

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Regular Board Meeting Minutes**  
**Wednesday April 26, 2023**

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 26th day of April 2023 at 5:00 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 Commissioner Present: Ford Kinsley, District 1  
Frank Morales, District 4

Board Members Present: Michael Murphy, Chairman  
Chris Bartnesky, Vice Chair  
Enrique Del Angel, Trustee  
Michael Garza, Trustee  
Gabriel Gonzalez, City Manager – Ex-Officio

Staff Present: Tim Skoglund, General Manager  
Gene McCullough, System Attorney  
Darrell Gunn, System Consultant (via videoconference)  
Robert Canterbury, System Consultant (via videoconference)  
David Sanchez, Director of Water Services  
Jon Hedegard, Director of Wastewater Services  
Jose L. Rodriguez, Information Technology Tech  
Florita Rodriguez, Customer Service Director  
Michael Chamberlain, Purchasing Manager  
Elizabeth Soto, Director of Human Resources  
Joseph Lunn, Assistant Utility Engineer

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

Michael Murphy, Chairman, called the meeting to order at 5:10 P.M. and asked whether the agenda had been posted in accordance with the law; Nilda Sanchez responded affirmatively.

**AGENDA ITEM NO. 2: CONFLICT OF INTEREST**

Mr. Murphy read the conflict-of-interest disclosure and asked the Board if anyone had any known conflicts of interest for this Board Meeting. None of the trustees reported a conflict of interest.

**AGENDA ITEM NO. 3: COMMUNICATION / INPUT FROM CUSTOMERS AND RESIDENTS OF HARLINGEN**

None.

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**AGENDA ITEM NO. 4: APPROVAL OF MINUTES – Regular Board Meeting of March 29, 2023.**

With no corrections requested, a motion to approve the Board Minutes for the Regular Board Meeting of March 29, 2023, was made.

Motion: Michael Garza  
Second: Chris Bartnesky

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

**AGENDA ITEM NO. 5: REPORTS AND PRESENTATIONS**

**a) Report on delinquent accounts exceeding \$500.**

Florita J. Rodriguez gave an overview of the delinquent accounts that were currently pending. Discussion by the Board ensued.

**AGENDA ITEM NO. 6: FINANCIALS**

**a) Monthly Financial report for month ending March 31, 2023.**

Ron De La Garza gave an overview of the financial reports for March 31, 2023. Discussion by the Board ensued.

**b) Presentation of Quarterly Investment Report for Quarter ending March 31, 2023**

Ron De La Garza discussed information in the Quarterly Investment Report, ending March 31, 2023.

**AGENDA ITEM NO. 7: RESOLUTIONS**

**a) R2223-30: Approving a sewer system extension variance request for Caliber Collision Subdivision.**

Tim Skoglund reported this item was presented at the last Board meeting and recommended an alternative in which the developer would be required to construct a dry sewer line from the property to South Palm Blvd. The developer stated that they had not had enough time to fully consider this recommendation and requested to revisit at the next Board meeting. The Board agreed to table the item to the next meeting.

A motion was made to table Resolution No. R2223-30 – approving a sewer system extension variance request for Caliber Collision Subdivision.

Motion: Chris Bartnesky  
Second: Michael Garza

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

**b) R2223-31: Approving a sewer system extension variance request for Crockett Subdivision.**

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Mr. Skoglund recommended a permanent variance using privately owned grinder pump stations because no other property would benefit from this sewer extension. Under staff's recommendation, the developer would provide a dedicated easement, install a low-pressure force main connecting to the nearest manhole, and include notes on the plat making building permits contingent upon installation of grinder pump stations on each residential lot. development. Discussion by the Board ensued.

A motion was made to approve Resolution No. R2223-31 – approving a sewer system extension variance request for Crockett Subdivision.

Motion: Chris Bartnesky  
Second: Enrique Del Angel

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

**c) R2223-32: Awarding a contract for licensing, implementation, support, and on-going maintenance of a Customer Service Information and Billing System.**

Ron De La Garza reported that the current Customer Service and Billing system had been in use for about 30 years. The software was nearing obsolescence, crashed with increasing frequency, and required inordinate amount of programming effort to extract routine reports.

A request for proposals had been solicited, and various departments participated in software demonstrations to determine the best software for meeting the specific needs of the Waterworks.

Mr. De La Garza noted that the customer information and billing software proposed by Continental Utility Solutions Inc. (CUSI) had been identified as the highest ranking option, CUSI offered the lowest credit card procession fees that would result in saving bill payers approximately \$40,000 annually.

Mr. Skoglund informed the Board that the awarding resolution would authorize annual renewals of on-going support and maintenance services with price increases capped at no more than 4% or the increase in the consumer price index.

Gene McCullough, System Attorney informed the Board he was participating in some of the negotiations of the contract. Mr. Skoglund explained that the awarding resolution would be contingent upon the System Attorney's approval, noting that detailed contract language was still in review. Discussion by the Board ensued.

A motion was made to approve Resolution No. R2223-32 - Awarding a contract to Continental Utility Solutions, Inc. for licensing, implementation, support, and on-going maintenance of a Customer Service Information and Billing System.

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Motion: Enrique Del Angel  
Second: Michael Garza

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

**d) R2223-33: Awarding a contract for licensing, implementation, support, and on-going maintenance of a Financial Management System.**

Ron De La Garza reported that the current Financial Management System was part of the outdated customer information and billing system and needed replacement.

In response to an RFP solicitation for an integrated customer information, billing, and financial management system, Continental Utility Solutions Inc. (CUSI) proposed a financial software system developed and supported by Community Brands as the financial management software system to complement its customer information and billing system. This combination of software systems had been identified as the highest scoring proposal but would require contracting separately with CUSI and Community Brands.

Mr. Skoglund informed the Board that the awarding resolution would authorize annual renewal of on-going support and maintenance services with price increases capped at no more than 4% or the increase in the consumer price index.

As with the customer information and billing system that was awarded to CUSI in the preceding resolution, Mr. Skoglund explained that the awarding resolution would be contingent upon the System Attorney's approval, noting that detailed contract language was still in review. Discussion by the Board ensued.

A motion was made to approve Resolution No. R2223-33 – awarding a contract to Community Brands, Inc. for licensing, implementation, support, and on-going maintenance of a Financial Management System.

Motion: Michael Garza  
Second: Chris Bartnesky

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

**e) R2223-34: Awarding a contract for licensing, implementation, support, and on-going maintenance of a Human Resource Management and Payroll System.**

Elizabeth Soto gave a presentation on operations within the HR Department. The current hiring and employee onboarding process required entry of employee information into multiple systems and consumed an inordinate amount of time. Because of the multiple instances of the same data, there were multiple systems of truth that increased the likelihood of conflicting information.

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Ms. Soto presented a comparison table of various human resource information, timekeeping, and payroll processing systems vendors that had submitted informal proposals and demonstrated their Software-as-a-Service solutions to staff in the HR, Finance, and IT departments.

Paycor's human resources management and payroll system offered the best value for the Waterworks through its proposal offered under a purchasing cooperative contract. Ms. Soto noted that Paycor's comprehensive service would significantly reduce extensive paper copies of employee information. Mr. Skoglund also noted that the integration of many human resources, timekeeping, and payroll functions under one system would provide a single system of truth and eliminate multiple, potentially conflicting instances of employee data.

Ms. Soto noted that Paycor's system included an employee self-service portal that would significantly improve employee's access to their own data. Each employee would have the ability to access all their account information and make necessary changes and/or review company policies without the need to take time away from work to visit the HR office. Any messages that the employee would need to receive could also be accessed through the self-service portal.

Discussion by the Board ensued regarding fees and services.

A motion was made to approve Resolution No. R2223-34 – awarding a contract to Paycor, Inc. for licensing, implementation, support, and on-going maintenance of a Human Resource Management and Payroll System.

Motion: Chris Bartnesky  
Second: Michael Garza

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

**f) R2223-35: Awarding a contract for construction of Priority Sewer Renewal Project – Package 2.**

Robert Canterbury presented a proposal by Southern Trenchless solutions to replace failing sewer lines under Package 2 of the Priority Sewer Renewal project. Southern Trenchless Solutions was the only local contractor providing the pipe bursting services specified for the project and had performed well on prior and current assignments.

Tim Skoglund reported that the project sites had been selected for pipe replacement because of recurring failures and maintenance calls. Invoices for the sewer renewal project were being paid out of Waterworks's fund balance; however, invoices were being submitted to the City of Harlingen's Finance Department for reimbursement out of American Rescue Plan Act funds that the City Commission had allocated for water and sewer projects. Discussion by the Board ensued.

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A motion was made to approve Resolution No. R2223-35 - awarding a contract for construction of Priority Sewer Renewal Project – Package 2.

Motion: Michael Garza  
Second: Enrique Del Angel

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

**g) R2223-36: Requesting the Texas Legislature reform the Rio Grande Regional Water Authority and approve any efforts to pass legislation that will allow for greater local control and input to the Authority to pursue regional projects.**

Tim Skoglund informed the Board that the Rio Grande Regional Water Authority (RGRWA) had been established by state legislation in 2003 to foster cooperation between water utilities and irrigation districts reliant on the Rio Grande River, and advance regional water supply projects. Though Harlingen Waterworks owns a surplus of water rights and may not benefit from regional projects as a buyer, it could play an important role in conveying water through the local area, possibly receiving revenue from delivery fees. RGRWA was

Mr. Skoglund noted that RGRWA had sponsored a 50-year Master Plan for regional water projects that was completed in 2014. The governor had stopped making appointments to RGRWA's board leading to its lack of quorum, rendering it defunct. New legislation had been proposed to reconstitute the Authority excluding irrigation districts, limiting its scope to Willacy, Cameron and Hidalgo Counties, and transferring responsibility for its board appointments to the participating county commissioners' courts.

Mr. Skoglund recommended the proposed resolution to demonstrate local support for the legislation. Discussion by the Board ensued.

A motion was made to approve Resolution No. R2223-36 – requesting the Texas Legislature reform the Rio Grande Regional Water Authority and approve any efforts to pass legislation that will allow for greater local control and input to the Authority to pursue regional projects.

Motion: Michael Garza  
Second: Chris Bartnesky

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

**h) R2223-37: Approving Pay Competitiveness Adjustments for Licensed Treatment Plant Operators.**

Mr. Skoglund reported that the need for pay adjustments for licensed treatment plant operators had been discussed at the previous meeting and that senior management

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staff had finalized its recommendation for pay adjustments. He also presented a table of the recommended pay adjustments. Discussion by the Board ensued.

A motion was made to approve Resolution No. R2223-37 – approving Pay Competitiveness Adjustments for Licensed Treatment Plant Operators.

Motion: Chris Bartnesky  
Second: Enrique Del Angel

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

**i) R2223-38: Awarding a contract for purchase of Tube Settlers for the Downtown Water Treatment Plant.**

Mr. Skoglund showed photos of the water treatment sedimentation basins at the Downtown Water Treatment Plant, explaining that tube settlers helped maintain an effective treatment process. The existing tube settlers were deteriorating and in need of replacement.

Two quotes replacement tube settlers had been obtained from vendors able to provide tubes of the required dimensions. The lowest priced quote was being offered direct from the manufacturer while the other was a re-seller of that manufacturer's equipment. Delivery time would be 16 weeks and the vendor was requesting a commitment to purchase to hold its pricing until October when funds could be appropriated in the next fiscal year budget. Discussion by the Board ensued.

A motion was made to approve Resolution No. R2223-38 – awarding a contract for purchase of Tube Settlers for the Downtown Water Treatment Plant.

Motion: Michael Garza  
Second: Enrique Del Angel

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

**AGENDA ITEM NO. 8: MANAGER'S REPORTS**

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

**AGENDA ITEM NO. 9 ADJOURN**

There being no further business to discuss, Chairman, Murphy, called for a motion to adjourn the meeting at 7:03 P.M.

Motion: Michael Garza  
Second: Enrique Del Angel

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

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Attest:   
Nilda Sanchez, Board Secretary