

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, June 30, 2021

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 30th day of June 2021 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: Michael Murphy, Chairman
Chris Bartnesky, Vice Chairman
Curtis Bonner, Trustee
Juan V. Garcia, Trustee
Dan Serna, Ex-Officio

Staff Present: Tim Skoglund, General Manager
Gene McCullough, System Attorney
Darrell Gunn, System Consultant (via videoconference)
Robert Canterbury, System Engineer (via videoconference)
Joyce Lamon, Director of Customer Service
David Sanchez, Director of Water Services
Jon Hedegard, Director of Wastewater Services
Elizabeth Soto, Director of Human Resources
Ron De La Garza, Director of Finance & Revenue
Gabriel Trevino, Jr., Assistant Utility Engineer
Emiliano Rosel, Assistant Utility Engineer

City Staff: Carlos A. Sanchez, Assistant City Manger

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Michael Murphy, Vice Chairman, called the meeting to order at 3:08 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: OATH OF OFFICE

Mr. Skoglund reported a new Trustee had been appointed to replace Kevin Campbell, representing District 5, who had served an eight-year term. Michael Murphy, Vice Chairman administered the oath of office to Mr. Juan V. Garcia, swearing him in as the newest Trustee for the Harlingen Waterworks System.

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AGENDA ITEM NO. 4: ELECTION OF OFFICERS

Mr. Skoglund informed the Board it was time to elect officers. He opened the floor for Chairman nominations. Newly Appointed Trustee, Juan V. Garcia nominated Michael Murphy to serve as Chairman.

Juan V. Garcia motioned that Mr. Murphy be elected by acclamation, as the Board Chairman.

Motion: Juan V. Garcia
Second: Curtis Bonner

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

Discussion by the Board ensued regarding the appointment of Vice-Chairman. Michel Murphy, Chairman, nominated Chris Bartnesky to serve as Vice-Chairman, and Mr. Bartnesky indicated his willingness to serve in that role.

Michael Murphy, Chairman, motioned that Mr. Bartnesky be elected by acclamation, as the newest Board Vice-Chairman.

Motion: Michael Murphy
Second: Curtis Bonner

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

AGENDA ITEM NO. 5: APPROVAL OF MINUTES

a) Regular Board Meeting of May 26, 2021

Curtis Bonner, Trustee, noted a grammatical error on page 2, removing an "s" from the word "water". Mr. Skoglund stated the correction would be made. A motion to approve the Board Minutes for the Regular Board Meeting of May 26, 2021, was made.

A motion to approve the Board Minutes, as amended, for the Regular Board Meeting of May 26, 2021

Motion: Curtis Bonner
Second: Chris Bartnesky

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

AGENDA ITEM NO. 6: REPORTS AND PRESENTATIONS

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

Joyce Lamon gave an overview of the delinquent accounts. Discussion by the Board ensued.

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AGENDA ITEM NO. 7: FINANCIALS

a) Monthly Financial report for month ending May 31, 2021

Ron De La Garza gave an overview of the financial reports for May 2021. Discussion by the Board ensued.

AGENDA ITEM NO. 8: RESOLUTIONS

a) R2021-21 Approving a representative to the City of Harlingen Audit Committee (Tabled 05-26-21)

Mr. Skoglund reported the need for an annual appointment to the Audit Committed and opened up the floor for a volunteer or nominations. Juan V. Garcia volunteered to be the next Harlingen Water Board Trustee representative for the City of Harlingen Audit Committee.

A motion was made to approve Resolution No. R2021-21—approving a representative to the City of Harlingen Audit Committee.

Motion: Chris Bartnesky
Second: Curtis Bonner

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

b) R2021-23: Approving a proposed Utility Lien Ordinance and recommending its adoption by the Harlingen City Commission.

Joyce Lamon briefed the Board on payment collections for inactive accounts that had been disconnected with delinquent balances. Filing lawsuits in the past had not been successful in recovering such balances.

A draft utility lien ordinance adopted by another Texas municipality had been adapted with the System Attorney's assistance to fit Harlingen's needs. It was noted that Texas law allowed liens to be filed only on non-homestead properties for which the property owner had accrued a delinquent balance.

Discussion by the Board ensued and a recommendation made to revise the minimum balance threshold above which a lien should be filed to \$100, inclusive of water, sewer, street maintenance and sanitation charges. On concerns over legality questions, a request was made to condition approval on further legal review.

A motion was made to approve a revised version of Resolution No. R2021-23—approving a proposed Utility Lien Ordinance and recommending its adoption by the Harlingen City Commission.

Motion: Curtis Bonner
Second: Chris Bartnesky

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

c) R2021-24: Approving a contract extension for Comprehensive HVAC Maintenance.

Mr. Skoglund explained the proposed contract extension would be the second and final option year for the contract.

A motion was made to approve Resolution No. R2021-24 – Approving a contract extension for Comprehensive HVAC Maintenance.

Motion: Curtis Bonner
Second: Chris Bartnesky

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

d) R2021-25: Approving a contract extension for supply of Reagents and Water Analysis Supplies.

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

A motion was made to approve Resolution No. R2021-25 – Approving a contract extension for supply of Reagents and Water Analysis Supplies.

Motion: Juan V. Garcia
Second: Curtis Bonner

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

e) R2021-26: Approving a contract extension for Safety Supplies and Related Items.

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

A motion was made to approve Resolution No. R2021-26 – Approving a contract extension for Safety Supplies and Related Items.

Motion: Curtis Bonner
Second: Chris Bartnesky

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

f) R2021-27: Approving a contract extension for Supply of Sulfur Dioxide.

Mr. Skoglund explained the proposed contract extension would be the second and final option year for the contract.

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A motion was made to approve Resolution No. R2021-27 – Approving a contract extension for supply of Sulfur Dioxide.

Motion: Curtis Bonner
Second: Juan V. Garcia

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

g) R2021-28: Approving purchase of pipe and appurtenance for replacement of the force main for Lift Station No. 9.

Mr. Skoglund explained that there had been frequent breaks to this non-pressure-rated clay force main that had been difficult for crews to repair because of its location. The line had been patched up several times and had become a high priority to repair.

Mr. Skoglund explained the Waterworks was more than capable to construct the replacement for this pipeline in-house. The line was not deep, and an open cut method would work well.

Staff received only one proposal in response to informal solicitation of quotes to all local vendors. Mr. Skoglund noted that Ferguson Waterworks of Mission, TX, proposal had a long lead time and was only valid for 48 hours. Because of the project's urgency and the uncertainty of supply and delivery, he recommended awarding a purchase contract outside of a competitive bidding process out of need to preserve and protect public health as allowed under Texas procurement law. Discussion by the Board ensued.

A motion was made to approve Resolution No. R2021-28 – Approving purchase of pipe and appurtenance from Ferguson Waterworks of Mission, TX for replacement of the force main for Lift Station No. 9.

Motion: Curtis Bonner
Second: Juan V. Garcia

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

h) R2021-29: Approving a contract extension for Repair of Compressors and Blowers, Electric Motors, Gear Boxes, Mixer Drives, and Vertical Turbine Pumps.

Mr. Skoglund explained the proposed extension would be the second and final option year for the contract.

A motion was made to approve Resolution No. R2021-29 – Approving a contract extension for Repair of Compressors and Blowers, Electric Motors, Gear Boxes, Mixer Drives, and Vertical Turbine Pumps.

Motion: Curtis Bonner

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Second: Chris Bartnesky

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

i) R2021-30: Adopting Budget Amendment BA2021-1 for receipt of ARPA grant funds to provide premium pay adjustment for essential workers.

Tim Skoglund reported that the City of Harlingen received a twenty-two-million-dollar American Rescue Plan Act federal grant. The Harlingen City Commission decided to distribute a portion of the funds as a one-time premium pay adjustment to recognize all City essential workers who labored through pandemic conditions. Harlingen Waterworks Employees were to be included in the distribution.

Ron De La Garza noted that a budget amendment was needed to approve the receipt disbursement of the funds. Discussion by the Board ensued.

A motion was made to approve Resolution No. R2021-30 – adopting Budget Amendment BA2021-1 for receipt of ARPA grant funds to provide premium pay adjustment for essential workers.

Motion: Curtis Bonner
Second: Juan V. Garcia

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

AGENDA ITEM NO. 9: MANAGER'S REPORTS

Tim Skoglund presented an update on the Waterworks' transition to a new third-party credit card processing vendor and explained a modification that would be needed to address an unforeseen problem with the way the vendor would be collecting payment for charges exceeding \$200. He reported that the exigency of completing the transition to the new vendor was cause to proceed with the contractual modification and that a formal contract amendment would be subsequently presented to the Board for ratification.

Mr. Skoglund informed the Board that replacement pumps for Lift Stations No. 29 and 54 were urgently needed. The current contract for submersible lift station pumps did not include the specific pump sizes needed for these two lift stations and that delivery lead time was forty to sixty days. To prepare for any emergency situations that could arise and preserve and protect public health, Mr. Skoglund reported that staff would proceed with purchase of these pumps and present a resolution at the next board meeting for ratification of the purchase.

Mr. Skoglund then highlighted portions of the Manager's Report's. The Board asked questions and discussed the information that was presented.

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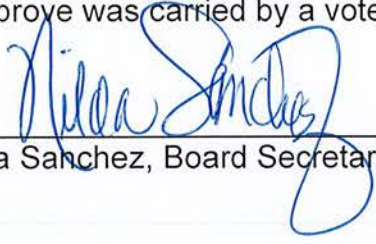
AGENDA ITEM NO. 10: ADJOURN

There being no further business to discuss, Chairman, Murphy, called for a motion to adjourn the meeting at 5:05 P.M.

Motion: Juan V. Garcia
Second: Chris Bartnesky

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

Attest:



Nilda Sanchez, Board Secretary