

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Regular Board Meeting Minutes**  
**Tuesday, December 14, 2021**

The Regular Board Meeting of the Utility Board of Trustees was conducted on the 14th day of December 2021 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.

Board Members Present: Michael Murphy, Chairman  
Chris Bartnesky, Vice Chairman  
Curtis Bonner, Trustee  
Juan V. Garcia, Trustee  
Enrique Del Angel, Trustee  
Gabriel Gonzalez, Ex-officio

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

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

Michael Murphy, Chairman, called the meeting to order at 5:05 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: Regular Board Meeting of November 17, 2021**

Curtis Bonner, Trustee, noted that the last paragraph on page 6 needed to include the purchasers name and purchasing price to the paragraph.

A motion to approve the Board Minutes, as amended, for the Regular Board Meeting of November 17, 2021, was made.

Motion: Curtis Bonner

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Regular Board Meeting Minutes**  
**Tuesday, December 14, 2021**

Second: Chris Bartnesky

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

**AGENDA ITEM NO. 4: REPORTS AND PRESENTATIONS**

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

Joyce Lamon gave an overview of the delinquent accounts that were still currently pending. Discussion by the Board ensued.

Tim Skoglund informed the Board J.V. Garcia had met representatives of Community Action Corporation of South Texas (CACOST), a non-profit that would soon be administering federal funds to help economically disadvantaged customers pay their water bill. Mr. Skoglund noted that arrangements had been made for Staff to meet with CACOST.

**AGENDA ITEM NO. 5: FINANCIALS**

**a) Monthly Financial report for month ending October 31, 2021**

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

**AGENDA ITEM NO. 6: RESOLUTIONS**

**a) R2122-11: Adopting the Harlingen Waterworks System Investment Policy**

Ron De La Garza described a few minor revisions to the current policy that the Waterworks' investment advisor, Valley View Consulting, LLC, had recommended. Discussion by the Board ensued.

A motion was made to approve Resolution No. R2122-11 – adopting the Harlingen Waterworks System Investment Policy

Motion: Juan V. Garcia  
Second: Chris Bartnesky

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

**b) R2122-12: Awarding a contract construction of a metal building and concrete foundation for a wastewater sludge dewatering facility.**

Tim Skoglund reported that the proposed metal building for which previous procurement attempts had failed was combined with the concrete foundation in a request for competitive sealed proposals (RFCSP). The intent in using an RFCSP process was to enable consideration of time of completion in addition to price in the determination of the proposal offering the best value. He also stated that Staff combined the metal building and foundation together in a single project to improve bidder interest. He explained that of four responsive bidders, JMJ Contractors submitted the highest scoring, lowest priced proposal.

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Regular Board Meeting Minutes**  
**Tuesday, December 14, 2021**

Chris Bartnesky, Vice Chairman inquired about JMJ's proposal because it was much lower priced than the others. Mr. Skoglund explained that the company's references and other sources known to Staff gave positive feedback on JMJ's past performance. JMJ's owners had been former employees of RP Constructors who had built the concrete structures for the Waterworks' wastewater plant upgrade and held a solid reputation with other municipalities.

JMJ's price together with estimated in-house construction expenses needed to complete the project would exceed the FY 2022 budget by \$450,000, resulting in an estimated total project cost of \$2.133 million. Given the rapid inflation occurring in the construction market since 2019, the project's cost increase of 23% over the 2019 estimate was in-line with inflationary expectations. Because of the long lead time for the metal building, the project would not be expected to be completed until the latter part of 2022. Discussion by the Board ensued.

A motion was made to approve Resolution No. R2122-12 – awarding a contract construction of a metal building and concrete foundation for a wastewater sludge dewatering facility to JMJ Constructors of Alton, TX for the price of \$927,600.00.

Motion: Curtis Bonner  
Second: Enrique Del Angel

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

**c) R2122-13: Approving Amendment No.1 to the architectural services agreement for Comprehensive Architectural Services for building envelope rehabilitation, security improvements, and functional remodeling at the main office.**

Tim Skoglund recounted previous discussions and presentations to the Board regarding needed rehabilitation and improvements to the Main Office Building. He described a new proposal by Gignac Architects amending existing task orders for 1<sup>st</sup> and 2<sup>nd</sup> Floor remodeling design work currently underway and for design of improvements that Gignac had previously recommended to replace the building's roof, windows, and stucco cladding. Discussion by the Board ensued.

Mr. Skoglund recommended revising the proposed resolution to consolidate the new services being proposed and the existing task orders under one single contract instead of amending the existing contract. Discussion by the Board ensued, and an agreement was reached to combine all architectural services under a single contract in the total amount of \$185,000.00.

A motion was made to approve Resolution No. R2122-13, as amended – authorizing a consolidated architectural services contract with Gignac Architects for improvements at the Main Office Building, in the amount of \$185,000.00.

**CITY OF HARLINGEN WATERWORKS SYSTEM**  
**Regular Board Meeting Minutes**  
**Tuesday, December 14, 2021**

Motion: Curtis Bonner  
Second: Juan V. Garcia

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

**AGENDA ITEM NO. 7: MANAGER'S REPORTS**

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

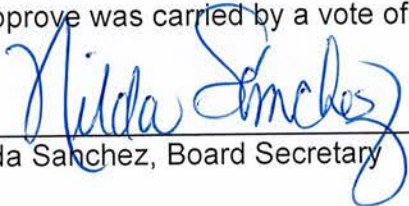
**AGENDA ITEM NO. 8: ADJOURN**

There being no further business to discuss, Chairman, Murphy, called for a motion to adjourn the meeting at 5:58 P.M.

Motion: Curtis Bonner  
Second: Chris Bartnesky

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

Attest:

  
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Nilda Sanchez, Board Secretary