

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, February 22, 2017

The Regular Meeting of the Utility Board of Trustees was conducted on the 22nd day of February, 2017 at 3:00 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.

Board Members Present: Josh Fields, Chairman
 Michael Garza, Vice Chair
 Kevin Campbell, Trustee
 Michael Murphy, Trustee
 Curtis Bonner, Trustee – entered at 3:39 P.M.
 Dan Serna, City Manager, Ex-Officio

Staff Present: Darrell Gunn, General Manager
 Bill Hubbard, System Attorney
 Jim Vallely, Wastewater Services Director
 David Sanchez, Water Services Director
 Kathern, Davidson, Finance & Revenue Director
 Elizabeth Soto, HR Director
 Joyce Lamon, Customer Service Director
 Danielle Bates, Purchasing Agent
 John McKenna, IT Director

City Staff Present Carlos Sanchez, Assistant City Manager

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman Fields called the meeting to order at 3:00 P.M. and asked if the Agenda was posted in accordance with the law, Nilda Sanchez responded yes.

AGENDA ITEM NO. 2: PUBLIC COMMENTS FOR HWWS CUSTOMERS AND CITY OF HARLINGEN RESIDENTS

Josh Fields, Chairman explained the policy for Public Comments was limited to Waterworks customers in our service area and/or a resident of the City Harlingen, TX, with a two minute time limit.

Yolanda Shoffeit, a regular Board Meeting attendee expressed her concerns regarding the City Convention Center and how she thought if the City had not purchased the Ballenger building, the City would have enough money to pay for the infrastructure for the Convention Center. She said she believed the Waterworks should not pay for the infrastructure. Ms. Shoffeit continued to express her concerns regarding accounts that

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, February 22, 2017

were already declared "write offs" and should not be charged for again as applicants re-applied for utility services.

Ron Lozano, a customer of the Waterworks expressed his concerns regarding the Convention Center's infrastructure and who should pay for it.

AGENDA ITEM NO. 3: APPROVAL OF MINUTES

a) From the Regular Board Meeting of January 25, 2017.

Michael Garza, Vice Chairman, requested a change to be made for clarification on page 5, Item 6a, Resolution No. R1617-21, first motion, stated a motion to approve the rejected resolution. Mr. Garza recommended to change the word "approve" to "reject" the resolution. The word change was noted and a motion to approve the Regular Board Meeting Minutes, with the correction, for January 25, 2017 was made.

Motion: Michael Garza
Kevin Campbell

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

b) From the Special Board Meeting of February 8, 2017.

Michael Garza, Vice Chairman, requested a grammatical change to the Special Board Meeting Minutes, page, Item 3, page 9, the word "life" station, to be changed to "lift" station. The word correction was noted and a motion to approve the Special Board Meeting for February 8, 2017 was made.

Motion: Kevin Campbell
Michael Garza

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

AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS

Darrell Gunn showed a brief presentation on how some of our customers were searching www.hwws.com and would confuse another website, similar to Waterworks' website and mistakenly log on to: www.doxo.com/info/harlingen-water-works-system to pay their bills on line. Mr. Gunn explained it was a pay site and not the Waterworks' website. Mr. Gunn reported the website stated they were **not** affiliated with the Waterworks but customers were still paying their bills there. Mr. Gunn explained how the customer's accounts were being cut off for non-payment because their payments to the "doxo" account was not posted in their accounts. The "doxo website mails the payments a week later and the Waterworks does not receive them until about 10 days after the customer's payment was made. Mr. Gunn reported it was confusing and customers were not paying attention to what website they were paying their bills to. Mr.

**CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, February 22, 2017**

Gunn said he wanted to inform the Board about the confusion customers were encountering, just in case they were contacted by any one. Discussion by the Board ensued.

- a) **Discussion to consider and to adopt or reject proposals related to the construction of additional sewage infrastructure including: (1) a proposal that the property developers fund the construction with the possibility, as set out in the current rate structure, that the developers will be reimbursed if and when other developers or property owners connect to the sewer line; (2) a proposal that the property developers and that HWWS share in the cost of construction based on a formula to be determined as development is planned; (3) an amendment to the HWWS budget for the current fiscal year, subject to the approval of the City Commission, to add the construction of additional sewage infrastructure to HWWS' Capital Improvement Plan and to modify the Capital Improvement Plan for that purpose; (4) a proposal that the construction of additional sewage infrastructure be included in the Capital Improvement Plan for the fiscal year beginning October 1, 2017, subject to the approval of the City Commission; and (5) any combination or variance of the foregoing.**

Darrell Gunn briefed the Board on some history concerning the past 2 Board meetings and the area of town experiencing recent high development with very limited infrastructure. Josh Fields, Board Chairman stated there were 3 different options to help move the Convention Center project forward. Mr. Fields reported one group would eventually have to pay for the infrastructure and then discussed reimbursements for the future development of the property. Discussion by the Board ensued regarding potential reimbursement timeline. Mr. Fields reported it was in the best interest of the Waterworks to undertake this project at this time, but the project would be included in the budget for fiscal year 2017-2018, beginning October 1, 2017. A discussion regarding reimbursement was followed. No agreement was reached and no action was taken. The System Attorney was asked to prepare a resolution for the next meeting of the Board for further discussion and possible action.

- b) **Report and Presentation regarding selection of applicants for a new General Manager and Assistant General Manager/Professional Engineer, to review and set up interviews with qualifying candidates and Discussion concerning Offsite Development Agreement for Reyna Heights Subdivision.**

Darrell Gunn addressed the Board regarding his recent retirement announcement in November. Josh Fields, Board Chairman informed the Board it was time to look at applications for two available positions; a General Manager and an Assistant General Manager/Engineer. The Board discussed the applicants according to their qualifications for each position. After a lengthy session, a decision was made to conduct interviews

**CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, February 22, 2017**

with qualifying candidates for each position. The interviews were to be held at a Special Board Meeting, to be scheduled as soon as possible.

*****CURTIS BONNER, TRUSTEE, ENTERED AT 3:39 P.M.**

c) Report on Delinquent Accounts in Excess of \$500 per Account,

Darrell Gunn briefed the Board this was a routine monthly report.

AGENDA ITEM NO. 5: FINANCIALS

a) Monthly financial report for month ending January 31, 2017.

Darrell Gunn reported this was a routine report. Mr. Gunn briefed the Board plant pumpage was high, due to lack of rain. Discussion by the Board ensued.

AGENDA ITEM NO. 6: RESOLUTIONS

a) Resolution No. R1617-23: Resolution to approve or reject Renewal of the service contract for Disposal of Wastewater Plant Sludge.

Darrell Gunn reported the Waterworks had 16 acres of dedication land disposal for processing sludge. Mr. Gunn explained this contract would be utilized only during wet/rainy seasons. Discussion by the Board ensued.

A motion was made to reject Resolution No. R1617-23– to approve Renewal of the service contract for Disposal of Wastewater Plant Sludge.

Motion: Michael Garza
Kevin Campbell

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

b) Resolution No. R1617-24: A resolution to declare Surplus Property and to authorize the Disposition of Surplus Property.

Darrell Gunn reported unused property was declared to be surplus, annually. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1617-24 – to declare Surplus Property and to authorize the Disposition of Surplus Property.

Motion: Curtis Bonner

**CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, February 22, 2017**

Second Kevin Campbell

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

AGENDA ITEM NO.7: MANAGERS 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 4:18 P.M.

Motion: Michael Garza
Second: Curtis Bonner

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

Attest: _____


Nilda Sanchez, Board Secretary