

MINUTES  
REGULAR MEETING  
LAGUNA MADRE WATER DISTRICT BOARD OF DIRECTORS  
Wednesday, September 27, 2017  
5:30 – 7:55 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 27<sup>TH</sup> day of SEPTEMBER 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 he 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 Wells  
                    Secretary, Doyle Wells, III

Also present at the meeting and seated on the Board of Directors table was the newly appointed Board of Directors Herb Houston and Alex Avalos. The newly appointed Board of Directors got appointed at the Special Meeting on September 5, 2017. See Item # 5 for the administering of the Oath of Office.

ADMINISTRATIVE STAFF:      General Manager, Carlos J. Galvan, Jr.  
   District Engineer, Charles Ortiz  
   Director of Finance, Sanjuana Garcia  
ABSENT:                          Attorney, Eddie Lucio, III

The agenda items discussed in the following order:  
1,2,3,4,5,24,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,25,26,27,28,29,30,31

ITEM #2      INVOCATION AND PLEDGE ALLEGIANCE

The *CHAIRMAN* noted Invocation and Pledge of Allegiance were done earlier during the Workshop Meeting at 4:00 P.M.

ITEM #3      INVITATION TO THE AUDIENCE FOR PUBLIC COMMENTS.

Guest Mr. Fred Bode, Owner of 4 Sons Lawn Care Services, is one of the bidders for the Ground Maintenance Services Contract (Item #21 on the agenda), addressed and requested for the Board to consider his company and provided three recommendation letters to the General Manager.

Guest Mr. Robert Vela, asked the following questions to the Board and Staff to look into: If the Water Plant is being operated by "D" License Operators on shifts of scheduled rotations by themselves? According to the rules and regulations of TCEQ, it's not allowed since the District has over 250 connections. If permitted under public records can the schedule be checked and answered?

ITEM #4            CONSIDER AND APPROVE MINUTES OF SPECIAL MEETING ON SEPTEMBER 5, 2017

The Minutes of Special Meeting of September 5, 2017, got approved as presented.

*MR. D. WELLS* made a motion and seconded by *MR. R. WELLS. MOTION CARRIED UNANIMOUSLY.*

ITEM #5            ADMINISTERING OATH OF OFFICE FOR LAGUNA MADRE WATER DISTRICT NEWLY APPOINTED BOARD OF DIRECTORS, MR. HERB HOUSTON, JR., PLACE 3 AND MR. ALEX AVALOS, PLACE 4

The newly appointed Board of Directors got appointed at the Special Meeting on September 5, 2017.

Honorable Judge, Bennie Ochoa III, administered the oath of office for Board of Director (Position 3), Mr. Herb Houston, Jr.

The former Secretary of State, Carlos H. Cascos, administered the oath of Office for Board of Director (Position 4), Mr. Alex Avalos.

The District welcomed Mr. Houston and Mr. Avalos aboard and took their seats at the table.

ITEM #6            CONSIDER AND APPROVE OFFICERS ON THE COMMITTEE'S LIST FOR LAGUNA MADRE WATER DISTRICT'S BOARD OF DIRECTORS

This item got taken out of order, Item #24 on the agenda got discussed before Item #6.

The Board agreed to replace the former Board Members on the list with the newly appointed Board Members. A list of the approved Committees are as follows:

- Audit Committee- Scott Friedman and Doyle Wells
- Budget Committee – Doyle Wells and Alex Avalos
- Insurance Committee – Scott Friedman and Herb Houston
- Professional Services Committee – Rick Wells and Alex Avalos
- Annexation Committee – Rick Wells and Herb Houston

*MR. R. WELLS* made a motion to approve and seconded by *MR. D. WELLS. MOTION CARRIED UNANIMOUSLY.*

ITEM #7            CONSIDER AND DISCUSS ENTERING INTO NEGOTIATIONS FOR WATER AND WASTEWATER REHABILITATION FOR LONG ISLAND VILLAGE.

This item was for discussion only.

Mr. Ortiz reported Long Island Village has 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. The Board agreed for Mr. D. Wells, Mr. H. Houston, Engineer and General Manager to meet and look at the issues, and come up with recommendations on how the District can help.

ITEM #8            GENERAL MANAGER’S REPORT

- SCHEDULE ORIENTATION FOR THE NEWLY APPOINTED DIRECTORS

Mr. Galvan reported scheduling a tour of the District for the new Board Members (Mr. Houston and Mr. Avalos). Mr. Galvan will be in contact with Board Members to plan a date sometime next week as well as a second tour for Mr. Friedman and Mr. D. Wells.

There was a discussion on the lakes being dry at the Golf Course in Laguna Vista. The Board recommended Staff to look into the matter.

There was a discussion on Water Plants currently operated by “D” License Water Plant Operators without supervision. Mr. Noe Cantu, Water Plant Manager, noted the District has permission from TCEQ as long as the Water Plant Manager is in contact 24/7, and the operator that is in training can run the water plant. The Board recommended getting it in writing from TCEQ.

ITEM #9            DISTRICT ENGINEER’S REPORT

- STATUS OF BEACH BLVD WATERLINE CONSTRUCTION
- STATUS OF WASTEWATER TREATMENT PLANTS CONSTRUCTION

Mr. Ortiz reported:

Beach Blvd. Waterline Construction- Pipes already installed in the ground and passed its pressure test, currently flushing the line to finish out the disinfection and will start the two tie-ins to the system to connect about 80 meters to the new line.

Wastewater Treatment Plants Construction – Update on Work completion. Discussion and questions ensued.

ITEM #10          DIRECTOR OF FINANCE REPORT

- SCHEDULE AUDIT COMMITTEE MEETING FOR ANNUAL AUDIT ENGAGEMENT

- SCHEDULE PROFESSIONAL SERVICES COMMITTEE MEETING FOR DEPOSITORY AGREEMENT SERVICES
- FEMA AUDIT UPDATE
- REQUEST WORKSHOP TO DISCUSS METERS

Mrs. Garcia reported the following:

- Audit Committee Meeting scheduled to meet with Auditors sometime next week. Mr. S. Friedman and Mr. D. Wells requested Tuesday or Wednesday morning.
- Professional Services Committee, Mr. R. Wells, and Mr. Avalos agreed to meet with staff to discuss Depository Agreement Services to Request for Proposals. Ms. Garcia will contact the Committee to schedule.
- FEMA Audit is still ongoing from Hurricane Dolly in 2008 and hopefully closing within 1 to 2 months.
- Request for Workshop to discuss meters was not discussed instead a Workshop got scheduled (at 4:00 PM) before the Regular Meeting.

**ITEM #11**      DISCUSSION BY MCCALL, PARKHURST & HORTON L.L.P. ON LAGUNA MADRE WATER DISTRICT'S UPCOMING BOND ELECTION TO BE HELD ON TUESDAY, NOVEMBER 7, 2017

Mr. Noel Valdez, Representative with McCall, Parkhurst & Horton L.L.P who serves as Bond Counsel to the District, gave a brief presentation regarding the prohibition on political advertising for the upcoming Election in November 2017. Printed copies were handed out and attached to the minutes.

This item was for discussion only, and no action taken.

**ITEM #12**      PRESENTATION BY GARVER ON BOND ELECTION PROJECTS

A presentation made by Mr. Richard Correa, Engineer with Garver on the projects for the Bond Election and the justification behind each project. Following the presentation, there was discussion and questions.

This item was for discussion only, and no action taken.

**ITEM #13**      CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED AT SPECIAL MEETING ON SEPTEMBER 5, 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.

*MR. D. WELLS made a motion and seconded by MR. R. WELLS. MOTION CARRIED UNANIMOUSLY.*

ITEM #14      CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF DISTRICT'S COUNSEL AND GENERAL MANAGER'S RECOMMENDATIONS FOR AGREEMENT WITH VERIZON WIRELESS ANTENNA AT ANDY BOWIE

Mr. Galvan recommended for the item to remain on the table for further review and is scheduled to meet with Verizon on October 3, 2017. The Board agreed to table the item and deferred to the next regularly scheduled meeting on October 11, 2017.

*MR. D. WELLS* made a motion to table and seconded by *MR. R. WELLS*. *MOTION CARRIED UNANIMOUSLY. ITEM TABLED.*

ITEM #15      CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED AT SPECIAL MEETING ON SEPTEMBER 5, 2017:  
CONSIDER AND AWARD CONTRACT FOR SEDIMENT REMOVAL SERVICES AT THE RIVER PUMP STATION (BID 17-06-15).

The Board agreed to remove the item from the table.

*MR. R. WELLS* made a motion and seconded by *MR. A. AVALOS*. *MOTION CARRIED UNANIMOUSLY.*

ITEM #16      CONSIDER AND AWARD CONTRACT FOR SEDIMENT REMOVAL SERVICES AT THE RIVER PUMP STATION (BID 17-06-15)

Mr. Ortiz noted, a request for sealed bids for dredging at the river pump station and on the Bid Tabulation Summary showing Bullock Construction as the lowest bidder with a price of 48,500.00. Discussion ensued, and it was determined to table the item followed by a site visit requested by Mr. D. Wells.

The document got re-tabled and deferred to the next regularly scheduled meeting on October 11, 2017.

*MR H. HOUSTON* made a motion to table and seconded by *MR. A. AVALOS*. *MOTION CARRIED UNANIMOUSLY. ITEM TABLED.*

ITEM #17      CONSIDER AND APPROVE A 1-YEAR EXTENSION OF CONTRACT FOR IT SERVICES WITH G5 DBA ORBIT BROADBAND LLC CONSULTING AGREEMENT

There was a brief discussion regarding the wording of the terms of the contract. The Board agreed to approve a 1-year extension of the contract for IT Services with G5 DBA Orbit Broadband LLC Consulting Agreement.

*MR. D. WELLS* made a motion to approve and seconded by *MR. R. WELLS*. *MOTION CARRIED UNANIMOUSLY.*

ITEM #18      CONSIDER AND AWARD SUPPLY OF CHEMICALS CONTRACT FOR WATER PLANTS AND WASTEWATER PLANTS (BID # CH-17-08-01-08)

There was a discussion on certain products on the chemical list. Present at the meeting were Mr. Juan Cortez with Chem Nation and Mr. Chuck Jones with Evergreen Southwest for questions and answers. Discussion of a 3-month trial of product testing with Chem Nation will continue for possible future use. The Board agreed to approve staff recommendation on the Chemical Tabulation Summary.

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

ITEM #19      CONSIDER AND AWARD SUPPLY OF PETROLEUM PRODUCTS CONTRACT (BID # PP-17-08-01/12)

The Board agreed to award Petroleum Products contract to Oil Patch Fuel and Supply, the only bidder shown on the bid tabulation summary.

*MR. A. AVALOS* made a motion to approve and seconded by *MR. R. WELLS*. *MOTION CARRIED UNANIMOUSLY.*

ITEM #20      CONSIDER AND AWARD INSTRUMENTATION MAINTENANCE SERVICES CONTRACT (BID # IMS-17-08-01/08)

The Board agreed to award the Instrumentation Maintenance Services Contract to Moody Brothers, Inc., the lowest bidder shown on the bid tabulation summary.

*MR. A. AVALOS* made a motion to approve and seconded by *MR. R. WELLS*. *MOTION CARRIED UNANIMOUSLY.*

ITEM #21      CONSIDER AND AWARD GROUND MAINTENANCE SERVICES CONTRACT (BID # GMS-17-08-05)

There was a discussion regarding the requirements of the bidding process. The Board's recommendations are, to check references on the low bidder and Mr. Galvan to present to the Board his recommendation to either accept this bid or rebid.

The document got tabled and deferred to the next regularly scheduled meeting on October 11, 2017.

*MR. D. WELLS* made a motion to table and check references, seconded by *MR. H. HOUSTON*. *MOTION CARRIED UNANIMOUSLY. ITEM TABLED.*

ITEM #22      CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL TO REJECT BID TABULATION AND  
EXTEND THE EXISTING CONTRACT FOR ASPHALT & PAVING REPAIRS

There was a discussion on the bid results. The board agreed to approve the rejection of the bid and extend the existing contract for Asphalt and Paving Repairs with GT Paving Company.

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

ITEM #23      CONSIDER AND APPROVE PROPOSAL FOR PROFESSIONAL SURVEYING SERVICES FOR  
SEWER IMPROVEMENTS CROSSING PADRE BLVD NEAR ANDY BOWIE WASTEWATER  
TREATMENT PLANT

Discussion ensued on the additional topo surveying for sewer improvements near Andy Bowie Wastewater Plant. It was determined to deny the proposal for professional surveying services and Board agreed it is the landowner's responsibility.

*MR. D. WELLS* made a motion to deny and seconded by *MR. A. AVALOS*. *MOTION CARRIED UNANIMOUSLY.*  
ITEM REJECTED.

ITEM #24      CONSIDER AND DISCUSS ANNEXATION COMMITTEE MEETING REGARDING ANNEXATION  
OF THE TOWN OF LAGUNA VISTA PROPERTY LOCATED ON SH100 SOUTH OF LAGUNA VISTA  
ORIGINAL TOWNSITE

This item got taken out of order and discussed after item #5 (and before item #6) on the agenda.

Guest at the meeting Mr. Rolando Vela, City Manager for Laguna Vista, notes the town of Laguna Vista is 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 Board agreed on scheduling an Annexation Committee Meeting (Mr. Rick Wells and Mr. Herb Houston) to discuss annexation of the Town of Laguna Vista Property located on SH100 South of Laguna Vista Original Townsite.

This item was for discussion only, and no action taken.

ITEM #25      CONSIDERATION FOR APPROVAL OF REVENUE AND EXPENSE REPORT FOR AUGUST 2017

The unaudited revenue and expense report documents were approved as presented.

*MR. D. WELLS* made a motion and seconded by *MR. R. WELLS*. *MOTION CARRIED UNANIMOUSLY.*

ITEM #26      CONSIDER AND APPROVE PITNEY BOWES RENEWAL CONTRACT FOR PLANET PRESS AND SEND PRO SERIES LEASES

Mr. Stanford Todd, Representative for Pitney Bowes, gave a brief presentation followed by questions and answers. The Board agreed to approve the continuation of leases for the Postage Meter and Software.

*MR. A. AVALOS* made a motion and seconded by *MR. R. WELLS*. *MOTION CARRIED UNANIMOUSLY.*

ITEM #27      CONSIDER AND APPROVE WRITE OFF ACCOUNTS FOR THE FISCAL YEAR 2016-2017

There was a brief discussion regarding the small claims portion on the write-offs. The accounts on the write-off with a balance owing over \$500.00. The District plans to file small claims if the customer fails to answer a final response letter. The Board agreed to approve the document.

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

ITEM #28      CONSIDER AND APPROVE DISBURSEMENTS FOR AUGUST 16-31, 2017, AND SEPTEMBER 1-15, 2017

The document was approved as presented.

*MR. D. WELLS* made a motion to approve and seconded by *MR. H. HOUSTON*. *MOTION CARRIED UNANIMOUSLY.*

ITEM #29      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  
  
TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF DISTRICT EMPLOYEES TO WIT: DISTRICT ENGINEER

No discussion, the executive session item got tabled and deferred to the next regularly scheduled meeting on October 11, 2017.

*MR. R. WELLS* made a motion to table and seconded by *MR. A. AVALOS*. *MOTION CARRIED UNANIMOUSLY. ITEM TABLED.*



ITEM #30      CONSIDERATION AND ACTION ON EXECUTIVE SESSION ITEM, IF NECESSARY.

No discussion, the executive session item (See item #29) got tabled and deferred to the next regularly scheduled meeting on October 11, 2017.

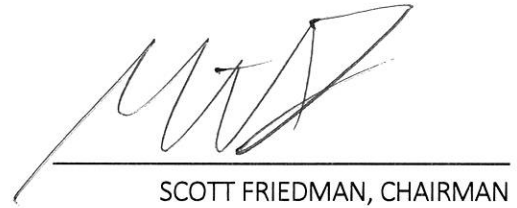
ITEM #31      ADJOURNMENT

The *CHAIRMAN* adjourned the meeting at 7:55 PM.



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DOYLE WELLS, SECRETARY



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SCOTT FRIEDMAN, CHAIRMAN

MINUTES APPROVED THIS 11TH DAY OF OCTOBER 2017.