

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Thursday, July 28, 2016

The Regular Meeting of the Utility Board of Trustees was conducted on the 28th day of July, 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.

City Commissioners Present: Michael Mezmar, District 3

Board Members Present: Josh Fields, Chairman
Michael Garza, Vice Chair
Curtis Bonner, Trustee
Kevin Campbell, Trustee
Dan Serna, City Manager, Ex-Officio

Staff Present: Darrell Gunn, General Manager
Bill Hubbard, System Attorney
Kathern Davidson, Finance & Revenue Director
Jim Vallely, Wastewater Services Director
Joyce Lamon, Customer Service Director

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman Fields called the meeting to order at 9:04 A.M. and asked if the Agenda was posted in accordance with the law, Nilda Sanchez responded yes.

AGENDA ITEM NO. 2: PUBLIC COMMENTS FOR HWWS CUSTOMERS AND CITY OF HARLINGEN RESIDENTS

No Public Comments

AGENDA ITEM NO. 3: APPROVAL OF MINUTES

a) From the Regular Board Meeting of June 30, 2016.

With no corrections made, a motion to approve the minutes from the Regular Board Meeting of June 30, 2016 was made

Motion: Curtis Bonner
Michael Garza

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

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AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS

a) Report and Discussion on the establishment of Board Meeting dates and times for Fiscal Year 2016-2017.

Darrell Gunn briefed the Board on last month's Tour of Facilities and encouraged all to attend at any time, just to let him know and it could be arranged. Mr. Gunn reported our calendar year usually began in summertime since that was the time trustee appointments expired and new trustee appointments began. Mr. Gunn explained time/date conflicts for some current trustees was challenging and the lack of an appointed trustee also brought issues to complete a quorum at times. Discussion by the Board ensued and a consensus to schedule the Board Meeting dates and times was agreed to the last Wednesday of every month at 3:00 P.M., beginning August 31, 2016. Discussion to present a resolution for approval at next month's meeting.

b) Discussion regarding Schedule for the Appointment of Officers.

Darrell Gunn briefed the Board about summertime being a time of transition with the terminations and re-appointments of trustees. Mr. Gunn explained this change came with election of officers. Mr. Gunn discussed the option to wait for a full board and then elect officers or elect officers with current trustees, applying traditional rotation of chairs for officer appointments. Discussion by the Board ensued and a consensus to elect officers would be on next month's agenda.

c) Presentation of proposed Fiscal Year 2016-2017 Budget.

Darrell Gunn briefed the Board this was a non-action preliminary budget submittal for the upcoming fiscal year budget. Mr. Gunn suggested a Special Board Meeting would probably have to be scheduled for formal budget adoption from our trustees, to be prepared for final presentation at the City Commission Meeting scheduled for September 7, 2016. Discussion by the Board ensued.

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

Darrell Gunn briefed the Board this was a routine monthly report. Mr. Gunn reported a couple of Inactive accounts had made payment arrangements for their delinquent accounts. Discussion by the Board ensued, Curtis Bonner, Trustee reported several construction companies leaving high balances and expressed interest into implementing a remedy for these delinquent accounts from construction companies. Michael Garza, Vice Chairman, suggested a higher deposit rate for temporary construction meters, alleviating high balances if the contractors did not pay. Discussion by the Board continued and a consensus to upgrade the deposit rate for temporary construction meters was agreed upon and a resolution was to be presented at next month's Board Meeting.

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AGENDA ITEM NO. 5: FINANCIALS

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

Darrell Gunn reported this was a routine report. Discussion by the Board ensued.

AGENDA ITEM NO. 6: RESOLUTIONS

a) Resolution No. R1516-32: A resolution to authorize General Manager, Darrell Gunn to execute signature for water rights certificates, amendments and deeds.

Darrell Gunn briefed the Board about several water rights that were previously purchased were still registered under Harlingen Irrigation District. Mr. Gunn reported TCEQ recommended a Partition Deed be executed by the Waterworks' General Manager, Darrell Gunn, and also by the City Manager, Dan Serna. Execution of the document was then recorded at the county and submitted to TCEQ. TCEQ was now requesting Board action granting Darrell Gunn the authority to execute documents. Curtis Bonner, Trustee, requested an amendment to the resolution, identifying the name of the General Manager and add Darrell Gunn to the resolution. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1516-32– to authorize General Manager, Darrell Gunn, to execute signature for water right certificates, amendments and deeds.

Motion: Michael Garza
Curtis Bonner

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

b) Resolution No. R1516-33: A resolution authorizing a processing fee to be added to payment transactions when a payment card is used as the form of payment.

Mr. Gunn briefed the Board on the cost of recent processing fee charges when using a payment card for payments. Mr. Gunn reported the City's recent approved ordinance approving a 3% charge for credit card transactions was concern for the Waterworks' Board of Trustees. Mr. Gunn explained the Board decided to have our own resolution regarding this item. Mr. Gunn reported Kathern Davidson, Revenue & Finance Director had done extensive research regarding this matter. Including System Attorney, Bill Hubbard also had an opinion in this matter. Discussion by the Board ensued and a consensus to accept a processing fee be collected from customers in an amount

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sufficient to cover expenses incurred in processing payment card transactions, not to exceed five percent (5%) the amount of fee or other charges.

A motion was made to approve Resolution No. R1516-33 – to authorize a processing fee to be added to payment transactions when a payment card was used as the form of payment.

Motion: Curtis Bonner
Second Kevin Campbell

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

c) Resolution No. R1516-34: A resolution to re-appoint Josh Fields, Board Trustee, as a Representative of the City Audit Commission.

Darrell Gunn reported this was the City's Annual Appointment for the Audit Commission and was re-appointing Josh Fields. Josh Fields, Chairman commented he didn't mind the re-appointment and would represent the Waterworks. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1516-34 – to re-appoint Josh Fields, Board Trustee, as a Representative of the City Audit Commission.

Motion: Curtis Bonner
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 10:00 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