

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 JANUARY 2016** 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:

BOARD OF DIRECTORS

Jeff Keplinger, Chairman
William "Whitey" J. Thomas, Vice Chairman
Martin Cantu, Jr., Secretary
Scott Friedman, Director
Rick Wells, Director

ADMINISTRATIVE STAFF

Carlos J. Galvan, Jr., General Manager
Charles Ortiz, District Engineer
Victor Valdez – Director of Operations
Sanjuana Garcia – Director of Finance

ITEM #2 **INVOCATION AND PLEDGE OF ALLEGIANCE**

The **CHAIRMAN** invited everyone in the audience to stand for the invocation and recite the Pledge of Allegiance.

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

The **CHAIRMAN** asked if anyone in the audience would like to address the **BOARD**. No one responded.

ITEM #4 **CONSIDER AND APPROVE MINUTES FOR REGULAR MEETING OF DECEMBER 9, 2015 AND SPECIAL MEETING OF DECEMBER 21, 2015.**

A motion was made by **MR. THOMAS** to approve Minutes for Regular Meeting of December 9, 2015 and Special Meeting of December 21, 2015, seconded by **MR. CANTU. MOTION CARRIED UNANIMOUSLY.**

ITEM #5 **GENERAL MANAGER'S REPORT**

- **PROJECT MANAGEMENT TRAINING**
- **LAGUNA MADRE LEADERSHIP**
- **CITY OF PORT ISABEL**
- **BUREAU OF RECLAMATION**

MR. GALVAN reported on the following:

- Managers, their Assistants, and Administration attended a Project Management Training
- 9 Laguna Madre Leadership members were given a tour and presentation of our Water and Wastewater Plants
- Received email from Jared Hockema with the City of Port Isabel regarding trash pickup collection services
- Bureau of Reclamation letter Feasibility Study Report was completed and meets the requirements of Public Law and eligible for Water Smart Grants

ITEM #6 **DISTRICT ENGINEER'S REPORT**

- **TEXAS WATER DEVELOPMENT BOARD FINANCIAL ASSISTANCE WORKSHOP**
- **CLEAN WATER STATE REVOLVING PROGRAM**
- **GULF BOULEVARD WATERLINE REPLACEMENT**

MR. ORTIZ handed out printed copies and reported on the following:

- Texas Water Development Board Financial Assistance Workshop- Various funding programs were discussed
- Clean Water State Revolving Program – Loan amount request was discussed
- Gulf Boulevard Waterline Replacement – Bid Ad for 7400 feet of the 8" waterline replacement (from Gardenia to Haas)

ITEM #7 **DIRECTOR OF OPERATION'S REPORT**

- **MONTHLY REPORT**

MR. VALDEZ reported the following for the month of December:

- A Rose Garden dedication plaque will be placed in memory of Ms. Guadalupe Salinas
- 2015 Texas Tier II Chemical Inventory Report is being worked on for TCEQ (Report no longer goes to Texas Department of Health Services); and working on Water Use Survey and Water Loss Audit for TWDB
- Replat - Lot 6; Block 140 on S.P.I. into two lots, Town homes are being built on East Mars
- Little League Park Update – Utility Line Spotting needs to be called in by the City of PI
- FM 803 & HWY 100 Project is complete
- Work still being done on Mesquite Project - about 40% complete
- 18 Meters Tested; 4 – 5/8" swapped; and 22 faulty transmitters were changed out
- Meeting with 2 Meter Companies - Companies will be giving presentation on its Meters.

ITEM #8 **DIRECTOR OF FINANCE REPORT**

- **MONTHLY REPORT**

MRS. GARCIA reported the following for Finance:

- Preparing on reporting to our Safe Agencies this month
- TCDRS presentations and counseling for all District Employees – Feb. 16th
- Discussed Audit - Budget Amendments
- LMWD's Purchasing Power -Discussed purchase orders, invoices (number of transactions)
- Customer Service/Billing- Discussed High consumption profiles and service orders
- Discussed Fixed Assets Module

ITEM # 9 **DISCUSS AND APPROVE A PLAN OF FINANCE RELATING TO THE SALE AND ISSUANCE OF APPROXIMATELY \$2,580,000 IN PRINCIPAL AMOUNT OF LAGUNA MADRE WATER DISTRICT UNLIMITED TAX BONDS, SERIES 2016; AND AUTHORIZING THE DISTRICT'S FINANCIAL ADVISOR AND BOND COUNSEL TO PROCEED WITH ALL MATTERS RELATED THERETO**

A presentation was made by Mr. Adrian Galvan, Representative for Estrada Hinojosa on a plan of Finance relating to the sale of issuance of approximately \$2,580,000 in principal amount of Laguna Madre Water District Unlimited Tax Bonds, Series 2016; and authorizing the District's Financial Advisor and Bond Counsel to proceed with all matters related thereto; printed copies of the Final Draft were handed out for review, followed by questions and answers.

A motion was made by **MR. FRIEDMAN** to approve plan of Finance relating to the sale of issuance of approximately \$2,580,000 in principal amount of Laguna Madre Water District Unlimited Tax Bonds, Series 2016; and authorizing the District's Financial Advisor and Bond Counsel to proceed with all matters related thereto, seconded by **MR. CANTU. MOTION CARRIED UNANIMOUSLY.**

ITEM #10 CONSIDER AND DISCUSS LAGUNA MADRE WATER AND WASTEWATER RATE SCHEDULES

Discussion and questions ensued on the Laguna Madre Water and Wastewater Rate Schedules. The Board and Staff reviewed 6 options for a potential rate increase. There was agreement to further review and it will be discussed at the next Regular Board Meeting.

ITEM #11 CONSIDER AND APPROVE 24" VERTICAL TURBINE RIVER PUMP REPAIR (BID # 15-12-01)

MR. VALDEZ'S Tabulation Summary presented the two bids that were received and RGV Industrial Machine Shop with a total of \$27,018.00 was the recommended bidder for the 24" Raw Water Pump Repair.

A motion was made by **MR. WELLS** to approve 24" Vertical Turbine River Pump Repair (Bid # 15-12-01), seconded by **MR. FRIEDMAD. MOTION CARRIED** with **MR. THOMAS** abstaining.

ITEM #12 CONSIDER AND APPROVE ENVIRONMENTAL ENGINEERING SERVICES FOR AMBIOTEC RELATED TO CORPS OF ENGINEERS PERMIT FOR OUTFALL PIPELINE EXTENSION AT PORT ISABEL WASTEWATER TREATMENT PLANT.

Ambiotec Engineering Group submitted a proposal to perform the scope of work on a lump sum basis for an amount of \$8,350.00 for Environmental Engineering Services related to Corps of Engineers Permit for outfall pipeline extension at Port Isabel Wastewater Treatment Plant.

A motion was made by **MR. WELLS** to approve Environmental Engineering Services for Ambiotec related to Corps of Engineers Permit for outfall pipeline extension at Port Isabel Wastewater Treatment Plant, seconded by **MR. CANTU. MOTION CARRIED UNANIMOUSLY.**

ITEM #13 CONSIDER AND APPROVE OPENING A PROCUREMENT MANAGER POSITION

Discussion and questions ensued on the opening for a Procurement Manager position.

A motion was made by **MR. WELLS** to approve opening a Procurement Manager position, seconded by **MR. THOMAS** with said motion carried the following vote: **2 (Two) FOR and 3 (Three) AGAINST. MOTION FAILED.**

ITEM #14 CONSIDER AND APPROVE TRANSFERRING METER READERS FROM CUSTOMER SERVICE TO WATER DISTRIBUTION DEPARTMENT

A motion was made by **MR. WELLS** to approve transferring Meter Readers from Customer Service to Water Distribution Department, seconded by **MR. THOMAS. MOTION CARRIED UNANIMOUSLY.**

ITEM #15 CONSIDER AND APPROVE ORGANIZATIONAL CHART MODIFICATIONS

A motion was made by **MR. THOMAS** to approve Organizational Chart Modifications for Meter Readers transfer to Distribution Department, seconded by **MR. FRIEDMAN. MOTION CARRIED UNANIMOUSLY.**

ITEM #16 PRESENTATION BY MR. REMI GARZA WITH CAMERON COUNTY ON ELECTION AND ADMINISTRATION SERVICES

Mr. Remi Garza, Cameron County Elections Administrator for Cameron County gave a brief presentation and printed copies of the revised Elections Cost Estimate was handed out for review and discussion.

ITEM #17 CONSIDER AND APPROVE TO HIRE CAMERON COUNTY SERVICES FOR NOVEMBER 2016 ELECTIONS

A motion was made by **MR. THOMAS** to approve hiring Cameron County Services for November 2016 Elections, seconded by **MR. FRIEDMAN. MOTION CARRIED UNANIMOUSLY.**

ITEM #18 CONSIDER AND APPROVE TO PURCHASE FIXED ASSETS MODULE FOR \$8,275 PLUS TRAINING FOR DIRECTOR OF FINANCE AND ACCOUNTING CLERK

A motion was made by **MR. WELLS** to approve to purchase Fixed Assets Module for \$8,275 plus training for Director of Finance and Accounting Clerk, seconded by **MR. CANTU. MOTION CARRIED UNANIMOUSLY.**

ITEM #19 CONSIDER AND APPROVE UNAUDITED FINANCIAL STATEMENTS FOR OCTOBER AND NOVEMBER 2015

A motion was made by **MR. WELLS** to approve to Unaudited Financial Statements for October and November 2015, seconded by **MR. THOMAS. MOTION CARRIED UNANIMOUSLY.**

ITEM #20 CONSIDER AND APPROVE DISBURSEMENTS

A motion was made by **MR. FRIEDMAN** to approve Disbursements, seconded by **MR. CANTU. MOTION CARRIED UNANIMOUSLY.**

ITEM #21 ADJOURNMENT

There being no further business the **CHAIRMAN** adjourned the meeting at **7:37 pm.**

JEFF KEPLINGER, CHAIRMAN

MARTIN CANTU, JR. SECRETARY

MINUTES APPROVED THIS _____ DAY OF _____ 2016.