

To: Aqua WSC Board of Directors

From: Dave McMurry

Subject: General Manager's Report

September 30, 2020

FINANCIAL OVERVIEW

	August			YTD		
	Budget	Actual	Diff.	Budget	Actual	Diff.
Total Revenue *	1,887,596	2,106,422	218,826	11,122,955	12,197,143	1,074,188
Total Expenses	1,168,841	969,457	199,384	8,855,847	8,244,282	611,565
Net Revenue	718,755	1,136,965	418,210	2,267,109	3,952,861	1,685,752

* Total Revenue includes Other Income not reflected in Water or Wastewater revenue.

Note: All Black figures in the Difference column are favorable. Red figures are unfavorable.

1. Using the **2020 Seasonally Adjusted Monthly Budget** (five years of data):
 - Total Revenues in August are **\$218,826** above budget. Year-to-date, Total Revenues are **\$1,074,188** above budget.
 - Total Expenses in August are **\$199,384** below budget. Year-to-date, Total Expenses are **\$611,565** below budget.
 - Net Revenue in August is **\$418,210** above budget and YTD is **\$1,685,752** above budget.
2. Using the **2020 "Straight-Line" Monthly Budget**:
 - Total Revenues in August are **\$662,988** above budget. Year-to-date, Total Revenues are **\$649,676** above budget.
 - Total Expenses in August are **\$214,779** below budget. Year-to-date, Total Expenses are **\$1,229,605** below budget.
 - Net Revenue in August is **\$877,767** above budget and YTD is **\$1,879,281** above budget.
3. DCOH at the end of August is 352 days.

MANAGEMENT OVERVIEW

1. Conference calls with Corix Utilities to discuss valuation of Stony Point WWTP, discuss purchase price of Stony Point and Aqua's Wastewater CCN, and to review draft teaming agreement.
2. Continue meeting with staff to revise Aqua's Water Tariff.
3. Conference call with Ty Embrey, David Fleming, and Trey Job of City of Bastrop to discuss explosion of growth in our area and working together on future developments.
4. Participated in the initial implementation meeting for Cityworks.
5. Lost Pines Groundwater Conservation District (LPGCD) – from David Fleming's report:

Monthly Board Meeting of 9/16/2020:

 - Unable to attend, but nothing noteworthy.
 - Attended a meeting with President Mike Talbot and General Manager Jim Totten to discuss the possible need for increasing staff at LPGCD.
 - Attended a Desired Future Conditions (DFC) subcommittee meeting regarding the new proposed DFCs. The bad news: The DFCs will have to increase due to increased pumping within the LPGCD and another 10 years of planning. However, the good news: The Modelled Available Groundwater (MAG) is increasing due to the use of an updated Groundwater Availability Model (GAM).

2019 & 2020 Aquifer Levels (Source: LPGCD)				
Month	Change From Previous Month (ft.)	% Change From Previous Month	Change From Previous Year (ft.)	% Change From Previous Year
<i>April</i>	*	*	*	*
<i>May</i>	*	*	*	*
<i>June</i>	*	*	*	*
<i>July</i>	*	*	*	*
<i>August</i>	*	*	*	*
<i>September</i>	**	**	**	**

* No Data

** No Data will be reported until in-person board meetings resume.

PRODUCTION (Steve Dunn)

1. Participated in Cityworks database development meetings.
2. Completed the Risk and Resilience Assessment draft under Section 2013 of America’s Water Infrastructure Act of 2018 (AWIA) for drinking water utilities.
3. Exercised valves for the S Water Treatment Plant renovation capital improvement project.
4. Began pond maintenance including vegetation removal at the Camp Swift WTP with the Field and Maintenance department.
5. Bi-annual wastewater collection system smoke testing project status.
 - Six private customer collection system issues require repairs.
 - One underground collection system issue requires repair by Aqua.
6. The average number of days of Chlorine on hand for September was 55.

Maintenance (Steve Faske)

1. Completed 20% of valve exercising and fire hydrant maintenance in Zone 5.
2. Rebuilt original Stony Point WWTP headworks screen for emergency or back-up use.
3. Completed site landscape maintenance at 52 Aqua facilities.

Conservation (Chuck Kellogg)

1. Completed electronic Backflow Prevention Assembly Test (BPAT) form. Preparing to go live and test the electronic BPAT submission form via the Aqua website.
2. Utilities Houston Toad Committee approved the amended MOU for the Non-Endowed Commitment to Fund Houston Toad Research. The MOU was sent to Texas State University for final acceptance.
3. Customer Service Inspection work orders status:
 - Currently there are 120 open work orders.
 - Completed 100 CSI inspections.
4. Backflow prevention program status:
 - Issued 21 notifications for annual testing.
 - Issued 0 past due notifications for annual testing.

Lab (John Grohman, Josie Longoria, Linda Nietsche, & Mo Olivieri)

1. Completed and submitted required bi-annual proficiency test sample analysis for accredited methods.
2. Completed required Lead and Copper Rule (LCR) sample collection and testing.
3. Analyzed 463 water and wastewater samples using chemistry and biological test methods.

DISTRIBUTION and FIELD OPERATIONS (Frank Pacheco)

1. Repaired multiple leaks on 18” and 24” lines near Elgin at Monkey Road and Upper Elgin River Road.
2. Completed construction on waterline extension for meter move for Mary and John Colunga at Reynero Road in Travis County.
3. Changed out 2” water meter at ACC Campus in Elgin.
4. Replaced approximately 150 feet of 2” waterline on State Highway 95 near FM 144.

5. Hauled in road material and completed maintenance improvements on road at Camp Swift WTP.
6. Installed 8" casing for concrete driveway and set water meter for Kreshnik Shehu at Powder Horn Drive in The Colony.
7. Changed out 4" interconnect water meter at Bastrop County MUD #1.
8. Completed construction on county road bore to move water meter for A.S. Custom Homes, Inc. at Maschmeir Road.

Leaks (Joey Adams)

1. Repaired 93 water leaks this month.

Fleet Operations (Mike Kirby, Cheri Hilbig, and Donovan Moffett)

1. Vehicle Operations

	April	May	June	July	August
Fuel Expense	\$11,872.19	\$14,708.48	\$18,672.61	\$18,744.16	\$18,421.79
Maintenance Cost	\$7907.26	\$11,935.61	\$5852.49	\$6600.30	\$6050.16
Fleet Miles	51,740	63,323	74,049	76,065	84,278
Fuel Cost Per Mile	\$0.229	\$0.232	\$0.252	\$0.246	\$0.219
Maintenance Cost Per Mile	\$0.15	\$0.19	\$0.08	\$0.09	\$0.07

2. Inventory level is \$465,602.

ENGINEERING (David Fleming)

1. Attended a meeting to discuss changes to Aqua's Tariff required by changing times.
2. Attended a conference call to discuss the valuation of Aqua's wastewater CCN with reference to an agreement with Corix.
3. Attended a conference call with Ty Embrey and Trey Job, City of Bastrop to discuss the quantity of water, the development of the Amendment to the Agreement, and the logistics of providing water to the City of Bastrop to serve West Bastrop Village.
4. Attended a meeting with Specific Energy personnel to discuss the creation of dashboards to organize cellular data coming from the Tagger units to be used in operation of the SCADA system.
5. Working with Justin Scarth, PE, MRB Group to determine the point of delivery and construction details for the meter vault to feed Creedmoor-Maha.
6. Working with Ty Embrey on the Agreement for Harvest Ridge subdivision in Elgin.
7. Average Water Produced in September – 9.5 MGD

SCADA (Geno Abshier)

1. S Pump Station – Moved electrical supply for pumps' upgrade.
2. Camp Swift Pressure Plant – Pulled High Service Pump #2 motor due to electrical short.
3. ER Well #1 – Installed pump and motor. Awaiting final approval from TCEQ.

Construction (Rory Marrs)

1. Twin Creeks Estates – Under Construction
2. Majestic Hills Subdivision – Under Construction
3. Eldorado Estates – Substantially Complete
4. Los Senderos Subdivision – Complete
5. Carter's Grove Subdivision – Substantially Complete
6. Carter's Grove Pump Station – Substantially Complete
7. Pope Bend Road Phase III – Under Construction
8. The Homestead Subdivision Phase I – Complete
9. The Homestead Subdivision Phase II – Under Construction
10. Los Milagros Subdivision – Under Construction
11. Los Milagros Approach Main – Under Construction
12. 2020 Tank Painting – Watts & Highview ESTs – Under Construction
13. 2020 "S" Pump Station Improvements – Under Construction

14. Summer Moon Subdivision – Under Construction
15. Loya Ranches – Under Construction
16. Camp Swift Well 3 Wellhead – Complete
17. St. Mary's Subdivision – Under Construction
18. Alviter Subdivision – Under Construction

GIS & IT (Jason Kennedy)

1. Exported and compressed inHANCE and iRemote databases for the Cityworks migration.
2. Addressed issues with permissions on file server. Users were having issues accessing files and some could access files they were not authorized to view. Microsoft released a patch to help address the issues.
3. Began the groundwork to overhaul how remote SCADA users access those networks. The software used in the past is not as secure as more current methods. Working with a few vendors to come up with a solution that is both easy to use and secure.

Development Services & Right-of-Way (Patricia Hernandez)

1. TxDOT US 290 – Reconciliation in progress.
2. Attended an in-house meeting to discuss 2021 CIP projects and the status of ROW acquisition for those projects.
3. Working with TxDOT on scheduling the land acquisition activities for the SH 71 overpass projects.

Title Examiner, New Meter Sets, & Negotiations (Brenda Kohlert, Angie Nunez, & Zach Merino)

1. Blisard Road Line Replacement Project (4 tracts) – Bastrop County research is pending.
2. Summer Moon Subdivision Approach Main (2 additional tracts) – Bastrop County research pending.
3. Las Alamedas Subdivision (5 tracts) – Bastrop County research in progress.
4. Polonia Wholesale Approach Main (Tie-On tract) – Double checked for existing easement on 16" water line installed along frontage in 1985. Completed Bastrop County research and found no easement on tie-in tract. Preparing memo and map with research/easement information for other water lines in the area.
5. Received 40 new meter set applicant files for research on easements, compliance for service, cost estimates for extension, etc.
6. Worked on 168 meter-set/extension files – Last Deed forward (LDF) title research, prepared documents (Easements, Easement Amendments, Release PA, Subordinations), sent for estimate, permits, etc. Completed and closed 36 meter-set/extension files.
7. Sent 27 new meter-set/extension files to Distribution Manager for cost estimates. Distribution Manager completed cost estimates and returned 38 files.
8. Reviewed 38 files with Distribution Manager for capacity, construction route, tie-on tracts, etc.
9. Created 19 construction work orders for line extensions.
10. Los Milagros Subdivision – Completing negotiations with all landowners.
11. St. Mary's Subdivision – Acquired all easements.
12. Behrend Ranch Subdivision – Line locate completed. Waiting for surveying.
13. Frank Pacheco Improvements (Line Relocate Linden Road) – Acquired all easements.

FINANCE (Christie Nutt)

1. In August met with inHANCE and Aqua IT to prepare vendor list for migration to Quick Books. In September, now waiting on inHANCE for vendor export.
2. Compared to August 2019, Aqua billed 1,064 more meters in August 2020.

ADMINISTRATIVE SERVICES (Lisa Wachsmann)

Administration (Lisa Wachsmann)

1. Created 284 work orders to check/change non-reading meter registers.
2. Issued six (6) work orders for change-out of meters with over two million gallons.
3. Performed 29 Data Log Work Orders from August 27 – September 25.

4. Changed 99 meters and made two register changes this month. For 2020, made a total of 818 meter changes not including register changes.
5. Collected GPS data on 621 meters this month for a total of 3,992 meters year to date.

Security (Richard Reyes)

1. After the completion of the Verkada camera trial, replaced two Video IQ (legacy) cameras with the Verkada cloud-based camera solution.
2. The new Dell PowerEdge server is scheduled to be installed in early October. Dell EMC and Aqua HR are finalizing COVID-19 expectations necessary before Dell will work on site.
3. Testing two HP mini-desktop PCs for security use at Camp Swift and the Lab.

Safety (Debra McCullough)

1. Accidents/Injuries
 - Minor hand injury, EE scrapped finger on metal ridge of pipe fitting, no medical attention needed.
2. Inspections:
 - Completed Main Office facility inspection.
 - Completed AED monthly inspections.
3. Training:
 - Participated in kick-off meeting for Cityworks.

CUSTOMER SERVICE (Jennifer Petty)

1. Sent no high usage IVR alert calls to customers because of short reporting period.
2. Opened 1,081 work orders and closed 710.
3. Opened 650 disconnects for non-payment (Cycle 1 and Cycle 4). Locked 87 in Cycle 1 (Zones 1, 4, 5, & 8) and 42 in Cycle 4 (Zones 2, 3, 6, & 7).
4. Meters:
 - Meter Sets – 170
 - Temporary Emergency Meter sets – 0
5. Complaints/Kudos:
 - Opened complaints - 1
 - Closed complaints - 1
 - Kudos – 1

HUMAN RESOURCES (Cynthia Braendle)

1. As of September 30, 2020
 - 76 full time employees
 - No part time employees
2. Openings – None
3. Employee Handbook – Attorney redlined copy and sent back for Aqua to review. Planning to have it completed by end of October.
4. Updating PayScale data to reflect current salaries. Managers will get a copy of each of their employee's salary history for 2020.
5. Employee Recognition:

Aaron Hellums and **Ryan Smith** – Human Resources received a call from Terry Meuth saying that Aqua just finished repairing a water leak off Petty Town Road on Dunny Lane. He said Aaron and Ryan were very friendly and efficient and that they did a good job!

Lissete Tullos – Customer Sherry Gaines-Taylor called to thank Lissete for the follow up saying, "You have made the transfer process very easy and seamless. We appreciate your wonderful customer service!"

GOVERNMENT RELATIONS (Joe Morris)

1. I continue to follow the rumors and statements coming out of the Capitol regarding the completion of interim committee reports and plans to conduct the 87th legislative session. To date, the Senate Finance Committee is the only committee to complete a report, but others are in the process of being written or waiting on the print shop. Some committees of the House and Senate did not conduct interim hearings, and thus, will likely not submit a report.

Although nothing official has been released by the House or Senate, based on what I have heard and read, access to the Capitol will be highly restricted this session. Most lobbyists expect to conduct business by text, phone, or email. I will keep you posted.

2. Have been working to establish a relationship with Senator Sarah Eckhardt's staff, but it seems the only staff on board is the chief of staff and two carryovers from Senator Watson to handle constituent issues. I believe all of Senator Watson's policy and issue aides have moved to other offices and careers. I will keep you posted.
3. I will be participating in a zoom meeting in October to be hosted by the Texas Water Conservation Association Groundwater Committee to discuss landowner notification of groundwater conservation district rules changes. This came as a result of legislation introduced last session that failed to pass, but the bill's author has indicated it will be filed again.
4. Within the limitations induced by Covid-19, I have maintained contact with legislators and staff on behalf of Aqua WSC.

PERFORMANCE METRICS for 2020

1. **Budget** – Total Expenses year-to-date are 6.68% under budget (based on a five-year historical average). Goal is at least 8% under budget.
2. **Debt Service Coverage Ratio** – DSC for twelve-month roll ending in August is 2.48, not including tap fees. Debt Service Ratio year-to-date is 2.25. Goal is DSC of at least 1.30.
3. **Work Orders** – Processed 2030 work orders to this point in 2020. 0.24% of the work orders exceeded 30 days to complete. Goal is less than 1%.
4. **Meter Sets** – Average days YTD to complete meter installation is 5.21 days. Goal is to average less than 8 workdays.
5. **Annual Inventory Turnover** – Inventory turnover YTD is 5.4. Goal is 3.0.

