

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Special Board Meeting Minutes**  
**Wednesday, September 13, 2017**

The Special Meeting of the Utility Board of Trustees was conducted on the 13th day of September 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  
Dan Serna, City Manager, Ex-Officio

Staff Present: Tim Skoglund, General Manager  
Kathern Davidson, Finance & Revenue Director  
David Sanchez, Water Services Director  
Jim Vallely, Wastewater Services Director  
Elizabeth Soto, Human Resources Director  
Joyce Lamon, Customer Service Director  
John McKenna, IT Director  
Danielle Bates, Purchasing Agent  
Randy Reichle, Environmental Compliance Director  
Angela Barrera, Environmental Compliance Dir. Asst.  
Mark Jasper, Engineering

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: REPORTS AND PRESENTATIONS**

**a) Report on the re-appointment of Kevin Campbell to the Utility Board of Trustees**

Tim Skoglund informed the Board that he received a memo from Commissioner Victor Leal, re-appointing Kevin Campbell to the Utility Board of Trustees for another 4-year term. This new term expires in May of 2021, with a possibility of a 2-year extension before reaching the 10-year consecutive term limit imposed by City Charter. Tim Skoglund and Josh Fields thanked Mr. Campbell for his service to the Waterworks.

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**b) Discussion of the Board Meeting date for December 2017**

Tim Skoglund briefed the Board regarding the regular scheduled Board Meeting date of December 27, 2017. Discussion by the Board ensued recognizing the date was right after the Christmas Holidays. The Board agreed to move the meeting date a week earlier, to December 20, 2017 at 3:00 P.M.

**c) Report on the availability of water treatment chemicals**

Josh Fields, Board Chair, recalled the previous month's discussion on the availability of water treatment chemicals following the devastation hurricane Harvey caused in the Houston area. Tim Skoglund reported the Waterworks has several weeks' worth of inventory of chemicals, most importantly chlorine, to keep treatment plant operations running as usual. Discussion by the Board ensued with agreement to further investigate the possibility of obtaining chlorine and other chemicals from Mexican suppliers.

**AGENDA ITEM NO. 3: RESOLUTIONS**

**a) Resolution No. R1617-54: Resolution to approve the revised recommended 2017-2018 Fiscal Year Budget**

Josh Fields, Board Chair, stated that a change to the recommended FY 2018 Budget approved during a previous Board meeting (R1617-42) was needed to remove the budgeted amount associated with increasing the TMRS employer matching ratio from 1:1 to 2:1. Mr. Fields explained this was the best course to take at this particular time. Discussion by the Board ensued.

Mike Garza, Vice Chairman, asked what the issue was with the 2 to 1 match. Dan Serna, City Manager, explained that back in 2007, the City Commission decided to stop TMRS participation for all new hires because of increasing unfunded liabilities. Mr. Serna reported the City then implemented a defined contribution plan through TCG featuring a 5% employee deposit for new employees with a 1 to 1 matching employer contribution. Josh Fields noted the reason that the 2007 City Commission took that action was because of a country-wide issue with unfunded liabilities in retirement plans. Mr. Fields, explained that even though the Waterworks ran under a different budget, the Waterworks was still a department of the City of Harlingen.

Tim Skoglund explained several other budget revisions being proposed including a decrease in health insurance budget now that recently negotiated premiums came in lower than originally assumed, and increases associated with support for GIS implementation and an urgent CIP project to address a lift station that recently experienced structural failure. Mr. Skoglund explained that a combined 1% revision in the budgeted cost-of-living and merit pay adjustments were proposed to reflect what the City Commission had approved in its budget for the other departments of the City.

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A motion was made to approve Resolution No. R1617-54 – to approve the revised recommended 2017-2018 Fiscal Year Budget

Motion: Kevin Campbell  
Michael Garza

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

**AGENDA ITEM NO 3: ADJOURN**

There being no further business to discuss, the meeting adjourned at 3:22 P.M.

Motion: Michael Garza  
Second: Kevin Campbell

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

Attest:   
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Nilda Sanchez, Board Secretary