

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Regular Board Meeting Minutes**  
**Wednesday, May 29, 2019**

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 29th day of May, 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.

City Commissioners Present: Frank Puentes, Jr., District 2  
Ruben De La Rosa, District 4  
Victor Leal, District 5

Board Members Present: Josh Fields, Chairman  
Michael Garza, Vice Chairman  
Michael Murphy, Trustee  
Kevin Campbell, Trustee  
Mayor Chris Boswell, Ex-Officio

Staff Present: Tim Skoglund, General Manager  
Robert Canterbury, System Engineer  
Darrell Gunn, HWWS Consultant  
Gene McCullough, System Attorney  
Jon Hedegard, Wastewater Services Director  
David Sanchez, Water Services Director  
Kathern Davidson, Finance & Revenue Director  
Sanjuana Garcia, Purchasing Manager  
Elizabeth Soto, Human Resource Director  
John McKenna, IT Director

City Staff Present: Carlos Sanchez, Assistant City Manager  
Gabriel Gonzalez, Assistant City Manager

**AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME**

Josh Fields, Chairman, called the meeting to order at 3:01 P.M. and asked if the Agenda had been posted in accordance with the law; Nilda Sanchez responded affirmatively.

**\*\*\* OUT OF SEQUENCE: Chairman Fields asked to address election of officers after the resolutions have been presented.**

**AGENDA ITEM NO. 3: APPROVAL OF MINUTES**

**a) Regular Board Meeting of April 24, 2019**

With no corrections requested, a motion to approve the Board Minutes for the Regular Board Meeting of April 24, 2019 was made.

Motion: Michael Garza  
Second: Michael Murphy

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

**AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS**

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

Tim Skoglund noted there was one new addition to the previous month's report. Joyce Lamon, Customer Service Director, gave a brief history concerning the payment arrangement in relation to the new ownership of Rosemont Apartments and discussed the agreement both parties planned to pay this bill. Discussion by the Board ensued.

**b) Presentation on Water Week public relations event at Jackson Street Market Days.**

Tim Skoglund reported that the Waterworks' celebrates AWWA's Water Week at Jackson Street Market Days by promoting the organization and offering cold water to event attendees. Mr. Skoglund informed the Board a few additional enhancements were implemented at this year's event relative to the previous year to improve engagement. Nilda Sanchez shared a video presentation highlighting the expanded set-up for the event involving information tables manned by employees who shared information, answered questions, and showed off equipment they use in their day-to-day work. Mr. Skoglund noted that Staff is considering options to hold a larger public relations event of a similar nature that would reach a larger group of customers. Discussion by the Board ensued.

**c) Presentation by Freese & Nichols on conveyance master planning and policy challenges related to extension of water and sewer infrastructure.**

Tim Skoglund informed the Board that Freese & Nichols Inc. had been selected after solicitation and a thorough evaluation of master planning consultants. He had invited the firm to give a presentation on master planning noting the proposed contract was the subject of a resolution later in the meeting agenda.

Mr. Skoglund noted that over the prior 10 years the Waterworks capital improvements program had focused primarily on treatment plants, and that focus would be shifting to conveyance infrastructure. He discussed the need for a comprehensive conveyance master plan and stated that the Waterworks had not had commissioned a comprehensive conveyance master plan for many years.

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Mr. Skoglund summarized the recent implementation of a geographic information system and an effort to survey system assets using GPS survey equipment to develop the high quality data needed to realize the full benefits of comprehensive master planning. He also commented that Chapter 48 of the Harlingen Code of Ordinances which pertains to the Waterworks operations and regulates the extension of water and sewer infrastructure was in need of updating. Because extension policies are foundational to the development of a capital improvement program and the proposed master planning effort, he explained that the proposed contract should also include an effort to rework the Waterworks' ordinance.

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Jessica Brown and Dan Sefko of Freese & Nichols, gave a detailed presentation on the process of master planning and the tasks to be performed in the proposed master planning.

Dan Sefko discussed the challenges that Harlingen and many other Texas communities face in establishing effective extension policies. He also stressed the importance for the Waterworks and the City of Harlingen to have policies that are jointly decided.

Discussion by the Board ensued.

**AGENDA ITEM NO. 5: FINANCIALS**

**a) Monthly Financial report for month ending April 30, 2019**

Kathern Davidson, Finance & Revenue Director, gave an overview of the finance reports for April, 2019. Discussion from the Board ensued.

**AGENDA ITEM NO. 6: RESOLUTIONS**

**a) R1819-25: Awarding a professional services contract for water and wastewater conveyance master planning.**

Mr. Skoglund reported that Freese & Nichols, Inc. was evaluated as be most qualified respondent to an RFQ for water and wastewater conveyance master planning services. He recapped the aspects of the contract that had been negotiated with Freese & Nichols including planning services to assist in reworking system extension policies in Chapter 48 of the City Code. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1819-25 – awarding a professional services contract for water and wastewater conveyance master planning.

Motion: Michael Garza  
Second: Michael Murphy

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

**b) R1819-26: Approving a consulting contract with Jim Vallely for construction management and operations support.**

Mr. Skoglund reported Jim Vallely retired in April of 2019 after serving the Waterworks for 22 years. Mr. Valley's understanding and experience in construction and wastewater operations would be difficult to fully replace. Mr. Skoglund noted that Mr. Vallely was amenable to serving the Waterworks as a consultant for a limited term. In this role, Mr. Vallely would also be able to advise an provide guidance to the Waterworks new Director of Wastewater Services, Mr. Jon Hedegard. Discussion by the Board ensued, and a

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change of language to the proposed consulting agreement was requested stipulating that the auto liability insurance to be carried by Mr. Valley be of the commercial variety.

A motion was made to approve Resolution No. R1819-26 – approving a consulting contract with Jim Vallely for construction management and operations support, as amended.

Motion: Michael Murphy  
Second: Michael Garza

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

**c) R1819-27: Approving a contract extension for supply of caliche.**

Mr. Skoglund explained the proposed contract extension was for the second option year, and that the supply contract would need to be re-bid next year.

A motion was made to approve Resolution No. R1819-27 – approving a contract extension for supply of caliche.

Motion: Michael Garza  
Second: Kevin Campbell

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

**d) R1819-28: Approving a contract extension for machine shop services.**

Mr. Skoglund explained the proposed contract extension was for the second option year.

A motion was made to approve Resolution No. R1819-28 – approving a contract extension for machine shop services.

Motion: Kevin Campbell  
Second: Michael Murphy

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

**e) R1819-29: Approving a contract extension for supply of bedding and backfill sand.**

Mr. Skoglund explained that the proposed extension was for the first option year. The primary vendor encountered health problems and could not fulfill his contract. However, because two vendors were awarded contracts and the remaining vendor had agreed to honor the original contract price, an extension would be possible without the need for re-bid.

A motion was made to approve Resolution No. R1819-29 – approving a contract extension for supply of bedding and backfill sand.

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Motion: Michael Murphy  
Second: Michael Garza

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

**f) R1819-30: Approving a contract extension for supply of bagged cement.**

Tim Skoglund explained the proposed extension was the first option year for this contract.

A motion was made to approve Resolution No. R1819-30 – approving a contract extension for supply of bagged cement.

Motion: Michael Garza  
Second: Michael Murphy

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

**g) R1819-31: Approving a contract extension for supply of water treatment coagulant, hydrogen peroxide, and sodium hydroxide.**

Mr. Skoglund explained the proposed extension was first option year for this contract. Mr. Skoglund reported that several contracts with the same vendor were included in the resolution and that a minor correction of language would be needed to reflect that more than one contract was involved.

A motion was made to approve Resolution No. R1819-31 – approving a contract extension for supply of water treatment coagulant, hydrogen peroxide, and sodium hydroxide, subject to the language correction from singular to plural contracts.

Motion: Kevin Campbell  
Second: Michael Murphy

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

**h) R1819-32: Declaring and authorizing the disposition of surplus property.**

Mr. Skoglund explained the need for the Board's declaration of surplus property and authorization to include the Waterworks' surplus property in the City of Harlingen's annual auction or to auction it through appropriate on-line governmental auction system. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1819-32 – declaring and authorizing the disposition of surplus property.

Motion: Kevin Campbell  
Second: Michael Garza

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

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**i) R1819-33: Appointing a representative to the City of Harlingen Audit Committee.**

Tim Skoglund reported an annual appointment from the HWWS Board Trustees was needed to serve as a representative on the City of Harlingen Audit Committee. Mr. Michael Garza, Vice Chairman, who served as the audit representative for the past year, suggested another Trustee be given the opportunity to serve. Michael Garza nominated Michael Murphy as the Waterworks' representative.

A motion was made to approve Resolution No. R1819-33 – appointing Michael Murphy as the next Waterworks' representative on the City of Harlingen Audit Committee.

Motion: Michael Garza  
Second: Kevin Campbell

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

**\*\*\*OUT OF SEQUENCE**

**ITEM NO. 2: ELECTION OF OFFICERS**

Josh Fields, Chairman, stated it was time to elect new officers for the roles of Chairman and Vice Chairman. Historically, these offices had been decided by seniority of service on the Board and that, following historical custom, Michael Garza would be next in line for the position of Chairman. Kevin Campbell would be the next in line to serve as Vice-Chairman.

A motion was made to appoint Michael Garza as the Waterworks' Board Chairman and Kevin Campbell as Vice Chairman.

Motion: Josh Fields  
Second: Michael Murphy

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

Michael Garza, Chairman, took his seat and continued with the Board Meeting.

**AGENDA ITEM NO. 7: MANAGER'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. 8: PUBLIC COMMENTS**

There were no public comments.

**AGENDA ITEM NO. 9: ADJOURN**

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There being no further business to discuss, Chairman, Garza, called for a motion to adjourn the meeting at 4:21 P.M.

Motion: Kevin Campbell  
Second: Michael Murphy

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

Attest:

  
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Nilda Sanchez, Board Secretary