

MINUTES
Regular Meeting
Laguna Madre Water District Board of Directors
October 25, 2017
5:30 -8:04 PM
Board Room

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 25TH day of October 2017, at the hour of 5:30 P.M., pursuant to written notice as prescribed by law.

ITEM #1 QUORUM

The CHAIRMAN called the meeting to order and determined the Notice of the Meeting had been duly posted in accordance with the law and the following present constituted a quorum:

PRESENT: Chairman, Scott D. Friedman
 Vice Chairman, Rick A. Wells
 Secretary, Doyle Wells
 Director, Herb Houston
 Director, Alex Avalos

ADMINISTRATIVE STAFF: General Manager, Carlos J. Galvan, Jr.
 Director of Operations, Robert Gomez
 District Engineer, Charles Ortiz
 Attorney, Eddie Lucio, III

ITEM #2 INVOCATION AND PLEDGE ALLEGIANCE

The meeting began with the Pledge Allegiance and an Opening Prayer.

ITEM #3 INVITATION TO THE AUDIENCE FOR PUBLIC COMMENTS

Guest, Bill Carr, President of SPI Golf Home Owners Joint Venture noted a group was formed to purchase the Golf Course from IBC Bank. Discussion and questions ensued regarding the South Padre Island Golf Course Raw Water Agreement with the District. (Item #11 on the agenda)

ITEM #4 CONSIDER AND APPROVE MINUTES OF WORKSHOP MEETING ON OCTOBER 10, 2017. (C. GALVAN)

The BOARD agreed to approve Minutes of the Workshop Meeting on October 10, 2017.

D. WELLS made a motion to approve, seconded by R. WELLS. MOTION CARRIED UNANIMOUSLY.

ITEM #5 CONSIDER AND APPROVE MINUTES OF REGULAR MEETING ON OCTOBER 11, 2017. (C. GALVAN)

The BOARD agreed to approve Minutes of the Regular Meeting on October 11, 2017.

D. WELLS made a motion to approve, seconded by R. WELLS. MOTION CARRIED UNANIMOUSLY.

ITEM #6 CONSIDER AND DISCUSS JOB DESCRIPTIONS FOR THE FOLLOWING POSITIONS: GENERAL MANAGER, DISTRICT ENGINEER, DIRECTOR OF OPERATIONS, DIRECTOR OF FINANCE, AND PURCHASING AGENT. (C. GALVAN)

There was a discussion, and the BOARD agreed to possibly schedule a future Workshop for discussion and review of the Job Descriptions.

This item was for discussion only, no action taken.

ITEM #7 GENERAL MANAGER'S REPORT

- GROUND MAINTENANCE CONTRACT

C. GALVAN reported the Ground Maintenance Contract got amended and Contractor agreed and signed. Amendment to contract got approved at Regular Meeting on October 11, 2017. Discussion ensued, and it was suggested to rephrase the language as follows:

Amendment to existing contract agreement: Contractor shall seek the adjacent Property Owner permission to cut their side of the property.

ITEM #8 DISTRICT ENGINEER'S REPORT

- SOUTH PADRE ISLAND GOLF COURSE EFFLUENT WATER AGREEMENT
- FEEDBACK FROM ELECTION ORDER PRESENTATIONS
- GRAVITY SEWER CROSSING ON PADRE BLVD AT LA QUINTA
- PORT ISABEL WASTEWATER TREATMENT PLANT BUFFER ZONES

C. ORTIZ reported on the following:

- Discussion on the South Padre Island Golf Course Effluent Agreement which is reclaimed water coming from the sewer plant running across to the community lake to the North. As of August 1st its being run on a daily basis, setting it to no bill to maintain the equipment, flow

records show its capacity to send from 10,000 to 46,000 gallons in one day to that lake. Working on fixing lift station to have more flow go to Laguna Vista and that will have more water to that community lake on the north side. Discussion ensued. A request for Attorney to review the agreement.

- October 10th, the Laguna Vista and Port Isabel Town Meeting and received positive feedback. On the 11th, meeting with Long Island Village, and requested to see their 4 Lift Stations to be considered in the Lift Station Rehab. On the 18th, meeting with South Padre Island, request better taste in the water and odor control from the Lift Stations. Discussion ensued. A recommendation for an ad advertised before election day showing the cost and savings of each project.
- Received the topography for the gravity sewer crossing on Padre Blvd. at La Quinta, took care of the private side with various landowners. There is enough depth to decommission Tikis Lift Station, Claytons, and La Quinta all in one sewer line. Will begin the bidding process for the project.
- Restrictions for the residential area around the Port Isabel Wastewater Sewer Plant got completed. Port Isabel has rezoned the Animal Shelter and the City Dump. Received title commitment for the Garcia Tract and working to get closed for that as well.

ITEM #9 DIRECTOR OF OPERATION'S REPORT

- REPORT ON ESTIMATES TO REPAIR OR REPLACE VACUUM TRUCKS, UNIT 21 AND UNIT 33
- REPORT ON BUILDINGS NOT COVERED BY TEXAS WINDSTORM INSURANCE
- REQUEST FOR PROPOSALS ON METERS

R. GOMEZ reported on the following:

- Recommendation to first replace the 2000 Vac Truck with a new single axle pool truck and then repair the 2008 Vac Truck. Discussion ensued. A request to look on purchases and leases options. Also requested, VIN and model number on the 2000 Vac Truck.
- Report on three buildings in need of repairs the River Pump Station, Isla Blanca Sewer Plant Building and Andy Bowie Equipment Room. Two Buildings require a windstorm certified inspector to approve the buildings to comply with windstorm insurance. Discussion ensued. A request for before and after pictures when completed.

- Director of Operations will be taking over the RFP on the Meters along with the Purchasing Agent. Will come back to the Board with a recommendation.

ITEM #10 CONSIDER AND RATIFY PAYMENT TO SOUTHERN TRENCHLESS FOR VACUUM TRUCK RENTAL AND MANHOLE REPAIR AT 104 CORRAL STREET, SOUTH PADRE ISLAND.
(R. GOMEZ)

R. GOMEZ reported on the collapsed Manhole at Corral St. and Laguna St., South Padre Island showing a cost of \$8,000. The BOARD approved the vacuum truck rental services for \$4,500 and the cost for the manhole repair for \$3,500.

A. AVALOS made a motion to approve and seconded by H. HOUSTON. MOTION CARRIED UNANIMOUSLY.

ITEM #11 CONSIDER AND DISCUSS SOUTH PADRE ISLAND GOLF COURSE RAW WATER AGREEMENT WITH POSSIBLE ACTION, IF NECESSARY. (C. GALVAN)

Discussion and questions ensued regarding the Raw Water Agreement with South Padre Island Golf Course rate of \$0.80 per thousand gallons. It was determined to make a rate adjustment. South Padre Island Joint Venture is creating a new Association to purchase Golf Course from IBC Bank. The BOARD agreed to lower the existing rate to \$0.55 through December 31, 2017.

H. HOUSTON made a motion to approve and seconded by A. AVALOS. MOTION CARRIED UNANIMOUSLY.

ITEM #12 CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED AT REGULAR MEETING ON OCTOBER 11, 2017:

CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF DISTRICT'S COUNSEL AND GENERAL MANAGER'S RECOMMENDATIONS FOR AGREEMENT WITH VERIZON WIRELESS ANTENNA AT ANDY BOWIE.

The BOARD agreed to remove the item from the table for discussion.

D. WELLS made a motion and seconded by A. AVALOS. MOTION CARRIED UNANIMOUSLY.

ITEM #13 CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF DISTRICT'S COUNSEL AND GENERAL MANAGER'S RECOMMENDATIONS FOR AGREEMENT WITH VERIZON WIRELESS ANTENNA AT ANDY BOWIE. (C. GALVAN)

C. GALVAN reported Verizon Wireless rent escalation term noting Verizon Wireless will not increase beyond 2% per term. Discussion and questions ensued regarding the Water Tower Agreement. The following points discussed with Counsel:

- Water Tower Lease Agreement - Page 8, C and D on the agreement
- Memorandum of Water Tower Lease Agreement – Page 1, Section 2.
- Memorandum of Water Tower Lease Agreement – Page 2, Section 3.
- 3% per year escalation

The BOARD agreed to approve subject to the following minor changes outlined and included a 3% rate increase.

D. WELLS made a motion to approve and seconded by H. HOUSTON. R. WELLS abstained. MOTION CARRIED.

ITEM #14 CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED AT REGULAR MEETING ON OCTOBER 11, 2017:
CONSIDER AND APPROVE THE PURCHASE OF INCODE MODULE FOR INVENTORY CONTROL.

The BOARD agreed to remove the item from the table for discussion.

D. WELLS made a motion and seconded by A. AVALOS. MOTION CARRIED UNANIMOUSLY.

ITEM #15 CONSIDER AND APPROVE THE PURCHASE OF INCODE MODULE FOR INVENTORY CONTROL.
(C. GALVAN)

C. GALVAN recommended to reject this item to pass on to the Purchasing Agent for review and will bring it back at the regularly scheduled meeting.

D. WELLS made a motion to reject, seconded by A. AVALOS. MOTION CARRIED UNANIMOUSLY. ITEM REJECTED.

ITEM #16 CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED AT REGULAR MEETING ON OCTOBER 11, 2017:

CONSIDER AND APPROVE THE PURCHASE OF ONE LAPTOP FOR THE BEACON SYSTEM.

D. WELLS made a motion and seconded A. AVALOS. MOTION CARRIED UNANIMOUSLY.

ITEM #17 CONSIDER AND APPROVE THE PURCHASE OF ONE LAPTOP FOR THE BEACON SYSTEM. (C. GALVAN)

C. GALVAN recommended to reject this item to pass on to the Purchasing Agent for review and will bring it back at the regularly scheduled meeting.

D. WELLS made a motion to table and request additional information seconded by A. AVALOS. MOTION CARRIED UNANIMOUSLY. ITEM REJECTED.

ITEM #18 CONSIDER AND DISCUSS THE MEETING WITH LONG ISLAND VILLAGE HELD ON OCTOBER 13, 2017. (C. ORTIZ)

At the Regular Meeting on September 27, 2017, C. ORTIZ reported on Long Island Village 1,024 lots, and all under one master meter. The water lines for the Long Island Village are all located along seawalls. The goal is to get rebuilt on main lines. Long Island Village is requesting if there is any way the District can help facilitate in getting all 1,024 lots metered. D. WELLS, H. HOUSTON, and C. ORTIZ met with Long Island Village to discuss the issues, and come up with recommendations on how the District can help. It was recommended to contact Garver to move things forward with preliminary engineering.

This item was for discussion only, no action taken.

ITEM #19 CONSIDER AND APPROVE WAIVING ANNEXATION FEES FOR THE TOWN OF LAGUNA VISTA FOR DEVELOPMENT OF SOUTH TEXAS ECOTOURISM CENTER. (C. ORTIZ)

At the Regular Meeting on September 27, 2017, the town of Laguna Vista reported working with the County on a Visitor's Center on 23 acres front Highway 100. Currently, the 23 acres are not part of the District and requesting property to get annexed. The Annexation Committee (R. Wells and H. Houston) met to discuss the annexation of the Town of Laguna Vista Property located on SH100 South of Laguna Vista Original Townsite. Discussion and questions regarding the agreement of waving annexation fees. It was agreed to approve to waiving the annexation fees for the Town of Laguna Vista and for Counsel to draft the agreement on the specifics of the 10 acres to be used for the development of the South Texas Ecotourism Center.

H. HOUSTON made a motion, seconded by R. WELLS. MOTION CARRIED UNANIMOUSLY.

ITEM #20 CONSIDER AND APPROVE TRAVEL FOR THE BOARD OF DIRECTORS TO ATTEND THE 2018 ASSOCIATION OF WATER BOARD DIRECTORS (AWBD) MID-WINTER CONFERENCE IN DALLAS, TEXAS ON JANUARY 26, 2018 – JANUARY 27, 2018. (C. GALVAN)

The Board was encouraged to attend the AWBD Mid-Winter Conference in Dallas, Texas.

A. AVALOS, S. FRIEDMAN, and H. HOUSTON agreed to attend the conference.

D. WELLS made a motion to approve and seconded by A. AVALOS. MOTION CARRIED UNANIMOUSLY.

ITEM #21 CONSIDER AND APPROVE GEOTECHNICAL ENGINEERING SERVICES FOR PROPOSED SLUDGE HOLDING TANKS AT PORT ISABEL WASTEWATER TREATMENT PLANT. (C. ORTIZ)

C. ORTIZ recommended to proceed with Geotechnical Engineering Services, and PSI proposed an estimated total fee of \$12, 800. Discussion and questions ensued, and it was agreed to approve.

D. WELLS made a motion to approve and seconded by A. AVALOS. MOTION CARRIED UNANIMOUSLY.

ITEM #22 CONSIDER AND REVIEW EXPENDITURES FOR OCTOBER 1-15, 2017. (S. GARCIA)

The expenditures were approved as presented.

D. WELLS made a motion to approve and seconded by A. AVALOS. MOTION CARRIED UNANIMOUSLY.

ITEM #23 EXECUTIVE SESSION PERMITTED BY THE OPEN MEETING ACT, V.T.C.A., GOVERNMENT CODE SECTION 551.001 ET. SEQ., UNDER SECTION 551.071, CONSULTATION WITH ATTORNEY; SECTION 551.074 (A) (1), AUTHORIZING CERTAIN DELIBERATIONS ABOUT OFFICERS AND EMPLOYEES OF THE DISTRICT TO BE HELD IN EXECUTIVE SESSION

- A. TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF DISTRICT EMPLOYEES TO WIT: GENERAL MANAGER
- B. TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF DISTRICT EMPLOYEES TO WIT: DISTRICT ENGINEER

- C. TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF DISTRICT EMPLOYEES TO WIT: DIRECTOR OF FINANCE
- D. DISCUSSION ON LEGAL MATTERS WITH COUNSEL CONCERNING 6900 PADRE BLVD./7200 PADRE BLVD.

D. WELLS made a motion for the BOARD to go into executive session at 7:28 PM, seconded by A. AVALOS. MOTION CARRIED UNANIMOUSLY.

The BOARD took a short recess before going into Executive Session.

H. HOUSTON made a motion for the BOARD to come out of executive session at 8:03 PM, seconded by R. WELLS. MOTION CARRIED UNANIMOUSLY.

ITEM #24 CONSIDERATION AND ACTION ON EXECUTIVE SESSION ITEMS, IF NECESSARY.

A. The CHAIRMAN stated, no action.

B. The CHAIRMAN stated, no action.

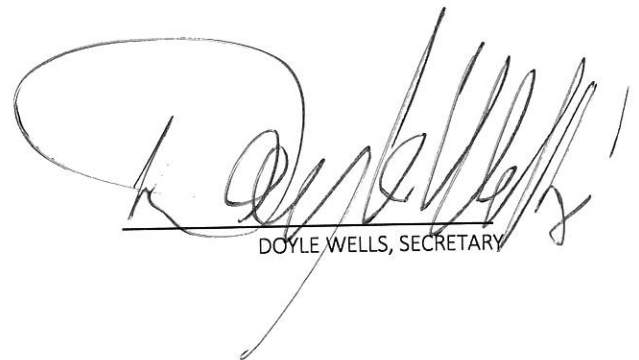
C. The CHAIRMAN stated, for the GENERAL MANAGER to proceed as directed by Legal Counsel.

D. The CHAIRMAN stated, to proceed as directed by Legal Counsel.

ITEM #25 ADJOURNMENT

The CHAIRMAN adjourned the meeting at 8:04 PM.


ALEX AVALOS/DIRECTOR


DOYLE WELLS, SECRETARY

MINUTES APPROVED THIS 8th DAY OF NOVEMBER 2017.