

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 **13th day of May 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
Rudy H. Garcia-Secretary
R. Kevin Tenison-Director
Jeff Keplinger-Director

LMWD: Gavino Sotelo, General Manager; Arturo Martinez, Director of Operations; Pete Capistran, Finance Director; Maribel Hinojosa, Assistant to General Manager; Juan Magallanes, Attorney.

ITEM #2 **PLEDGE OF ALLEGIANCE**

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

ITEM#3 **INVITATION TO 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
REGULAR MEETING OF APRIL 22, 2009**

The **CHAIRMAN** stated to consider and approve minutes for Regular Meeting of April 22, 2009. A motion was made by **MR. ROWELL** to approve minutes and the motion was seconded by **MR. GARCIA**. **MOTION CARRIED UNANIMOUSLY.**

ITEM#5 **CONSIDER AND APPROVE CONTRACT WITH ESPEY CONSULTANTS,
INC. FOR THE DESIGN AND DEVELOPMENT OF SPECIFICATIONS FOR THE
REPAIRS OR REPLACEMENT OF THE 36" WATER TRANSMISSION LINE FROM
RESERVOIR 4 TO CUATES PUMP STATION**

The **CHAIRMAN** stated to consider and approve contract with Espey consultants, Inc. for the design and development of specifications for the repairs or replacement of the 36" Water Transmission Line from Reservoir 4 to Cuates Pump Station. **MR. SOTELO** stated that this contract was needed to comply with federal and state to show we were ready with projects for the stimulus funds. He said that they should be ready to start as soon as the money was available. He also said that the project would proceed even if the funds were not available. He asked the board to approve the contract subject to final review by our attorney. A motion was made by **MR. ROWELL** to approve contract with **ESPEY CONSULTANTS, INC.** subject to final review by attorney and the motion was seconded by **MR. TENISON**. **MOTION CARRIED UNANIMOUSLY.**

ITEM#6 **CONSIDER AND APPROVE A ONE YEAR EXTENSION TO THE
CONTRACT WITH THE IT CONSULTING GROUP**

The **CHAIRMAN** stated to consider and approve a one-year extension to the contract with The IT Consulting Group. **MR. SOTELO** said that this contract was for **MR. REGGIE LOPEZ** to provide work for computer services with an additional one-year option. He said that last year they had increased the contract by \$500.00 per year. The **CHAIRMAN** suggested that he should update the **DISTRICT** website. A motion was made by **MR. TENISON** to approve a one-year extension to the contract with **IT CONSULTING GROUP** and the motion was seconded by **MR. ROWELL**. **MOTION CARRIED UNANIMOUSLY.**

ITEM# 7**CONSIDER AND APPROVE DISBURSEMENTS**

The **CHAIRMAN** stated to consider and approve Disbursements. A motion was made by **MR. GARCIA** to approve Disbursements including Supplemental List and the motion seconded by **MR. TENISON**. **MOTION CARRIED UNANIMOUSLY**. **MR. SOTELO** asked the **CHAIRMAN** to skip to Item #1 on the Addendum.

ITEM#1**ADDENDUM****REPORT ON ALTERNATIVE ENERGY POTENTIAL FOR THE DISTRICT**

MR. JAKE WHITE of **NRS ENGINEERS** introduced **MR. CHRIS NORRIS** also from **NRS ENGINEERS** as their Renewable Energy Coordinator from the **AUSTIN** office. **MR. NORRIS** presented the board with a general discussion on options for renewable energy in the South Texas area. He informed the board on the traditional energy problems such as supply and cost concerns and environmental concerns and climate change. He also said that renewable energy had limitless resource and was clean and carbon neutral. He also mentioned that renewable sources were: conventional hydropower; biomass; wind; solar; geothermal; and hydrokinetic. He then showed them a graphic which included the 2007 US energy mix. He mentioned wave energy technologies and worldwide average wave power. He also mentioned water and energy interdependency; energy demands, and co-location benefits on-site generation. He said that biomass potential was suitable for any location with nearby source of agricultural waste or suitable biomass supply. He also said that the **RIO GRANDE VALLEY SUGAR GROWERS, INC** were construction a biomass facility to burn sugarcane waste. He stated the wave potential and said that smaller waves in Northern latitudes and gulf waves had been piloted once off **GALVESTON**. He also mentioned the southernmost tip of **TEXAS** had the best waves on the **TEXAS GULF** at 4.9 feet average wave height. He indicated that a non routine pilot permitting process with additional piloting would add understanding. He concluded and said that there were various developing and maturing technologies and government policies and incentives expanding and evolving to encourage clean energy. He also said that local project would need thoughtful planning and siting under the stabilizing market condition. He indicated that this alternative energy potential would include **NRS ENGINEERS**, the **DISTRICT**, and the company wanting to pilot this facility to discover a feasible opportunity and alternative. He then thanked the board for their time. The **CHAIRMAN** then continued with Item #8.

ITEM# 8**ENGINEER'S REPORT**

1. **DESALINATION PROJECTS UPDATE**
2. **FUNDING UPDATE**
3. **NORTH ISLAND UTILITY EXTENSION**

MR. JAKE WHITE updated the board on the status of the **DESALINATION PILOT** and said that they were continuing with the pilot unit and hoped to be completed in a couple of weeks which followed by Stage 3. He also said that they were receiving very good data and the stability of water quality in the gulf was very aggressive. He said that would give them flexibility in the full scale design. He said that there was a slight increase in feed water salinity over the past week and they were keeping track of what would be causing it. He also updated the board on **FUNDING UPDATE** and said that they had completed two surveys for the **TEXAS WATER DEVELOPMENT BOARD** associated with the Drinking Water State Revolving Fund. He said that they had applied for the **SEAWATER DESAL FACILITY** and **MICROFILTRATION FACILITY WATER PLANT NO.2**. **MR. MYERS** reported on the **NORTH ISLAND UTILITY EXTENSION** and said that he was happy to report that all pipelines were completed. He said that the 16" water line was being prepared for testing followed by the re-use and force-main. He also said that they had received the wet well manhole and were preparing the site to install it in the ground during the next week. He also indicated that contractors were completing the **SUBSEA 7** project on the change order that was approved last meeting.

ITEM#9**GENERAL MANAGER'S REPORT**

1. **LAGUNA VISTA**
2. **SUBSEA 7**
3. **WATER TANKS**
4. **LIFT STATION 11**

MR. SOTELO reported on the **LAGUNA VISTA PROJECT** and said that they were making good progress. He stated that they were starting to cut the driveways again for this project and said that they were at least 30% complete.

He mentioned the ***SUBSEA 7 PROJECT*** and said that they had requested the water meter and tap and were very pleased to see how quickly we have begun to provide the water line. He mentioned that ***WATER TANKS PROJECT*** and said that they had wanted to do the ***HUISACHE TANK*** on ***SOUTH PADRE ISLAND*** first but they were concerned that they would take a long time to finishing the whole project but the problem was in taking them out of service. He said that they were in researching the problem and different methods and costs. He said that they would start in September and take about five months to do the first tank. He also mentioned ***LIFTSTATION II*** and said that they would start on the bids by June. He mentioned that the ***BIRDING CENTER*** has invited the board for a tour of the center next week.

ITEM#10

ADJOURNMENT

The ***CHAIRMAN*** adjourned the meeting at ***7:35 p.m.***

SCOTT D. FRIEDMAN, CHAIRMAN

RUDY H. GARCIA, SECRETARY

MINUTES APPROVED THIS _____ DAY OF _____ 2009.