas Mutual Workers' Compensation Insurance Renewal.
12. Discuss and consider approval of the proposed 2021 Tax Rate.
13. Discuss and appoint an Investment Committee.
14. Discuss and consider approval to raise credit limits on credit card and fuel cards.
15. Approval of Financial Report for August 11, 2021.
16. Approval of Minutes for July 14, 2021, Board Meeting.

17. Discussion Items:

- A. President's Report
- B. AVR Update
- C. Discuss ECUD Rules & Policies
- D. City Water Bill
- E. Public comments and input on non-agenda items within the jurisdiction and responsibilities of the District (limit 5 minutes per person).

9. Adjournment.

The Ector County Utility District Board of Directors reserves the right to change the agenda item order.


If, during the course of the meeting covered by this notice, the Board of Directors is required, then such closed or executive meeting of session as Title 5, Chapter 551, Government Code of Texas will be held by the Board of Directors at the date, hour, and place given in this notice or as soon after the commencement of the meeting covered by this notice as the Board of Directors may conveniently meet in such closed or executive meeting or session concerning any and all subjects and for any and all purposes permitted by Section 551 of said Government Code, including, but not limited to:

- § 551.071 For the purpose of a private consultation with the board's attorney.
- § 551.072 For the purpose of discussing the purchase, exchange, lease, or value of real property
- § 551.073 For the purpose of discussing negotiated contracts for prospective gifts, or donations.
- § 551.074 For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.
- § 551.076 To consider the deployment, or specific occasions for implementation, of security personnel or devices.
- § 551.084 For the purpose of excluding any witnesses from a hearing during examination of another witness.
- § 551.087 For the purpose of discussing economic development information received from a business seeking to locate in or near the District.

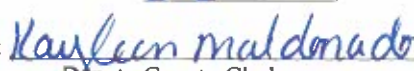
Should any final action, final decision, or final vote be required in the opinion of the Board of Directors with regard to any matter considered in such closed or executive meeting or session, then such final action, final decision, or final vote shall be at either:

- (a) The open meeting covered by the notice upon the reconvening of this public meeting; or
- (b) At a subsequent public meeting of the Board upon notice thereof, as the Board of Directors shall determine.

This notice was telephoned or mailed to all members of the news media who had previously requested such notice; and an original copy was posted on the bulletin boards at the first floor of Ector County Courtroom and the Ector County Utility District office on the 6th day of August, 2021, at 4:10 PM, said time being more than seventy-two (72) hours prior to the time at which the subject meeting will be convened and called to order.


Katrina Morales
Office Manager

Posted: 8-6, 2021 at Ector County Courthouse

By: 
Deputy County Clerk
Jennifer Martin, County Clerk
Ector County, Texas

MINUTES OF THE BOARD OF DIRECTORS MEETING

August 11, 2021

The Board of Directors of the Ector County Utility District met in regular session on August 11, 2021, at 1039 N. Moss Avenue.

Members Present: President Ervin, Director Shaw, Director Kappauf

Members Absent: Director Swann, Director Burton

Non-Board Members Present:

Mr. Bill Fowler, Attorney

Ms. Katrina Morales, ECUD

Ms. Jenny Belknap, ECUD

The Board of Directors of the Ector County Utility District met in regular session on August 11, 2021, at 1039 N. Moss Ave.

1. Call to Order (presented by President Ervin): President Ervin introduced those in attendance and with a quorum present called the meeting to order at 2:30 pm.

Exhibit A

2. Petition for Annexation (Presented by President Ervin): President Ervin reviewed the agenda item. Ms. Jenny Belknap stated the property is located on Seward. Ms. Belknap stated the annexation is for lots 15 and 16. Water will be provided to lot 16. Ms. Belknap stated that the customer has the updated petition for annexation and the water tap request and will get those back to Ms. Belknap when signed. Mr. Bill Fowler stated he would recommend approval of lots 15 and 16 for annexation conditioned upon the signing of the updated petition and request. Mr. Fowler stated the property if approved would be on the tax rolls starting January 2022. Director Kappauf inquired if the tap will be part of this. Ms. Belknap explained the annexation and tap process. President Ervin inquired as to where the property was located on the printed map. Ms. Belknap showed the Board a highlighted copy and reviewed the location of the lines. The Board discussed the annexation.

Motion: Director Shaw made a motion to approve the annexation located at 5525 N Seward Ave, barring the changes adding lot 15 to match the verbiage on the deed and update the water tap form change to water meter and update the tap size 1". Director Kappauf seconded the motion. Vote was unanimous, motion carries.

3. Discuss and consider approval to lift moratorium on new high-volume water customers (presented by President Ervin):

President Ervin reviewed the agenda item. Director Shaw inquired as to if the ECUD system can handle the larger customers. President Ervin stated yes, and the reason being last year the Burke Pump Station was brought online and this allows ECUD to move a larger amount of water. Director Kappauf inquired as to if this would be a larger customer and not flush valves. President Ervin confirmed. Ms. Belknap stated as an example there is an RV park going in on 16th St. and the customer will be putting in a 2" tap. The Board discussed the difference between the sizes and high volume. The Board requested the previous motion when the moratorium was put into place. Ms. Belknap stated the motion was on the September 29, 2020 Board Meeting and the motion read as follows Director Shaw made a motion to approve moratorium on high volume water customers that will meet or exceed 10 gallons per minute during peak demand will require Board Approval. Mr. Fowler stated he recommends lift the moratorium on September 29, 2020, and tie back any new approval will need to go to engineering.

Motion: Director Shaw made a motion to lift the moratorium on high-volume water customers, which was defined as 10 gallons per minute or more at peak, that was put in place on September 29, 2020, to go back to regular procedure of making sure the ECUD system can accommodate the size on a case-by-case basis. Director Kappauf seconded the motion. Vote was unanimous, motion carries.

Exhibit B**4. Discuss and consider approval of deposit, monthly rates, and usage rates per 1,000 gallons on Portable Meters/Backflow (presented by President Ervin):**

President Ervin reviewed the agenda item. President Ervin stated these portable meters are used to tie onto the hydrants and previously the City of Odessa issued these. President Ervin described the meters the City of Odessa was issuing. President Ervin reviewed the need for a backflow device on the meters to prevent cross contamination. President Ervin stated that ECUD ordered 4 of these portable water meters / backflow devices. President Ervin explained how the RPZ device works and how it protects the ECUD system. The Board discussed how a backflow incident could happen. Director Kappauf stated that ECUD should require the backflow device and then does ECUD supply the device or require the customer to supply the device. Mr. Fowler inquired as to how you would know if ECUD did not supply the device. Director Kappauf stated you would have to complete inspections. The Board discussed the rates and how to figure the amounts. Director Shaw stated it's such a low number of meters that she feels the Board should set the rates now due to ordering the more expensive meters with the device on them. President Ervin stated there will be maintenance involved with these meters. Mr. Fowler inquired as to how long the backflow device lasts. President Ervin stated at least 10 years. The Board and Mr. Fowler discussed the deposit amounts and fees. President Ervin asked the Board what amount they think the deposit should be. Director Kappauf stated \$2,000. Director Shaw stated she would like to see the deposit cover the cost of the device and stated \$3,000. Mr. Fowler reviewed how the rate would

be set up. Director Kappauf stated it would be helpful to get as much information as possible on the when, where, who of the person using the portable meter. Director Kappauf ECUD should assign what flush valves that are used. Ms. Belknap stated she has been asking more questions when a customer is getting a portable meter. The area it is being use, the type of vehicle being use and if they had a schedule of when it would be used. President Ervin stated the only area he could see running that kind of volume as being as issue is off the Knox Pump Station. Director Shaw inquired as to if there is any wording that can be added if you don't pay your monthly minimum for so long, you forfeit your deposit. Mr. Fowler stated you would look to your terminations provisions for not paying your bill. The Board discusses how long does ECUD have to wait before considering the deposit forfeit when ECUD knows we would not get that portable meter back for some reason. Mr. Fowler stated less than a month. Director Shaw inquired as to if AVR can do a \$3,000 deposit per device rather than account. The Board and Ms. Belknap discuss how this will work with AVR billing and collections. President Ervin stated if a contractor is directly working for ECUD then they will not be putting a deposit down or being billed. Ms. Morales stated the water usage will still be captured to go on the water loss audit report. The Board reviewed the \$3,000 deposit and the \$100 per month charge and the rate of charge for usage and how often to read the meters. Mr. Fowler stated if the meters are 2" meters, then the rates would be the 2" commercial rates in effect at that time. The Board discussed the wording of the motion.

Motion: Director Kappauf made a motion related to the deposit, monthly rates, and usage per 1,000 gallons on portable meters/ backflow devices that the deposit be \$3,000 for the device and a \$100 month meter fee and addition volumetric charge shall utilize ECUD's then existing 2" commercial line rate with the exception that contractors working on and using water in the maintenance or development of ECUD facilities shall receive no charge. Director Shaw seconded the motion. Vote was unanimous, motion carries.

5. Discuss and consider approval of Bill of Sale & Partial Release to abandon Triple L, Inc. pipeline and 1977 easement to Marcus Paul Thompson (W74 Oil Tools) (presented by President Ervin

President Ervin reviewed the agenda item. President Ervin stated agenda item 5 will be discussed with agenda item 6. Director Shaw inquired as to if this is the line that is running under the building on this property. President Ervin stated yes. Mr. Fowler stated that in 1977 there was a business at this location called Triple L and they gave ECUD easement for a line to be built on the property. Mr. Fowler stated at that time there was no building. Mr. Fowler stated the land is now owned by Mr. Thompson of W74 Oil Tools. Mr. Fowler stated they are now wanting to build a new building and supply water to it. Mr. Fowler stated that was when the line was rediscovered to under the existing building. Mr. Fowler explained the process of abandoning the water line easement from 1977 and getting a new easement and installation of the new line. President Ervin confirmed that W74 Oil Tools is paying for the reroute. The Board discussed the new line and easement.

Motion: Director Shaw made a motion to approve the Bill of Sale and Partial release to abandon Triple L, Inc. pipeline and 1977 easement to Marcus Paul Thompson (W74 Oil Tools). Director Kappauf seconded the motion. Vote was unanimous, motion carries.

6. Discuss and consider approval of new Water Line Easement from Marcus Paul Thompson (W74 Oil Tools) (presented by President Ervin): President Ervin reviewed the agenda item. The Board discussed agenda item 6 as part of agenda item 5.

Motion: Director Kappauf made a motion to approve the new Water Line Easement from Marcus Paul Thompson (W74 Oil Tools) Director Shaw seconded the motion. Vote was unanimous, motion carries.

7. Discuss and consider approval of Utility Improvements Service Agreement by and between Ector County Utility District and Petroleum Wholesale LP (Main Street Market #110) (presented by President Ervin): - President Ervin stated the Board will discuss agenda item 7 and 8 at the same time but will have separate motions. President Ervin reviewed the agenda items. Mr. Fowler stated Petroleum Wholesale is the truck stop located at FM 1936 and Interstate 20. Mr. Fowler stated ECUD previously had permission from the City of Odessa to serve truck stop about a year ago on a temporary basis. Mr. Fowler stated this first agreement is to extend the line down FM 1936 on the east side. Mr. Fowler stated Petroleum Wholesale only needed a 6" line to provide them with the amount of water needed but ECUD will need a 12" line, so ECUD is paying for the upgrade. Mr. Fowler stated the extension agreement is moving from a handshake to an actual contract. Mr. Fowler stated all the terms and conditions have been looked over by the Board and looked over by their general counsel. Mr. Fowler requests authorizing President Ervin to execute the agreement. Mr. Fowler stated on the Water Sales contract of this extension is built then by contract they become a regular customer and pay the regular water rate, plus taxes. Payment in lieu of taxes. The Board discussed the line going in along FM 1936. Director Kappauf inquired on agenda item 8, would that be a separate rate or is that something added on to their bill once a year. Mr. Fowler stated the Payment in Lieu of Taxes are billed separately.

Motion: Director Shaw made a motion to approve the Utility Improvements Service Agreement by and between Ector County Utility District and Petroleum Wholesale LP (Main Street Market #110) and authorize President Ervin to execute the agreement. Director Kappauf seconded the motion. Vote was unanimous, motion carries.

8. Discuss and consider approval of Water Sales Contract to Petroleum Wholesale LP (Main Street Market #110) (presented by President Ervin): President Ervin reviewed the agenda item. The Board discussed agenda item 8 as part of agenda item 7.

Motion: Director Kappauf made a motion to approve the Water Sales contract to Petroleum Wholesale, LP (Main Street Market #110) and authorize President Ervin to execute the agreement. Director Shaw seconded the motion. Vote was unanimous, motion carries.

Exhibit C

9. Discuss and consider approval of termination letter for Interlocal Agreement with City of Odessa for Billing and Collection Services (presented by President Ervin): President Ervin reviewed the agenda item. President Ervin stated this has been discussed on and off. President Ervin stated this letter has been delivered to the City of Odessa and this the formal motion. Mr. Fowler stated the Billing and Collections contract require a written termination with 30-day notice. Director Kappauf stated the City of Odessa has provided the date the termination needed to be effective for the transition. Director Kappauf stated the City of Odessa has sent its last bill on behalf of ECUD and will continue to collect payment through September 9th at 11:59 PM and answer calls till that day as well.

Motion: Director Shaw made a motion to approve the termination letter for Interlocal Agreement with City of Odessa for Billing and Collection Services. Director Kappauf seconded the motion. Vote was unanimous, motion carries.

10. Discuss and consider approval of Utility Improvements Service Agreement with Lynx Homes, LLC (presented by President Ervin): President Ervin reviewed the agenda item. Mr. Fowler stated the Board has discussed this item before and this is the improvements contract with Dr. Herrera to develop his 50-acre tract. Mr. Fowler stated that Dr. Herrera's concerns are this is a long-term project and Mr. Fowler had proposed he pay up front 10% to start the construction. Mr. Fowler stated the City of Odessa has not approved the plat due to not having a bond. Mr. Fowler stated Dr. Herrera is stating if he gets the plat then he will build, not build it while waiting for the City of Odessa to decide to give him a plat. Mr. Fowler stated he understands that ECUD would select an approved contractor. Mr. Fowler stated with those changes he recommends approval of the contract allowing President Ervin to sign making those 2 changes.

Motion: Director Shaw made a motion to approve the Utility Improvements Service Agreement with Lynx Holmes, LLC with the changes suggest by Mr. Fowler that ECUD approve the contractor and the upfront money to tied to the construction and authorize President Ervin to execute the contract. Director Kappauf seconded the motion. Vote was unanimous, motion carries.

Exhibit D

11. Discuss and consider approval of Texas Mutual Workers' Compensation Insurance Renewal (presented by President Ervin): President Ervin reviewed the agenda item. Ms. Morales stated this the renewal for the Texas Mutual Workers' Compensation Insurance. Ms. Morales stated Brad Allbright came and visited with the Board on the property insurance and others. Ms. Morales explained how in the

insurance is figured and stated it jump due to hiring more field techs. Ms. Morales stated ECUD does get about half of the premium back as a dividend back at the end of the year.

Motion: Director Shaw made a motion to approve the Texas Mutual Workers' Compensation Insurance renewal. Director Kappauf seconded the motion. Vote was unanimous, motion carries.

Exhibit E

12. Discuss and consider approval of proposed 2021 Tax Rate (presented by President Ervin): President Ervin reviewed the agenda item. Ms. Morales gave the Board some information from ECAD to review. Ms. Morales reviewed the following rates. The No-New Revenue Rate of .095012 per \$100, if ECUD wanted to collect the same amount as last year this rate would be adopted. The Voter-Approval Rate of .099289 per \$100. Ms. Morales stated for the Voter-Approval Rate if the Board votes for it there will need to be public hearing and then the Board Meeting to adopt the rate to go into effect for 2021. The Board discussed the different rates. Ms. Morales reviewed the collected tax amounts for the previous year.

Motion: Director Kappauf made a motion to approve the proposed 2021 Voter-Approval Rate of \$0.099289 per \$100. Director Shaw seconded the motion. Vote was unanimous, motion carries.

13. Discuss and appoint an Investment Committee (presented by President Ervin): President Ervin reviewed the agenda item. Director Shaw inquired as to how many people would be on this committee. President Ervin stated at least 3. Director Kappauf stated that in the By-Laws that the Board President must be on every committee. The Board feels like all members should be present before voting.

Motion: Director Shaw made a motion to table item 13 to discuss and appoint an Investment Committee to be added on a later agenda. Director Kappauf seconded the motion. Item tabled.

14. Discuss and consider approval to raise credit limits on credit card and fuel cards. (Presented by President Ervin): President Ervin reviewed the agenda item. Ms. Morales stated what it looks like ECUD is needing an increase on both the credit card and gas cards. The Board discussed possible amounts to raise the limits too.

Motion: Director Kappauf made a motion to raise the credit limit on the spending company card to \$5,000 per month and the fuel cards to \$1,000 per month per fuel card. Director Shaw seconded the motion. Vote was unanimous, motion carries.

Exhibit F

15. Approval of Financial Report for August 11, 2021 (presented by President Ervin):

President Ervin asked the Board to review the financial report. Ms. Morales went over some of the pending items for payments that will be coming out soon. The Board discussed some smaller purchases.

Motion: Director Shaw made a motion to approve the Financial Report for August 11, 2021. Director Kappauf seconded the motion. Vote was unanimous, motion carries.

Exhibit G

16. Approval of Minutes for July 14, 2021, (presented by President Ervin):

President Ervin reviewed the agenda item. The Board reviewed the minutes.

Motion: Director Kappauf made a motion to approve the minutes from the July 14, 2021, Board Meeting. Director Shaw seconded the motion. Vote was unanimous, motion carries.

17. Presidents Report: President Ervin stated ECUD has ordered and received more tablets for the field crews to use for certain projects. President Ervin gave an update on getting the hydrant locks installed. President Ervin stated the City of Odessa will do this installation for \$15 dollars an hour. President Ervin stated the changes to the Website have been completed by a volunteer. Director Kappauf explained that ECUD has not been as customer facing before and now we will taking on all customer service functions. So now ECUD will need to have more of those details available to customers. Director Kappauf reviewed some of the changes that would be put into place. Director Shaw stated she would like to have administrative rights for the site as well. Director Shaw inquired as to if any kind of contract drawn up as a volunteer. President Ervin stated that the new sample stations will be started anytime. President Ervin stated it will be a total of 16 sample stations. President Ervin stated ECUD is looking for a civil engineer if anyone knows of someone looking. The Board discussed a temp coming to help with the customer service calls. President Ervin stated the Addis property on Tripp Ave has a new representative and some headway is being made. President Ervin stated there will be a new employee coming on the help with the meter reading and some other duties. President Ervin gave some details.

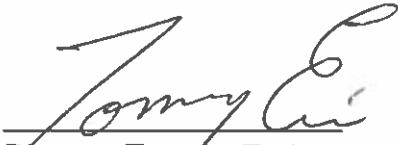
18. AVR Update: Director Kappauf gave an update on AVR and going live on the billing and collections process. Director Kappauf went over the timeline map and gave an update on Beacon as well.

19. Discuss ECUD Rules & Policies: Ms. Morales stated there has been no movement on this agenda item.

20. City Water Bill: The Board reviewed the city water bill and collection summary.

Motion: There being no other business, a motion was made by Director Shaw and seconded by Director Kappauf at 5:42 pm to adjourn the meeting.

Meeting adjourned at 5:42 pm.



Director Tommy Ervin
Secretary and Treasurer
August 11, 2021