

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, March 27, 2019

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 27th day of March, 2019 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
Dan Serna, Ex-Officio

Staff Present: Tim Skoglund, General Manager
Robert Canterbury, System Engineer
Darrell Gunn, HWWWS Consultant
Gene McCullough, System Attorney
Jim Vallely, Wastewater Services Director
Jon Hedegard, Wastewater Services Asst. 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

Josh Fields, Chairman, called the meeting to order at 3:03 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 February 27, 2019

Curtis Bonner, Trustee, reported a change to the minutes on page 2, clarifying the amended approval of ready-mix concrete. A typo in the table in the resolution incorrectly indicated the concrete price as \$117.50/CY. The correct concrete price was \$110.00/CY. A motion to approve the Board Minutes, as amended, for the Regular Board Meeting of February 27, 2019 was made.

Motion: Curtis Bonner
Second: Michael Murphy

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Motion to approve was carried by a vote of the Board (3-0). Fields and Garza were unable to vote because of their absence at last month's meeting.

AGENDA ITEM NO. 3: REPORTS AND PRESENTATIONS

a) Presentation by Carr, Riggs & Ingram on FY 2017-2018 Annual Audit and Financial Report

Quentin Anderson, representative of Carr, Riggs & Ingram presented the results of the financial audit for the fiscal year ended September 30, 2018. Mr. Anderson explained the effects on the financial statements of the implementation of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting of Post-employment Benefits other than Pensions. The Board was advised the annual financial statements present fairly, the financial position of the Waterworks. Quentin called the Board's attention to several items and sections of the Independent Auditors' Report, the Financial Statements, Notes to the Financial Statements, Management's Discussion and Analysis, and the Statement of Changes in Net Position. The Board was advised of the Auditor's internal control findings and suggestions for improvement. Board members asked several questions and Mr. Anderson responded.

b) Report on Delinquent accounts in excess of \$500 per account

Joyce Lamon, Customer Service Director, reported one deletion on the active delinquent accounts list. The customer was on a payment plan and now owes less \$500. Discussion by the Board ensued.

AGENDA ITEM NO. 4: FINANCIALS

a) Monthly Financial report for month ending February 28, 2019

Kathern Davidson, Finance & Revenue Director, gave an overview of the finance reports for February. Discussion from the Board ensued.

AGENDA ITEM NO. 5: RESOLUTIONS

a) R1819-19: Awarding an engineering contract for design of wastewater sludge dewatering facility expansion

Tim Skoglund gave a presentation overviewing the Waterworks' general wastewater operations. The current sludge dewatering system, installed in 2003 is nearing the end of its expected life. The recent wastewater plant expansion did not include any improvement or upgraded capacity for the dewatering system which is undersized relative to the capacity of the rest of the plant. Design for upgrading the dewatering system capacity would require an experienced engineering firm. Mr. Skoglund stated that construction would be performed in-house. Of three respondents to an RFQ for engineering services, Garver had been determined the most qualified, and its proposed scope of services and fee was judged to be reasonable and appropriate for the project. Discussion by the Board ensued.

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A motion was made to approve Resolution No. R1819-19 – awarding an engineering contract for design of wastewater sludge dewatering facility expansion.

Motion: Michael Murphy
Second: Mike Garza

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

b) R1819-20: Awarding a contract extension for wastewater sludge transport and disposal services

Tim Skoglund reported the existing contract for wastewater sludge transport and disposal services is not the normal mode for disposal of sludge, but serves as a contingency that would be used on an as “need basis” in the event weather conditions limit the ability to dispose sludge on the Waterworks’ dedicated land disposal site. The proposed contract extension maintaining the original unit pricing would be the first of two one-year extension options. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1819-20 – awarding a contract extension for wastewater sludge transport and disposal services

Motion: Michael Murphy
Second: Mike Garza

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

c) R1819-21: Awarding a task order contract for comprehensive architectural services and authorizing task orders related to the Main Office Building

Tim Skoglund discussed various renovations needed at the Main Office Building to address problems identified in the current budget and newly discovered structural deterioration that has created unsafe conditions. Robert Canterbury noted that Gignac Architects had been selected from among several firms who responded to an RFQ for architectural services focused primarily on addressing the problems at the Main Office Building. Mr. Canterbury discussed how a task order contract format would be the most efficient approach for contracting architectural services involving small projects for which the scope of work is not well-defined in-advance of evaluation studies. Mr. Skoglund requested Board approval of a task order contract and authorization to execute task orders in a combined maximum amount to address the issues at the Main Office Building. He noted that this approach eliminates repetitive contract development effort for small projects, but individual task orders would be subject to Board authorization thresholds as stipulated in the Waterworks’ purchasing policy. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1819-21 – awarding a task order contract for comprehensive architectural services and authorizing task orders related to the Main Office Building.

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Motion: Kevin Campbell
Second: Michael Murphy

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

AGENDA ITEM NO. 6: MANGER'S REPORTS

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

AGENDA ITEM NO. 7: PUBLIC COMMENTS

There were no public comments.

AGENDA ITEM NO. 8: EXECUTIVE SESSION

- a) Consultation with System Attorney regarding personnel matters, pursuant to Tex. Gov't Code §551.074.

Chairman Fields called directed meeting to enter into Executive Session.

Entered into Executive Session at: 4:21 P.M.

Exited Executive Session at: 4:44 P.M.

Action Taken: NO

Meeting was called back to order at 4:44 P.M.

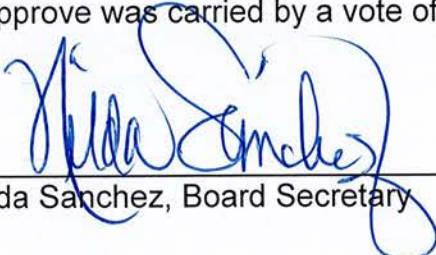
AGENDA ITEM NO. 9: ADJOURN

There being no further business to discuss, Chairman, Fields, called for a motion to adjourn the meeting at 4:44 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