

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Thursday, June 26, 2014

The Regular Meeting of the Utility Board of Trustees was conducted on the 26th day of June, 2014 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 Commissioners Present: Michael Mezmar, District 3
Chino Sanchez, District 4
Victor Leal, District 5

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

Staff Present: Darrell Gunn, General Manager
Bill Hubbard, System Attorney
Kathern Davidson, Finance and Revenue Director
Jim Vallely, Wastewater Services Director
David Sanchez, Water Services Director

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman De Los Santos called the meeting to order at 9:11 A.M. and asked if the Agenda was posted in accordance with the law, Nilda Sanchez responded yes.

AGENDA ITEM NO. 2: PUBLIC COMMENTS

Yolanda Shoffeit, a customer of the Waterworks began her public comment by expressing how the current Board of Trustees was the best Board she had experienced in a long time. She also commented how Mr. Gunn was the best General Manager and was appreciative about the transparent manner the Waterworks is operated. Ms. Shoffeit also commented on how she and others had some complaints about the Waterworks sending out more than one bill per month.

AGENDA ITEM NO. 3: APPROVAL OF MINUTES

a) From the Regular Board Meeting of May 29, 2014

With no corrections made, a motion to approve the minutes from the Regular Board Meeting of May 29, 2014 was made.

Motion: Josh Fields
Second: Kevin Campbell

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

AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS

a) Report and discuss future Joint Workshops.

Darrell Gunn gave a brief discussion regarding the past Joint Workshops the Waterworks has had with the City Commission. Mr. Gunn updated the Trustees by showing the power point that was presented at the previous Joint Workshops concerning the Capital Improvements Program and how to keep it funded. Discussion by the Board ensued.

b) Procedural discussion concerning Rotation of Officers.

Darrell Gunn reported how procedures regarding the rotation of officers were historically enforced once a Trustee's term concluded. Mr. Gunn explained that once a new Trustee was appointed by the City Commission, the vetting process could take months to clear the new appointee. Mr. Gunn asked the Board of Trustees, if it be their will, to elect new officers as soon as the term was up or to continue to re-elect officers once the new Trustee has been cleared from the City Secretary's office. Discussion by the Board ensued and the Board agreed to continue its process and have re-election of officers once the new Trustee was cleared for appointment.

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

Darrell Gunn informed the Board this was a fairly routine monthly report. Bill Hubbard, System Attorney reported that collection attempts for the inactive accounts were still in progress. Discussion by the Board ensued.

AGENDA ITEM NO. 5: FINANCIALS

a) Monthly Financial Report for month ending May 31, 2014.

Darrell Gunn gave a brief explanation on the updated Financial Reports. Mr. Gunn discussed the System's continued net loss but explained we would be able to still

operate. Mr. Gunn reported that he expected the pumpage to go up again, but that would be depending on any future rain fall. Discussion by the Board ensued.

AGENDA ITEM NO.6: RESOLUTIONS

- a) Resolution No. R1314-22: A resolution to nominate and appoint a Board Member as a Representative of the City Audit Committee.**

Darrell Gunn reported that an ordinance was adopted several years ago to have each City Board appoint one of their Board members to be a representative in the City Audit Commission. Josh Fields, our current representative expressed he would gladly serve another term and be the representative for the Waterworks. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-22– to nominate and appoint Josh Fields as a Representative of the City Audit Commission.

Motion: Rick De Los Santos
Kevin Campbell

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

- b) Resolution No. R1314-23: A resolution to approve or reject the award bid for the supplement of Equipment and Installation of the Filter Control System for Filters 1-6 rehabilitation, in Phases I-III, at the M.F. Rynnion (Dixieland) Water Treatment Plant.**

Darrell Gunn reported that the specialized central filter system at the Dixieland Plant is unique and had special needs when it came to repairs and/or rehabilitation. The current Filter Magic Control System was introduced by WWatertec at the Downtown Water Plant in 2011 and works well for the Waterworks. Mr. Gunn explained how WWatertec was the only distributor that could offer the specialized equipment for the Waterworks, in which has implemented a higher proficiency operations at the plant. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-23– to approve the award bid for the supplement of Equipment and Installation of the Filter Control System for Filters 1-6 rehabilitation, in Phases I-III, at the M.F. Rynnion (Dixieland) Water Treatment Plant.

Motion: Richard Uribe
Josh Fields

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

c) Resolution No. R1314-24: A resolution to confirm the sale of Baker Potts Property to Francisco Castellanos.

Darrell Gunn reported that the previous contract agreement with Mr. Castellanos' purchase of Baker Potts property did not follow through as approved. Mr. Castellanos did approach the Waterworks and requested the Waterworks to assist him in paying the fees for title policy. After some negotiations, the Waterworks agreed to pay the expense of the title policy. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-24– to confirm the sale of Baker Potts Property to Francisco Castellanos.

Motion: Kevin Campbell
Josh Fields

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

d) Resolution No. R1314-25: A resolution to consider the Osborne Property as Surplus Property.

Darrell Gunn reported that this property was no longer in use because the tower had been decommissioned in the 1980's. Since then, the cost of maintaining the grounds was expensive and time consuming. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-25– to consider the Osborne Property as Surplus Property.

Motion: Richard Uribe
Kevin Campbell

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

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.

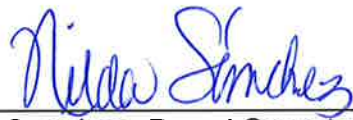
AGENDA ITEM NO. 8 ADJOURN

There being no further business to discuss, the meeting adjourned at 10:31 A.M.

Motion: Richard Uribe
Second: Kevin Campbell

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

Attest: _____



Nilda Sanchez, Board Secretary