

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, October 30, 2019

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 30th day of October, 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: Kevin Campbell, Vice Chairman
 Josh Fields, Trustee
 Michael Murphy, Trustee
 Curtis Bonner, Trustee

Staff Present: Tim Skoglund, General Manager
 Robert Canterbury, System Engineer
 Gene McCullough, System Attorney
 Kathern Davidson, Finance & Revenue Director
 Sanjuana Garcia, Purchasing Manager
 Rene Nava, Accountant
 Elizabeth Soto, Human Resource Director
 Joyce Lamon, Customer Service Director
 John McKenna, IT Director

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Kevin Campbell, Vice Chairman, 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: COMMUNICATION / INPUT FROM CUSTOMERS AND RESIDENTS OF HARLINGEN

None

AGENDA ITEM NO. 3: APPROVAL OF MINUTES

a) Regular Board Meeting of October 1, 2019

With no corrections requested, a motion to approve the Board Minutes for the Regular Board Meeting of October 1, 2019 was made.

Motion: Curtis Bonner
Second: Josh Fields

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

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*****OUT OF SEQUENCE**

AGENDA ITEM NO. 6: RESOLUTIONS

**R1920-04: Approving a plan of finance & timetable of events for
refinancing debt service related to Series 2010A Bond Issue**

Mr. Skoglund noted this resolution would not be an action item, but rather a discussion on refinancing the Series 2010A Bond Issue.

Anne Burger Entrekkin, Regional Managing Director of Hilltop Securities, presented on an opportunity for refinancing callable bonds Series 2010A at a lower interest rate that would yield substantial debt service savings. She proposed the refinancing be pursued through a parameters ordinance authorizing certain Waterworks and City officials to execute the required documents for refunding of bonds subject to specific criteria being met at the time of refunding bond issuance. The Board expressed its interest in moving forward with a joint special meeting with the City Commission to be held on November 6, 2019 for consideration of a resolution and a parameters ordinance approving the refinancing.

AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS

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

Joyce Lamon, Customer Service Director, reported a new entry for the inactive delinquent account list. There have been various unauthorized connections at the residence in question. The property owner is deceased, and a daughter had been making arrangements to restore services. The meter had been pulled and the line plugged and would remain so until the customer provides proper documentation for the property. Discussion by the Board ensued regarding the status of the account and the individual responsible for outstanding charges and restoration of services. Gene McCullough, System Attorney, informed the Board he would research any ordinances regarding the situation of this account and follow up on this situation.

b) Discussion on scheduling the November and December Board Meetings

Tim Skoglund stated his concern about reaching a quorum for the regularly scheduled Board meetings near holidays in November and December, 2019. Discussion by the Board ensued and a decision to change the Board Meeting dates to November 20 and December 18, 2019 at 3:00 P.M.

AGENDA ITEM NO. 5: FINANCIALS

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

Kathern Davidson, Finance & Revenue Director, gave an overview of the finance reports for fiscal year 2018-2019. Discussion from the Board ensued.

b) Quarterly Investment Report, ending September 30, 2019

Kathern Davidson discussed information in the quarterly investment report, ending fiscal year 2019-2019. Discussion by the Board ensued.

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AGENDA ITEM NO. 6: RESOLUTIONS

a) R1920-03: Awarding a contract for purchase of computing storage for electronic files and disaster recovery.

Tim Skoglund gave a brief history of the current centralized computer system and its data storage capacity. There has been a recent concern with a reduction of data storage reserve capacity. Current storage is unable to accommodate all types of data files to be stored. Staff began researching options including cloud-based and on-premises solutions, and requested funds in the FY 2020 Budget to address the issue using additional on-premises computing storage.

In obtaining a quotation for the on-premises storage, staff also inquired about the cost of adding a disaster recovery solution to keep information systems running in the event the central system was to be destroyed. The vendor agreed to provide additional computing storage and a disaster recovery system that in combination would double existing data storage for a total price only slightly higher than the budgeted amount. The recommended equipment would provide the Waterworks with at least another five years of data storage capacity. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1920-03 – awarding a contract for purchase of computing storage for electronic files and disaster recovery.

Motion: Josh Fields
Second: Michael Murphy

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

AGENDA ITEM NO. 7: MANAGER'S REPORTS

Tim Skoglund discussed portions of the Manager's Reports summarizing fiscal year 2018-2019 performance. The Board asked questions and discussed the information as it was presented.

AGENDA ITEM NO. 8: ADJOURN

There being no further business to discuss, Vice Chairman Campbell, called for a motion to adjourn the meeting at 3:56 P.M.

Motion: Josh Fields
Second: Curtis Bonner

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

Attest:



Nilda Sanchez, Board Secretary