

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Regular Board Meeting Minutes**  
**Thursday, July 31, 2014**

The Regular Meeting of the Utility Board of Trustees was conducted on the 31st day of July, 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: Josh Fields, Trustee  
Michael Garza, Trustee  
Kevin Campbell, Trustee  
Carlos Yerena, Ex-Officio

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

**AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME**

Trustee Fields, in the absence of our Chairman De Los Santos and Vice Chairman Uribe, called the meeting to order at 9:02 A.M. and asked if the Agenda was posted in accordance with the law, Nilda Sanchez responded yes.

**AGENDA ITEM NO. 2: PUBLIC COMMENTS**

There were no public comments.

**AGENDA ITEM NO. 3: APPROVAL OF MINUTES**

**a) From the Regular Board Meeting of June 26, 2014**

With no corrections made, a motion to approve the minutes from the Regular Board Meeting of June 26, 2014 was made.

Motion: Kevin Campbell  
Second: Josh Fields

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

**b) From the Special Board Meeting of July 17, 2014**

With no corrections made, a motion to approve the minutes from the Special Board Meeting of July 17, 2014 was made.

Motion: Kevin Campbell

Second: Michael Garza

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

**AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS**

**a) Update on Ordinance Submittal to the City Commission.**

Darrell Gunn informed the Board about the upcoming City Commission meeting for the submittal of the Waterworks' Ordinance Revision. Mr. Gunn discussed the soft transition phase the Waterworks was taking to raise current water and sewer rates. Discussion by the Board ensued.

**b) Consider request from Cameron County Drainage District #5 for reimbursement on adjustment of water lines.**

Darrell Gunn reported the Waterworks had received a reimbursement request from the Drainage District in regards to a water line adjustment. Mr. Gunn explained Drainage District #5 was constructing a project and came across some of the Waterworks' water lines and had to re-adjust them in order to complete their project. The District was now requesting the Waterworks pay them for the work they did to our water lines. Discussion by the Board ensued and was agreed that the Waterworks was not notified about the project and if so, the Waterworks would have been able to make those repairs for a fraction of the cost. Continued discussion did not change the opinion of the Board's decision to not reimburse the Drainage District unless stated by law.

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

Darrell Gunn informed the Board this was a fairly routine monthly report. Discussion by the Board ensued.

**AGENDA ITEM NO. 5: FINANCIALS**

**a) Monthly Financial Report for month ending June 30, 2014.**

Darrell Gunn gave a brief explanation on the updated Financial Reports. Mr. Gunn Showed a chart displaying usage on the gallons per day and said that people are using less water, conservation works. Mr. Gunn added that the recent rain fall did have a significant loss of revenue for the Waterworks. Discussion by the Board ensued.

**b) Presentation of the Quarterly Investment Report, ending June 30, 2014**

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

**AGENDA ITEM NO.6: RESOLUTIONS**

**a) Resolution No. R1314-28: A resolution to award a contract for Professional Auditing Services.**

Darrell Gunn reported that several years ago, a resolution to change auditing services every 5 years was implemented. Request for bids were duly posted and only one (1) bid was received. Mr. Gunn explained how Long Chilton, LLC was the sole bidder for this request and was currently the auditing services for the Waterworks. Discussion by the Board ensued and several comments were made on how well Long Chilton services were in the past and that it was a great choice to continue our auditing business with them.

A motion was made to approve Resolution No. R1314-28– to award a contract for professional services.

Motion: Michael Garza  
Kevin Campbell

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

**b) Resolution No. R1314-29: A resolution to declare Surplus Property and to authorize the disposition of Surplus Property.**

Darrell Gunn reported the Waterworks had several items that were either inoperable or obsolete within the system. Such items were listed in the Surplus list to be auctioned off in the City's annual auction. Carlos Yerena, City Manager asked the Board if they would consider donating some items to the City of Matamoros, Mexico, in which they had recently become sister cities with. Discussion by the Board ensued and it was agreed upon that as long as any federal and state laws were not violated, the Waterworks would approve this and could donate some of the items.

A motion was made to approve Resolution No. R1314-29– to declare Surplus Property and to authorize the disposition of Surplus Property.

Motion: Kevin Campbell

Michael Garza

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

**c) Resolution No. R1314-30: A resolution to approve or reject the award of Liquid Alum.**

Darrell Gunn reported this item was an annual bid for the Liquid Alum. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-30– to approve the award of Liquid Alum.

Motion: Kevin Campbell  
Michael Garza

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

**d) Resolution No. R1314-31: A resolution to approve or reject the contract extensions for a twelve (12) month service contract for the repair of Vertical Turbine Pumps 10” – 20”.**

Darrell Gunn reported this contract gave the Waterworks the opportunity to get rates from three (3) different shops and have an opportunity to negotiate and help make the best decision for the Waterworks. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-31– to approve the contract extensions for a twelve (12) month service contract for the repair of Vertical Turbine Pumps 10” – 20”.

Motion: Kevin Campbell  
Michael Garza

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

**e) Resolution No. R1314-32: A resolution to approve or reject the award of Liquid Alum – Polymer.**

Darrell Gunn reported this contract was the annual bid for the Liquid Alum - Polymer. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-32– to approve the award for the Liquid Alum – Polymer.

Motion: Kevin Campbell  
Michael Garza

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

**f) Resolution No. R1314-33: A resolution to approve or reject the award of Liquid Ammonium Sulfate.**

Darrell Gunn reported this was the annual bid for Liquid Ammonium Sulfate. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-33– to approve the award of Liquid Ammonium Sulfate.

Motion: Kevin Campbell  
Michael Garza

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

**g) Resolution No. R1314-34: A resolution to approve or reject the award of 50% Liquid Sodium Hydroxide (Caustic Soda).**

Darrell Gunn reported this contract was the annual bid for 50% Liquid Sodium Hydroxide (Caustic Soda). Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-34– to approve the award of 50% Liquid Sodium Hydroxide (Caustic Soda).

Motion: Kevin Campbell  
Michael Garza

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

**h) Resolution No. R1314-35: A resolution to approve or reject the renewal of a contract for the repair of compressors and blowers.**

Darrell Gunn reported this was a contract renewal and the price had not changed. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-31– to approve the contract renewal for the repair of compressors and blowers.

Motion: Michael Garza  
Kevin Campbell

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

**i) Resolution No. R1314-36: A resolution to approve or reject the bid for a thirty six (36) month supply contract of uniforms and cleaning services.**

Darrell Gunn reported this new contract was going bring some savings over the 3 year contract. Chris Wilmot, Purchasing Director discussed how the bids were chosen from the Coop Purchasing Agreement. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-36– to approve the contract for a thirty six (36) month supply of uniforms and cleaning services.

Motion: Kevin Campbell  
Michael Garza

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

**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 10:00 A.M.

Motion: Kevin Campbell  
Second: Michael Garza

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

Attest: \_\_\_\_\_

  
Nilda Sanchez, Board Secretary