

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Thursday April 30, 2015

The Regular Meeting of the Utility Board of Trustees was conducted on the 30th day of April, 2015 at 9:00 A.M. in the Harlingen Waterworks System's Board Room located on the second floor at 134 East Van Buren Avenue, in the City of Harlingen, Texas.

City Commissioner's Present Victor Leal, District 5

Board Members Present: Richard Uribe, Chairman
 Josh Fields, Vice Chairman
 Kevin Campbell, Trustee
 Michael Garza, Trustee
 Carlos Yerena, City Manager - Arrived at 9:16 a.m.

Staff Present: Darrell Gunn, General Manager
 Kathern Davidson, Finance & Revenue Director
 Jim Vallely, Wastewater Services Director
 David Sanchez, Water Operations Director
 Joyce Lamon, Customer Service Director

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman Uribe called the meeting to order at 9:03 A.M. and asked if the Agenda was posted in accordance with the law, Nilda Sanchez responded yes.

AGENDA ITEM NO. 2: PUBLIC COMMENTS

a) Leticia Pena, a resident of Harlingen commented she had been given a tour of the Waterworks' lab. Ms. Pena also commented on the Pendleton Park tower demolition and how its removal had improved the quality of water. Lastly, Ms. Pena commented her opinion about next year's City Commission election, to provide a proposition regarding the quality of the water and let the citizens decide.

b) Yolanda Shoffeit, a regular Board Meeting attendee commented on how great the water was in Harlingen and shared that Waterworks was doing a wonderful job and she was appreciative.

AGENDA ITEM NO. 3: APPROVAL OF MINUTES

a) **From the Regular Board Meeting of March 26, 2015**

With no corrections made, a motion to approve the minutes from the Regular Board Meeting of March 26, 2015 was made.

Motion: Kevin Campbell
Second: Michael Garza

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

AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS

a) Status report regarding Capital Improvement Projects.

Darrell Gunn showed a power point presentation regarding the current CIP projects. Mr. Gunn reported how the Wastewater Plant expansion was aggressively progressing. Discussion by the Board ensued.

b) Discussion regarding record keeping and time.

Darrell Gunn gave a report regarding the consideration for transitioning to a time clock system. Kathern Davidson, Finance Director reported the complicated process this transition would have for the accumulation and calculation of data in to your system and needed to make sure all the technical properties were going to be taken care of properly. Discussion by the Board ensued.

c) Report on Delinquent Accounts in the excess of \$500 per account.

Darrell Gunn informed the Board this was a fairly routine monthly report. Mr. Gunn reported the Inactive Accounts still contained the identical customers and were pending law suits to be filed. Discussion by the Board ensued.

AGENDA ITEM NO. 5: FINANCIALS

a) Monthly Financial Report for month ending March 31, 2015.

Darrell Gunn gave a brief explanation on the updated Financial Reports. Mr. Gunn reported that net loss compared to budget brought good news because the slow incremental rate increase was progressing and slowly increasing revenue. Discussion by the Board ensued.

b) Presentation of Quarterly Investment Report, for quarter ending March 31, 2015.

Darrell Gunn gave a brief explanation regarding the modest portfolio regarding the Quarterly Investment report. Discussion by the Board ensued.

AGENDA ITEM NO.6: RESOLUTIONS

a) Resolution No. R1415-17: A resolution to reject the award for Electrical Material.

Darrell Gunn reported this bid was sent out for advertisement and the bids came back way over budget, as estimates vary from vender to vender and prices have also gone up. It was recommended that the Waterworks reject this bid and instead implement calling vendors to get quotes for future upcoming projects and perhaps get better pricing. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1415-17– to reject the award for Electrical Materials.

Motion: Josh Fields
Kevin Campbell

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

b) Resolution No. R1415-18: A resolution to approve or reject the award of contract to Foremost Paving, Inc. for the Cameron County/TX Dot US 77/83 South Parallel/Corridor Utility conflict adjustments.

Darrell Gunn informed the Board TXDot was continuing construction from Rangerville Rd. to Ed Carey and discovered our water line was in conflict and the Waterworks had been asked to move it, at our cost. The Waterworks does not have the time or the proper construction crew/equipment to lower the casing and adjust the water lines to meet with the time frame, therefore; a contractor had to be contracted to complete this request. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1415-18– to approve the award for of contract to Foremost Paving, Inc. for the Cameron County/TX Dot US 77/83 South Parallel Corridor Utility conflict adjustments.

Motion: Kevin Campbell
Josh Fields

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

c) Resolution No. R1415-19: A resolution to approve or reject the Engineering Services Contract for Technical Services for Loop 499 Water Tower Storage Tank rehab project.

Darrell Gunn reported Loop 499 tower was in need of rehabbing. Mr. Gunn explained the tank had some rust spots and through close observation, was failing. The tank does not need a full rehab, just a 'shoe shine', as the industry calls it. Mr. Gunn showed a power point presentation regarding Dunham Engineering, the company that did the work at the Tamm Lane tank, highlighting Dunham Engineering's detailed daily inspections for a quality job performance. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1415-19– to approve the award Engineering Services Contract for Technical Services for Loop 499 Water Tower Storage Tank rehab project.

Motion: Josh Fields
Kevin Campbell

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

d) Resolution No. R1415-20: A resolution to approved or reject the award bid for the sale of the .78 acre tract of land (being all of lot 18, Leisure Estates Subdivision) on Osborn Avenue.

Darrell Gunn reported a couple of issues regarding the sales of this property. One was the non-elimination of Waterworks' employees to bid and the other was the appraisal of the property. Mr. Gunn discussed the opportunity for employees to have an option to bid. Bill Hubbard, System Attorney, transcribed a memo that the Waterworks should not eliminate employees from bidding. There were 8 prospects and only 3 bidders. Mr. Gunn reported the property appraisal was appraised a bit high, because the property was considered a colonia area, outside the city limits with dirt roads and septic tanks. Taken into consideration, the property still had to be maintained by Waterworks; Mr. Gunn considered the bid was acceptable. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1415-20– to accept the bid award for the sale of the 078 acre tract of land (being all of Lot 18, Leisure Estates Subdivision) on Osborne Avenue.

Motion: Josh Fields
Kevin Campbell

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

- e) Resolution No. R1415-21: A resolution to Authorize Chairman to execute a letter of support in regard to the proposed Pedestrian and Bicycle trail around Dixieland Lake.**

Darrell Gunn showed exhibits regarding the City's Master Plan for Parks and Trails. The city was asking for letters of support to help the city apply for grants to help fund this project. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1415-21– to authorize Chairman to execute a letter of support in regard to the propose Pedestrian and Bicycle trial around Dixieland Lake

Motion: Kevin Campbell
Josh Fields

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

- f) Resolution No. R1415-22: A resolution to declare Surplus Property and to authorize the disposition of Surplus Property.**

Darrell Gunn reported this was an annual call for surplus items to be sold at the City Auction. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1415-22– to declare Surplus Property and to authorize the disposition of Surplus Property.

Motion: Kevin Campbell
Mike Garza

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

- g) Resolution No. R1415-23: A resolution adopting an amendment to the HWWS Customer Service Policy.**

Darrell Gunn discussed an amendment to the Customer Service Policy regarding the existing Deferred Payment Program for Water and Wastewater Connection Fees and Charges. Discussion by the Board ensued and there was some language issues that were requested to be changed on the amendment before adoption; therefore, this item was TABLED.

A motion was made to approve Resolution No. R1415-23-- to TABLE an amendment to the HWWS Customer Service Policy.

Motion: Josh Fields
Kevin Campbell

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

AGENDA ITEM NO.7: MANAGERS 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 ADJOURN

There being no further business to discuss, the meeting adjourned at 10:28 A.M.

Motion: Kevin Campbell
Second: Michael Garza

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

Attest: _____


Nilda Sanchez, Board Secretary