

MINUTES OF WORKSHOP MEETING
BOARD OF DIRECTORS
LAGUNA MADRE WATER DISTRICT

The **WORKSHOP MEETING** of the **LAGUNA MADRE WATER DISTRICT** was held at the Administration Office of the District, 105 Port Road, Port Isabel, Texas on the **26th day of JULY**, at the hour of **4:30 p.m.** pursuant to written notice as presented by law.

ITEM #1 **QUORUM**

The **CHAIRMAN** called the **WORKSHOP MEETING** to order at **4:30 p.m.** 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

Scott D. Friedman - Chairman	
Rick Wells - Vice Chairman	ABSENT
Doyle Wells – Secretary	
Jeff Keplinger – Director	
William Thomas – Director	ABSENT

ADMINISTRATIVE STAFF

Charles Ortiz – District Engineer
Sanjuana Garcia – Director of Finance

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

The Chairman invited everyone in the Audience for the Opening Prayer and recited the Pledge of Allegiance.

ITEM #3 **CONSIDER AND DISCUSS ENGINEER’S REPORT(S) FOR PROPOSED NOVEMBER 2017 BOND ELECTION**

This item was for discussion only no action taken. This item was taken out of order and discussed after Item #4.

A Power Point Presentation was given by Mr. Richard Correa with Gaver regarding Proposed November 2017 Bond Election.

The following points discussed:

- Water supply needs and options for Bond Election
- LMWD needs an additional Water Supply
- Water supply options:
 - Proposition 1 proposing to Buy Water Rights \$1.7 million for 675-acre feet of water per year
 - Proposition 2 proposing Reduced Diversion through Port Isabel Reuse

- U. S. Fishing and Wildlife – 1,000-acre feet of water rights, probable
- Legal Options- a legislature to remove the District from proration
- Title XVI Funding Opportunity for 25% funding assistance (planning, design, and construction), the opportunity will not present itself again. Application Deadline, August 17, 2017. A Resolution needs approval.
- Preliminary Tax Rate impact analysis shows Proposition 1 would result in property tax of \$0.089. The additional Proposition 2 would result in a property tax \$0.11.
- Possible Workshop from 3 PM - 5 PM

ITEM #4 CONSIDER AND DISCUSS PROPOSITION(S) FOR SYSTEM IMPROVEMENTS, PURCHASE OF ADDITIONAL SURFACE WATER RIGHTS AND WATER RECLAMATION FACILITY

This item was for discussion only, and no action taken. This item was taken out of order and discussed before item #3.

The Presentation was given by the District's Bond Counsel, Mr. Noel Valdez with Parkhurst McCall and Horton. The following points discussed:

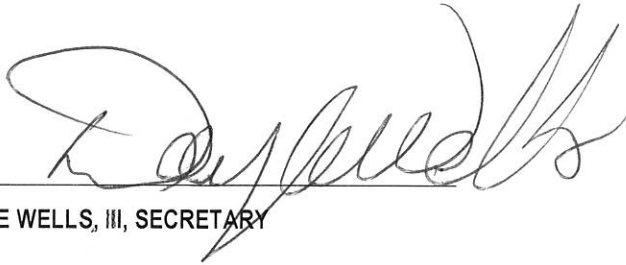
- State Law requires before calling a Bond Election: An Engineer's Report (needs to be approved) and Budget (needs to be included) in the Election
- Deadline to call a Bond Election is August 21st.
- An Engineer's Report gets approve and inspected by the Public at a Regular Board meeting
- If approved, Bond Counsel will draft all necessary documents for the Election Order, work with staff to create the Propositions, prepare Election Ballots to give to the county, will prepare an Election Letter
- When and if Proposition passes, a complete transcript of the Election Proceedings is given to the Attorney General
- Discussed alternatives for Desalination Project approved in 2011 (the District never issued the debt and no expiration date used and will always remain). The alternatives:
 - Take no action
 - Approve a Resolution
 - Or intertwine it with the proposition approving a project on the Ballot
- Flexible possibilities when creating the proposition(s)

ITEM # 5 CONSIDER AND DISCUSS PROGRESS OF SEAWATER DESALINATION PROPOSITION NO.2 PASSED IN 2011

This item was for discussion only no action taken. Discussed under Item #4.

ITEM # 6 ADJOURNMENT

There being no further business, the Workshop Meeting adjourned at 5:25 PM.



DOYLE WELLS, III, SECRETARY



SCOTT D. FRIEDMAN, CHAIRMAN

MINUTES APPROVED THIS 9TH DAY OF AUGUST 2017.