

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 **10th day of FEBRUARY 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 Friedman, Director
Rick 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** noted Invocation and Pledge of Allegiance were said earlier at Workshop.

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 FOR REGULAR MEETING OF JANUARY 27, 2016**

A motion was made by **MR. WELLS** to approve Minutes for Regular Meeting of January 27, 2016, seconded by **MR. THOMAS**. **MOTION CARRIED UNANIMOUSLY.**

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

- **ROSE GARDEN PLAQUE DEDICATION**
- **METER PRESENTATIONS**
- **ANNEXATION**

MR. GALVAN reported on the following:

- Rose Garden Plaque Memorial Service for Mrs. Lupe Salinas will be scheduled and the Salinas Family will be invited.
- Presentations by Ferguson Enterprise and ACT Pipe Supply on water meters.
- Annexation Committee (Annexation Committee Members: Mr. Thomas & Mr. Wells) Meeting will be scheduled to discuss the proposed annexation for the Equestrian Center (horse stables) in SPI and to discuss proposed annexation for acres located on the south side on HWY 100 for the City of Laguna Vista.

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

- **PERMITS AND EASEMENTS FOR PORT ISABEL WWTP PHASE I IMPROVEMENTS**

MR. ORTIZ reported on the permits and easements for Port Isabel Wastewater Treatment Plant Phase I improvements:

- Meeting with U. S. Army Corps of Engineers, Regulatory Specialist on Friday
- Provided information on TCEQ – update on major amendment on the discharge permit to relocate
- Brief Discussion – ongoing negotiations with Garcia Family

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

- **MONTHLY REPORT**

MR. VALDEZ report for the following:

- Update on diver for the River pump station
- Provided information on Chemical Usage- 31% savings from 2013-2014 to 2014-2015
- Report for the month of January: 9 – Water taps; 3 – Sewer taps; 11 – swaps; and 18 – transmitter change outs
- Provided a Salinity Report for Laguna Vista – printed copies were handed out and discussed

ITEM #8 **DIRECTOR OF FINANCE REPORT**

- **PROPOSED TIMETABLE SCHEDULE FOR BUDGET AMENDMENT FOR FY2016**
- **SERVICE ORDERS STATUS REPORT**

MRS. GARCIA reported on the following:

- Requested a Budget Committee Meeting - (Budget Committee members: Mr. Keplinger & Mr. Cantu)
- Reported on Service Order Progress

ITEM # 9 **PRESENTATION BY BLACK VEATCH TO CONSIDER AQUIFER STORAGE RECOVERY ON SOUTH PADRE ISLAND**

A presentation was made by Mr. Cooke, Project Manager with Black and Veatch on Aquifer Storage Recovery on South Padre Island, followed by questions and answers.

ITEM #10 **CONSIDER AND APPROVE PROJECTS TO BE INCLUDED IN A GENERAL OBLIGATION BOND ISSUE**

Discussion and questions ensued regarding the consideration for the Projects to be included in a General Obligation Bond Issue. The item was tabled for further review and possible workshop.

A motion was made by **MR. THOMAS** to table item, seconded by **MR. CANTU. MOTION CARRIED UNANIMOUSLY. ITEM #10 Tabled.**

ITEM #11 **CONSIDER AND APPROVE ADDENDUM TO CONTRACT FOR COMPANY NAME CHANGE FROM ORBIT BROADBAND LLC TO G5 INTERNET SERVICES**

A motion was made by **MR. CANTU** to approve Addendum to Contract for Company name change from Orbit Broadband LLC to G5 Internet Services, seconded by **MR. WELLS. MOTION CARRIED UNANIMOUSLY.**

ITEM #12 CONSIDER AND APPROVE NEW PROCUREMENT POSITIONS IN THE FINANCE DEPARTMENT

Mr. Galvan recommended the following new positions for the Finance Department: Warehouse Inventory/Procurement Assistant; and Accounts Payable/Procurement Agent.

A motion was made by **MR. WELLS** to approve new Procurement Positions in the Finance Department, seconded by **MR. CANTU. MOTION CARRIED UNANIMOUSLY.**

ITEM #13 CONSIDER AND APPROVE MODIFICATIONS TO THE DISTRICT'S ORGANIZATIONAL CHART

Inventory/Procurement Assistant; and Accounts Payable/Procurement Agent were added to the District's Organizational Chart (see Item #12).

A motion was made by **MR. FRIEDMAN** to approve modifications to the District's Organizational Chart, seconded by **MR. THOMAS. MOTION CARRIED UNANIMOUSLY.**

ITEM #14 CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED ON THE BOARD MEETING OF JANUARY 27, 2016

CONSIDERATION AND APPROVAL OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SOUTH PADRE ISLAND, TEXAS AND THE LAGUNA MADRE WATER DISTRICT FOR SPI REINVESTMENT ZONE NO. 1

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

ITEM #15 CONSIDER AND APPROVE OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SOUTH PADRE ISLAND, TEXAS AND THE LAGUNA MADRE WATER DISTRICT FOR SPI REINVESTMENT ZONE NO. 1

No motion was made. The **CHAIRMAN** noted item dies for lack of motion.

ITEM #16 CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED ON THE BOARD MEETING OF JANUARY 27, 2016

CONSIDERATION AND APPOINTMENT OF A LAGUNA MADRE WATER DISTRICT BOARD MEMBER TO THE CITY OF SOUTH PADRE ISLAND, TEXAS REINVESTMENT ZONE NO. 1 BOARD

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

ITEM #17 CONSIDERATION AND APPOINTMENT OF A LAGUNA MADRE WATER DISTRICT BOARD MEMBER TO THE CITY OF SOUTH PADRE ISLAND, TEXAS REINVESTMENT ZONE NO. 1 BOARD

This item was not discussed and no motion was made (on account of no action taken on item #15).

ITEM #18 CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED ON THE BOARD MEETING OF JANUARY 27, 2016

CONSIDER AND APPROVE RESOLUTION NO. 130-01-16 AMENDING WATER AND WASTEWATER RATE SCHEDULES

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

ITEM #19 CONSIDER AND APPROVE RESOLUTION NO. 130-01-16 AMENDING WATER AND WASTEWATER RATE SCHEDULES

The Board and Staff reviewed options for a potential rate increase. Discussion and questions ensued regarding the District's Water and Wastewater Rate Schedules. The Board agreed on option 8 rate increase (option 8 – adjustments: 5/8" rate increase; and for 1" and larger tiered consumption) for the District's Water and Wastewater Rate Schedules beginning March 2016 billing cycle. The Water and Wastewater Rate Schedules will be amended and supported through Resolution No. 130-01-16.

A motion was made by **MR. THOMAS** to approve Option 8, through Resolution No. 130-01-16 Amending Water and Wastewater Rate Schedules, seconded by **MR. WELLS** with **MR. CANTU** opposing. **MOTION CARRIED.**

ITEM #20 CONSIDER AND APPROVE TRAVEL FOR BOARD OF DIRECTORS AND ADMINISTRATION DEPARTMENT TO ATTEND AWWA ANNUAL CONFERENCE IN CHICAGO, ILLINOIS

A motion was made by **MR. FRIEDMAN** to approve Travel for Board of Directors and Administration Department to attend AWWA Annual Conference in Chicago, Illinois, seconded by **MR. WELLS. MOTION CARRIED UNANIMOUSLY.**

ITEM #21 CONSIDER AND AWARD CONSTRUCTION CONTRACT FOR GULF BLVD WATERLINE REHABILITATION

Presentation was made by LNV, Inc. and printed copies were handed out to the Board of Directors. The 5125 Company showing a total Bid Amount of \$1,152,960.00 was the recommended Bidder for the Construction Contract for Gulf Blvd Waterline Rehabilitation.

A motion was made by **MR. FRIEDMAN** to approve LNV Engineer's recommendation to award The 5125 Company from Mission, TX, Construction Contract for Gulf Blvd. Waterline Rehabilitation, seconded by **MR. CANTU** with **MR. THOMAS** opposing. **MOTION CARRIED.**

ITEM #22 CONSIDER AND APPROVE BOUNDARY SURVEY FOR EXISTING 24" WATER MAIN TO RENEW MISCELLANEOUS EASEMENTS WITH TEXAS GENERAL LAND OFFICE

A total amount of \$7,250.00 was proposed for Professional Surveying Services.

A motion was made by **MR. WELLS** to approve Boundary Survey for existing 24" Water Main to Renew Miscellaneous Easements with Texas General Land Office, seconded by **MR. THOMAS. MOTION CARRIED UNANIMOUSLY.**

ITEM #23 CONSIDER AND APPROVE DISBURSEMENTS

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

ITEM #24 ADJOURNMENT

There being no further business the **CHAIRMAN** adjourned the meeting at 7:03 pm.

JEFF KEPLINGER, CHAIRMAN

MARTIN CANTU, JR. SECRETARY

MINUTES APPROVED THIS _____ DAY OF _____ 2016.