

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Thursday, August 29, 2013

The Regular Meeting of the Utility Board of Trustees was conducted on the 29th day of August, 2013 at 5:30 P.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: Victor Leal, District 5

Board Members Present: Rick De Los Santos, Chairman
Richard Uribe, Vice Chairman
Josh Fields, Trustee
Mike Garza, Trustee
Carlos Yerena, Ex-Officio

Staff Present: Darrell Gunn, General Manager
Bill Hubbard System Attorney
Kathern Davidson, Finance and Revenues Director
Joyce Lamon, Customer Service Director
Elizabeth G. Soto, HR Director
Jim Vallely, Wastewater Services Director
David R. Sanchez, Water Services Director
John McKenna, IT Director

City Staff: Dan Serna, Assistant City Manager
Javier Zamora, City Engineer

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman De Los Santos called the meeting to order at 5:37 P.M. and asked if the Agenda was posted in accordance with the law, Nilda Sanchez responded yes.

AGENDA ITEM NO. 2: PUBLIC COMMENTS

There we no public comments.

AGENDA ITEM NO. 3: APPROVAL OF MINUTES:

a) From the Regular Board Meeting of July 25, 2013

With no corrections made, a motion to approve the minutes from the Regular Board Meeting of July 25, 2013 was made.

Motion: Josh Fields
Second: Michael Garza

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

**** By special request, City Staff asked if Item # 6 – Resolutions, Resolution No. R1213-45 could be taken out of agenda order for discussion. Chairman De Los Santos agreed.**

h) Resolution No., R1213-45 – A resolution to approve the Fiscal Year Budget 2013-2014.

Darrell Gunn exhibited a power point presentation regarding the proposed Fiscal Year Budget for 2013-2014. Discussion began between the Waterworks and the City of Harlingen concerning the price of garbage collections. The Waterworks budget called for an increase, which was approved at last year's City Commission meeting and then retracted. City staff explained how the increase was not allotted in their budget, once again, and asked Waterworks to keep the garbage collections price at the same price. Discussion by the Board ensued regarding assessing a convenience fee to customers for using a credit card to pay for their bills.

A motion was made to approve Resolution No. R1213-45– to approve the Fiscal Year Budget 2013-2014.

Motion: Josh Fields
Richard Uribe

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

AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS

a) Discussion about the time Board Meetings are held.

Darrell Gunn explained how the scheduled Board Meeting times were changed to meet at 5:30 last year because of a conflicting schedule with then Chairman, Cris Villarreal. Since then, Mr. Villarreal's term had expired and the City Commission repealed section 32.006, the times for which Board Meetings are held. *Ordinance No. 13-19, approved June 19, 2013, allowing the City Boards to have flexibility in*

setting meeting times which allow for not only increased public participation but broader participation by the Board Members who are volunteers appointed by the City Commission to assist the City of Harlingen in the decision making process and whose voluntary assistance is instrumental to the functioning of the City. Discussion by the Board ensued and a resolution to change the Board Meeting times would be presented in the September 26, 2013 meeting. The proposed dates and times would be scheduled for the last Thursday of every month at 9:00 a.m.

b) Discussion regarding Texas for Treaty Compliance.

Darrell Gunn briefed the Board that the Texas for Treaty Compliance was a movement to get political influence to get Mexico to release water to the U.S. The request was to put out a signature petition to in our lobby for our customers but this would only be with the Board's knowledge and consent. Discussion by the Board ensued.

c) Report and presentation regarding Service Area and Goals.

Darrell Gunn reported that the Service Area Agreement with East Rio Hondo Water Supply was in the final stages of completion. HWWS was finalizing application # 10516 with TCEQ. Discussion by the Board ensued.

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

Darrell Gunn explained this was a fairly routine monthly report. Mr. Gunn did report that Camelot had paid their bill in full and was in good standing. Discussion by the Board ensued.

AGENDA ITEM NO. 5: FINANCIALS

a) Monthly Financial Report for month ending August 31, 2013.

Darrell Gunn gave a brief explanation on the updated Financial Reports, ending August 31, 2013. Discussion by the Board ensued.

AGENDA ITEM NO. 6: APPROVAL OF RESOLUTIONS

Resolution No. R1213-38: A resolution to approve or reject the award bid for the Submersible Non Clog Sewage Pumps.

Darrell Gunn reported that this contractor, Xylem Flyght was having some problems, probably at the Corporate level but Waterworks felt confident the local

company was able to still provide Waterworks' needs. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-38– to approve the award bid for the Submersible Non Clog Sewage Pumps.

Motion: Richard Uribe
Mike Garza

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

b) Resolution No. R1213-39: A resolution to approve or reject the award bid for the Pre-engineered Building.

Darrell Gunn reported that Bill Hubbard, System Attorney had some concerns regarding the insulation grade that was bid out and the insulation grade bids that were submitted. Discussion by the Board ensued and a motion to **TABLE** this was motioned.

A motion was made to **TABLE** Resolution No. R1213-39– the award bid for the Pre-engineered Building.

Motion: Richard Uribe
Mike Garza

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

c) Resolution No. R1213-40: A resolution to approve or reject the bid for a twelve (12) month supply contract of Polymer to condition sludge.

Darrell Gunn advised the Board this was an annual bid for the Polymer. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-40– to approve the award bid for a twelve (12) month supply contract of Polymer to condition sludge.

Motion: Josh Fields
Mike Garza

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

d) Resolution No. R1213-41: A resolution to approve or reject the award bid for the twelve (12) month supply of Sulfur Dioxide SO₂.

Darrell Gunn reported to the Board that Praxair AOC was the lowest bidder for this bid advertisement. DPC, the second lowest bidder had submitted a letter informing Waterworks that they had acquired Praxair AOC and were willing to honor the price that was bid by Praxair AOC. Discussion by the Board ensued and a recommendation to accept the contract with DPC accompanied with their letter of affirmation acquiring Praxair AOC stating they would be honoring Praxair AOC's bid price.

A motion was made to approve Resolution No. R1213-41– to approve the award bid for a twelve (12) month supply of Sulfur Dioxide SO₂.

Motion: Richard Uribe
Rick De Los Santos

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

e) Resolution No. R1213-42: A resolution to approve or reject the award bid of the Water System Controllers.

Darrell Gunn presented a Power Point presentation regarding the current and newest technological changes in water system controllers. Mr. Gunn explained the Waterworks' current water system controllers were 15 years old and explained how vital these water systems were for monitoring the water plants and transmitting information. Mr. Gunn reported there had been an extensive evaluation for this item and they were the most qualified to suit the needs of HWWS. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-42– to approve the award bid the Water System Controllers.

Motion: Josh Fields
Richard Uribe

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

f) Resolution No. R1213-43: A resolution to approve or reject the award bid of a THM analyzer.

Darrell Gunn briefed the Board about the THM analyzer and how 2 of the water lab employees had gone to San Antonio Water System to experience how it worked for their system and it was highly recommended to be utilized at HWWWS. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-43– to approve the award bid of the Water System Controllers.

Motion: Richard Uribe
Josh Fields

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

g) Resolution No. R1213-44: A resolution to approve or reject the award proposal of Water Tower Inspection Services.

Darrell Gunn reported this item needed to be handled by professionals within the industry. A ranking system team was put together to score qualifications from a list of criteria. The approved ranking scores qualified two companies and the team decided to use both companies and have an option to negotiate for the best pricing. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1213-44– to approve the proposal of the Water Tower Inspection Services.

Motion: Michael Garza
Josh Fields

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

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 7:30 P.M.

Motion: Michael Garza
Second: Josh Fields

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

Attest  _____
Nilda Sanchez, Board Secretary