

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Regular Board Meeting Minutes**  
**Thursday, March 28, 2013**

The Regular Meeting of the Utility Board of Trustees was conducted on the 28th day of March, 2013 at 5:30 P.M. in the Harlingen Waterworks System's Board Room on the second floor at 134 East Van Buren Avenue, in the City of Harlingen, Texas.

City Commissioners Present: Basilio Sanchez, District 4

Board Members Present: Rick De Los Santos, Vice Chairman  
Richard Uribe, Trustee  
Josh Fields, Trustee  
Carlos Yerena, City Manager, Ex-Officio

Staff Present: Darrell Gunn, General Manager  
Bill Hubbard, System Attorney  
Kathern Davidson, Finance and Revenues Director  
Elizabeth G. Soto, HR Director  
David Sanchez, Water Services Director

Special Speaker: Wayne Halbert, General Manager for Harlingen Irrigation District.

**AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME**

Vice Chairman De Los Santos called the meeting to order at 5:33 P.M. and asked if the Agenda was posted in accordance with the law, Nilda Sanchez responded yes.

**AGENDA ITEM NO. 2: PUBLIC COMMENTS**

No Public Comments.

**AGENDA ITEM NO. 3: APPROVAL OF MINUTES:**

**a) From the Regular Board Meeting of February 28, 2013**

With no corrections made, a motion to approve the minutes from the Regular Board Meeting of February 28, 2013 was made.

Motion: Josh Fields  
Second: Richard Uribe

Motion to approve was carried by a vote of the Board (3-0).

#### **AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS**

**a) Wayne Halbert, General Manager of HIDCC1 presentation status of water supply for Harlingen, Q & A.**

Darrell Gunn informed the Board that Mr. Halbert was going to give a presentation on the status of water supply for Harlingen. Mr. Wayne Halbert gave a detailed presentation on the current standing of Harlingen's water supply. Mr. Halbert explained how many valley cities were having a hard time getting water and he assured the HWWS Board Harlingen did not have a problem when it came to having enough water in this dry season because HWWS had done a good job taking care of their allocations. At this point, HWWS had nothing to worry about, as far as having enough water supply. A brief discussion by the Board ensued.

**b) Discussion regarding Regional Wastewater Program and possible developer agreement and funding for Wastewater Main Extension to Ivey Groves Development.**

Darrell Gunn explained how the Mandatory Sewer Program and that our Regional concept had evolved to a number of developer agreements in the past. There was a sudden stop in development a few years back due to the crash and subprime issue, so there had not been any cooperative agreements in a while so this would be something new to the Board. Mr. John Thomas, developer for Ivey Groves, located on the corner of Bass Blvd and Business 83 was ready to subdivide his property and make some condominiums in that area, however; the City Planning Department was requiring Mr. Thomas to provide sewer in that area. Mr. Gunn reported the project would cost approximately \$339,000. Although Mr. Thomas would have a responsibility to pay a portion City Ordinance states it would be the responsibility of the Waterworks to pay their portion. The project would cost HWWS about \$270,000. Mr. Gunn explained that some time in the future, he would bring back a developers agreement with the authorization of obligation to fund this project with our set portion. Discussion by the Board ensued.

**c) Discussion regarding the policy and procedures of applications and transfers of customer accounts.**

Darrell Gunn explained how HWWS had adopted a new Customer Service Policy last year, in which was working really well. In the updated Customer Service Policy, Waterworks now required a Personal Guarantee for each application. This would ensure HWWS payment if and when the account closed. Also in the new policy, a deed or a lease agreement was to be presented for each new application requesting service, providing proof of the location where the new services would be connected.

Basilio Sanchez, City Commissioner, District 4, discussed his concerns regarding this new procedure. He suggested some of his constituents did not want to have to fill out the newly required paperwork. Mr. Sanchez explained that some of his constituents were having a hard time filling out the paperwork, and that they did not receive help from any HWWS employees.

Kathern Davidson, Finance and Revenue Director assured Mr. Sanchez that Customer Service Personnel did take the time to help customers fill out their applications when needed.

Carlos Yerena, City Manager, conferred that perhaps there could be a more efficient way to sign the new paperwork with the existing forms.

Mr. Gunn explained that Waterworks would definitely take a look at the one page application and see if any revisions could be made to make the process easier for the customer, yet providing sufficient customer information for the Waterworks' protection. Discussion by the Board ensued.

**d) Update and discussion on Customer Service Outreach Committee regarding Commercial Customer Service Policy, Outreach Projects and preparations for Drinking Water Week, May 4, 2013, Market Days Booth.**

Darrell Gunn gave a brief discussion on the progress of the Commercial Service Application. Since large Corporations would not qualify a personal guaranter in the application, it was decided, to charge these Corporations a double deposit upon application, thus securing payments when the accounts closed. Discussion by the Board ensued.

Darrell Gunn briefed the Board on the issue of winter averaging and its calculations. Mr. Gunn disclosed this feature had been in play since 1980, and to make any changes to the system would be difficult. Mr. Gunn did tell the Board he just wanted to make the Board aware of the charges, as the bills could go higher, or the bill could be lower, based on the calculations of the customer's usage. Discussion by the Board ensued.

Mr. Gunn discussed the Outreach Projects that Waterworks had participated in within the community. Nilda Sanchez, Administrative Assistant, briefed the Board on the two Junior League events Waterworks had provided water for, South Texas Sizzler, a 5k/10 run and Kidfit, an event geared for children's awareness on health and fitness. A power point was shown to show Waterworks' Volunteers, giving back to the community. Ms. Sanchez also added that the plans for the second annual event "Drinking Water Week" taking place on May 4, 2013 at Jackson Street Market Days were well under way. Packets were given to all Board Members to view the contents of dispersement for the event. Included were sports bottles, pinwheels, and important information regarding Waterworks, water conservation, etc. New to

the packet this year, were two activity books for the children, created by Joyce Lamon, Customer Service Director. Discussion by the Board ensued.

**e) Report on Delinquent Accounts in excess of \$500.**

Darrell Gunn explained this was a fairly routine monthly report. Bill Hubbard, System Attorney discussed he was still working on law suits to most of the delinquent accounts on the list. Discussion by the Board ensued.

**AGENDA ITEM NO. 5: FINANCIALS**

**a) Monthly Financial Report for month ending February 28, 2013.**

Darrell Gunn gave a brief explanation on the updated Financial Reports, ending February 28, 2013. Mr. Gunn also reported that the External Auditor could be at the next Board Meeting. Discussion by the Board ensued.

**AGENDA ITEM NO. 6: APPROVAL OF RESOLUTIONS**

**a) Resolution No. R1213-21: A resolution to approve or reject the award bid of two (2) 35 HP Submersible Non-Clog Pumps.**

Darrell Gunn reported that these pumps had been worn out years ago and were in dire need of new replacements. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-21– to approve the award bid for two (2) 35 HP Submersible Non-Clog Pumps.

Motion: Richard Uribe  
Second: Josh Fields

Motion to approve was carried by a vote of the Board (3-0).

**b) Resolution No. R1213-22: A resolution authorizing the HWWS investment officers to engage in investment transactions with Independent Bank, Waco, TX.**

Kathern Davidson, Finance and Revenue Director advised the Board how Independent Bank of Waco, TX. was requesting the names and positions of HWWS' investment officers for their records regarding any future transactions. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-22- to authorize the HWWS investment officers to engage in investment transactions with Independent Bank, Waco, TX.

Motion: Josh Fields  
Second: Richard Uribe

Motion to approve was carried by a vote of the Board (3-0).

#### **AGENDA ITEM NO.7: MANAGER'S REPORT**

Darrel Gunn gave a brief explanation of the information included in the Manager's Report. Discussion by the Board ensued.

#### **AGENDA ITEM NO. 8: EXECUTIVE SESSION**

Executive Session was **TABLED**, due to the absence of a couple of Board members, in which attendance was pertinent reflecting this item:

- (a) Executive Session pursuant to § 551.074, Texas Government Code, to discuss performance evaluation, duties, and personnel action regarding the General Manager.

Motion: Richard Uribe  
Second: Josh Fields

Motion to **TABLE** was carried by a vote of the Board (3-0)

#### **AGENDA ITEM NO. 9: ADJOURN**

There being no further business to discuss, the meeting adjourned at 6:57 P.M.

Motion: Richard Uribe  
Second: Josh Fields

Motion to approve was carried by a vote of the Board (3-0)

Attest \_\_\_\_\_

  
Nilda Sanchez, Board Secretary