

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, May 27, 2020

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 27th day of May 2020 at 3:00 P.M. by videoconference.

Board Members Present: Michael Garza, Chairman
 Kevin Campbell, Vice Chairman
 Curtis Bonner, Trustee
 Chris Bartnesky, Trustee

Staff Present: Tim Skoglund, General Manager
 Robert Canterbury, System Attorney
 Gene McCullough, System Attorney
 Darrell Gunn, System Consultant
 Ron De La Garza, Finance & Revenue Director
 David Sanchez, Water Services Director
 Joyce Lamon, Customer Services Director
 Elizabeth Soto, Human Resources Director
 Sanjuana Garcia, Purchasing Manager
 John McKenna, IT Director

City Staff Present: Carlos Sanchez, Assistant City Manager

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Michael Garza, Chairman, called the meeting to order at 3:10 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 April 29, 2020

With no corrections requested, a motion to approve the Board Minutes for the Regular Board Meeting of April 29, 2020 was made.

A motion to approve the Board Minutes for the Regular Board Meeting of April 29, 2020, as amended, was made.

Motion: Chris Bartnesky
Second: Kevin Campbell

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Motion to approve was carried by a vote of the Board (3-0).

*** Out of sequence

Mr. Skoglund asked to consider two resolutions out of sequence as a courtesy to presenting attendees from Trinity Consultants and Adam's & Graham. Chairman Garza agreed.

Curtis Bonner entered the meeting at 3:17 PM

AGENDA ITEM NO. 6: RESOLUTIONS

m) R1920-37: Awarding a professional services contract for preparation of a Risk & Resilience Assessment and Emergency Response Plan to fulfill requirements of America's Water Infrastructure Act

Tim Skoglund explained the requirements of America's Water Infrastructure Act (AWIA) requiring qualifying utilities to conduct a risk and resilience assessment which evaluates vulnerabilities, threats and consequences of potential hazards and to prepare an emergency response plan addressing the findings of the risk and resilience assessment and applying those strategies and resources to improve the resilience of the water system.

Mr. Skoglund reported that consultant support to meet these requirements had not been requested in the current fiscal year budget. After evaluating staff's ability to perform the requirements in-house, it became evident the best option was to hire a consultant to help with the task. Proposals were informally solicited and the top candidate firms interviewed. The proposal by Trinity Consultants, Inc. offered deemed the best value.

A.J. Hansboro of Trinity Consultants gave a presentation describing the AWIA requirements and explaining the need to certify completion of the assessment with EPA by December 31, 2020 and the emergency response plan within 6 months of the assessment certification

Mr. Hansboro explained the Trinity's pricing advantages relative to the competition. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1920-37 – awarding a professional services contract for preparation of a Risk & Resilience Assessment and Emergency Response Plan to fulfill requirements of America's Water Infrastructure Act

Motion: Kevin Campbell
Second: Chris Bartnesky

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

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I) R1920-36: Approving a lease payment modification to the lease agreement with Adam's & Graham

Tim Skoglund informed the Board that he and Mr. William Pope of Adams & Graham, LLP had several discussions regarding the firm's petitioning to reduce payments for its lease of the Main Office Building's 3rd Floor by fifty percent for the months of September through November 2020.

Mr. Pope addressed the Board, explaining that the recent government declaration forbidding civil jury trials until 2021 had caused a financial hardship for their business.

A motion was made to approve Resolution No. R1920-36 – approving a lease payment modification to the lease agreement with Adam's & Graham

Motion: Kevin Campbell
Second: Curtis Bonner

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

Joyce Lamon, Customer Service Director, reported there was a new list for active delinquent accounts and some payments had already been posted since the report was submitted.

Mrs. Lamon reported she made contact with several account holders to discuss their situations and payment status. Several delinquent customers that were not contacted will be pursued within the next few weeks. Discussion by the Board ensued.

b) Discussion of COVID-19 response and effects on operations

Tim Skoglund discussed the Waterworks' continued efforts to contend with the COVID-19 pandemic, and he reported that a drop box had been installed in the last lane of the drive through window in an attempt to alleviate long lines backing up into the street.

Mr. Skoglund recapped the Waterworks' continuing measure in response to COVID-19 including the cleaning of drive through equipment after each use, monitoring employees for symptoms every morning, requiring use of face coverings when in proximity to others, and assigning certain employees to work from home.

He reported on expenditures related to the pandemic response including cleaning supplies, face coverings, and laptops for telecommuters. Purchase of hand sanitizer dispensers at the drive through lanes was under consideration. Quotes had been solicited for shielding that would need to be installed before the lobby would be reopened and face to face interaction with customers resumed.

Mr. Skoglund shared presentation slides regarding suspension of disconnects and late

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payment fees. A chart of customer service activities for the period from March 26 through April 25 of 2019 and of 2020 was presented to show the effects of COVID-19 responses on operations.

Mr. Skoglund asked the Board if late fee charges and disconnections for non-payment should resume immediately or under a phased approach. Discussion by the Board ensued and a consensus reached to resume normal disconnection operations and begin assessing late payment charges for new charges starting at the beginning of July 2020. Mr. Skoglund noted that customers with pending disconnects would be notified by special mail-outs, through notation on their regular bills, and via courtesy phone calls.

Mr. Skoglund reported that bids for the proposed parking lot replacement were anticipated to be received on June 4, 2020, and he proposed a special meeting for June 9, 2020 to expedite a possible award of contract. He noted the ultimate completion date for the project would dictate the eventual opening of Main Office. Mr. Skoglund mentioned the entire job would last seventy to eighty days and stated the intent to keep the Main Office closed to customers until the project would be completed near the end of August 2020.

AGENDA ITEM NO. 5: FINANCIALS

a) Monthly Financial report for month ending April 30, 2020

Ronald De La Garza, Director of Finance gave an overview of the finance reports for April, 2020. Discussion by the Board ensued.

AGENDA ITEM NO. 6: RESOLUTIONS

a) R1920-25: Approving contract extensions for supply of water treatment coagulant, hydrogen peroxide and sodium hydroxide

Tim Skoglund explained the proposed extension would be the second option year for this contract.

A motion was made to approve Resolution No. R1920-25 – approving contract extensions for supply of water treatment coagulant, hydrogen peroxide and sodium hydroxide.

Motion: Curtis Bonner
Second: Chris Bartnesky

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

b) R1920-26: Approving contract extensions for supply of liquid aluminum sulfate and liquid ammonium sulfate

Tim Skoglund explained the proposed extension would be the first option year for the contract.

A motion was made to approve Resolution No. R1920-26 – approving contract extensions for supply of liquid aluminum sulfate and liquid ammonium sulfate.

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Motion: Curtis Bonner
Second: Kevin Campbell

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

c) R1920-27: Approving a contract extension for supply of sulfur dioxide.

Tim Skoglund explained the proposed extension would be the first option year for the contract.

A motion was made to approve Resolution No. R1920-27 – approving a contract extension for supply of sulfur dioxide.

Motion: Curtis Bonner
Second: Kevin Campbell

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

d) R1920-28: Approving a contract extension for supply of bedding and backfill sand.

Tim Skoglund explained the proposed extension would be the last option year for the contract. He noted that a correction on the second paragraph would be made to delete the phrase “as summarized in the table below”.

A motion was made to approve Resolution No. R1920-28 – approving a contract extension for supply of bedding and backfill sand.

Motion: Curtis Bonner
Second: Kevin Campbell

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

e) R1920-29: Approving a contract extension for comprehensive HVAC maintenance service.

Tim Skoglund explained a maintenance service contract was awarded to a different vendor last year and that the vendor had performed well. The proposed extension would be the first option year for the contract.

A motion was made to approve Resolution No. R1920-29 – approving a contract extension for comprehensive HVAC maintenance service.

Motion: Curtis Bonner
Second: Chris Bartnesky

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

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f) R1920-30: Approving a contract extension for supply of water meters sized 5/8" through 2".

Mr. Skoglund informed the Board the original contract had expired on December 17, 2019, and he explained the proposed extension would be the first option year of the contract.

A motion was made to approve Resolution No. R1920-30 – approving a contract extension for supply of water meters sized 5/8" through 2".

Motion: Curtis Bonner
Second: Kevin Campbell

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

g) R1920-31: Awarding a contract for purchase of a laboratory information management system

Tim Skoglund reported the Waterworks' lab is one of four Rio Grande Valley municipal labs accredited through NELAC and had be the first in the RGV to become accredited for both water and wastewater analysis back in 2008. The lab preforms several State-required analyses for microbiology, drinking water and wastewater. Seventy percent of the Waterworks' analyses are required to be performed by an accredited lab.

The current in-house system using Excel and Visual Basic had been created by a former director who has since retired. The lab department needed a professionally developed and continually maintained system. The current program was not capable of handling the large volume of data required the lab generates and must maintain, and would be reach the limits of its capacity in the next eight or nine months.

Several options were considered including use of a similar in-house program but that would eventually lead to a similar situation in the future. The best option had been determined to be a full-featured, commercially produced LIMS that would be continually updated and supported by the vendor's professional staff. Extensive research had been conducted and a LIMS identified offering the best value to the Waterworks. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1920-31 – awarding a contract for purchase of a laboratory information management system

Motion: Curtis Bonner
Second: Chris Bartnesky

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

h) R1920-32: Appointing a representative to the City of Harlingen Audit Committee

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Tim Skoglund reported an annual appointment from the Waterworks' Board Trustees was needed to serve as a representative on the City of Harlingen Audit Committee. Trustee Michael Murphy had previously stated his willingness to serve a second year as the Waterworks' representative.

A motion was made to approve Resolution No. R1920-32 – appointing a representative to the City of Harlingen Audit Committee

Motion: Michael Garza
Second: Curtis Bonner

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

i) R1920-33: Approving a master services agreement for credit card payment processing services.

Tim Skoglund informed the Board that new proposal information was anticipated and recommended the item be tabled until all information had been gathered. Discussion by the Board ensued, and the item was tabled, to be brought back at a later date.

A motion was made to table Resolution No. R1920-33 – approving a master services agreement for credit card payment processing services.

Motion: Curtis Bonner
Second: Kevin Campbell

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

j) R1920-34: Approving Change Order No. 2 for the Treasure Hills Waterline Replacement Project.

Robert Canterbury, System Engineer, gave a detailed presentation on the status of the project and explained the need for Change Orders 1 and 2, the latter of which was needed to address recent field discoveries including several deteriorated fire hydrants in need to replacement. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1920-34 – approving Change Order No. 2 for the Treasure Hills Waterline Replacement Project.

Motion: Kevin Campbell
Second: Chris Bartnesky

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

k) R1920-35: Awarding a construction contract for replacement of failing water and sewer mains in the alley adjacent to the Main Office.

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Tim Skoglund reported that in advance of a proposed parking lot replacement project at the Main Office Building, existing water and sewer lines in the alley needed to be replaced because of failing condition or expiring useful life.

He reported that a BuyBoard-based proposal had been solicited from a contractor to perform the replacements in advance of the proposed parking lot replacement project to avoid damage to new improvements that failure of the existing pipelines would likely cause over the near-term.

Mr. Skoglund stated that the contractor performing replacement of water mains in the Treasure Hills area would be able use a pipe bursting method that offered significant advantages over traditional open/cut methods in the alley congested with other utility lines. The contractor stated their ability to complete the project in advance of the anticipated commencement of parking lot construction. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1920-35 – awarding a construction contract for replacement of failing water and sewer mains in the alley adjacent to the Main Office.

Motion: Kevin Campbell
Second: Chris Bartnesky

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

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: EXECUTIVE SESSION

- a) Consultation with System Attorney regarding real property transactions, pursuant to Tex. Gov't Code §551.072.

A motion was made to enter into Executive Session

MOTION: Campbell SECOND: Bartnesky

Entered into Executive Session at: 5:00 P.M.

Exited Executive Session at: 5:16 P.M.

Meeting was called back to order at 5:16 P.M.

Action Taken: NO

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AGENDA ITEM NO. 9: ADJOURN

There being no further business to discuss, Chairman Garza, called for a motion to adjourn the meeting at 5:17 P.M.

Motion: Kevin Campbell
Second: Curtis Bonner

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

Attest:



Nilda Sanchez, Board Secretary