

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, October 31, 2018

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 31st day of October, 2018 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 Chairman
 Michael Murphy, Trustee
 Curtis Bonner, Trustee
 Kevin Campbell, Trustee

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
 Sanjuana Garcia, Purchasing Manager
 Joyce Lamon, Customer Service Director
 Elizabeth Soto, Human Resource Director

City Staff Present: Carlos Sanchez, Assistant City Manager

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman, Josh Fields, called the meeting to order at 3:04 P.M. and asked if the Agenda had been posted in accordance with the law; Nilda Sanchez responded affirmatively.

AGENDA ITEM NO. 2: APPROVAL OF MINUTES

a) Regular Board Meeting of September 26, 2018

With no corrections requested, a motion to approve the Board Minutes for the Regular Board Meeting of September 26, 2018 was made.

Motion: Kevin Campbell
Second: Michael Garza

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

AGENDA ITEM NO. 3: REPORTS AND PRESENTATIONS

a) Discussion of sewer system performance during heavy rainfall events in 2018

Tim Skoglund explained the heavy rainfall events in June, September and October had

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stressed the System's sewer collection system. These storms were preceded by ground-saturating rainfall that limited absorption of new rainfall. The heavy rainfall events resulted in ponding of water causing to infiltration and inflow into the collection system. Mr. Skoglund discussed rainfall totals, plant capacity and regulatory reporting requirements for backups and overflows. He continued explanation how saturated soil, flooded streets, unsealed manholes/lids, storm drain cross-connections, leaking pipe joints, and illegal use of residential clean outs to drain private property are all contributing factors to infiltration and inflow that consumes system capacity.

Jim Vallely pinpointed areas where system blockages occurred during the most recent storm in October. Factors causing blockages in the gravity sewer lines include migration of sand and debris infiltrating and inflowing into the system during storm events. Mr. Skoglund concluded by informing the Board proactive measures are being taken to help ensure a clear free flowing sewer system. Discussion by the Board ensued.

***** CURTIS BONNER, TRUSTEE, walked in at 3:35 P.M.**

b) Discussion on meter deposit policy

Tim Skoglund explained that an agenda request had been made for discussion of the Waterworks' security deposit policy involving multi-family accounts. He reviewed the current deposit requirements for duplex and commercial multi-family accounts including apartments, hotels, mobile home parks, real estate agencies, property managers and contractors. Mr. Skoglund presented a listing of security deposit requirements of surrounding Valley cities for comparison. Several options were discussed to clarify or adjust security deposit policy where uncertainty in application of the policy exists or disproportionality is perceived. Discussion by the Board ensued.

c) Report on delinquent accounts in excess of \$500 per account

Tim Skoglund reported there are no new entries on the list for potential collection action. Discussion by the Board ensued.

AGENDA ITEM NO. 4: FINANCIALS

a) Monthly Financial report for month ending September 30, 2018

Tim Skoglund discussed highlights of the end-of-fiscal year monthly financial reports noting that revenues for the fiscal year were higher and expenses lower than budget. Board discussion ensued.

AGENDA ITEM NO. 5: RESOLUTIONS

a) R1819-01: Approving an Irrigation Ordinance and referring the same to the Harlingen City Commission for adoption.

Mr. Skoglund informed the Board that a draft resolution of an irrigation ordinance had been presented at the June 27, 2018 Board Meeting. Since then, additional revisions had been made and reviewed with the City of Harlingen and Waterworks attorneys for conformity with ordinance formatting. The proposed ordinance establishes standards for

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design and construction of irrigation systems, registration and permitting requirements, inspection requirements and a provision for civil penalties for violation of the ordinance. The ordinance grants the Board of Trustees the authority to establish and revise fees from time to time. Mr. Skoglund presented a fee schedule that Staff recommended for adoption by the Board to be included in the Waterworks' customer service policy manual. Once adopted, the ordinance will only apply to new customers installing new irrigation systems. Mr. Skoglund recommended changes to the resolution presented in the meeting packet, including omission of the word "draft" and addition of language that would establish the initial Board-approved fees associated with the ordinance. Discussion by the Board ensued and a consensus to update the resolution as recommended was agreed upon.

A motion was made to approve Resolution No. R1819-01 – approving an Irrigation Ordinance, with suggested changes to the resolution, and referring the same to the Harlingen City Commission for adoption.

Motion: Michael Murphy
Second: Curtis Bonner

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

b) R1819-02: Awarding a purchase contract for HVAC equipment

Tim Skoglund recapped a contract for comprehensive HVAC maintenance that had been awarded at the August 8th Special Board Meeting. In an effort to reduce the price of future maintenance contracts, Staff had proposed to replace the failing equipment identified as the reason for high maintenance costs and to rebid the contract for FY 2020. Mr. Skoglund reported that Staff obtained proposals from three BuyBoard vendors for equipment to replace the failing HVAC systems, and that installation service would be procured separately. Mr. Skoglund stated that a significant cost reduction is anticipated by separating procurement and installation. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1819-02 – awarding a purchase contract for HVAC equipment.

Motion: Michael Garza
Second: Michael Murphy

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

c) R1819-03: Authorizing participation in the Purchasing Cooperation of America interlocal purchasing program

Tim Skoglund explained that the Purchasing Cooperation of America is a purchasing cooperative offering a broad range of options for material and supplies needed for the Waterworks' operations. Discussion by the Board ensued.

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A motion was made to approve Resolution No. R1819-03 – authorizing participation in the Purchase Cooperation of America interlocal purchasing program

Motion: Michael Murphy
Second: Michael Garza

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

AGENDA ITEM NO. 6: MANGER'S REPORTS

Tim Skoglund highlighted information in the Manager's Reports. The Board asked questions and discussed the information as it was presented.

AGENDA ITEM NO. 7: PUBLIC COMMENTS

No public comments at this time.

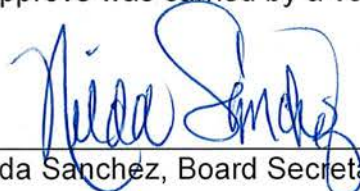
AGENDA ITEM NO. 8: ADJOURN

There being no further business to discuss, Chairman Fields called for a motion to adjourn the meeting at 4:42 P.M.

Motion: Kevin Campbell
Second: Michael Murphy

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

Attest:



Nilda Sanchez, Board Secretary