

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 **25th day of February 2009** 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
Jeff Keplinger-Director
Rudy H. Garcia-Secretary-arrived at 6:04 pm
R. Kevin Tenison-Director

LMWD: Arturo Martinez, Director of Operations; Pete Capistran, Finance Director; 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 FO REGULAR MEETING OF
DECEMBER 10, 2008, REGULAR MEETING OF JANUARY 14, 2009, REGULAR
MEETING OF JANUARY 28, 2009, AND REGULAR MEETING OF
FEBRUARY 11, 2009**

The **CHAIRMAN** stated to consider and approve minutes for Regular Meeting of December 10, 2008, Regular Meeting of January 14, 2009, Regular Meeting of January 28, 2009, and Regular Meeting of February 11, 2009. A motion was made by **MR. ROWELL** to approve minutes and the motion was seconded by **MR. KEPLINGER**. **MOTION CARRIED UNANIMOUSLY.**

ITEM#5 **CONSIDER AND APPROVE DECLARING SURPLUS ITEMS**

The **CHAIRMAN** stated to consider and approve declaring Surplus Items. **MR. MARTINEZ** said that he had provided the board with a list of additional Surplus Items and recommended they authorize to sell to the highest bidder or wait until July to join with the Cameron County Auction held each year. **MR. GARCIA** entered the meeting. A motion was made by **MR. TENISON** to approve declaring Surplus Items and the motion was seconded by **MR. ROWELL**. **MOTION CARRIED UNANIMOUSLY.**

ITEM#6 **REMOVE TABLED ITEM ON CHANGE ORDER NO. 2 TO THE NORTH
SPI UTILITIES EXTENSION PROJECT**

The **CHAIRMAN** stated to remove tabled item on Change Order No. 2 to the North SPI Utilities Extension Project. No Action.

ITEM#7 **CONSIDER AND APPROVE CHANGE ORDER NO. 2 TO THE
NORTH SPI UTILITIES EXTENSION PROJECT**

The **CHAIRMAN** stated to consider and approve Change Order No. 2 to the North SPI Utilities Extension Project. **MR. MEYERS** indicated that the board should have a revised proposed Change Order No. 2 for **JIMMY CLOSNER & SONS CONSTRUCTION** for the **NORTH SPI UTILITIES EXTENSION PROJECT**. He said that they had met with the **DUNES COMMITTEE** and they had a request to negotiate a more favorable arrangement with them. **MR. JAVIER MENDEZ** from the **TOWN OF SOUTH PADRE ISLAND** said that the committee had met and unanimously voted on to eliminate the crossings along Park Road 100 and leave the utility extension lines on the west side of the road.

He also said it would be in exchange for moving the sand impacted to the east side with the consent of each landowner build a four dune. He also said that they voted to amend the existing permit to move 100,000 cubic yards of sand to the east side of Park Road 100 and the remaining sand would be pushed further west outside the right-of-way or moved back to the east side if the owners paid the difference. **MR. MYERS** assured the board that there would be no net increasing cost to the **DISTRICT** with the negotiated agreement between the contractor and **DUNES COMMITTEE**. He explained the items on the Change Order No. 2. A motion was made by **MR. TENISON** to approve Change Order No. 2 and the motion was seconded by **MR. GARCIA**. **MOTION CARRIED UNANIMOUSLY.**

ITEM#8 **CONSIDER AND APPROVE FINANCIAL STATEMENT FOR**
JANUARY 31, 2009

The **CHAIRMAN** stated to consider and approve Financial Statement for January 31, 2009. **MR. CAPISTRAN** said that the General Fund actual Revenue at the end of January was \$4.9 million and the expenses of \$4.6 million. He also said it left an excess of Revenues over Expenses of \$282,662.00. He mentioned the Debt Service Fund and said the actual at the end of January was \$2,902,139.00 in Revenues and Expenditures were \$1,060,763.00 leaving a Revenue over Expenses of \$1,841,376.00. He also mentioned the Capital Projects Fund and said that the actual Revenue at January was \$92,865.00 and actual Expenditures were at \$1,394,716.00 and the net was \$1,301,850.00. A motion was made by **MR. GARCIA** to approve Financial Statement for January 31, 2009 and the motion was seconded by **MR. TENISON**. **MOTION CARRIED UNANIMOUSLY.**

ITEM#9 **CONSIDER AND APPROVE DISBURSEMENTS**

The **CHAIRMAN** stated to consider and approve Disbursements. A motion was made by **MR. TENISON** to approve Disbursements including Supplemental List and the motion seconded by **MR. GARCIA**. **MOTION CARRIED UNANIMOUSLY.**

ITEM#10 **ENGINEER'S REPORT**
A.) UPDATE ON SWRO PILOT AND RELATED ACTIVITIES
B.) UPDATE ON NORTH ISLAND UTILITIES

MR. JAKE WHITE of **NRS CONSULTING ENGINEERS** updated the board on the **SWRO PILOT PLANT** and said that the latest was that the discharge line had been relocated to North of the **CONVENTION CENTER**. He said that they were in discussions with the county to improve the way that water drains. He also said that they were continuing with the pilot testing and raw water conventional pre-treatment, the micro-filtration pre-treatment, and reverse osmosis. He said that they were still in Phase I of the Pilot Testing which was the optimization stage and were receiving very good data. He also said that they were working on mechanical problems and were not running the pilot 24 hours a day. He indicated that the reverse osmosis was running about 16-18 hours a day. He also mentioned that they were about 3 months left on the pilot plant. **MR. MEYERS** updated the board on the **NORTH ISLAND UTILITIES** and showed the board a map of the re-use lines. He explained that they would continue to work on the lines in the next coming week and were on schedule.

ITEM#11 **GENERAL MANAGER'S REPORT**
A.) WATER PRESSURE AT SUBSEA 7 SITE
B.) MEETING WITH CONGRESSMAN ORTIZ'S CHIEF OF STAFF
C.) 112 E MARS STREET ON SPI CONNECTION TO SEWER SYSTEM

MR. MARTINEZ stated that since **MR. SOTELO** was not present he would update the board only on Item A.) **WATER PRESSURE AT SUBSEA 7 SITE**. He said that **SUBSEA 7** had complained about low water pressure in their area near the **NAVIGATION DISTRICT**. He mentioned that **NRS ENGINEERS** would make an evaluation of the water lines. He also said that they had installed pressure gauges throughout the system at **TEXAS PACK, VARMICON,** and **WATER PLANT NO. 1** and collected data for the past week. **MR. MEYERS** of **NRS ENGINEERS** explained that the particular area was served by a single 6" water line from **WATER PLANT NO. 1**. He indicated that they had performed some hydraulic analysis and found that they could do 400 to 700 gallons per minute depending on the pressures at the plant. He mentioned that they were in the process to gather more information to look at what improvements might be needed to make that particular area have more capacity. **MR. MARTINEZ** said that they were tentatively looking into hooking up at the 24" water line that comes from **WATER PLANT NO. 2** and serves **SOUTH PADRE ISLAND**.

ITEM#12

ADJOURNMENT

The *CHAIRMAN* adjourned the meeting at *6:40 p.m.*

SCOTT D. FRIEDMAN, CHAIRMAN

RUDY H. GARCIA, SECRETARY

MINUTES APPROVED THIS _____ DAY OF _____ 2009.