

**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 **10<sup>th</sup> day of DECEMBER 2014** 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  
Whitey William J. Thomas – Vice Chairman  
Nancy Martinez – Secretary  
Scott Friedman – Director **ABSENT**  
Rick Wells – Director

***ADMINISTRATIVE STAFF***

Carlos J. Galvan, Jr. – General Manager  
Charles Ortiz – District Engineer  
Victor Valdez – Director of Operations  
Belen Peña – Interim Director of Finance - Staff Accountant  
Juan Magallanes - Attorney

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

The **CHAIRMAN** invited everyone in the audience to 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**. **MR. GALVAN** stated individual portraits need to be taken for all Board Members and will be scheduled sometime soon.

**ITEM #4**            **CONSIDER AND APPROVE MINUTES FOR REGULAR MEETING OF NOVEMBER 12, 2014.**

A motion was made by **MR. THOMAS** to approve Minutes for Regular Meeting of November 12, 2014 as submitted, seconded by **MS. MARTINEZ**. **MOTION CARRIED UNANIMOUSLY.**

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

- **NEW FORMAT TO AGENDA**
- **AWBD CONFERENCE IN AUSTIN**
- **SCHEDULE PROFESSIONAL SERVICES COMMITTEE MEETING**
- **SPECIAL MEETING FOR DECEMBER 18, 2014**
- **AGENDA REQUEST FORM**

**MR. GALVAN** briefly went over the new format for agenda.

**MR. GALVAN** reported on the upcoming AWBD Conference in Austin, **MR. FRIEDMAN** and **MS. MARTINEZ** will be attending. He asked the Board if anyone else would like to attend to contact the office.

**MR. GALVAN** stated 1 RFQ was submitted for Financial Advisor Services and 6 RFQ's submitted for Legal Advisor Services and requested once the Professional Services Committee is selected a meeting needs to be scheduled to review RFQ's. The Board briefly discussed and requested for an addendum to extend response delivery time for requesting proposals for Financial Advisory Services.

The Board Briefly discussed a possible Special Meeting for December 18, 2014; and agreed no Special Meeting is needed at this time.

**MR. GALVAN** went over the Agenda Request Form, new form procedure will be used by Board for agenda items.

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

- **WATER TREATMENT PANT NO. 2 USE OF CHLORINE DIOXIDE**
- **CUATES PUMP STATION CONSTRUCTION PROGRESS MENTS**

**MR. ORTIZ** reported on Water Treatment Plant No. 2 Use of Chlorine Dioxide, on November 14, 2014, the Texas Commission on Environmental Quality granted our request to use chlorine dioxide as a disinfectant at water plant 2. We began a pilot study by injecting chlorine dioxide in the raw water pipeline as a pretreatment on December 2, 2014. Chlorine dioxide is intended to remove total organic carbon before microfiltration filters and subsequent chlorine disinfection in clearwell. Removing the organics will prevent the formation of disinfection byproducts such as THMs. Other benefits include improved taste and odor and a reduction in chemical use for chlorine, caustic soda, and alum. The use of chlorine dioxide is producing the intended results, and the pilot study will be ongoing for 90 days. Upon successful completion of the pilot study, the District intends to establish the use of chlorine dioxide at water plant 2 on a permanent basis.

**MR. ORTIZ** reported on Cuates Pump Station Construction Progress, start-up for new Cuates Pump Station is still pending. At last week's site visit, we found that parts were pulled from VFD in new pump station to make emergency repair in existing pump station a while back. At this time, Gicon is still looking for the replacement parts. Start-up will be rescheduled once we determine when missing parts can be delivered to site. Existing pump station is still in operation without any issues.

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

- **MONTHLY REPORT**

**MR. VALDEZ** gave his Monthly Report: a 6" crossing was installed on Mesquite Dr., Laguna Vista.

8- Water & Sewer Taps were installed for the month @ Las Joyas on HWY 100.

Southern Trenchless installed 63 feet of cement & epoxy coding lining in the manholes throughout South Padre Island and 1 in Laguna Heights.

For the Month of November: 2 – 4" meters were swapped; and 1 – 2" meter was swapped. A total of 28 – 5/8" meters were ordered; within the next month so far 6 to 7- 5/8" meters will need to be swapped.

AOC was working on a drainage ditch and hit our 24" line and our Distribution Crew observed and make sure everything was done correctly while they repaired our 24" line.

A 6" line will be extended on East Retama and the City of South Padre Island will help with all the taking down of fences.

**ITEM #8**            **INTERIM DIRECTOR OF FINANCE REPORT**

•    **AUDIT**

**MS. PEÑA** reported on the Audit, met with the Auditors last Wednesday and the Auditors presented a list of topics they will be covering starting Monday. All reports and information they requested have been provided. The Audit is scheduled to be completed by December 19<sup>th</sup> and by December 22<sup>nd</sup> they will provide any adjustments entries. The Auditors will provide a Financial Report by January 2015.

**ITEM #9**            **CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED ON THE BOARD MEETING OF NOVEMBER 12, 2014**

**CONSIDER AND APPROVE RESOLUTION NO. 112-10-14 AMENDING WATER AND WASTEWATER RATE SCHEDULES**

A motion was made by **MR. THOMAS** to remove item from the table for discussion, seconded by **MR. WELLS**. **MOTION CARRIED UNANIMOUSLY.**

**ITEM #10**           **CONSIDER AND APPROVE RESOLUTION NO. 112-10-14 AMENDING WATER AND WASTEWATER RATE SCHEDULES**

A motion was made by **MR. THOMAS** to approve Resolution 112-10-14 Amending Water and Wastewater Rate Schedules, seconded by **MR. WELLS** with **MS. MARTINEZ** opposing. **MOTION CARRIED.**

**ITEM #11**           **CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED ON THE BOARD MEETING OF NOVEMBER 12, 2014**

**CONSIDER AND APPROVE AUTHORIZATION FOR GENERAL MANAGER TO ADVERTISE FOR DIRECTOR OF FINANCE**

A motion was made by **MR. THOMAS** to remove item from the table for discussion, seconded by **MR. WELLS** with **MS. MARTINEZ** opposing. **MOTION CARRIED.**

**ITEM #12**           **CONSIDER AND APPROVE AUTHORIZATION FOR GENERAL MANAGER TO ADVERTISE FOR DIRECTOR OF FINANCE**

A motion was made by **MR. THOMAS** to approve authorization for General Manager to advertise for Director of Finance, seconded by **MR. WELLS** with **MS. MARTINEZ** opposing. **MOTION CARRIED.**

**ITEM #13**           **CONSIDER AND APPROVE RE-ORGANIZATION OF OFFICERS FOR THE COMMITTEE'S LIST**

Two Board Members were selected per Committee for the following: Audit Committee- Scott Friedman and Nancy Martinez; Budget Committee- Jeff Keplinger and Nancy Martinez; Insurance Committee- Rick Wells and Whitey Thomas; Annexation Committee- Whitey Thomas and Rick Wells; and Professional Services Committee- Jeff Keplinger and Nancy Martinez.

A motion was made by **MR. WELLS** to approve the re-organization of Officers for the Committee's List, seconded by **MS. MARTINEZ** with **MR. THOMAS** opposing. **MOTION CARRIED.**

**ITEM #14      CONSIDER AND APPROVE EMERGENCY ACTION FOR SEWER PIPE REPAIR ON PALM BLVD IN LAGUNA VISTA**

A motion was made by **MR. THOMAS** to approve emergency action for sewer pipe repair on Palm Blvd. in Laguna Vista, seconded by **MS. MARTINEZ. MOTION CARRIED UNANIMOUSLY.**

**ITEM #15      CONSIDER AND AWARD ANNUAL SLUDGE MANAGEMENT SERVICES BID #SMS-14-10-23**

A motion was made by **MR. WELLS** to approve recommendation for annual Sludge Management Services Bid award to Allied Waste Services for \$1,040.00 per haul, seconded by **MS. MARTINEZ. MOTION CARRIED UNANIMOUSLY.**

**ITEM #16      CONSIDER AND APPROVE ABANDONMENT OF EASEMENT AND REPLAT FOR LOTS 62-65, HARBOR HAVEN SUBDIVISION**

**MR. GALVAN** requested for no action to be taken at this time, the **CHAIRMAN** stated there will be **NO ACTION** taken for Item #16.

**ITEM #17      CONSIDER AND AWARD PROCUREMENT OF MATERIALS FOR ISLA BLANCA WASTEWATER TREATMENT PLANT, REPLACEMENT OF WEIR GATES AND CLARIFIER NO. 3 EFFLUENT WEIRS, BAFFLE, AND LAUNDER, BID #IB-14-10-23.**

A motion was made by **MR. THOMAS** to approve recommendation for procurement of materials for Isla Blanca Wastewater Treatment Plant – Replacement of Weir Gates and Clarifier No. 3 Effluent Weirs, Baffle and Launder awarded to Newman Regency Group, seconded by **MS. MARTINEZ. MOTION CARRIED UNANIMOUSLY.**

**ITEM #18      CONSIDER AND APPROVE ELECTRICAL ENGINEERING DESIGN SERVICES FOR BLOWER IMPROVEMENTS AT ANDY BOWIE AND ISLA BLANCA WASTEWATER TREATMENT FACILITIES**

A motion was made by **MR. WELLS** to approve Square E. Engineering for the Electrical Engineering Design Services for blower improvements at Andy Bowie and Isla Blanca Wastewater Treatment Facilities, seconded by **MS. MARTINEZ. MOTION CARRIED UNANIMOUSLY.**

**ITEM #19      CONSIDER AND APPROVE THE FINANCIAL REPORT AS OF OCTOBER 31, 2014**

A motion was made by **MS. MARTINEZ** to approve Financial Report as of October 31, 2014, seconded by **MR. THOMAS. MOTION CARRIED UNANIMOUSLY.**

**ITEM #20      CONSIDER AND APPROVE DISBURSEMENTS**

A motion was made by **MS. MARTINEZ** to approve Disbursements as submitted, seconded by **MR. WELLS. MOTION CARRIED UNANIMOUSLY.**

**ITEM #21      EXECUTIVE SESSION PERMITTED BY THE OPEN MEETING ACT, V.T.C.A., GOVERNMENT CODE SECTION 551.071 (A) (1), CERTAIN DELIBERATIONS ABOUT OFFICERS AND EMPLOYEES OF THE DISTRICT TO BE HELD IN EXECUTIVE SESSION: TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A DISTRICT EMPLOYEE TO WIT: DIRECTOR OF FINANCE**

The **CHAIRMAN** stated to pass Executive Session. **NO EXECUTIVE SESSION.**

ITEM # 20      CONSIDERATION AND ACTION ON EXECUTIVE SESSION ITEMS, IF NECESSARY

The *CHAIRMAN* stated to pass Executive Session Item. *NO ACTION TAKEN.*

ITEM #13      ADJOURNMENT

The *CHAIRMAN* adjourned the meeting at *6:47 p.m.*, motion made by *MS. MARTINEZ* and seconded by *MR. THOMAS*.

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JEFF KEPLINGER, CHAIRMAN

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MINUTES APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2015.