

CITY OF HARLINGEN WATERWORKS SYSTEM
Regular Board Meeting Minutes
Wednesday, April 24, 2019

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 24th day of April, 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.

City Commissioners Present: Ruben De La Rosa, District 4

Board Members Present: Josh Fields, Chairman
Michael Garza, Vice Chairman
Michael Murphy, Trustee
Kevin Campbell, Trustee
Dan Serna, Ex-Officio

Staff Present: Tim Skoglund, General Manager
Robert Canterbury, System Engineer
Darrell Gunn, HWWWS Consultant
Gene McCullough, System Attorney
Jon Hedegard, Wastewater Services Asst. Director
David Sanchez, Water Services Director
Kathern Davidson, Finance & Revenue Director
Sanjuana Garcia, Purchasing Manager
Elizabeth Soto, Human Resource Director
John McKenna, IT Director

City Staff Present: Carlos Sanchez, Assistant City Manager

AGENDA ITEM NO. 1: OPEN MEETING AND WELCOME

Josh Fields, Chairman, called the meeting to order at 3:01 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 March 27, 2019

With no corrections requested, a motion to approve the Board Minutes for the Regular Board Meeting of March 27, 2019 was made.

Motion: Michael Murphy
Second: Michael Garza

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

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AGENDA ITEM NO. 3: REPORTS AND PRESENTATIONS

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

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

b) Presentation by Brio Consulting on asset-based workflow management, related software systems, and audit response recommendations.

Tim Skoglund, gave a brief history of current work order and inventory management processes and how current practices rely on manual paper-based documentation that cannot be searched efficiently and offers little value for analysis of operations. He discussed how the findings and recommendations of the recent internal audit led to the engagement of Brio Consulting to assist in the procurement of a computerized maintenance management system (CMMS).

Brio Consulting gave a presentation on business drivers for a CMMS that can help identify, plan, and schedule maintenance and repairs presenting the highest risk of failure. Brio emphasized the importance of collecting work data to inform future decisions about asset maintenance, repair, and replacement in a more efficient, effective way. GIS-based CMMS systems were identified as more cost-effective approach for utilities the size of the Waterworks. Brio recapped their efforts to assist in the evaluation and procurement of a CMMS, and concluded with recommendations for contracting and implementing Staff's selected CMMS system.

Mr. Skoglund presented on ways the selected CMMS system, Elements XS, would help improve operations, replace many separate programs and manual processes under a single platform that can integrate with other business systems, and provide an interface to facilitate work order related transactions with vendors and customers. He explained that selected CMMS will have a somewhat higher initial cost but will be much more cost-effective over the long term because of a lower annual licensing cost. Discussion by the Board ensued.

AGENDA ITEM NO. 4: FINANCIALS

a) Monthly Financial report for month ending March 31, 2019

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

b) Presentation of Quarterly Investment report, ending March 31, 2019

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

AGENDA ITEM NO. 5: RESOLUTIONS

- a) R1819-22: Approving an extension of consulting contract with Darrell Gunn, P.E.**

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Mr. Skoglund explained that this resolution would approve an extension of the consulting contract with Darrell Gunn through April 2020. He noted Mr. Gunn's willingness to continue in his current role, and the benefit Mr. Gunn's support would continue to provide the Waterworks. Discussion by the Board ensued.

A motion was made to approve Resolution No. R1819-22 – approving an extension of consulting contract with Darrell Gunn, P.E.

Motion: Michael Garza
Second: Kevin Campbell

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

b) R1819-23: Approving a Software License Agreement for a computerized maintenance management system.

Tim Skoglund reported that staff had been involved many hours of demonstrations for computerized maintenance management systems (CMMS) over the past twelve months learning the capabilities of a CMMS and evaluating available options. He noted Brio Consulting's critical role in the process including development of demonstration scripts, evaluation of the preferred option, and providing contracting support. The selected CMMS, Elements XS, has a more efficient interface, possesses many strong references, and its support team displayed eager and responsive attitude.

Despite being a newcomer in its category with twelve years' experience, Elements' client base and strong growth suggest long-term viability that mitigate concerns about long-term viability. Discussion by the Board ensued. Because of the conditional nature of Resolution R1819-24 proposing an implementation services contract for Elements XS, Mr. Skoglund recommended modifying the wording of R1819-23 with the same conditional provisions.

A motion was made to approve Resolution No. R1819-23 – approving a Software License Agreement for a computerized maintenance management system, as amended.

Motion: Michael Garza
Second: Michael Murphy

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

c) R1819-24: Authorizing a professional services agreement for implementation of a computerized maintenance management system.

Tim Skoglund reported this resolution for implementation support is related to R1819-23 for software licensing of the Elements XS software. The software developer's services will be instrumental to configure, customize and integrate the software. Other services include staff training. Discussion by the Board ensued.

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A motion was made to approve Resolution No. R1819-24 – authorizing a professional services agreement for implementation of a computerized maintenance management system.

Motion: Michael Murphy
Second: Kevin Campbell

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

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: EXECUTIVE SESSION

- a) Consultation with System Attorney regarding personnel matters, pursuant to Tex. Gov't Code §551.074.

Chairman Fields called directed meeting to enter into Executive Session.

Entered into Executive Session at: 4:12 P.M.

Exited Executive Session at: 4:45 P.M.

Action Taken: NO

Meeting was called back to order at: 4:45 P.M.

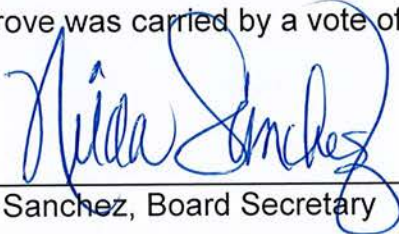
AGENDA ITEM NO. 9: ADJOURN

There being no further business to discuss, Chairman, Fields, called for a motion to adjourn the meeting at 4:45 P.M.

Motion: Michael Garza
Second: Kevin Campbell

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

Attest:



Nilda Sanchez, Board Secretary