

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Thursday, August 28, 2014

The Regular Meeting of the Utility Board of Trustees was conducted on the 28th day of August, 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: Chino Sanchez, District 4
Victor Leal, District 5

Board Members Present: Rick De Los Santos, Chairman
Josh Fields, Trustee
Michael Garza, Trustee
Kevin Campbell, Trustee
Carlos Yerena, Ex-Officio

Staff Present: Darrell Gunn, General Manager
Bill Hubbard, System Attorney
Kathern Davidson, Finance and Revenue Director
Jim Vallely, Wastewater Services Director
David Sanchez, Water Services Director
Chris Wilmot, Purchasing Agent

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman De Los Santos called the meeting to order at 9:03 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 customer said she just wanted to say that the Waterworks was doing a good job, water is life and it's a good thing we have it.

AGENDA ITEM NO. 3: APPROVAL OF MINUTES

a) From the Regular Board Meeting of July 31, 2014

With no corrections made, a motion to approve the minutes from the Regular Board Meeting of July 31, 2014 was made.

Motion: Kevin Campbell

Second: Michael Garza

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

b) From the Special Board Meeting of August 14, 2014

With no corrections made, a motion to approve the minutes from the Special Board Meeting of August 14, 2014 was made.

Motion: Michael Garza
Second: Kevin Campbell

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

c) From the Special Board Meeting of August 19, 2014

With no corrections made, a motion to approve the minutes from the Special Board Meeting of August 19, 2014 was made.

Motion: Kevin Campbell
Second: Josh Fields

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

AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS

a) Presentation and update from Beatty, Bangle, Strama, P.C.

Darrell Gunn informed the Board, by counsel of the System's attorney, Bill Hubbard, that an Executive Session would have to be administered for the presentation from Eddie Lucio III. Discussion by the Board ensued.

EXECUTIVE SESSION

A motion was made to enter into Executive Session.

Motion: Kevin Campbell
Second: Michael Garza

The Board entered into Executive Session at 9:05 a.m.

The Board exited Executive Session at 9:50 a.m.

NO ACTION WAS TAKEN

****City Manager Carlos Yerena, Commissioner Basilio Sanchez, Commissioner Victor Leal did not return after Executive Session as other city matters were conflicting with time constraints.**

b) Discuss current policy regarding customer identification for service.

Darrell Gunn informed the Board this report was to lay out the facts on the process of identification options when applying for services, in accordance to Federal guidelines. Mr. Gunn did comment that Customer Service Director, Joyce Lamon, did work at her best to help customers obtain services with the Waterworks and still meet proper identification guidelines. Mr. Gunn did explain that screening for proper identification has tightened up the growing debt of non-paying customers. Discussion by the Board ensued.

c) Discussion regarding paving the south parking lot.

Darrell Gunn reported on the status of the south parking lot re-coat project. Chairman De Los Santos commented on the positive representation the parking lot could bring to the Waterworks building. Discussion by the Board ensued and agreed upon that the project was to be put out for formal bids as soon as possible.

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

Darrell Gunn informed the Board this was a fairly routine monthly report. The active accounts remained at zero while the inactive accounts slightly increased. Bill Hubbard, System Attorney, reported he foresaw a change in trend once judgments were filed on the current delinquent accounts. Discussion by the Board ensued.

AGENDA ITEM NO. 5: FINANCIALS

a) Monthly Financial Report for month ending July 31, 2014.

Darrell Gunn gave a brief explanation on the updated Financial Reports. Mr. Gunn reported that sales were up but revenues were still down from last year's historical levels. Discussion by the Board ensued.

RICHARD URIBE, VICE CHAIRMAN WALKED IN AT 10:03 A.M.

AGENDA ITEM NO.6: RESOLUTIONS

- a) Resolution No. R1314-38: A resolution to approve or reject the award of a twelve (12) month extension contract for Comprehensive HVAC Maintenance.**

Darrell Gunn reported this would be the last yearly contract renewal for HVAC Maintenance, as next year this would go out for bids. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-38– to award a twelve (12) month extension contract for Comprehensive HVAC Maintenance.

Motion: Kevin Campbell
Josh Fields

Motion to approve was carried by a vote of the Board (5-0).

- b) Resolution No. R1314-39: A resolution to approve or reject the extension of the contract for 50% Hydrogen Peroxide.**

Darrell Gunn reported this was an extension of the contract for 50% Hydrogen Peroxide. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-39– to approve the extension of the contract for 50% Hydrogen Peroxide.

Motion: Josh Fields
Kevin Campbell

Motion to approve was carried by a vote of the Board (5-0).

- c) Resolution No. R1314-40: A resolution to approve or reject the extension of the contract for Sulfur Dioxide SO₂.**

Darrell Gunn reported this item was an annual extension for Sulfur Dioxide SO₂. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-40– to approve the annual extension of Sulfur Dioxide SO₂.

Motion: Josh Fields
Kevin Campbell

Motion to approve was carried by a vote of the Board (5-0).

d) Resolution No. R1314-41: A resolution to approve or reject the award bid for a twelve (12) month supply contract of Chlorine for the treatment of water and wastewater.

Darrell Gunn reported this contract was last awarded to AOC which was then bought out by DPC Industries, Inc. which honored the current contract. DPC Industries, Inc. was the lowest bidder for this current bid. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-41– to approve the award bid for a twelve (12) month supply contract of Chlorine for the treatment of water and wastewater.

Motion: Rick De Los Santos
Michael Garza

Motion to approve was carried by a vote of the Board (5-0).

e) Resolution No. R1314-42: A resolution to approve or reject the award for a twelve (12) month supply contract of Polymer for Acti-flo.

Darrell Gunn reported this contract was the annual extension for the twelve (12) month supply contract of Polymer for Acti-flo. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-42– to approve the award for a twelve (12) month contract of Polymer for Acti-flo.

Motion: Michael Garza
Josh Fields

Motion to approve was carried by a vote of the Board (5-0).

f) Resolution No. R1314-43: A resolution to approve or reject the extension of the contract for Polymers.

Darrell Gunn reported this was the annual extension for Polymers. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-43– to approve the award of Polymers.

Motion: Richard Uribe
Michael Garza

Motion to approve was carried by a vote of the Board (5-0).

g) Resolution No. R1314-44: A resolution to approve or reject the renewal of a contract for the repair of Electrical Motors 25HP.

Darrell Gunn reported this contract was the renewal contract for the repair of Electrical Motors 25HP. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-44– to approve the renewal contract for the repair of Electrical Motors 25HP.

Motion: Michael Garza
Richard Uribe

Motion to approve was carried by a vote of the Board (5-0).

h) Resolution No. R1314-45: A resolution to approve or reject the bid for the repair of Gear Box/Mixer Drives.

Darrell Gunn reported this was a contract renewal and the last extension available before going out for bids next year. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-45– to approve the extension for the repair of Gear Box/Mixer Drives.

Motion: Rick De Los Santos
Josh Fields

Motion to approve was carried by a vote of the Board (5-0).

i) Resolution No. R1314-46: A resolution to approve or reject the bid for a twelve (12) month service contract for Asphalt and Concrete Pavement Repair.

Darrell Gunn explained the historical use of the City of Harlingen's paid services for all repairs of asphalt and concrete. The City could no longer do the concrete end of repairs, leaving the Waterworks with unfinished concrete work pending. Mr. Gunn reported the Waterworks previously repaired its own asphalt/concrete, but no longer had the staff to do such projects. I.M. Services was the sole bidder for this bid and had already been doing some concrete work for the Waterworks. Discussion by the Board ensued. Vice Chairman Richard Uribe requested a report on outstanding pavement repairs and an estimated cost to create an in-house crew to accomplish these repairs.

A motion was made to approve Resolution No. R1314-46– to approve the twelve (12) month contract for Asphalt and Concrete Pavement repair.

Motion: Josh Fields
Michael Garza

Motion to approve was carried by a vote of the Board (5-0).

j) Resolution No. R1314-47: A resolution to approve or reject the award bid for a twelve (12) month contract of pipes, valves, and fittings.

Darrell Gunn reported this was the annual bid. Mr. Gunn commended staff on the precise work performed to award the lowest prices from all the bids, allowing multiple vendors an opportunity for business. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1314-47– to approve the twelve (12) month contract pipes, valves, and fittings.

Motion: Rick De Los Santos
Josh Fields

Motion to approve was carried by a vote of the Board (5-0).

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 10:37 A.M.

Motion: Kevin Campbell
Second: Josh Fields

Motion to approve was carried by a vote of the Board (5-0).

Attest: _____


Nilda Sanchez, Board Secretary