

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 **28th day of JANUARY 2015** at the hour of **6:15 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
Whitey William J. Thomas – Vice Chairman
Scott Friedman – Director
Rick Wells – Director

ADMINISTRATIVE STAFF

Carlos J. Galvan, Jr. – General Manager
Charles Ortiz – District Engineer
Victor Valdez – Director of Operations
Belen Peña – Interim Director of Finance - Staff Accountant
Rodolfo Cardova - Attorney

ITEM #2 **PLEDGE OF ALLEGIANCE**

The **CHAIRMAN** invited everyone in the audience to recite the Pledge of Allegiance.

ITEM #3 **INVITATION TO AUDIENCE FOR DISCUSSION**

The **CHAIRMAN** asked if anyone in the audience would like to address the **BOARD**. **MR. GALVAN** reported our Customer Service Manager and Wastewater Plant Manager attended Career Day at Garriga Elementary and gave a presentation on Water Conservation.

ITEM #4 **CONSIDER AND APPROVE MINUTES FOR REGULAR MEETING OF JANUARY 14, 2015.**

A motion was made by **MR. THOMAS** to approve Minutes for Regular Meeting of January 14, 2015 as submitted, seconded by **MR. WELLS**. **MOTION CARRIED UNANIMOUSLY.**

ITEM #5 **CONSIDER AND APPROVE LEGAL SERVICES AGREEMENT WITH BEATTY, BANGLE, STRAMA FIRM FOR LAGUNA MADRE WATER DISTRICT**

Mr. Adolfo Cordova, Attorney representing BBS Law Firm was present at meeting.

A motion was made by **MR. FRIEDMAN** to approve Legal Services Agreement with Beatty, Bangle, Strama Firm for Laguna Madre Water District, seconded by **MR. WELLS**. **MOTION CARRIED UNANIMOUSLY.**

ITEM # 6 **GENERAL MANAGER'S REPORT**

• **DISTRICT VEHICLE REPORT**

MR. GALVAN reported 6 catalyst converters were stripped from the District vehicles; police and insurance company have been notified. The Board and Staff briefly discussed and agreed to place an advertisement for a reward of \$1,000.00 on information regarding the break-in.

ITEM #7 **DISTRICT ENGINEER'S REPORT**

- **USE OF CHLORINE DIOXIDE PILOT STUDY**
- **CUATES PUMP STATION CONSTRUCTION PROGRESS**

MR. ORTIZ gave an update on the Chlorine Dioxide Pilot Study that is still ongoing at Water Plant 2, they have been using Chlorine Dioxide since December 3; we are continuing monitoring and still taking weekly samples on our THMS, at the same time maintaining different sample requirements. We are still continuing the process of finding the best feed points and how to maintain a stable disinfectant in the distribution system without creating the THMS, we are pretty close to getting the final end results. We are meeting with some expects tomorrow at the Plant to go through our feed point location and our revised contact type study that we need to submit so we can have a long term solution to these THMS

MR. ORTIZ reported on the Cuates Pump Station Construction Progress, the pumps were pulled out of the old pump station and working on extending the shaft to be able to drop it down to the second pump. We will be ready to do the demo on old pump station over at Cuates getting all the side work done; we are on the tail end of the construction.

ITEM # 8 **PRESENTATION BY LONG CHILTON LLP ON AUDIT REPORT FOR YEAR ENDING SEPTEMBER 30, 2014 FOR LAGUNA MADRE WATER DISTRICT**

Mr. Carlos Barrera, Representative for Long Chilton LLP briefly reviewed the District's Audit Report for Year Ending September 30, 2014 followed by an open discussion for questions and answers. The Financial Statements had been circularized to all Board Members and Staff prior to the meeting for review. Mr. Barrera stated in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, as of September 30, 2014, and that's a clean opinion and cannot get better that. **NO ACTION ITEM.**

ITEM #9 **CONSIDER AND APPROVE AUDIT REPORT FOR YEAR ENDING SEPTEMBER 30, 2014 FOR LAGUNA MADRE WATER DISTRICT**

A motion was made by **MR. THOMAS** to approve Audit Report for Year Ending September 30, 2014 for Laguna Madre Water District, seconded by **MR. WELLS. MOTION CARRIED UNANIMOUSLY.**

ITEM #10 **CONSIDER AND APPROVE FOR THE GENERAL MANAGER TO BEGIN NEGOTIATIONS WITH CAROLLO ENGINEERS FOR DESIGN PHASE FOR PORT ISABEL WATER RECLAMATION FACILITY AND RELATED WASTEWATER TREATMENT UPGRADES**

A motion was made by **MR. WELLS** to approve to table item and schedule to discuss at upcoming Workshop on February 11, 2015, seconded by **MR. THOMAS. MOTION CARRIED UNANIMOUSLY. ITEM TABLED.**

ITEM #11 **CONSIDER AND DISCUSS THE DISTRICT'S TRAVEL POLICY FOR BOARD OF DIRECTORS.**

The Board reviewed the Districts Travel Policy for Board of Directors and deliberated on the Board's travel limitations. Any revisions to the District's Travel Policy will be proposed for approval at Regular Board of Directors Meeting and supported through a Resolution. **NO ACTION ITEM.**

ITEM #12 CONSIDER AND APPROVE PROFESSIONAL ENGINEERING SERVICES AMENDMENT NO. 1 FOR WASTEWATER COLLECTION IMPROVEMENTS IN LAGUNA VISTA

A motion was made by **MR. WELLS** to approve Professional Engineering Services Amendment No. 1 Agreement with AGH Engineering, with a total contract amount of \$5,642.50 for Wastewater Collection Improvements in Laguna Vista, seconded by **MR. FRIEDMAN. MOTION CARRIED UNANIMOUSLY.**

ITEM #13 CONSIDER AND APPROVE GEOTECHNICAL ENGINEERING SERVICES FROM RABA KISTNER CONSULTANTS, INC. FOR LAGUNA VISTA GRAVITY SEWER IMPROVEMENTS

A motion was made by **MR. FRIEDMAN** to approve the Geotechnical Engineering Services from Raba Kistner Consultants, Inc., with total lump sum cost of \$6,375.00 for Laguna Vista Gravity Sewer Improvements, seconded by **MR. WELLS. MOTION CARRIED UNANIMOUSLY.**

ITEM #14 CONSIDER AND APPROVE FINANCIAL ADVISORY SERVICES AGREEMENT WITH ESTRADA HINOJOSA & COMPANY, INC. FOR LAGUNA MADRE WATER DISTRICT

A motion was made by **MR. THOMAS** to approve Financial Advisory Services Agreement with Estrada Hinojosa & Company, Inc. for Laguna Madre Water District, seconded by **MR. FRIEDMAN. MOTION CARRIED UNANIMOUSLY.**

ITEM #15 CONSIDER AND APPROVE FINANCIALS AS OF DECEMBER 31, 2014

A motion was made by **MR. WELLS** to approve Financials as of December 31, 2014 as submitted, seconded by **MR. FRIEDMAN. MOTION CARRIED UNANIMOUSLY.**

ITEM #16 CONSIDER AND APPROVE INVESTMENTS REPORT FOR QUARTER ENDING DECEMBER 31, 2014

A motion was made by **MR. FRIEDMAN** to approve Investment Report for Quarter Ending December 31, 2014 as submitted, seconded by **MR. WELLS. MOTION CARRIED UNANIMOUSLY.**

ITEM #17 CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED ON THE BOARD MEETING OF JANUARY 14, 2015

CONSIDER AND APPROVE ANNUAL MAINTENANCE CONTRACT WITH ATLAS COPCO COMPRESSORS LLC

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

MR. ORTIZ invited Mr. Noe Cantu, Senior Water Plant Operator to go over Atlas Copco Service Plan and answer any questions or concerns regarding the maintenance contract on the new compressors at Water Plant 2.

A motion was made by **MR. FRIEDMAN** to approve the Annual Maintenance Contract with Atlas Copco Compressors LLC, seconded by **MR. WELLS** with **MR. THOMAS** opposing. **MOTION CARRIED.**

ITEM #18 CONSIDER AND APPROVE DISBURSEMENTS

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

ITEM #23 ADJOURNMENT

The *CHAIRMAN* adjourned the meeting at **6:55 PM**.

JEFF KEPLINGER, CHAIRMAN

MINUTES APPROVED THIS _____ DAY OF _____ 2015.