

## AGENDA ITEM MEMO

**BOARD MEETING DATE:** January 18, 2024

**TO:** Board Members

**THROUGH:** Jeff Walker, Executive Administrator  
Ashley Harden, General Counsel  
Jessica Pena, Deputy Executive Administrator, WSI  
Marvin Cole-Chaney, Director, Program Administration and Reporting

**FROM:** Patrick Kading, Manager, Program Administration

**SUBJECT:** Asset Management Program for Small Systems (AMPSS)

### ACTION REQUESTED

Consider authorizing the Executive Administrator (EA) to: a) select contractors that may be used to complete Asset Management Program for Small Systems (AMPSS) contract deliverables on behalf of participant systems; b) select 20 systems to participate in the second round of AMPSS; and c) initiate and enter into contracts in a total amount not to exceed \$2,000,000 to implement AMPSS.

### BACKGROUND

AMPSS is designed to assist small water and wastewater systems by providing funding to create a comprehensive plan for managing their system in a financially and technically sustainable manner. The entities chosen to participate in AMPSS will work with pre-qualified contractors with expertise in utility management, engineering, and consulting to create an asset management plan, an operations and maintenance manual, and other tools to assist the entity plan for the maintenance and eventual replacement of assets critical to successful operation of their systems.

AMPSS began in 2018 as a pilot initiative with three drinking water and three wastewater systems spread geographically throughout the state. In 2023, the first official round of AMPSS projects included 20 systems (10 drinking water and 10 wastewater). This second round of the program will be funded from origination fees from the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF).

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Leading the state's efforts  
in ensuring a secure  
water future for Texas

Brooke T. Paup, Chairwoman | George B. Peyton V, Board Member | L'Oreal Stepney, P.E., Board Member  
Jeff Walker, Executive Administrator

Participant systems will be given the opportunity to choose a contractor to work with from a pre-approved list of qualified contractors. There is no financial match requirement for the systems, but they will be required to contribute at least 80 hours of their staff time to the project. The contractors selected to perform work on the project will be required to complete deliverables that are stated in the Scope of Work from the Request for Qualifications (RFQ). The contractors will have one year to complete the main deliverables of the project and will also be required to conduct a follow-up assessment of the implementation of the management tools nine months after completion.

Upon completion of these projects, the participant systems will have in their possession management tools to facilitate short-, medium-, and long-term planning, efficient operations and maintenance of infrastructure, training and on-boarding of new staff, and identification of funding opportunities.

### **PRE-QUALIFIED CONTRACTORS**

An RFQ was posted for solicitation on September 18, 2023, and responses were accepted through October 18, 2023. Twenty-six vendors submitted Statements of Qualifications by the deadline, and one submittal was determined to be administratively incomplete. Twenty-two of the remaining submittals were determined to meet qualification requirements and have been included in the pool of qualified contractors (see Attachment 1).

### **PARTICIPANT SYSTEMS**

This round of AMPSS has the capacity to fund a total of 20 projects, at an amount of up to \$100,000 per project, for a total amount not to exceed \$2,000,000. Ten of the projects will evaluate drinking water systems and ten will evaluate wastewater systems.

Eligible systems include drinking water and wastewater systems that serve less than 5,000 service connections or less than 10,000 people and are eligible for funding through either the CWSRF or DWSRF programs.

### **Application Process**

An application period for potential participant systems was open from September 18, 2023, to November 2, 2023. A total of 114 eligible applications were received, of which 75 were for drinking water systems and the remaining 39 were wastewater systems. A list of the applications received is provided in Attachment 3.

### **Prioritization and Selection**

The applications were scored and ranked for prioritization. The scoring criteria categories focus on the system's size, rural classification, annual household income, operations (recent violation history), recent growth in number of people and connections served, and whether the system applied to be a participant in the first round of AMPSS. A total of 30 points were possible. In the event of a tie, the smallest system (serving the fewest number of connections) won the tiebreaker.

To ensure geographic distribution across the state, the highest scoring system, regardless of system type, from each of the Texas Water Development Board (TWDB) Regional Water Project Development Team (RWPDP) areas were selected first. The remaining spots were filled with the highest scoring applicants, ensuring ten drinking water and ten wastewater systems were selected. Alternates were identified for both system types in the event that a selected system withdraws their intent to participate. Additional alternates were identified for RWPDP Teams Three and Six, since there was only one system from those regions on the participant system list.

For reference, see Attachment 2 for the proposed list of participant systems. Items to note about the proposed list of participant systems:

- Two entities' water and wastewater systems ranked high enough to be selected for both categories, so there is a total of 20 projects serving 18 entities.
- All systems are considered rural according to the criteria defined in Section 15.001 of the Texas Water Code.
- 18 have annual median household incomes (AMHI) below the state's average.
- 16 showed growth in population and connections served over the past three years.
- 15 serve less than 1,000 connections.

#### **NEXT STEPS**

Notifications will be sent directly to the selected systems and contractors, along with an announcement on the TWDB website, including the list of participant systems and qualified contractors. A virtual meeting with representatives from the participant systems and contractors will be conducted to discuss next steps and answer any questions.

Participant systems will be sent the list of qualified contractors, with instructions to select their top three choices of contractors. Priority of choice will be given to systems on a first-come, first-served basis, in the order in which they return their top three choices to the AMPSS coordinator via email. Systems will be given a deadline of 30 days to return their choices to the AMPSS coordinator. Contractors will be limited to a maximum of five projects during this round of AMPSS.

Once the contractor choices have been received and system/contractor pairings have been assigned, the systems and contractors will be sent notification and asked to confirm the pairings. Contracts with the selected vendors and memorandums of agreement with the participant systems will then be initiated and executed.

On the following page is a general timeline of milestones for the project. Dates are based on the date of execution for each contract.

**AMPSS Contract Milestones**

<b>Milestones</b>	<b>Due Date</b>
Conduct contract kickoff meeting	Within 1 month
Submit documentation of software selection	Within 3 months
Draft asset management plan to TWDB	Within 9 months
Final asset management plan to TWDB	Within 12 months
Presentation to System governing body	Within 13 months
All-hands training for System staff	Within 14 months
Implementation report and presentation	Between 20 and 22 months

**RECOMMENDATION**

Authorize the EA to:

- 1) Select contractors that may be used to complete AMPSS contract deliverables on behalf of participant systems,
- 2) Select 20 systems to participate in this round of AMPSS, and
- 3) Initiate and enter into contracts in a total amount not to exceed \$2,000,000 to implement AMPSS.

Attachments:

1. Qualified Contractor List
2. Participant System List
3. Participant System Applications Received List
4. Applicant and Participant Map

**Asset Management Program for Small Systems  
Qualified Contractors**

- Ardurra Group, Inc.
- Burgess & Niple, Inc.
- Collier Consulting, Inc.
- Daniel B. Stephens & Associates, Inc.
- EA Engineering, Science, and Technology, Inc., PBC
- Enprotec / Hibbs & Todd, Inc.
- Freese and Nichols, Inc.
- GHD Inc.
- Half Associates, Inc.
- Hanson Professional Services Inc.
- HDR Engineering, Inc.
- HR Green, Inc.
- Jacob & Martin, LLC
- KCI Technologies, Inc.
- Kimley-Horn and Associates, Inc.
- KSA Engineers, Inc.
- LSPS Solutions, LLC
- MRB Group, P.C.
- RJN Group, Inc.
- Seagull PME
- Texas Rural Water Association
- Utility Engineering Group, PLLC

**Asset Management Program for Small Systems**  
**AMPSS Participant Systems List**

Water Systems:

System	Application Score	RWPD Team
Goliad	26	5
Marfa	26	1
Marlow WSC	25	2
Bluff Dale WSC	24	2
Reklaw	24	4
Markham MUD	24	5
Matagorda Co WCID 5	23	5
Cottonwood Shores	23	5
Balmorhea	22	1
Maverick Co WCID 1	21	6

Wastewater Systems:

System	Application Score	RWPD Team
Goliad	26	5
Marfa	26	1
Sheridan WSC	23	5
Blooming Grove	23	3
Malone	21	2
Glidden FWSD 1	21	5
Bartlett	21	2
Junction	21	1
Alpine	21	1
Brazoria	20	4

Alternates:

System	Application Score	RWPD Team
Water - Blooming Grove	22	3
WW - Wadsworth WSC	19	5
R6 (Water) - East Rio Hondo WSC - Arroyo City	20	6
R3 (WW) - Annona	19	3

**Asset Management Program for Small Systems****Participant System Applications Received**

<b>System</b>	<b>System Type</b>	<b>County</b>
Alpine	Water	Brewster
Alpine	WasteWater	Brewster
Annona	WasteWater	Red River
Annona	Water	Red River
Balmorhea	Water	Reeves
Balmorhea	WasteWater	Reeves
Bartlett	Water	Williamson
Bartlett	WasteWater	Williamson
Bell Milam Falls WSC	Water	Bell
Blooming Grove	Water	Navarro
Blooming Grove	WasteWater	Navarro
Bluff Dale WSC	Water	Erath
Brazoria	Water	Brazoria
Brazoria	WasteWater	Brazoria
Breckenridge	Water	Stephens
Bruceville-Eddy	Water	McLennan
Burton	Water	Washington
Burton	WasteWater	Washington
Cadillac WSC	Water	Bexar
Coahoma	Water	Howard
Coahoma	WasteWater	Howard
Coke County WSC	Water	Coke
Commerce	Water	Hunt
Cottonwood Shores	Water	Burnet
Danbury	Water	Brazoria
Danbury	WasteWater	Brazoria
East Rio Hondo WSC - Arroyo City	Water	Cameron
East Rio Hondo WSC - North Cameron RWTF	Water	Cameron
Eden	Water	Concho
Eden	WasteWater	Concho
Fort Davis WSC	Water	Jeff Davis
Fort Davis WSC	WasteWater	Jeff Davis
Gause WSC	Water	Milam
Glidden FWSD 1	Water	Colorado
Glidden FWSD 1	WasteWater	Colorado
Goliad	Water	Goliad
Goliad	WasteWater	Goliad
Harris Co FWSD 1A	Water	Harris
Harris Co FWSD 1A	WasteWater	Harris
Harris Co MUD 304	Water	Harris
Harris Co MUD 304	WasteWater	Harris
Harris Co MUD 50	Water	Harris
Harris Co MUD 50	WasteWater	Harris
Honey Grove	WasteWater	Fannin
Honey Grove	Water	Fannin

<b>System</b>	<b>System Type</b>	<b>County</b>
Hughes Springs	Water	Cass
Hughes Springs	WasteWater	Cass
Junction	Water	Kimble
Junction	WasteWater	Kimble
Linden	Water	Cass
Linden	WasteWater	Cass
Little Elm Valley WSC	Water	Bell
Llano	Water	Llano
Llano	WasteWater	Llano
Lucas	Water	Collin
Malone	Water	Hill
Malone	WasteWater	Hill
Marble Falls	WasteWater	Burnet
Marble Falls	Water	Burnet
Marfa	WasteWater	Presidio
Marfa	Water	Presidio
Markham MUD	Water	Matagorda
Marlow WSC	Water	Milam
Marsha WSC	Water	Travis
Martindale WSC	Water	Caldwell
Matagorda Co WCID 5	Water	Matagorda
Maverick Co WCID 1	Water	Maverick
Medina Highlands	Water	Bandera
Midway	WasteWater	Madison
Minerva WSC	Water	Milam
Morgan Mill WSC	Water	Erath
Mount Vernon	WasteWater	Franklin
Mount Vernon	Water	Franklin
North Hunt SUD	Water	Hunt
North Milam WSC	Water	Milam
North Rural WSC	Water	Palo Pinto
Nueces Co WCID 3	Water	Nueces
O'Donnell	Water	Lynn
O'Donnell	WasteWater	Lynn
Orange Co WCID 1	Water	Orange
Orange Co WCID 1	WasteWater	Orange
Panorama Village	Water	Montgomery
Panorama Village	WasteWater	Montgomery
Post	Water	Garza
Prairie View	Water	Waller
Presidio	Water	Presidio
Presidio	WasteWater	Presidio
Quail Creek MUD	Water	Victoria
Quail Creek MUD	WasteWater	Victoria
Rayburn Country MUD	Water	Jasper
Reklaw	Water	Cherokee



<b>System</b>	<b>System Type</b>	<b>County</b>
Richland Hills	Water	Tarrant
Richland Hills	WasteWater	Tarrant
River Acres WSC	Water	Nueces
Salem-Elm Ridge WSC	Water	Milam
Santo SUD	Water	Palo Pinto
Sheridan WSC	Water	Colorado
Sheridan WSC	WasteWater	Colorado
Slaton	Water	Lubbock
Slaton	WasteWater	Lubbock
Stephens Regional SUD	Water	Stephens
Sunrise Beach Village	Water	Llano
Wadsworth WSC	WasteWater	Matagorda
Wadsworth WSC	Water	Matagorda
Wallis	Water	Austin
West Columbia	Water	Brazoria
West Columbia	WasteWater	Brazoria
West Lake Hills	WasteWater	Travis
Westhaven WSC	Water	Comal
Winnsboro	Water	Wood
Winnsboro	WasteWater	Wood
Winters	Water	Runnels
Wolfe City	Water	Hunt
Wolfe City	WasteWater	Hunt

## Asset Management Program for Small Systems (AMPSS) 2nd Round Applicants and Selected Participants

