

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Regular Board Meeting Minutes**  
**Thursday, August 27, 2015**

The Regular Meeting of the Utility Board of Trustees was conducted on the 27th day of August, 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: Victor Leal, District 5

Board Members Present: Richard Uribe, Chairman  
Josh Fields, Vice Chairman  
Kevin Campbell, Trustee  
Michael Garza, Trustee  
Dan Serna, Acting City Manager

Staff Present: Darrell Gunn, General Manager  
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 9:02 A.M. and asked if the Agenda was posted in accordance with the law, Nilda Sanchez responded yes.

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

Yolanda Shoffeit, a regular Board Meeting attendee commented she had been looking for our System Attorney, Bill Hubbard and could not locate him when she needed to speak with him. She reported she was not able to receive certain freedom of information she had requested from a list of Waterworks customers dating back to 5 years of their consumption history.

**AGENDA ITEM NO. 3: OATH OF OFFICE**

Darrell Gunn reported the re-appointment of trustee, Josh Fields and was scheduled to be sworn in:

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

**AGENDA ITEM NO. 4: ELECTION OF OFFICERS**

Richard Uribe informed the Board it was time to have election of officers.

A motion was made to appoint Josh Fields as Board Chairman.

Motion: Michael Garza  
Second: Kevin Campbell

Motion carried by a vote of the Board (4-0)

A motion was made to appoint Michael Garza as Vice Chair.

Motion: Richard Uribe  
Second: Kevin Campbell

Motion carried by a vote of the Board (4-0)

Josh Fields took his place as Chair and thanked Richard Uribe for his service as Chairman and for his leadership.

#### **AGENDA ITEM NO. 5: APPROVAL OF MINUTES**

##### **a) From the Regular Board Meeting of July 30, 2015**

With no corrections made, a motion to approve the minutes from the Regular Board Meeting of July 30, 2015 was made.

Motion: Kevin Campbell  
Second: Richard Uribe

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

#### **AGENDA ITEM NO. 6: REPORTS AND PRESENTATIONS**

##### **a) Report and discussion regarding Residential Deposits.**

Darrell Gunn explained financial challenges regarding residential security deposits. Mr. Gunn showed a power point presentation explaining how current residential security deposits were not sufficiently covering the cost of unpaid accounts at termination. The last residential security deposit increase was back in 1987 but since then inflation has evolved. Mr. Gunn explained the write off for this year's final unpaid billing costs were over 48 thousand dollars. Discussion by the Board ensued and it was recommended to present a resolution at a future Board Meeting to upgrade the Residential Security Deposit to incoming new applicants beginning October 1, 2015.

##### **b) Report and update on Tabled item R1415-34 regarding concrete and asphalt.**

Darrell Gunn informed the Board this item was tabled at last month's meeting pending the City's response to go under contract for concrete and asphalt services for the Waterworks. Dan Serna, acting City Manager informed the Board the City was willing to go under contract with the Waterworks and was already awaiting bid openings within a couple of weeks. Discussion by the Board ensued.

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

Darrell Gunn briefed the Board on current delinquent accounts. The inactive accounts showed a slight increase on the list. Discussion by the Board ensued.

**AGENDA ITEM NO. 7: FINANCIALS**

**a) Monthly financial report for month ending July 31, 2015.**

Darrell Gunn gave a brief explanation this was a pretty routine report. Revenue was down due to recent rain fall. Discussion by the Board ensued.

**AGENDA ITEM NO.8: RESOLUTIONS**

- a) Resolution No. R1415-38:      A resolution to approve or reject award for  
10" Water Line Extension Wilson Rd. &  
Primera Interconnect.**

Darrell Gunn informed the Board this project was for a new wholesale contract with the City of Primera and the job entailed installing a new meter and looping of a water line. Mr. Gunn explained the lowest bidder was Tri-Gen Construction but there was no information on this company to research its credentials or project history. David Sanchez, Water Operations Director reported he knew the company was a general contractor and would most likely subcontract the work out. Discussion continued about selecting the lowest responsible bidder and debate continued about making sure the contract awardee was the most experienced in utility construction for this particular type of contract.

A motion was made to a contract to award Cornett Construction.

Motion: Richard Uribe  
Second: Kevin Campbell

A motion was made to approve Resolution No. R1415-38– to approve the award for 10" Water Line Extension Wilson Road & Primera Interconnect to the lowest qualified bidder, Cornett Construction.

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

Jose Lopez from Tri-Gen Construction was present at the meeting and was given an opportunity to speak. Mr. Lopez explained Tri-Gen Construction had been in business over 30 years and was a multi-faceted company in the construction of commercial and residential homes. Mr. Lopez stated they did have a sub-contractor in mind to do this project. Mr. Lopez added Tri-Gen had a bonding capacity of 10 to 20 million. Mr. Gunn asked Mr. Lopez which utility project they were working on and Mr. Lopez explained there were currently working at 2 cemeteries in Weslaco. Josh Fields, Chairman, thanked Mr. Lopez for his attendance and information and recommended he get with David Sanchez, Water Operations Director to discuss any future projects.

**EXECUTIVE SESSION was called to order: *The Harlingen Waterworks Utility Board of Trustees reserves the right to meet in Executive Session on any agenda item should the need arise, and if applicable, pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.***

Motion: Michael Garza

The Board entered into Executive Session at 9:53 A.M.

The Board exited Executive Session at 10:00 A.M.

No action was taken.

**b) Resolution No. R1415-39: A resolution to approve or reject award for Bagged Cement.**

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

A motion was made to approve Resolution No. R1415-39– to approve bid of Bagged Cement to McCoy's.

Motion: Michael Garza  
Richard Uribe

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

**c) Resolution No. R1415-40: A resolution to approve or reject award for Pipes, Valves and Fittings.**

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

A motion was made to approve Resolution No. R1415-40– to approve award for Pipes, Fittings and Valves to (4) vendors, ACT Pipe, Aguaworks, Ferguson and Morrision.

Motion: Richard Uribe  
Michael Garza

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

**AGENDA ITEM NO.9: MANAGERS REPORT**

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

**\*\*\* Josh Fields, Chairman left at 10:09 A. M.**

**AGENDA ITEM 10: ADJOURN**

There being no further business to discuss, Michael Garza, Vice Chair adjourned meeting at 10:11 A.M.

Motion: Richard Uribe  
Second: Kevin Campbell

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

Attest:   
Nilda Sanchez, Board Secretary