



BROWNSVILLE
PUBLIC UTILITIES BOARD

Facilities/Program Committee

TUESDAY, MAY 27, 2025



BROWNSVILLE
PUBLIC UTILITIES BOARD


Call Open Meeting to Order



BROWNSVILLE
PUBLIC UTILITIES BOARD

Public Comments

Items For Presentation and Discussion

1. Briefing on Upcoming Brownsville Public Utilities Board Water and Wastewater Master Plan - Mark Dombroski
 2. Strategic Plan 2026-2030 Update and Consultant Selection - Mark Dombroski
 3. Presentation and Discussion of the Landis+Gyr (AMI) Tariffs - Eddy Hernandez
 4. Discussion and/or Requests for Future Agenda Items -
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Water and Wastewater Master Plan

PROGRESS UPDATE AND PREVIEW

● ● ● FACILITIES / PROGRAM COMMITTEE | May 27, 2025

Mark Dombroski

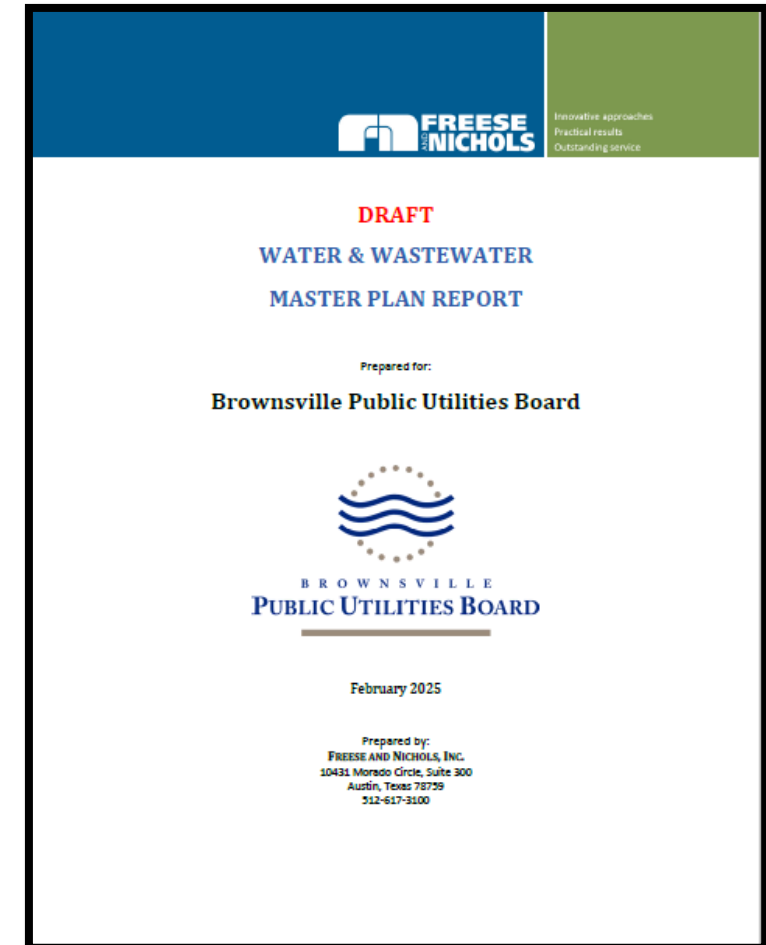
Assistant General Manager and Chief Operating Officer

Operations


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Water & Wastewater Master Plan

- The Plan is used to assist in developing the Capital Improvement Plan and establishing impact fees per Texas Local Government Code Chapter 395
- Industry practice is an update every 5 to 10 years to accommodate development trends, system changes, and capital costs
- The current Plan was finalized on April 2, 2016




Plan Development Responsibilities

- The City of Brownsville provides the Land Use Development Plan (completed June 2024)
 - BPUB selects a Consultant (Freese and Nichols) to develop the Plan
 - BPUB Staff and Consultants collaborate on sharing available data, including GIS, historical water consumption, historical water production, and historical wastewater treatment
 - BPUB Operations staff collaborate with Consultants on field pressure testing, flow monitoring, as well as historical and typical system operations
 - BPUB Staff and Consultants collaborate on all stages of the project to provide input and direction for the Plan, including the recommended CIP
 - BPUB Staff reviews all draft results and recommendations before finalizing, including the Draft Master Plan Report (delivered February 2025)
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Key Elements of the Plan

The Plan includes comprehensive guidance and a long-term strategy for improving BPUB's water and wastewater infrastructure, including:

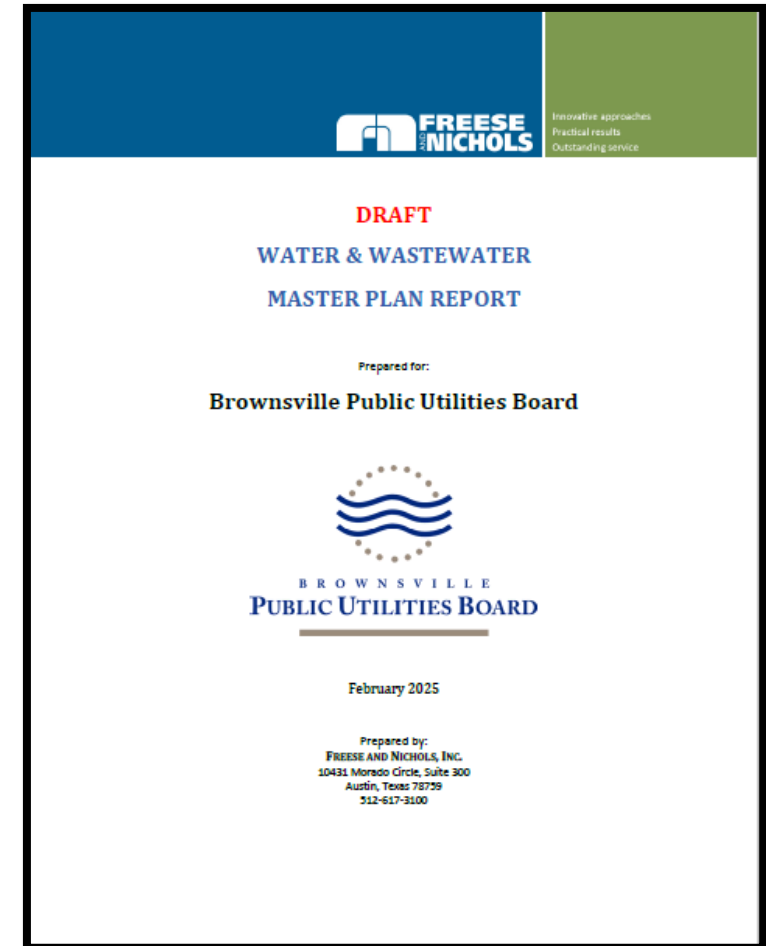
- Projecting system demands through anticipated buildout based on the Land Use Assumption Plan (LUAP) prepared by the City of Brownsville
 - Hydraulic modeling of the systems, including observed system operations and recently completed projects
 - Evaluating regulatory compliance
 - Identifying future system improvements
 - Developing a prioritized CIP for the water and wastewater systems
- 

Key Deliverables in the Plan

- Wastewater flow monitoring, calibration, and analysis of storm events
- Water and wastewater load projections
- Water and wastewater model development and calibration, including:
 - data from field system pressure recorders,
 - GIS and as-built drawings,
 - water system simulations and wastewater system modeling for both dry and wet weather scenarios
- Water and wastewater system modeling
- SRWA system modeling as a sole water source for BPUB due to drought
- CIP and Wastewater modeling services report

Next Steps

- June Facilities and Program Committee Meeting
 - BPUB Staff and Consultants will present an overview of the development and recommendations of the Plan and respond to questions
- July Board of Directors Meeting
 - BPUB Staff and Consultants will provide a Briefing on the Plan, incorporating feedback from the Facilities and Program Committee



Water and Wastewater Master Plan



BROWNSVILLE
PUBLIC UTILITIES BOARD

PROGRESS UPDATE AND PREVIEW



Strategic Plan: 2026-2030

SELECTION OF CONSULTANT

● ● ● FACILITIES / PROGRAM COMMITTEE | May 27, 2025

Mark Dombroski

Assistant General Manager and Chief Operating Officer

Operations

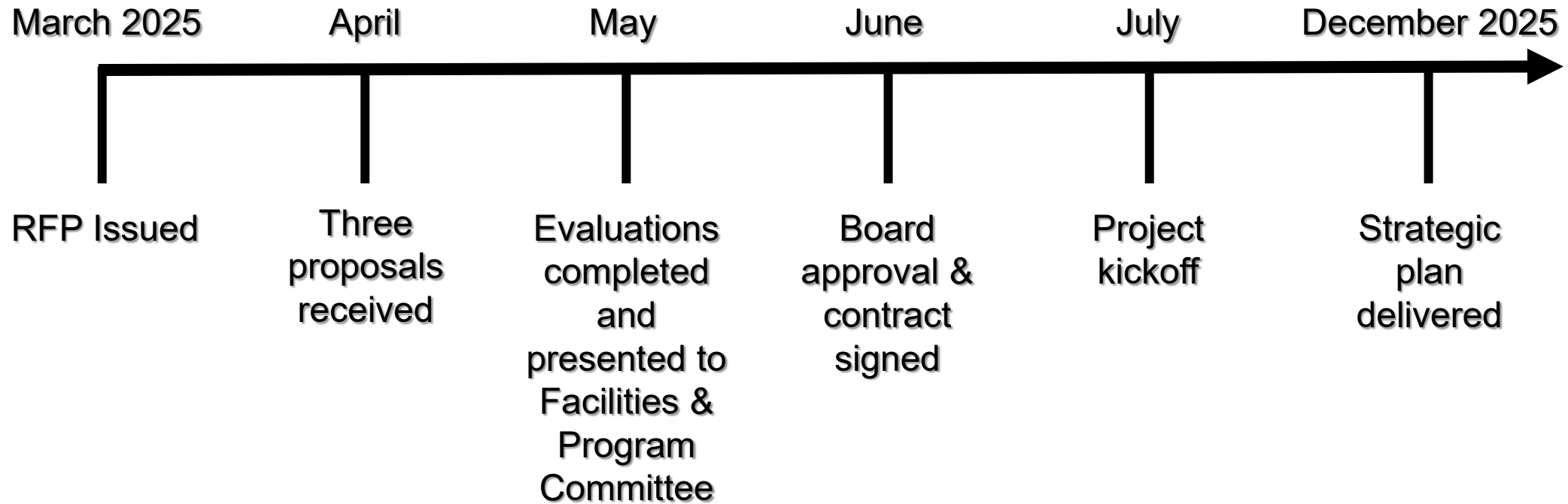
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Current State of Strategic Planning

- 2019-2024 Strategic Plan Update
 - HR managed effort
 - Raftelis Consulting was conducting an update
 - Final update was canceled
- Strategic Planning function transferred to Operations in June 2024
- Aligned to cover the period 2026-2030
- Key elements of approach
 - Build on existing plans
 - Incorporate effective stakeholder engagement
 - Development of Key Performance Indicators (KPIs)
 - Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis



Implementation Timeline and Milestones



Purpose of Strategic Planning

Guiding Direction: It outlines BPUB's long-term vision and goals, ensuring alignment with customer needs and priorities.

Resource Allocation: By identifying priorities, it helps allocate resources (such as funding, personnel, and infrastructure) effectively.

Performance Enhancement: Strategic planning enhances decision-making, responsiveness, and overall utility performance.

Stakeholder Engagement: It involves stakeholders (staff, board members, and customers) to create a shared vision and foster collaboration.

Strategic Plan Statement of Work

- Project Management
- Stakeholder Engagement
- Strengths, Weaknesses, Opportunities, and Threats Analysis
- Strategic Framework Development
- Vision, Mission, and Core Values Development
- Key Strategic Outcomes Selection and Prioritization
- Key Performance Indicators Development and Target Identification
- Alignment of Programs, Projects, and Initiatives
- Implementation Plan and Financial Impacts
- Strategic Plan Delivery and Presentation



ScottMadden, Inc.

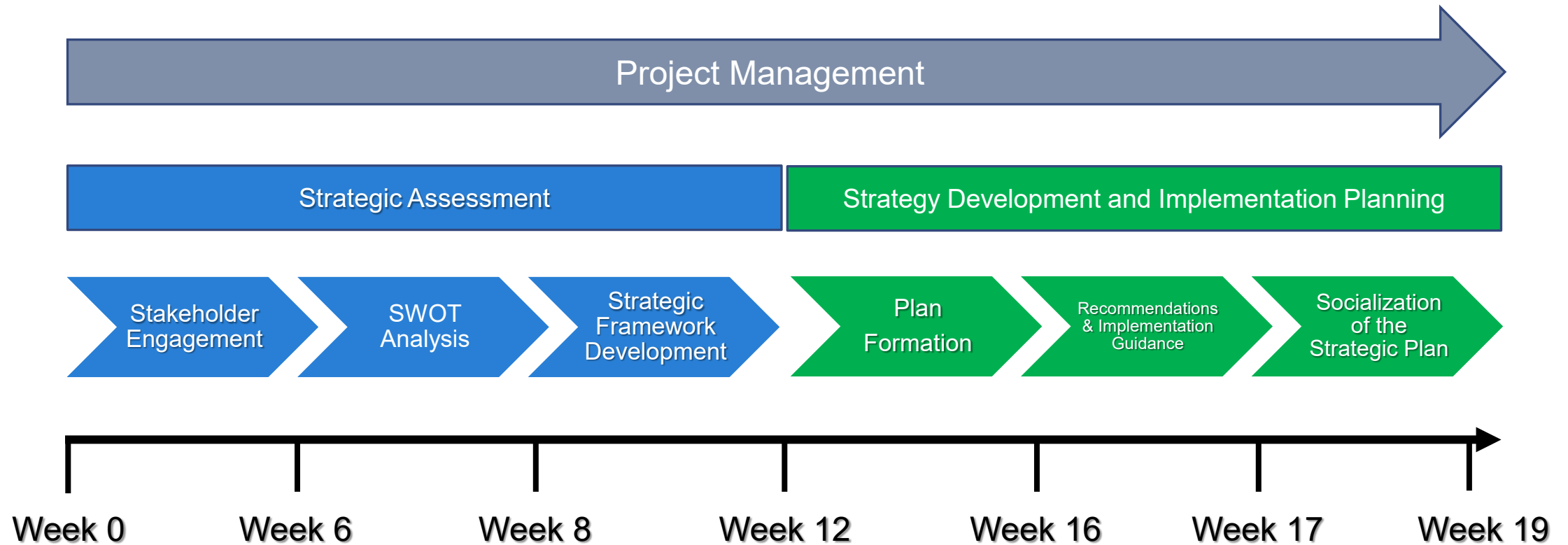
- Management consulting firm founded in 1983 and headquartered in Atlanta, GA
- Specializing in strategic planning, business transformation, operational effectiveness, and digital solutions
- Strong focus on energy and the utility sector



ScottMadden Proposal Strengths

- **Industry Leadership & Experience:** With over 40 years of consulting experience, ScottMadden is a trusted advisor in the energy and utilities sector, having worked with a wide range of electric, water, and wastewater utilities across North America, including municipal and investor-owned entities.
- **Strategic Planning Excellence:** The firm excels in developing comprehensive, actionable strategic business plans. Their methodology includes stakeholder engagement, SWOT analysis, benchmarking, and implementation roadmaps—ensuring alignment with client goals and long-term sustainability.
- **Proven Impact & Results:** Case studies demonstrate their ability to drive measurable improvements, such as helping utilities secure investment-grade credit ratings, streamline operations, and align leadership around future-ready strategies.
- **Stakeholder-Centric Approach:** ScottMadden emphasizes inclusive engagement with leadership, staff, and community stakeholders, ensuring that strategic plans reflect diverse perspectives and operational realities.
- **Commitment to Quality & Ethics:** Their values-driven culture, focus on accountability, and adherence to ethical standards underpin their reputation for delivering high-quality, client-centered solutions.

ScottMadden Project Plan and Timeline



Estimated Cost Summary

Role	Rate	Hours	Fees
Partner	\$490	36	\$17,820*
Manager	\$380	792	\$300,960
Sr. Analyst	\$380	88	\$33,440
		Subtotal	\$352,220*
Survey			\$10,000
		Grand Total (Fees & Expenses)	\$379,831*

Represents approximately \$25,322 per year per business unit for strategic planning

Note: This cost includes ScottMadden development of the associated content and dedicated webpage for the BPUB Strategic Business Plan, if desired by BPUB, as outlined in our email response, dated May 2, 2025, to Diane Solitaire in answer to a series of questions on our proposal.

Strategic Plan: 2026-2030



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SELECTION OF CONSULTANT



Landis + Gyr

TARIFFS

● ● ● FACILITIES / PROGRAM COMMITTEE | May 27, 2025

Eddy Hernandez

Director of Enterprise Solutions

Enterprise Solutions

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Due Diligence

Outside legal counsel was tasked with evaluating the review of the underlying support provided by L + G for the tariff charges and the contractual applicability of the tariffs.

U.S. Customs and Border Protection Entry Summary Document 9LN-2050654-9

- Import from Mexico
- Electric Meters coded 9028.30.000
- Executive Order duty coded 9903.01.01 for non-preferential USMCA Mexican imports (25%)

Current Tariff Policy

- General duty rate for water meter 9028.30.0000 items = 0%
- Executive Order 14194 duty rate for water meters with no USMCA *preferential* treatment = 25%

Landis + Gyr Communications

- Less than 50% of water meter components from the USMCA area
- No USMCA preferential treatment

Landis + Gyr Purchase Agreement

- BPUB is responsible for the tariff amount
- Customary terms:
 - Purchase price does not include governmental charges and taxes that relate to BPUB's acquisition of products
 - A tariff is a tax in addition to the negotiated purchase price

Landis+Gyr Contract

Description	Total
Meters	\$6,088,355.40
Network Equipment	\$150,866.70
RF Tools	\$3,890.00
Software & Support	\$190,841.36
Software Credit	(33,333.34)
Services & Training	\$110,400.00
Performance Bond	\$133,300.00
Contract Total	\$6,644,320.12
Project Services Extension	\$26,200
Total (Contract + CO1)	\$6,670,520.12

Electric Meter Tariff Impact on Pending Orders

Recent changes in U.S. trade policy have introduced or reinstated tariffs on certain components and finished goods. These changes affect select types of Advanced Metering Infrastructure (AMI) equipment, namely commercial electric meters.

Meter Type	Total Order	Pending Quantity	Net Value	Net Tariff Impact	Total *
Residential	48,353	39,706	\$4,188,995.20	0	\$4,188,995.20
Commercial	3,710	3,172	\$810,711.40	\$145,928.05	\$956,639.45
					\$5,145,634.65

- Residential meters are USMAC compliant; therefore, 0% tariff. Some small businesses use “residential” meters.
- Commercial meters are subject to a 25% tariff. The BPUB will pay 18% (\$145,928.05) while Landis + Gyr will absorb 7% (\$56,749.80).

* Amounts calculated based on pending orders

AMI Status

- Installation of water and electric meters began April 2025
 - Installation partner (Allegiant) performing installs in Initial Deployment Area (IDA)
- Completed Milestones
 - Electric network devices installed
 - Head End Systems and Meter Data Management System provisioned
 - Data mapping completed
 - Interfaces established
- AMI solution is the foundation for future efforts such as
 - Outage Management System (OMS)
 - Customer Engagement Portal
 - Engineering Analysis

Item	Total
Board Approved Budget	\$29,711,662.61
Base AMI Budget	\$25,777,834.99
Contingency	\$ 3,933,827.62

Contingency	
Contingency Budget	\$3,933,827.62
Project Expenditures from Contingency	\$2,217,250.43
Remaining Contingency Budget	\$1,716,577.19
L+G Tariff	(145,928.05)
Projected Balance	\$1,570,649.14



As of April 2025

BROWNSVILLE
PUBLIC UTILITIES BOARD





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Questions?

EDDY HERNANDEZ, DIRECTOR OF ENTERPRISE SOLUTIONS



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Discussion and/or Requests for Future Agenda Items



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Adjournment
