

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

The Regular Meeting of the Utility Board of Trustees was conducted on the 30th day of July, 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 Commissioners Present: Michael Mezmar, District 3
Victor Leal, District 5

Board Members Present: Richard Uribe, Chairman
Josh Fields, Vice Chairman
Kevin Campbell, Trustee
Curtis Bonner, Trustee
Carlos Yerena, Ex-Officio

Staff Present: Darrell Gunn, General Manager
William Hubbard, System Attorney
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 9:05 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 she was speaking on respect and manners from others; went on to say that she had overheard a Waterworks employee mistreat a customer because Ms. Shoffeit reported that she sits out in the Waterworks' building lobby. Ms. Shoffeit explained she had experienced a time when she had to pay a large bill for a water leak and did not have a leak on her property. Ms. Shoffeit concluded by saying the Waterworks employee needed anger management classes.

AGENDA ITEM NO. 3: OATH OF OFFICE

Darrell Gunn reported a new trustee, Curtis Bonner, and re-appointed trustee Richard Uribe were scheduled to be sworn in:

- a) Josh Fields, Vice Chair, administered the oath of office to newly appointed Board Trustee Curtis Bonner. Mr. Bonner took his seat and the meeting resumed.

- b) Josh Fields, Vice Chair, administered the oath of office to re-appointed Board Trustee, Richard Uribe. Mr. Uribe took his seat and the meeting resumed.

AGENDA ITEM NO. 4: APPROVAL OF MINUTES

a) From the Regular Board Meeting of June 25, 2015

With no corrections made, a motion to approve the minutes from the Regular Board Meeting of June 25, 2015 was made.

Motion: Kevin Campbell
Second: Josh Fields

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

AGENDA ITEM NO. 5: REPORTS AND PRESENTATIONS

a) Announcing re-appointment of Josh Fields to the HWWS Board of Trustees, by Commissioner Michael Mezmar, District 3, at the regular City Commission meeting held on July 1, 2015.

Darrell Gunn reported he was happy to announce a re-appointment term for Josh Fields.

b) Report on Service Repair Customer Billing Policy

Darrell Gunn informed the Board about an ongoing issue regarding the responsibility between the Waterworks and the customer in repairing/replacing old valves. Mr. Gunn showed a power point presentation detailing the position of the water lines and differentiating the customer's side vs. the Waterworks' side. Historically, as long as the customer had any problems at the meter and did not contact the Waterworks to go evaluate the situation, the customer has always been responsible for any damages incurred to any part of the meter that is on their side. Discussion by the Board ensued and agreed to continue practicing the policy.

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

Darrell Gunn briefed the Board on current delinquent accounts. Bill Hubbard System Attorney reported some new law suits had been filed. Mr. Hubbard gave a brief explanation about not having much success collecting from these debts in a while. Discussion by the Board ensued.

***** Out of Sequence:**

AGENDA ITEM NO. 6: FINANCIALS

a) Monthly financial report for month ending June 30, 2015.

Darrell Gunn gave a brief explanation regarding the current increase in pumpage for the past 3 weeks. Discussion by the Board ensued.

b) Presentation of Quarterly Investment Report, ending June 30, 2015.

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

***** Out Of Sequence:**

d) Presentation of proposed FY 2015-2016 Budget.

Darrell Gunn presented a detailed explanation for the proposed Budget. Darrell Gunn showed a power point presentation regarding Fiscal Year 2015-2016 Budget. Mr. Gunn reported the lowest sales in years because of recent major rainfalls. Mr. Gunn added revenue was in the indefinite mercy of the weather. Mr. Gunn informed the Board about budget and overtime and reported a new crew was going to be hired for the week-ends, with staggered days to alleviate staff from exhausting overtime hours, also bringing some financial relief to the budget. Discussion by the Board ensued.

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AGENDA ITEM NO.7: RESOLUTIONS

- a) Resolution No. R1415-36: A resolution to approve or reject award for Loop 499 CET Rehab.**

Darrell Gunn informed the Board the Tower was in need of rehab, or a shoe shine as it's known in the industry. Mr. Gunn reported the bids were twice the price than what was expected; therefore; a motion to reject this resolution until a rebid was established at a later time. Discussion by the Board ensued.

A motion was made to **REJECT** Resolution No. R1415-36– to reject the award for Loop 499 CET Rehab.

Motion: Curtis Bonner
Josh Fields

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

b) Resolution No. R1415-37: A resolution to approve or reject award for 50% Hydrogen Peroxide.

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

A motion was made to approve Resolution No. R1415-37– to approve bid for 50% Hydrogen Peroxide.

Motion: Curtis Bonner
Kevin Campbell

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

c) Resolution No. R1415-32: A resolution to approve or reject award for the repair of Compressors and Blowers, Electrical Motors 25-600HP, Gear Boxes/Drivers and Vertical Turbine Pumps 10"-20".

Darrell Gunn explained this item was sent out for bids and a recommendation to award all five contracts allowing the Waterworks flexibility choosing the best company to meet our immediate service needs. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1415-32– to approve award the repair of Compressors and Blowers, Electrical Motors 25-600HP, Gear Boxes/Drivers and Vertical Turbine Pumps 10"-20"

Motion: Curtis Bonner
Kevin Campbell

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

d) Resolution No. R1415-33: A resolution to approve or reject award for HVAC Repair.

Darrell Gunn explained the contract was for all the buildings within the system and with their proactive maintenance there are no longer any issues with the A/C units. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1415-33– to approve award for HVAC Repair.

Motion: Josh Fields
Curtis Bonner

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

e) Resolution No. R1415-34: A resolution to approve or reject award for Concrete and Asphalt.

Darrell Gunn reported a brief history on the topic of how concrete and asphalt were done in the past. Mr. Gunn explained 30/40 years ago, there was no way of knowing how this patchwork was done. Mr. Gunn informed the Board that as the City's CCN enlarged, the need for a System crew to repair concrete and asphalt was established. In about 2008, the System downsized considerably and the concrete/asphalt crew was terminated and the concrete/asphalt repairs were given to the City, at a cost to the Waterworks. About 4 years ago, this item was taken out for bids and because there are now some issues with the current contractor passing inspections, the Waterworks is in need of getting these repairs done. A motion to table this item until further research is concluded with the City for the consideration to process the Waterworks' concrete/asphalt repairs. Discussion by the Board ensued.

A motion was made to **TABLE** Resolution No. R1415-34– to table the resolution for Concrete and Asphalt.

Motion: Josh Fields

Curtis Bonner

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

f) Resolution No. R1415-35: A resolution to adopt Fiscal Year 2015-2016 Budget.

Darrell Gunn informed the Board regarding the prior discussion concerning the proposed Fiscal Year 2015-2016 Budget. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1415-35– to adopt Fiscal Year 2015-2016 Budget.

Motion: Josh Fields
Curtis Bonner

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

AGENDA ITEM NO.8: MANAGERS REPORT

Darrel Gunn gave a brief explanation of the information included in the Manager's Report. Discussion by the Board ensued.

AGENDA ITEM 9: ADJOURN

There being no further business to discuss, the meeting adjourned at 10:27 A.M.

Motion: Curtis Bonner
Second: Kevin Campbell

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

Attest: _____


Nilda Sanchez, Board Secretary