

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, July 31, 2019

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 31st day of July, 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: Michael Mezmar, District 3

Board Members Present: Michael Garza, Chairman
Kevin Campbell, Vice Chairman
Michael Murphy, Trustee
Josh Fields, Trustee
Curtis Bonner, Trustee

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

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Michael Garza, Chairman, called the meeting to order at 3:00 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 May 29, 2019

With no corrections requested, a motion to approve the Board Minutes for the Regular Board Meeting of June 26, 2019 was made.

Motion: Curtis Bonner
Second: Josh Fields

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

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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 there were no new entries to the previous month's report. Discussion by the Board ensued.

b) Presentation on Laboratory Information Management System (LIMS)

Frank Diaz, Assistant Director of Water Services, gave a presentation regarding the current records and documentation processes at the lab. The current laboratory information management system (LIMS) was developed in-house based on Excel 2010, stemming from a programming effort started in 2005. Mr. Diaz stated that the current system cannot be migrated to newer versions of Excel, and numerous errors and limitations with the system are becoming increasingly problematic. Staff has struggled to manually fix the problems, but that takes time and staff is not adequately proficient to deal with such software issues. Purchasing a commercial LIMS will alleviate several deficits the lab is currently experiencing with the current LIMS system. Advantages of switching over to a commercial LIMS system include greater data storage space, customer service availability, professional programming with an updated fully featured system. Discussion by the Board ensued.

c) Presentation of Draft Proposed FY 2020 Budget

Mr. Skoglund discussed the proposed 2019-2020 Fiscal Year. Proposed budget increases included addition of an assistant general manager position, a clerk in the Wastewater Department, numerous capital improvements projects, asset management implementation, Main Office building renovations, meter replacements, and a 4% merit adjustment for employees. Discussion by the Board ensued seeking clarity on the 4% merit increase. Mr. Skoglund recommended an amendment to clarify that individual employee adjustments would be capped at 4%, mirroring the approach being taken with other City departments. Discussion by the Board ensued.

AGENDA ITEM NO. 4: FINANCIALS

a) Monthly Financial report for month ending June 30, 2019

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

b) Presentation of Quarterly Investment Report, ending June 30, 2019

Kathern Davidson discussed information in the quarterly investment report. Discussion by the Board ensued.

AGENDA ITEM NO. 5: RESOLUTIONS

a) R1819-40: Ratifying emergency purchase of submersible wastewater pumps.

Mr. Skoglund discussed the unexpected heavy rain storm hit the northwest portions of the City of Harlingen and the cities of Combes and Primera on June 24, 2019. A week

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later, a large sink-hole developed because of a piping failure in one of the force mains discharging to Lift Station 75. Mr. Skoglund noted that increased pressure was exerted on the force main because of the storm. Eventually, soil, sand and rock entered the wet well and damaged all four 60 horsepower pumps and their impellers causing reduced capacity. An emergency purchase to replace three of the submersible wastewater pumps had been executed to minimize risk of failure of that critical lift station. Purchasing rules were satisfied not only because of emergency conditions to protect public health and safety, but also because the purchase was made via BuyBoard cooperative pricing. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1819-40 – ratifying emergency purchase of submersible wastewater pumps

Motion: Kevin Campbell
Second: Michael Murphy

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

b) R1819-41: Approving the proposed 2019-2020 Fiscal Year Budget and recommending its adoption by the Harlingen City Commission.

Discussion by the Board ensued concerning the 4% personnel increase in the proposed fiscal year 2020 budget. It was explained, by Dan Serna, City Manager, employees in other departments of the City were receiving a 2% COLA and up to a maximum 2% merit increase. The 2% merit increase was clarified as a maximum amount based on employee's performance evaluation scores. An amendment to the budget was proposed to clarify that the 4% merit increase would have a similar overall individual cap.

A motion was made to approve Resolution No. R1819-41 – approving the proposed 2019-2020 Fiscal Year Budget and recommending its adoption by the Harlingen City Commission with an amendment clarifying the individual cap on merit adjustment.

Motion: Josh Fields
Second: Kevin Campbell

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

c) R1819-42: Awarding an engineering contract for an Investigative Power Quality Study.

Mr. Skoglund explained there had been a workshop in 2017, discussing "dirty power", a term used for substandard power quality, and the need to undertake a power quality study for the Waterworks' treatment plants. Both water plants had experienced various electrical motor failures and system down time events. Variable frequency motor drives had been installed at the plants, in hope of alleviating part of the problem and simplify a future power quality study. To study and design corrective improvements to resolve the "dirty power"

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issue, a solicitation for bids was published seeking an engineering firm experienced in power quality problems. Mr. Skoglund reported the selected consultant was highly qualified for the work and had proposed an appropriate fee to perform the study. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1819-42 – awarding an engineering contract for an Investigative Power Quality Study.

Motion: Michael Murphy
Second: Josh Fields

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

d) R1819-43: Approving a co-operative purchasing contract with Choice Partners.

Mr. Skoglund reported adding Choice Partners to the authorized list of purchasing cooperatives would add another competitive pricing source for the Waterworks' buying needs. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1819-43 – Approving a co-operative purchasing contract with Choice Partners.

Motion: Josh Fields
Second: Kevin Campbell

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

AGENDA ITEM NO. 6: 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. 7: PUBLIC COMMENTS

None

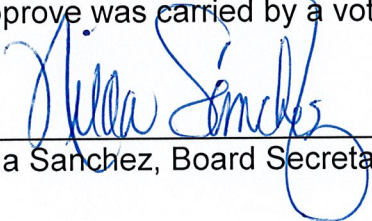
AGENDA ITEM NO. 8: ADJOURN

There being no further business to discuss, Chairman Garza, called for a motion to adjourn the meeting at 4:54 P.M.

Motion: Josh Fields
Second: Kevin Campbell

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

Attest:



Nilda Sanchez, Board Secretary