

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 APRIL 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 D. Friedman – Director
Rick A. Wells – Director

ADMINISTRATIVE STAFF

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

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

The **CHAIRMAN** invited everyone in the audience to stand for Invocation and 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 REGULAR MEETING OF MARCH 23, 2016.**

A motion was made by **MR. WELLS** to approve Minutes for Regular Meeting of March 23, 2016 as submitted, seconded by **MR. THOMAS**. **MOTION CARRIED UNANIMOUSLY.**

ITEM #5 **GENERAL MANAGER’S REPORT**

- **EARTH DAY**
- **SPI WATER QUALITY**
- **RETIREE**

MR. GALVAN reported on the following:

- **Earth Day** - Laguna Vista's Earth Day will be on Saturday, April 23, 2016 and LMWD will be participating
- **SPI Water Quality** - Meeting with City of SPI regarding SPI Water Quality; notified City of Consumer Confidence Report goes out in June; and a letter to public was prepared and posted on SPI and LMWD Websites. Also discussed future RO treatment.
- **Retiree** - HR/Benefits Administrator and Payroll, Ms. Jane Kirkpatrick retired. LMWD Advertised for employment and received 33 applicants; the top 5 applicants will be interviewed tomorrow by Mrs. Garcia, Mr. Valdez and Mr. Galvan.

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

- **PORT ISABEL WASTEWATER TREATMENT FACILITY DESIGN, PERMITS, & EASEMENTS STATUS**
- **GULF BLVD WASTEWATER CONSTRUCTION PROGRESS**

MR. ORTIZ reported on the following:

- **PIWWTP** - Received 60% design submittal from Corollo; also they submitted the bases of design memorandum and the summary transmittal letter to TCEQ. Real Estate Application will be submitted tomorrow. Easements are complete.
- **Gulf Blvd Wastewater Construction**- Started on Gardenia working our way south, installed over 3,000 feet of 8" water line in two weeks.

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

- **MONTHLY REPORT**

MR. VALDEZ reported on the following for the month of April:

- 8-Meters Tested; 3-Swapped; 4- Water Taps; 3- Sewer Taps
- Water was shut down on Bass St. today – City was installing a fire hydrant
- Mesquite Project – Water will be shut down tomorrow for final tie in; will be bac-t sampling new pipe before connecting. Notices were sent out along with emails and it's posted on LMWD Website.
- Completion of Service Orders Comparison – For October 2014-March 2015, a total of 1,858 services orders completed, compared to this year from October 2015 – March 2016, a total of 2,152 services orders completed.

ITEM #8 **DIRECTOR OF FINANCE REPORT**

- **MONTHLY REPORT**
- **SEC AUDIT**
- **FEMA AUDIT**
- **BUDGET PROPOSAL – APRIL 29TH**

MRS. GARCIA reported on the following:

- **Monthly Report:** Expenses for March – a savings of \$100,000; increase of revenues
- **SEC Audit** - information was given to the Secretary Exchanges Commission – Financial Advisors requested information on the Revenue Bonds for Audit
- **FEMA Audit**- Additional information was requested and given regarding 2008 Hurricane Dolly; District may qualify to receive up to \$200,000 to \$250,000 back.
- **Budget Proposal**- Working on Budget for 2017, possible Budget Workshop with Budget Committee for April 29th

ITEM #9 **CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM Tabled ON THE BOARD MEETING OF MARCH 23, 2016**

CONSIDER AND APPROVE ENTERING INTO A LETTER OF INTENT WITH ABM BUILDING AND ENERGY SOLUTION FOR AN INVESTMENT GRADE AUDIT

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

ITEM #10 **CONSIDER AND APPROVE ENTERING INTO A LETTER OF INTENT WITH ABM BUILDING AND ENERGY SOLUTION FOR AN INVESTMENT GRADE AUDIT**

No motion was made.

The **CHAIRMAN** noted motion died for lack of a motion.

ITEM #11 **CONSIDER AND DISCUSS WATER AUDIT BY WATER LOSS PROSPECTING**

A presentation was given by Mark Mathis, Representative for Water Loss Prospecting on water audit and water balance for the District; printed copies were handed out for review- followed by questions and answers.

ITEM #12 **CONSIDER AND RATIFY ISLA BLANCA WASTEWATER PLANT BELT FILTER PRESS RESTORATION REPAIR**

A motion was made by **MR. THOMAS** to approve Isla Blanca Wastewater Plant Belt Filter Press Restoration Repair, seconded by **MR. FRIEDMAN. MOTION CARRIED UNANIMOUSLY.**

ITEM #13 **CONSIDER AND APPROVE PURCHASE OF 32 MEMBRANE MODULES WITH PALL ADVANCED SEPARATION SYSTEMS FOR WATER PLANT 2 MICROFILTRATION**

MR ORTIZ noted the revised request is for a total of \$65,892.00 and the modules have 1 year shelf life with a 10 year warranty; and recommends putting modules to use right away.

A motion was made by **MR. THOMAS** to approve purchase of 32 Membrane Modules with Pall Advance separation Systems for Water Plant 2 Microfiltration, seconded by **MR. FRIEDMAN. MOTION CARRIED UNANIMOUSLY**

ITEM #14 **CONSIDERATION FOR APPROVAL OF UNAUDITED FINANCIAL STATEMENTS FOR THE MONTH OF FEBRUARY 2016**

A motion was made by **MR. FRIEDMAN** to approve Unaudited Financial Statements for the month of February 2016, seconded by **MR. CANTU. MOTION CARRIED UNANIMOUSLY.**

ITEM #15 **CONSIDERATION FOR APPROVAL ON INVESTING BOND MONIES AND LIMITED OPERATING FUNDING**

Ms. Susan Anderson with Valley View Consulting, L L C gave a brief presentation and handed put printed copies for review, followed by questions and answers.

A motion was made by **MR. THOMAS** to approve Option 2 and to include the extra million in the Emergency Fund with Green Bank for the Investing Bond Monies and Limited Operating Funding, seconded by **MR. FREIDMAN. MOTION CARRIED UNANIMOUSLY**

ITEM #16 CONSIDERATION AND APPROVAL TO TRANSFER WSDC AND SSDC'S AACOUNTS TO CAPITAL FUNDING LEDGER ACCOUNTS

Discussion and questions ensued; item was tabled for further review.

A motion was made by **MR. FRIEDMAN** to table item (#16), seconded by **MR. WELLS. MOTION CARRIED UNANIMOUSLY**

ITEM #17 CONSIDER AND APPROVE DISBURSEMENTS

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

ITEM #18 ADJOURNMENT

There being no further business the **CHAIRMAN** adjourned the meeting at **7:00 p.m.**

JEFF KEPLINGER, CHAIRMAN

RICK WELLS, DIRECTOR

MINUTES APPROVED THIS 27TH DAY OF APRIL 2016.