

MINUTES
Regular Meeting
Laguna Madre Water District
Board of Directors
Wednesday, September 25, 2024
5:30 PM – 5:59 PM
Board Room
105 Port Rd. Port Isabel, TX 78578

1. **The Chairman calls the meeting to order, determines the presence of a quorum, and that the meeting notice has been duly posted as required by law.**

Vice-Chairman A. Lalonde, with his facilitation, commenced the meeting by establishing a quorum. Three members were present, affirming the meeting's official status.

PRESENT

Adam Lalonde, Vice-Chairman
Jason Starkey, Secretary
Dave Boughter, Director

ABSENT

Scott Friedman, Chairman
William "Bill" Donahue, Director



LMWD STAFF

Carlos J. Galvan, Jr., General Manager
Daisy Martinez, Executive Secretary
Robert Gomez, Director of Operations
Charles Ortiz, District Engineer
Eduardo Salazar, Director of Finance
Enrique Samaniego, Purchasing Agent
Brandon Edge, Information Tech Specialist
Noe Cantu, Superintendent of Water
Mary Gamboa, Human Resources
Brian Hansen, Attorney

ABSENT

Santiago Ochoa, IV, Superintendent of Wastewater

2. **Pledge of Allegiance and Invocation**

The meeting began with the Pledge of Allegiance, and Director of Finance E. Salazar said the Opening Prayer.

3. **Invitation to the Audience for Public Comments**

J. Lopez thanked the Board for approving the Budget and extending the Pay Scale.

4. Consider and discuss for possible approval of the Minutes from the Regular Meeting on September 10, 2024. 💧

The minutes were provided to the Board for review.

Moved By J. Starkey, Seconded By D. Boughter

Motion: Move to Approve.

THE MOTION CARRIED UNANIMOUSLY

5. General Manager's Report

- Reservoir Levels - Both combined Lake Amistad and Falcon Lake Levels are 21.0% (copy attached).
The District remains in Stage 3 in the drought management for water conservation.

6. Consider and discuss for possible approval of a Resolution agreeing to certain requirements of a WaterSMART Application: Desalination Construction Projects Under the WIIN Act for Fiscal Years 2023 and 2024 for Port Isabel Seawater Desalination Treatment Facility (Resolution No. 217-09-2024). (C. Ortiz) 💧

District Engineer C. Ortiz indicated a deadline for construction programs on September 30, 2024. It has a 25% grant potential of up to 30 million for seawater on the construction side, and the resolution is required to apply.

The Board approved the resolution.

Moved By D. Boughter, Seconded By J. Starkey

Motion: Move to Approve.

THE MOTION CARRIED UNANIMOUSLY

7. Consider and discuss for possible approval of Work Order No. 4 with Norrrisleal, LLC for Seawater Pilot Plant Construction. (C. Ortiz and E. Salazar) 💧

Director of Finance E. Salazar noted:

- The Engineering Firm Norrrisleal for the Seawater Desalination Project requested a work order to construct the desalination pilot facility. The funds are urgently required to secure the necessary equipment, as they cannot wait for a delay on the product.
- In this case, the District must secure short-term financing as available funds are currently locked in CDs. Options for short-term funding are Secured Notes using the Emergency Funds CD as collateral or breaking the Emergency Funds CD.

- o J. Starkey asked how long it will be before the District gets reimbursed. Response – Director of Finance answered that it takes approximately 3 to 4 months.

The Board approved Work Order No.4 with Norrisleal for \$1,649,830.00 and agreed to use a Secured Note – the advance of \$1.65 Million would be paid through borrowing against the CD.

Moved By J. Starkey, Seconded By D. Boughter

Motion: Move to Approve to borrow against.

THE MOTION CARRIED UNANIMOUSLY

8. Consider and discuss for possible approval of Construction Materials Observation and Testing Services for Long Island Village Water and Sewer Improvements. (C. Ortiz) 💧

District Engineer C. Ortiz presented the proposal for \$49,955.36 from Raba-Kistner for a Geotechnical Testing Service. The Board agreed and approved.

Moved By J. Starkey, Seconded By D. Boughter

Motion: Move to Approve.

THE MOTION CARRIED UNANIMOUSLY

9. Consider and discuss for possible approval of the Financial Reports for July 2024. (E. Salazar) 💧

The financial reports were provided for review. Director of Finance E. Salazar noted that the revenues were less than expected. It was a stormy month. July is the District's highest month for revenue. However, the weather is a significant factor that affects our revenues.

Moved By D. Boughter, Seconded By J. Starkey

Motion: Move to Approve.

THE MOTION CARRIED UNANIMOUSLY

10. Consider and remove from the table the following item tabled at the Regular Meeting on September 10, 2024:

Consider and discuss for possible approval of an Annual Contract for Asphalt Paving and Repair Projects.

The Board agreed to remove it from the table for discussion.

Moved By J. Starkey, Seconded By D. Boughter

Motion: Move to Approve.

THE MOTION CARRIED UNANIMOUSLY

11. Consider and discuss for possible approval of an Annual Contract for Asphalt Paving and Repair Projects. (E. Samaniego)

Purchasing Agent E. Samaniego recommended no action- the item needs further review at this time.

NO ACTION

12. Consider and discuss for possible approval of Audit Services for the Financial Statements of the Laguna Madre Water District. (E. Samaniego)

Purchasing Agent E. Samaniego recommended approval and award of the contract to Adrian Webb, CPA for Audit Services, at most \$32,000.

Question- J. Starkey asked if they were cheaper. Response- E. Samniego answered yes. General Manager C. Galvan noted it was \$10,000 more inexpensive and also needed to consider changing at this time.

The Board agreed and awarded the contract to Adrian Webb, CPA.

Moved By J. Starkey, Seconded By D. Boughter

Motion: Move to accept the recommendation.

THE MOTION CARRIED UNANIMOUSLY

13. Consider and discuss for possible approval 12 12-month supply of Chemicals for the Water Plant, Wastewater Plant, Collections, and Lift Station Departments. (E. Samaniego) 📌

A tabulation of all the bids was provided for review. Purchasing Agent E. Samaniego recommended and requested approval to award all the lowest bids for the chemicals.

The Board agreed and approved.

Moved By D. Boughter, Seconded By J. Starkey

Motion: Move to Approve.

THE MOTION CARRIED UNANIMOUSLY

14. Consider and review Expenditures from September 1, 2024, to September 15, 2024. (C. Galvan) 📌

The expenditures were provided for review and acknowledged by the Board.

Moved By D. Boughter, Seconded By J. Starkey

Motion: Move to Approve.

THE MOTION CARRIED UNANIMOUSLY

15. Adjournment

There was no further business; the meeting adjourned at 5:59 PM.


JASON STARKEY, SECRETARY


SCOTT FRIEDMAN, CHAIRMAN

MINUTES APPROVED THIS 23RD DAY OF OCTOBER 2024.