

**MINUTES OF REGULAR MEETING**  
**BOARD OF DIRECTORS**  
**LAGUNA MADRE WATER DISTRICT**

The **REGULAR MEETING** of the **LAGUNA MADRE WATER DISTRICT** was held at the Administration Office of the District at 105 Port Road, Port Isabel, Texas on the **22nd day of October 2008** at the hour of **6:00 p.m.**, pursuant to written notice as prescribed by law.

**ITEM #1** **QUORUM**

The **CHAIRMAN** called the meeting to order and he determined the Notice of the Meeting had been duly posted in accordance with the law and the following present constituted a quorum:

Present: Scott D. Friedman-Chairman  
Clifford Rowell-Vice Chairman  
R. Kevin Tenison-Director  
Jeff Keplinger-Director  
Absent: Rudy H. Garcia-Secretary

LMWD: Gavino Sotelo, General Manager; Arturo Martinez, Director of Operations; Pete Capistran, Finance Director; Carlos J. Galvan, Jr., Asst. Director of Operations; J.A. Magallanes, Attorney.

**ITEM #2** **PLEDGE OF ALLEGIANCE**

The **CHAIRMAN** asked everyone to recite the Pledge of Allegiance.

**ITEM#3** **INVITATION FOR AUDIENCE FOR DISCUSSION**

The **CHAIRMAN** asked if there was anyone in the audience, not already on the agenda, who would like to address the board. No one responded.

**ITEM#4** **CONSIDER AND APPROVE MINUTES FOR WORKSHOP OF  
AUGUST 27, 2008 AND REGULAR MEETING OF OCTOBER 8, 2008**

The **CHAIRMAN** stated to consider and approve minutes for Workshop of August 27, 2008 and Regular Meeting of October 8, 2008. A motion was made by **MR. ROWELL** to table minutes until next meeting and the motion was seconded by **MR.KEPLINGER**. **MOTION CARRIED UNANIMOUSLY**.

**ITEM#5** **CONSIDER AND APPROVE A PETITION FOR ADDITION OF CERTAIN  
LAND TO THE DISTRICT BEING 32.011 ACRES IN TRACT 10 OF  
SOUTH PADRE ISLAND INVESTMENT COMPANY SUBDIVISION**

The **CHAIRMAN** stated to consider and approve a petition for addition of certain land to the District being 21.011 acres in Tract 10 of South Padre island Investment Company Subdivision. **MR. SOTELO** indicated that this was the first petition that has gone through the whole process to be annexed into the **DISTRICT**. He said that once this was complete they would come back to the board with an order to have planned and sent to the state for official approval. He also said that there were five other additions taken to the **TOWN OF SOUTH PADRE ISLAND** and would be coming to the board soon. A motion was made by **MR. TENISON** to approve petition and the motion was seconded by **MR. ROWELL**. **MOTION CARRIED UNANIMOUSLY**.

**ITEM#6** **CONSIDER AND APPROVE PETITION FOR CONSENT TO ANNEX LAND  
INTO LAGUNA MADRE WATER DISTRICT BEING 32.011 ACRES IN TRACT 10  
OF SOUTH PADRE ISLAND INVESTMENT COMPANY SUBDIVISION**

The **CHAIRMAN** stated to consider and approve petition for consent to annex land into Laguna Madre Water District being 32.011 acres in Tract 10 of South Padre Island Investment Subdivision. **MR. SOTELO** said that the consent to annex land was required for approval. A motion was made by **MR. ROWELL** to approve consent to annex land and the motion was seconded by **MR. TENISON**. **MOTION CARRIED UNANIMOUSLY**.

**ITEM#7 CONSIDER AND APPROVE RESOLUTION NO. 22-10-08 AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR USE OF SURPLUS FUNDS**

The **CHAIRMAN** stated to consider and approve Resolution No. 22-10-08 authorizing application to the Texas Commission on Environmental Quality for use of Surplus Funds. **MR. SOTELO** mentioned that they recall the last bond election there was \$1.4 million to purchase water meters and the intent was to reimburse the **DISTRICT**. He said that **TCEQ** informed staff that they were not allowed to reimburse the **DISTRICT** that money and had to use the money for the water meters. He said that they had subsequently bought additional water meters but there was some money left over and would like to move it to allow the reconstruction of Lift Station No. 11 and other repairs at the wastewater plants. He stated that they were asking **TCEQ** to allow the **DISTRICT** to use \$800,000.00 from that bond issue and have approximately \$400,000.00 left. He also said that the estimated cost for the reconstruction of Lift Station No. 11 was close to \$500,000.00. A motion was made by **MR. TENISON** to approve Resolution No. 22-10-08 and the motion was seconded by **MR. ROWELL**. **MOTION CARRIED UNANIMOUSLY**. The **CHAIRMAN** stated that **MR. GARCIA** had arrived and was present for the continuation of the meeting.

**ITEM#8 CONSIDER AND APPROVE LIFT STATION FENCE BID CF-08-09-02**

The **CHAIRMAN** stated to consider and approve Lift Station Fence Bid CF-08-09-02. **MR. MARTINEZ** stated that the **DISTRICT** had advertised and solicited sealed bids for the purchase and installation of a security eight foot cedar fence as specified at various **DISTRICT** lift stations with three bidders responding. He said **HURRICANE FENCE COMPANY** was the highest bidder with an alternate bid amount of \$36,619.00; **ACTION FENCE COMPANY** was the second lowest bidder with an alternate bid amount of \$29,059.28; and **TEXAS FENCE** was the lowest bidder with an alternate bid amount of \$28,838.88. He also mentioned that the **DISTRICT** was required to provide a perimeter security fence at all **DISTRICT** locations. He said that staff recommended board approval and award the alternate bid fence contract to **TEXAS FENCE** for \$28,838.88. A motion was made by **MR. ROWELL** to approve Lift Station Fence Bid CF-08-09-02 and the motion was seconded by **MR. GARCIA**. **MOTION CARRIED UNANIMOUSLY**.

**ITEM#9 CONSIDER AND APPROVE VEHICLE BID 08-09-07**

The **CHAIRMAN** stated to consider and approve Vehicle Bid 08-09-07. **MR. MARTINEZ** stated that the **DISTRICT** had advertised and solicited sealed bids for the purchase of a 4 x 4 Pick-Up Truck. He said that **TIPOTEX CHEVROLET** was the highest bidder with a bid of \$23,997.75; **TIPTON FORD** was the second lowest bidder with a bid of \$22,104.00; and **RODRIGUEZ FORD** was the lowest bidder with a bid of \$21,200.00. He mentioned that the unit would be utilized by the Director of Operations, would replace Unit #15 and would allow two units which were 4 x 4 to be utilized by Water Plant personnel or Meter Readers when necessary. He said staff recommended board approval and award the contract to **RODRIGUEZ FORD** for \$21,200.00. A motion was made by **MR. ROWELL** to approve Vehicle Bid 08-09-07 and the motion was seconded by **MR. TENISON**. **MOTION CARRIED UNANIMOUSLY**.

**ITEM#10 CONSIDER AND APPROVE DISBURSEMENTS**

The **CHAIRMAN** stated to consider and approve disbursements and those copies of the disbursements had been circularized to all the Board Members prior to the meeting to be reviewed. A motion was made by **MR. ROWELL** to approve Disbursements and the motion was seconded by **MR. KEPLINGER**. **MOTION CARRIED UNANIMOUSLY**.

**ITEM#11 ENGINEER'S REPORT**

**MR. MAGALLANES** reported that on October 6, 2008 the Attorney General came out with an opinion that basically compels the **DISTRICT** to be more specific on agenda items such as Engineer's Report and General Manager's Report. He said that a complaint was made to the Attorney General since the **CITY OF CORPUS CHRISTI** had the same procedure on their agendas. He said that as counsel he suggested that they modify that particular aspect on the agendas to comply with the Attorney General. He indicated that for today's purposes they could proceed and modify those items starting with the next agenda.

**ITEM#12****GENERAL MANAGER'S REPORT**

**MR. SOTELO** reported that he had asked **NRS ENGINEERS** to give submit a timetable for operations at the **DESALINATION PLANT**. He also said that he would like to have a ceremony for the event and make sure beforehand that the water would be drinkable. He mentioned that **DUNHAM ENGINEERS** inspected all water tanks which they assessed and would be handing the report in to **FEMA**. He also said that **FEMA** had assessed the damages and their estimate was higher than **DUNHAM ENGINEERS**. He also mentioned that **FEMA** left out a major requirement since the activity of the towers to the public they were required to be covered before any work would be done. He indicated that the process was quit expensive. He also said that they would be returning with an estimate in about 30-days. **MR. SOTELO** also mentioned that they would be tearing down the old truck barn and relocate units to the warehouse. He said that he was considering selling the property to a private entity rather than place it back on the tax roll. The **CHAIRMAN** asked **MR. SOTELO** to get the property appraised and take it from there. **MR. KEPLINGER** asked the rest of the board to think about what should be done with the truck barn before selling. **MR. SOTELO** also mentioned the 10 acres that the **US FISH & WILDLIFE** wanted to purchase and asked the board to consider selling after they have appraised the land. . **MR. GALVAN** reported on the **DESALINATION PLANT** and said that they had completed the conventional treatment and was ready to go. He also said that they would be training this week on the **PALL UNIT** and said that it would run for about two weeks in good condition before starting the **REVERSE OSMOSIS**. He asked the board to call him anytime if they would like to visit the pilot plant. He mentioned that he and **MR. CAYETANO NUNEZ** would be trained.

**ITEM#13****DIRECTORS' REPORT**

There was no Directors' Report.

**ITEM#14****ADJOURNMENT**

The **CHAIRMAN** adjourned the meeting at **6:31 p.m.**

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**SCOTT D. FRIEDMAN, CHAIRMAN**

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**RUDY H. GARCIA, SECRETARY**

MINUTES APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2008.