

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Regular Board Meeting Minutes**  
**Wednesday, August 30, 2017**

The Regular Meeting of the Utility Board of Trustees was conducted on the 30th day of August, 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  
   Kevin Campbell, Trustee  
   Michael Murphy, Trustee  
   Dan Serna, City Manager, Ex-Officio

Staff Present:                      Tim Skoglund, General Manager  
   Gene McCullough, System Attorney  
   Darrell Gunn, System Consultant  
   Jim Vallely, Wastewater Services Director  
   David Sanchez, Water Services Director  
   Kathern Davidson, Finance & Revenue Director  
   Joyce Lamon, Customer Service Director  
   Elizabeth Soto, Human Resource Director  
   Danielle Bates, Purchasing 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: APPROVAL OF MINUTES**

**a) Regular Board Meeting of July 26, 2017.**

With no corrections made, a motion to approve the Regular Board Minutes for July 26, 2017 was made.

Motion: Kevin Campbell  
Second: Michael Murphy

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

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**AGENDA ITEM NO. 3: REPORTS AND PRESENTATIONS**

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

Tim Skoglund reported on the status of delinquent accounts. Darrell Gunn, System Consultant, stated that the inactive delinquent balance sheet showed separate line items for water/sewer and garbage with their respective balances. Discussion by the Board ensued and a decision was made to continue showing the two balances on future reports.

**b) Discussion on FY 2017-2018 Budget**

Josh Fields, Board Chairman, addressed the Board regarding the fiscal year 2017-2018 Budget and a need to consider revisions before presentation to City Commission for formal adoption. Discussion ensued and a decision was reached to re-consider elements of the recommended budget in a Special Board Meeting to be scheduled the second week of September.

**c) Discussion of the impacts of Hurricane Harvey on the availability of chemicals necessary for treatment and distribution of potable water.**

Tim Skoglund briefed the Board about Harvey's effect on the future availability and delivery of water treatment chemicals. A concern had arisen about availability of chlorine because the sole vendor in the area, DPC, was unable to continue production at its main plant in the Houston area and stated its intent to meet critical demands out of another facility in Cleburne, TX. Mr. Skoglund stated the Waterworks had enough chlorine supply for about two weeks of operation. Discussion by the Board ensued over the possibility of purchasing chlorine from Mexico if the need arose. Josh Fields, Chairman, stated he would like to be updated on the possibility of purchasing chlorine from Mexico in the future.

**AGENDA ITEM NO. 4: FINANCIALS**

**a) Monthly Financial report for month ending July 31, 2017**

Tim Skoglund advised the Board that the report did not reflect significant changes in the Waterworks financial condition. Discussion by the Board ensued.

**AGENDA ITEM NO. 5: RESOLUTIONS**

**a) R1617-48: Resolution approving Change Order No. 3, to Cornet Construction for Spur 54 Project**

Tim Skoglund noted that Change Order No. 3 would be the final adjustment for the closeout of the Spur 54 Project. This change order would reduce the price below the original contract amount. A deduction from ten line items that were not fully utilized, because of field conditions, would be deducted from the contract amount and that final payment including retainage would be paid to the contractor.

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A motion was made to approve Resolution No. R1617-48 – to approve Change Order No. 3, to Cornet Construction for Spur 54 Project.

Motion: Michael Murphy  
Second: Kevin Campbell

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

**b) R1617-49: Resolution to approve the award of contract for employee uniforms**

Tim Skoglund reported on co-op proposals for a 60-month contract for uniform supply and service. A representative from Unifirst, the low bidder, showed off samples of the different uniform styles chosen for the various Waterworks departments. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1617-49 – to approve award of contract for employee Uniforms

Motion: Kevin Campbell  
Second: Michael Murphy

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

**c) Resolution No. R1617-50: Resolution to approve the award of contract for a 12-month supply of Caliche**

Tim Skoglund presented results of a bid for 12-month supply contract for Caliche with an option of two (2) one-year extensions.

A motion was made to approve Resolution No. R1617-50 – to approve the award of contract for a 12-month supply of Caliche

Motion: Kevin Campbell  
Second: Michael Murphy

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

**d) Resolution No. R1617-51: Resolution to approve bids for a 12-month supply contract of Pipe, Valves & Fittings**

Tim Skoglund informed the Board that the items bid were broken down in multiple groupings and certain bidders having the lowest price for the various groupings were recommended for award of contract. Bid items for manhole ring and covers were

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recommended for rebid to revise the specification to a more suitable standard. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1617-51 – to approve bids for a 12-month supply contract of Pipes, Valves & Fittings

Motion: Kevin Campbell  
Second: Michael Murphy

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

**e) Resolution No. R1617-52: Resolution for ratification of contract for Professional Auditing Services**

Tim Skoglund reported the Waterworks had been entrusting professional auditing services with Long Chilton for several years now and the current contract included an option of two (2) one-year renewal options remaining. Additionally, Mr. Skoglund noted that Long Chilton recently merged with Carr, Riggs & Ingram, and recommended ratification of the original terms of contract revised only by the change in name of the firm to Carr, Riggs & Ingram.

A motion was made to approve Resolution No. R1617-52 – to approve ratification of contract for Professional Auditing Services

Motion: Michael Murphy  
Second: Kevin Campbell

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

**f) Resolution No. R1617-53: Resolution to designate the attorney for the Harlingen Waterworks System**

Tim Skoglund stated that Mr. Gene McCullough, a local attorney, had the experience and qualifications necessary to provide legal representation and services for the Waterworks and serve as System Attorney. Authorization was requested to authorize the General Manager to execute an engagement letter to provide legal representation and services to the Waterworks.

A motion was made to approve Resolution No. R1617-53 – to designate Gene McCullough as the attorney for the Harlingen Waterworks System

Motion: Michael Murphy  
Second: Kevin Campbell

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

**AGENDA ITEM NO. 6: MANGER'S REPORTS**

Tim Skoglund briefly reported on the information included in the Manager's Report. Discussion by the Board ensued.

**AGENDA ITEM NO. 8: PUBLIC COMMENTS**

No Public Comments

**AGENDA ITEM NO. 9: ADJOURN**

There being no further business to discuss, the meeting adjourned at 3:49 P.M.

Motion: Kevin Campbell  
Second: Michael Murphy

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

Attest: \_\_\_\_\_

  
Nilda Sanchez, Board Secretary