

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

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 30th day of January 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: Josh Fields, Chairman
Michael Garza, Vice Chairman
Michael Murphy, Trustee
Curtis Bonner, Trustee
Kevin Campbell, Trustee
Dan Serna, Ex-Officio

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

City Staff Present: Carlos Sanchez, Assistant City Manager

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Chairman, Josh Fields, called the meeting to order at 3:02 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 December 18, 2018

With no corrections requested, a motion to approve the Board Minutes for the Regular Board Meeting of December 18, 2018 was made.

Motion: Michael Garza
Second: Michael Murphy

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

AGENDA ITEM NO. 3: REPORTS AND PRESENTATIONS

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

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

Tim Skoglund noted there were no new additions to the previous month's report. Discussion by the Board ensued.

AGENDA ITEM NO. 4: FINANCIALS

a) Monthly Financial report for month ending December 31, 2018

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

b) Quarterly Investment Report, ending December 31, 2018

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

AGENDA ITEM NO. 5: RESOLUTIONS

***** OUT OF SEQUENCE – DEVELOPER HAD NOT ARRIVED, R1819-13**

a) R1819-14: Awarding a purchase contract for a dump truck.

Tim Skoglund reported there were 3 respondents for this bid. The low bidder, a local vendor, submitted a price for a 2017 dump truck at a lower price than the upstate bidder whose bid for a 2019 model year truck was recommended by staff as the best value. Bid documents specified a current year model truck. Discussion continued on the depreciated value of an unused truck. Curtis Bonner, Trustee, stated his preference to award to a local vendor considering the low bid, older model year truck was unused. It was noted that the low bidder of the older truck had declined to offer an extended warranty. Staff then noted the recommended truck was equipped with a better transmission, a key factor for this type of vehicle. Continued discussion by the Board ensued, but a consensus was not reached to reject the recommended dump truck bid and award to the low bidder.

A motion was made to approve Resolution No. R1819-14 – awarding a purchase contract for a dump truck.

Motion: Michael Garza
Second: Kevin Campbell

Motion to approve was carried by a vote of the Board (3-2). (Bonner & Fields voting no)

b) R1819-013: Rejecting a request for variance to water and sewer extension requirements for the proposed Cameo Subdivision.

Tim Skoglund reported that the developer of the Cameo subdivision, Tom Linville, had requested a variance to requirements to extend off-site water and sewer infrastructure to the development. Mr. Skoglund explained the authority of the Board to require extension of off-site infrastructure within the service area and the current policy requiring all developers to extend off-site sewer within the mandatory sewer connection area. Mr. Linville stated that the 4,000-foot distance for off-site water and sewer line extension

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

would make the development infeasible. He also noted he had expended funds to develop the project plans based on prior indications by City officials that he would be able to install wells and septic tanks in lieu of off-site extension of the centralized water and sewer systems. A lengthy discussion ensued regarding the purpose and requirements of current extension policies and the extenuating circumstances associated with the proposed development. Staff recommended that if a variance request were to be approved, it should be conditioned upon pre-payment of impact, tap, front footage, and inspection fees. Staff added that Mr. Linville had been accommodating to the Waterworks on recent property and easement acquisition transactions.

An motion was made to amend and approve Resolution No. R1819-13 – approving the request for variance to water and sewer extension requirements for the proposed Cameo Subdivision.

Motion: Josh Fields
Second: Michael Garza

Motion to approve was carried by a vote of the Board (4-1). (Bonner)

c) R1819-15: Awarding a purchase contract for submersible wastewater pumps.

Tim Skoglund reported on recent bids for submersible wastewater pumps to be used at the wastewater plant and lift stations. The low bidder met all the specifications.

A motion was made to approve Resolution No. R1819-15 – awarding a purchase contract for submersible wastewater pumps.

Motion: Michael Murphy
Second: Curtis Bonner

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

d) R1819-16: Approving Final Reconciliation Change Order No. 1 for the 20-inch Water Transmission Main from Roosevelt to Loop 499 Project.

Tim Skoglund reported the project was complete. David Sanchez, Water Services Director, gave an overview presentation of the project explaining several major difficulties in constructing the project consisting of over 9,000 linear feet of 20-inch transmission pipeline. G & G Construction in conjunction the Engineer, Farris & Flinn, performed well with minimal issues in completing this project despite rain delays. Mr. Sanchez reported the new line has improved chlorine residuals and water circulation. Robert Canterbury, System Engineer, explained the proposed closeout change order would add contract days associated with rain delays and would account for bid item quantity additions and deletions netting a 2% reduction in contract price. Discussion by the Board ensued.

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

A motion was made to approve Resolution No. R1819-16 – approving Final Reconciliation Change Order No. 1 for the 20-inch Water Transmission Main from Roosevelt to Loop 499 Project.

Motion: Curtis Bonner
Second: Kevin Campbell

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

e) R1819-17: Approving a temporary variance to payment and disconnection policies for furloughed federal employees.

Mr. Skoglund reported the recent federal government shutdown had ended. Discussion by the Board ensued. Dan Serna, City Manager and Ex-Officio Trustee, suggested the resolution be amended and passed as standing resolution to grant a variance to late payment and disconnection policies for furloughed federal employees in the event of future government shutdowns.

A motion was made to amend and approve Resolution No. R1819-17 – approving a variance to payment and disconnection policies for furloughed federal employees.

Motion: Curtis Bonner
Second: Kevin Campbell

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

AGENDA ITEM NO. 6: MANGER'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

There were no public comments.

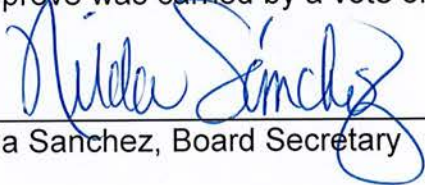
AGENDA ITEM NO. 8: ADJOURN

There being no further business to discuss, Chairman Fields called for a motion to adjourn the meeting at 4:27 P.M.

Motion: Kevin Campbell
Second: Michael Murphy

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

Attest:



Nilda Sanchez, Board Secretary