

CITY OF HARLINGEN WATERWORKS SYSTEM
Special Board Meeting Minutes
Wednesday, February 8, 2017

The Special Meeting of the Utility Board of Trustees was conducted on the 8th day of February 8, 2017 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: Tudor Uhlhorn, District 2

Board Members Present: Josh Fields, Chairman
Michael Garza, Vice Chair
Kevin Campbell, Trustee
Curtis Bonner, Trustee
Michael Murphy, Trustee
Dan Serna, Ex-Officio

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

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman Fields called the meeting to order at 9:00 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: REPORT AND DISCUSSION

Chairman Fields briefed the Board this Special Meeting was called to discuss some issues regarding the previous Board Meeting on January 25, 2017 on the item concerning the proposed new convention center.

Mr. Gunn briefly explained the history of the lack of infrastructure on the west side of the town, since that area was not intended to expand that far west. Mr. Gunn also added the Waterworks was not in the sewer business at that time. Mr. Gunn reported after a couple of tragedies, the loss of 2 employees lives, the city then asked the Waterworks to start taking care of the wastewater operations, and that's how it's been since about 1976. Since then the City acquired the Stuart Place Waters Supply in 1983, expanding west, but not with the intent to offer sewer services, because there was no infrastructure. Mr. Gunn reported an attempt to build a wastewater plant was proposed

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in 1985 but brought so much controversy at the time the wastewater plant was never constructed. Mr. Gunn reported once Bass Pro Shop was brought to the city, it was connected to the underdeveloped infrastructure. The same thing repeated when Sam's Club was brought into town, which could have been fine with current infrastructure. Mr. Gunn reported a hotel and convention center, and the possibility of a restaurant and future apartment complex were proposed to be built in that area, and there was inadequate infrastructure. Mr. Gunn stated there was currently a significant 12" water system available flowing into an undersized 10" sewer system.

Mr. Gunn explained the solution would be to build the regional lift station with a trunk line on Spur 54 up to Brazil Road, which was currently under construction. This would allow sewer to be pumped north of the area, through Combes, Primera, and the Airport to eventually make its way to the sewer plant, relieving the infrastructure of overload.

Mr. Gunn explained to fund an upgrade to the area, which was not budgeted, would require a budget amendment from the Waterworks and then approved through the City Commission.

Discussion by the Board ensued and conversation was that traditionally, the contractor was responsible to provide infrastructure for the development. Mr. Gunn explained there was a current plat; however, the proposed plat did not include plans to develop a convention center and hotel on an undersized sewer system. Mr. Gunn stated if the plans would have continued to build box stores, with low water/sewer demand, then that might be acceptable.

Discussion by the Board continued and Mr. Dan Serna, City Manager spoke about the city's improvements to the subdivision on Brazil Rd and Teege St. with the intent to develop the area. Mr. Serna explained the city was asked to install a 10" sewer line to service 2 vacant lots in the subdivision. Mr. Serna explained how a hotel was to be constructed in the area in conjunction with a convention center, in which the hotel would handle all the operations of the convention center at their cost. Mr. Serna reported the City's investment had already implemented water and sewer lines and were not prepared to pay for extended services for the subdivision. Mr. Serna went on to say, the issue at hand was who was going to pay for the infrastructure recommended to house the new development at Harlingen Heights Subdivision?

Mr. Serna explained an urgency to finalize the design phase for the convention center/hotel was at stake and the city could not move forward with this project until the plat was finalized. Mr. Serna concluded with saying the Waterworks was going to eventually get back some monies (impact fees) once the lines were tapped into in the future.

Mr. Gunn reported any impact fees received were used to pay for the systems treatment plants and not for the distribution or collection systems. Mr. Gunn explained the plan to eventually get sewer in that area was in the making, but because it was a huge growing commercial area, it was deemed costly for the Waterworks and not in the budget at this time.

Discussion by the Board ensued as an understanding that the Waterworks should help, but not be the sole entity funding, since there were other investors involved. The city reported they had already substantially invested in the infrastructure of this project. A

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suggestion to re-arrange current HWWS' capital improvement projects to complete this project was discussed. Discussion by the Board ensued and a decision to go into Executive Session was made.

A motion was made to enter into Executive Session.

MOTION: Garza SECOND: Bonner

MOTION TO APPROVE: 5 YEAS 0 NAYS

Entered into Executive Session at: 10:09 AM

Exited Executive Session at: 10:56 AM

Action Taken: NO


AGENDA ITEM NO 4: ADJOURN

There being no further business to discuss, the meeting adjourned at 10:57 A.M.

Motion: Michael Garza
Second: Michael Murphy

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

Attest: _____


Nilda Sanchez, Board Secretary