

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, February 26, 2020

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 26th day of February, 2020 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.

City Commission Present: Victor Leal, District 5

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

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

City Staff Present: Carlos Sanchez, Assistant City Manager

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Kevin Campbell, Vice Chairman, called the meeting to order at 3:03 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

Vice Chairman opened the floor to Public Communication/Input and stated public input would be heard but no comments or action would be taken from the Board at that time.

Gilbert Galvan, Real Estate Agent and developer with Oak Land Estates, expressed his concern regarding the Waterworks' new construction standards for new development. He stated that Phase 2 of his development had already been approved and suddenly a new set of criteria was implemented by the Waterworks. He questioned the reasoning behind the decision since manholes of the prior standard had been accepted for development

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over the prior twenty years. Mr. Galvan concluded by expressing his concern that the recent development upgrades are an unnecessary expense for developers.

Armando Elizarde, a developer in the City of Harlingen, expressed his concern regarding changes that new engineering staff at Waterworks and the City of Harlingen had begun to require. Mr. Elizarde voiced his concern for Adam's Crossing Phase 5. He explained pipes were already set in the ground and cannot go back to re-pipe the subdivision to meet the new development standards the Waterworks has implemented. Mr. Elizarde claimed warranty requirements had been increased from one year to eight years.

Mr. Elizarde expressed concern that developers would now be required to take full liability for a development project after completion and the Waterworks would take no liability.

Dustin Moore, Moore Land Surveying, told the Board that seemingly small changes to the development regulations result in big repercussions for the developer and that the new regulations would have a heavier monetary impact on developers. He suggested the Board consider phasing in regulations instead of immediate implementation, in consideration of the engineers and developers who had already invested in their development projects.

AGENDA ITEM NO. 3: APPROVAL OF MINUTES

a) Regular Board Meeting of January 29, 2020

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

Motion: Curtis Bonner
Second: Michael Murphy

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

Tim Skoglund noted there were no new additions to the list. Discussion by the Board ensued.

b) Report on the upcoming HWWS Water Night community engagement event

Tim Skoglund reported on the upcoming Water Night community engagement event scheduled for April 2, 2020 at the local Boys and Girls Club. This event is intended to reach the community of Harlingen, bringing education and awareness of the operations for the Waterworks. Mr. Skoglund explained the Waterworks had been doing a similar event during Drinking Water Week in May at the Jackson Street Market Days.

In an effort to focus only on Harlingen residents and not those from other communities who attend Market Days, the community engagement effort would move to a bigger venue to showcase the entire operations of the Waterworks. The event is intended for all ages. Activities were to include department displays, games, educational handouts, interactive

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activities for the kids, including face painting, balloon twisting and moon jumps. Free pizza and soft drinks were to be served.

City staff would also have a booth at the event to help get the word out on how important it is to have everyone counted in the 2020 Census.

Mr. Skoglund informed the Board promotion efforts were planned including newspaper, area schools, City and HWWS websites, magnets on Waterworks' trucks, and social media. The Board was invited to attend this event and help us to get to know our customers better. Discussion by the Board ensued.

AGENDA ITEM NO. 5: FINANCIALS

a) Monthly Financial report for month ending January 31, 2020

Tim Skoglund introduced Ronald De La Garza, as the new Director of Finance & Revenue. Mr. De La Garza joined the Waterworks with 18 years of finance and administration experience. Mr. De La Garza thanked the Board for the opportunity to take on the role of finance director. Mr. De La Garza then gave an overview of the financial reports through January 2020. Discussion from the Board ensued.

AGENDA ITEM NO. 6: RESOLUTIONS

a) R1920-15: Designating authorized signatories for all bank and investment accounts

Tim Skoglund reported this updating process was necessary to designate the new finance director, Ron De La Garza, as a signatory for banking and investment accounts.

A motion was made to approve Resolution No. R1920-15 – Designating authorized signatories for all bank and investment accounts.

Motion: Michael Murphy
Second: Chris Bartnesky

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

b) R1920-16: Designating authorized representatives under the terms of agreement with Texas Local Government Investment Pool TexPool

Tim Skoglund reported new signatory resolutions were required to include the new finance director as a signatory for TexPool transactions.

A motion was made to approve Resolution No. R1920-16 – designating authorized representatives under the terms of agreement with Texas Local Government Investment Pool TexPool

Motion: Michael Murphy

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Second: Chris Bartnesky

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

c) R1920-17: Designating authorized representatives under the terms of agreement with Texas Local Government Investment Pool TexStar

Tim Skoglund reported new signatory resolutions were required to include the new finance director as a signatory for TexStar transactions.

A motion was made to approve amended Resolution No. R1920-17 – designating authorized representatives under the terms of agreement with Texas Local Government Investment Pool TexStar.

Motion: Curtis Bonner

Second: Michael Murphy

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

d) R1920-18: Authorizing participation in the Purchasing Association of Cooperative Entities Interlocal Purchasing Program

Mr. Skoglund reported the Waterworks had many purchasing co-ops to choose from. An additional cooperative had been identified that would increase the Waterworks' access to additional procurement options. Discussion by the Board ensued.

A motion was made to approve amended Resolution No. R1920-18 – authorizing participation in the Purchasing Association of Cooperative Entities Interlocal Purchasing Program.

Motion: Chris Bartnesky

Second: Michael Murphy

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

e) R1920-19: Authorizing participation in the GoodBuy purchasing Cooperative Interlocal Purchasing Program

Tim Skoglund reported the GoodBuy cooperative would give the Waterworks access to additional purchasing options. Discussion by the Board ensued.

A motion was made to approve amended Resolution No. R1920-19 – authorizing participation in the GoodBuy purchasing Cooperative Interlocal Purchasing Program.

Motion: Curtis Bonner

Second: Chris Bartnesky

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

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f) R1920-20: Rejecting the sole bid for the Main Office Parking Lot Improvements project

Tim Skoglund reported there was a sole bidder for the re-construction of the main office parking lot. The bid had some mathematical discrepancies and was 50% over budget. The proposed resolution to reject the contract was discussed. Mr. Skoglund explained the Waterworks may take on this project as a general contractor and break the work down into smaller components to attract contractors to bid only on portions of the work in which they specialize. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1920-20 – rejecting the sole bid for the Main Office Parking Lot Improvements project.

Motion: Curtis Bonner
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 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.
- b) Consultation with System Attorney regarding contemplated litigation, pursuant to Tex. Gov't Code §551.071.

A motion was made to enter into Executive Session

MOTION: Campbell SECOND: Murphy

Entered into Executive Session at: 3:58 P.M.

Exited Executive Session at: 5:23 P.M.

Action Taken: NO

Meeting was called back to order at 5:23 P.M.

AGENDA ITEM NO. 9: ADJOURN

There being no further business to discuss, Vice Chairman Campbell, called for a motion to adjourn the meeting at 5:23 P.M.

Motion: Chris Bartnesky
Second: Michael Murphy

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

Attest: 

Nilda Sanchez, Board Secretary