
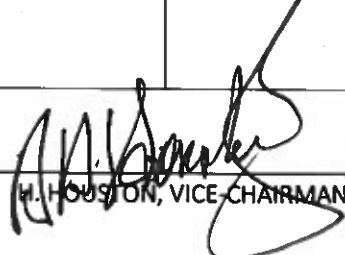


**MINUTES**  
 Workshop Meeting  
 Laguna Madre Water District  
 Board of Directors  
 Wednesday, August 28, 2019  
 4:30 PM – 5:17 PM  
 Board Room

<b>1</b>	<p><b><u>QUORUM</u></b></p> <p><b>PRESENT:</b>          Chairman, Scott Friedman          Vice-Chairman, Herb Houston          Secretary, Alex Avalos          Director, Jason Starkey arrived @ 4:35 PM          Director, Adam Lalonde arrived @ 4:33 PM</p>  <p><b>ADMINISTRATIVE STAFF:</b>          General Manager, Carlos J. Galvan, Jr.          Director of Operations, Robert Gomez          District Engineer, Charles Ortiz          Purchasing Agent, Enrique Samaniego          Director of Finance, Eddie Salazar</p>	
<b>2</b>	<p><b><u>INVOCATION AND PLEDGE OF ALLEGIANCE</u></b></p> <p>The meeting began with the Pledge of Allegiance and an Opening Prayer</p>	
<b>3</b>	<p><b><u>DISCUSS UPDATES ON THE GENERAL FUND'S PROPOSED BUDGET FOR THE FISCAL YEAR 2019-2020</u></b></p> <p><b>DISCUSSION:</b></p> <ul style="list-style-type: none"> <li>• Reviewed and discussed the following One-time expenses Updates (These Items funded after the General Fund Workshop on August 14):             <ul style="list-style-type: none"> <li>○ Replacement of Unit 38-Small Vacuum Truck Plant \$110,000</li> <li>○ Administrative Generator \$60,000</li> <li>○ Distribution Pump \$42,000</li> <li>○ Wage Study \$35,000</li> <li>○ Distribution Trailers \$28,000</li> <li>○ Computer Server \$6,000</li> <li>○ Warehouse Fence \$5,500</li> <li>○ Total \$286,500</li> </ul> </li> <li>• Additional updates made. New reductions. The remaining projected revenues over expenditures in the General Fund \$109,750.</li> <li>• Unfunded Recommendations:             <ul style="list-style-type: none"> <li>○ One Time Expense- Parking Lot Expansion \$25,000</li> <li>○ On-Going Expenses:</li> </ul> </li> </ul>	<p><b>WORKSHOP MEETING          DISCUSSION          ITEM          ONLY</b></p>

	<ul style="list-style-type: none"> <li>➤ Health Insurance (50%) for dependents \$101,000</li> <li>➤ Cost of Living Adjustment (COLA) (1.4%)</li> <li>• Questions and Discussions on: <ul style="list-style-type: none"> <li>○ Comments: No need for a wage study, do wage study in-house.</li> <li>○ Question: Did the Board not agree on COLA annually last year as part of the Budget? Last year Board's request was to evaluate and report back to the Board regarding the COLA.</li> <li>○ Discussion: Losing employees for better pay to other entities</li> <li>○ Discussion: Health Insurance for dependents coverage</li> </ul> </li> <li>✓ Add COLA on the agenda to add every year according to Federal Costs</li> <li>✓ Recommendation: added seven steps in 2018 hold off on wage study for another time and parking expansion can hold off too</li> <li>✓ Recommendation: provide more numbers on the health insurance coverage for dependents. Include the copay costs (make sure it's affordable for employees)</li> </ul>	
4	<p><b><u>DISCUSS UPDATES ON THE CAPITAL PROJECTS FUND'S PROPOSED BUDGET FOR THE FISCAL YEAR 2019-2020</u></b></p> <p><b>DISCUSSION:</b></p> <ul style="list-style-type: none"> <li>• Reviewed and discussed page 18, the following proposed Budget Worksheet items: <ul style="list-style-type: none"> <li>○ \$6,213,055 available for capital projects</li> <li>○ Water Infrastructure Expenditures <ul style="list-style-type: none"> <li>➤ Elevated Storage Tanks \$380,000</li> <li>➤ Island Ave Waterline \$174,000</li> <li>➤ Chlorine Dioxide Gen \$5,000</li> <li>➤ WP2 High SVC Pump Station \$244,300</li> <li>➤ SPI Upgrade Small Waterline 2-4 \$ 55,000</li> <li>➤ Sludge Lagoon (new amount \$20,000 added)</li> </ul> </li> <li>○ Sewer Infrastructure Expenditures <ul style="list-style-type: none"> <li>➤ Isla Blanca WWTP Clarifier 3 \$6,300 (new amount \$28,000)</li> <li>➤ Sewer Pipe Rehab \$295,000</li> <li>➤ Buffer Zone Land Purchase \$51,500</li> </ul> </li> <li>○ Total Revenue in Projects \$6,213,055</li> <li>○ Total Budget Request \$445,801 (Reduced to \$398,000)</li> </ul> </li> </ul>	<p style="text-align: center;"><b>WORKSHOP MEETING DISCUSSION ITEM ONLY</b></p>
5	<p><b><u>ADJOURNMENT</u></b></p> <p>The CHAIRMAN adjourned the meeting at 5:17 PM</p>	

  
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 ALEX AVALOS, SECRETARY

  
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 W. HOUSTON, VICE-CHAIRMAN

MINUTES APPROVED THIS 12<sup>TH</sup> DAY OF SEPTEMBER 2019.