

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Thursday, June 30, 2016

The Regular Meeting of the Utility Board of Trustees was conducted on the 30th day of June, 2016 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.

Board Members Present: Josh Fields, Chairman
 Michael Garza, Vice Chair
 Curtis Bonner, Trustee

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

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman Fields called the meeting to order at 9:00 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 regular Board Meeting attendee commented on the importance of freedom of information. Ms. Shoffeit also commented that the attorney of record was not present; however there was an attorney on the Board but was not the attorney of record at the meeting.

AGENDA ITEM NO. 3: APPROVAL OF MINUTES

- a) From the Regular Board Meeting of April 28, 2016 and**
- b) From the Regular Board Meeting of May 26, 2016**

Curtis Bonner, Trustee, requested a grammatical change, Agenda Item No. 6a, page 4, change the word reported to requested. With no further corrections, a motion to approve the minutes from the Regular Board Meeting of April 28, 2016 and May 26, 2016 was made.

Motion: Curtis Bonner
 Michael Garza

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

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AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS

a) Report and Presentation regarding Drinking Water Week.

Darrell Gunn briefed the Board about the American Waterworks Association's Annual Drinking Water Week Event held on May 7, 2016 at Jackson Street Market Days and asked Nilda Sanchez, Administrative Assistant to present a power point presentation showing highlights of the event. Ms. Sanchez informed the Board it was the Waterworks' 5th year to participate in the event and shared statistics regarding items dispersed including: information packets, coloring/activity books for the kiddos, promotional items and free fresh cool drinking water (tap) for the community. Ms. Sanchez concluded by thanking the Board of Trustees for the opportunity to give back to the community. Discussion by the Board ensued.

b) Report and Presentation regarding Credit Card Processing Fees.

Darrell Gunn briefed the Board the City Commission had passed the second reading, June 8, 2016, formally adopting a 3% fee for credit card transactions. Mr. Gunn reported since we were under the City, this ordinance would apply to the Waterworks as well. Kathern Davidson, Finance and Revenue Director reported August 1, 2016 as a target date for implementation at the Waterworks, due to set up/programming of system software. Discussion by the Board ensued and some questions were raised on the difference between credit cards and debit cards and the difference of applicable fee charges. Michael Garza, Vice Chair, voiced his frustration that he had recommended this action a year ago and nothing was done. Discussion continued and a decision to bring this back for next month's meeting was agreed, as more research was needed for clarification.

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

Darrell Gunn briefed the Board on current delinquent accounts. Mr. Gunn reported no changes from last month's report regarding active accounts. Joyce Lamon, Customer Service Director informed the Board 2 inactive accounts had made payments and future payment arrangements. Discussion by the Board ensued.

AGENDA ITEM NO. 5: FINANCIALS

a) Monthly financial report for month ending May 30, 2016.

Darrell Gunn reported this was a routine report. Mr. Gunn explained demand and sales were still down due to recent rainfall. Discussion by the Board ensued.

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b) Presentation of Quarterly Investment Report, quarter ending March 31, 2016.

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

AGENDA ITEM NO. 6: RESOLUTIONS

a) Resolution No. R1516-27: A resolution to reject all proposals received in reply to Request for Proposal #16441 for Web-Hosted Employee Time keeping and Attendance Application issued May 24, 2015.

Darrell Gunn explained previous discussion concerning time keeping and attendance at the Waterworks. Mr. Gunn reported this was item was a bit complex when merging our payroll software and another software. Bids were solicited in May of 2015 and proposals were accepted. Kathern Davidson, Finance and Revenue Director reported research of all bids was evaluated and contact with all proposers was made, finding relevant content in all proposers' bids. Ms. Davidson reported a year's time had passed and in order to get a better evaluation of current offers, it was in the Waterworks' best interest to reject this proposal and send out new proposals for this item. Discussion by the Board ensued.

A motion was made to REJECT Resolution No. R1516-27– to reject all proposals received in reply to Request for Proposal #16441 for Web-Hosted Employee Time keeping and Attendance Application issued May 24, 2015.

Motion: Michael Garza
Curtis Bonner

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

b) Resolution No. R1516-28: A resolution to approve or reject Change Order #3 to RP Constructors INC. for the completion of Wastewater Treatment Plant Expansion.

Mr. Gunn briefed the Board on the continuous progress of the Wastewater Treatment Plant expansion and reported project was about 90% complete. Mr. Gunn explained it was not uncommon to incur unforeseen costs to cover miscellaneous small items; hence, the request for Change Order #3. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1516-28 – to approve Change Order #3 RP Constructors INC. for the completion of Wastewater Treatment Plant Expansion.

Motion: Curtis Bonner
Second Michael Garza

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

c) Resolution No. R1516-29: A resolution to declare Surplus Property and to authorize Disposition of Surplus Property.

Darrell Gunn reported this was the City's Annual Auction; therefore needing authorization to contribute Waterworks' unusable items. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1516-29 – to declare Surplus Property and to authorize Disposition of Surplus Property.

Motion: Michael Garza
Curtis Bonner

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

d) Resolution No. R1516-30: A resolution to approve or reject award contract for Flow Meters and Totalizers.

Darrell Gunn reported this was for the Wastewater Treatment Plant Project. Mr. Gunn explained a new in house ranking scale to evaluate proposals was productive in evaluating the best qualified deals for the Waterworks; least expensive is not always the best value. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1516-30 – to approve award contract for Flow Meters and Totalizers.

Motion: Curtis Bonner
Michael Garza

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

e) Resolution No. R1516-31: A resolution to approve or reject award contract for Chlorine and Sulfur Dioxide Equipment.

Darrell Gunn reported this was an annual bid. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1516-31 – to approve award contract for Chlorine and Sulfur Dioxide Equipment.

Motion: Curtis Bonner
Michael Garza

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

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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: TOUR OF WASTEWATER TREATMENT PLANT

Mr. Gunn reported a tour of the Wastewater Treatment Plant was scheduled, adjourning the meeting on site; however, not all Board members were able to attend the tour, lacking a quorum; therefore, the meeting was adjourned.

AGENDA ITEM NO 9: ADJOURN:

There being no further business to discuss, the meeting adjourned at 9:44 A.M.

Motion: Curtis Bonner
Second: Michael Garza

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

Attest: _____


Nilda Sanchez, Board Secretary