

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Thursday, April 25, 2013

The Regular Meeting of the Utility Board of Trustees was conducted on the 25th day of April, 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: Cris Villarreal, Chairman
Rick De Los Santos, Vice Chairman
Richard Uribe, Trustee
Mike Garza, 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
Joyce Lamon, Customer Service Director
Elizabeth G. Soto, HR Director
David Sanchez, Water Services Director
Jim Vallely, Wastewater Services Director

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman Villarreal called the meeting to order at 5:30 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 March 28, 2013

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

Motion: Richard Uribe
Second: Rick De Los Santos

Motion to approve was carried by a vote of the Board (4-0).

AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS

a) Presentation by the System's External Auditor, Long Chilton, LLC, regarding the Fiscal Year 2011-2012 Audit.

Long Chilton, LLC Representative, Quentin Anderson, gave a detailed presentation on the HWWS Audit Report for Fiscal Year 2011-2012. Questions and discussion by the Board ensued.

Josh Fields, Trustee, walked in at 5:38 P.M.

b) Discussion on the City of Harlingen's request regarding the relocation of the 20 inch Water Main Supply from Loop 499's Elevated Water Tower.

Darrell Gunn explained how the City of Harlingen was improving the City drainage in the area of Business 77 and Loop 499. A large drainage structure was to be installed on the north and south sides of the road, as this was crucial for the operations of the City. The City has asked Waterworks to relocate the line. Discussion by the Board ensued.

Basilio Sanchez, District 4 Commissioner, left the meeting at 5:50 P.M.

c) Review a request from the Developers of the Reese to lease a space in the existing parking lot to use as a location for a sign.

Darrell Gunn reported that the Reese Developers were interested in leasing a space in our parking lot to be able to place a sign out. However; the appropriate paperwork was not submitted in time for this month's board meeting. Mr. Gunn explained this item would probably be back for discussion at a future board meeting. Discussion by the Board ensued.

d) Report on the System's Elevated Water Tower conditions.

Darrell Gunn gave a brief discussion on the condition of the System's water towers. Mr. Gunn exhibited a power point presentation showing the condition of the water towers. The Osborne tower was not in operation, so it was in need of being torn down, in time, by proper measures. Port of Harlingen's water tower was in the plan to be a part of the East Rio Hondo Water Supply Corporation service area exchange. Pendleton tower was still in operation and the Loop 499 tower was in the process of getting bids to be polished up. Finally, the new

Tamm Lane tower construction was pending approval from TCEQ. Discussion by the Board ensued.

e) Report from Darrell Gunn on the in-house Construction and Engineering Services for HWWS.

Darrell Gunn presented a comprehensive spreadsheet comparison from 2005 to present regarding the progress of the System's improvements. The spreadsheet explained the success and accomplishments because of the System's in-house facilitation. Recognition was especially given to the Construction and Engineering Departments for their dedicated work and skills to have been able to act as engineers and the general contractor for most of the projects, in turn saving HWWS over 15 million dollars throughout the past 8 years. Discussion by the Board ensued.

f) 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. Mr. Hubbard reported some successes on collections for damaged fire hydrants and damage claims from Construction companies. Discussion by the Board ensued.

AGENDA ITEM NO. 5: FINANCIALS

a) Monthly Financial Report for month ending March 31, 2013.

Darrell Gunn gave a brief explanation on the updated Financial Reports, ending March 31, 2013. Discussion by the Board ensued.

b) Presentation and approval of Quarterly Investment report for quarter ending March 31, 2013.

Darrell Gunn gave a brief discussion concerning the Quarterly Investment Report ending September 30, 2012. Discussion by the Board ensued.

A motion was made to approve the Quarterly Investment report for quarter ending March 31, 2013.

Motion: Richard Uribe
Second: Josh Fields

Motion to approve was carried by a vote of the Board (5-0).

AGENDA ITEM NO. 6: APPROVAL OF RESOLUTIONS

- a) Resolution No. R1213-23: A resolution to approve or reject the award bid of one (1) 40,000 pound lift with two (2) rolling jacks and installation as part of the Wastewater Treatment expansion plan.**

Darrell Gunn reported that the plan for relocating the HWWS mechanic's shop to WWTP #2 was well under way. Mr. Gunn explained the current facilities were in poor condition and dangerous when it would rain, leaving the work area muddy. Jim Vallely, Wastewater Services Director explained that the current shop was too small and this move was to be a nicer facility for each department to have ample working space. . Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-23– to approve the award bid of one (1) 40,000 pound lift with two (2) rolling jacks and installation as part of the Wastewater Treatment expansion plan.

Motion: Richard Uribe
Second: Rick De Los Santos

Motion to approve was carried by a vote of the Board (5-0).

- b) Resolution No. R1213-24: A resolution to approve or reject the award bid for the Construction of the MF Runnion Plant Sludge Station.**

Darrell Gunn reported this project was one of Capital Improvement Projects and that the out dated equipment needed to be replaced. The design of the project was done in-house. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-24– to approve the award bid for the construction of the MF Runnion Plant Sludge Station.

Motion: Richard Uribe
Second: Mike Garza

Motion to approve was carried by a vote of the Board (5-0).

- c) Resolution No. R1213-26: A resolution to approve or reject the award of a twelve (12) month supply of 3000 PSI Ready Mix Concrete.**

Darrell Gunn explained the concrete was to be used for normal construction projects. The concrete was a bit heavier grade than usual but was a better quality. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-26– to approve the award a twelve (12) month supply of 3000 PSI Ready Mix Concrete.

Motion: Richard Uribe
Second: Rick De Los Santos

Motion to approve was carried by a vote of the Board (5-0).

d) Resolution No. R1213-27: A resolution authorizing participation in the Cooperative Purchasing Network (TCPN).

Darrell Gunn reported there was no fee for participating in this network and the availability of access to other buy boards to compare prices were a good tool to have for the best purchase prices. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-27– authorizing participation in the Cooperative Purchasing Network (TCPN).

Motion: Josh Fields
Second: Richard Uribe

Motion to approve was carried by a vote of the Board (5-0).

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

A motion was made to enter into Executive Session.

Motion: Richard Uribe
Second: Josh Fields

Motion to approve was carried by a vote of the Board (5-0).

The Board entered into Executive Session at 6:44 p.m.

The Board convened in Executive Session pursuant to § 551.074, Texas Government Code, to discuss possible personnel action regarding the General Manager.

The Board exited Executive Session at 7:19 p.m.

NO ACTION WAS TAKEN

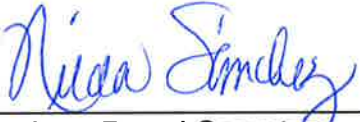
AGENDA ITEM NO. 9: ADJOURN

There being no further business to discuss, the meeting adjourned at 7:19 P.M.

Motion: Rick De Los Santos
Second: Richard Uribe

Motion to approve was carried by a vote of the Board (5-0)

Attest



Nilda Sanchez, Board Secretary