

MINUTES

SPECIAL MEETING – SEPTEMBER 5, 2017

LAGUNA MADRE WATER DISTRICT

BOARD OF DIRECTORS

The **SPECIAL 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 **5TH 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 Special 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

Scott D. Friedman - Chairman

Rick Wells – Vice Chairman

Doyle Wells – Secretary

ADMINISTRATIVE STAFF

Carlos J. Galvan, Jr., General Manager

Charles Ortiz – District Engineer

Sanjuana Garcia – Director of Finance

Eddie Lucio III - Attorney

ITEM #2 INVOCATION AND PLEDGE OF ALLEGIANCE

The **CHAIRMAN** invited everyone in the audience to stand for the opening Prayer and recite the Pledge of Allegiance.

ITEM #3 INVITATION TO AUDIENCE FOR PUBLIC COMMENTS

Guest, Mr. Rudy H. Garcia was present at the meeting and presented to the Board a written request to accept a letter of intent to fill one of the unexpired terms, place 3 or place 4 on the Laguna Madre Water District Board of Directors. A copy of the letter is attached to these Minutes.

ITEM #4 CONSIDER AND APPROVE MINUTES OF WORKSHOP MEETING AND MINUTES OF REGULAR MEETING ON AUGUST 9, 2017. (C. GALVAN)

The Minutes of the Workshop Meeting and Regular Meeting of August 9, 2017, was approved as presented.

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

ITEM #5 **CONSIDER AND APPROVE MINUTES OF SPECIAL MEETING ON AUGUST 21, 2017.**
 (C. GALVAN)

The Minutes of the Special Meeting on August 21, 2017, was approved as presented.

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

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

TRAININGS

REGULAR MEETING ON SEPTEMBER 13, 2017

Mr. Galvan reported on the following:

- The District holds all kinds of training in the District's Board Room, on August 14, an Active Shooter situation training for all District Staff members. On August 22, LMWD hosted a Surface Water Production I for the Valley and in-house
- There was a discussion regarding canceling the Regular Meeting on September 13, 2017. It was determined to cancel given that the Chairman will be out of town and possibly two newly appointed Board Members. The next regularly scheduled meeting will be on September 27, 2017.

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

WASTEWATER TREATMENT PLANTS REHABILITATION

PORT ISABEL WASTEWATER TREATMENT FACILITY MODIFICATIONS AND SLUDGE MONOFILL METHANE MONITORS

Mr. Ortiz reported on the following:

- Update of Construction Status for Wastewater Treatment Plants Rehabilitation at Isla Blanca: main parts are getting put in, finishing up the blowers and getting the automated controls for the dissolved oxygen, and getting all the automatic feeds installed. Project possibly complete by the end of this month,
- Update on the Wastewater Treatment Facility for Port Isabel: working on the headworks. The final set of plans completed and received by Carollo. Plans are ready for contractor pricing. Discussion ensued.

ITEM #8 CONSIDER AND ACCEPT A LETTER OF RESIGNATION FROM MR. WILLIAM J. THOMAS AS BOARD OF DIRECTOR, PLACE 3, OF LAGUNA MADRE WATER DISTRICT. (C. GALVAN)

It was agreed to accept a letter of resignation from Mr. Thomas as Board of Director, Place 3. The seat for Place 3, term expires in November 2020.

It was noted, a resignation from a Board of Director will make them a regular citizen, and therefore follow the same guidelines as any other member of the public, and requested for the General Manager that any requests for information from staff need to do it in a formal capacity within reason.

MR. D. WELLS made a motion to accept a letter of resignation from Me. Thomas, seconded by ***MR. R. WELLS. MOTION CARRIED UNANIMOUSLY.***

ITEM #9 CONSIDER AND APPROVE APPOINTMENT TO THE BOARD OF DIRECTORS, PLACE 3, VACANCY. (C. GALVAN)

During the Public Comments (see Item 3) Mr. Rudy Garcia submitted a letter of intent for consideration and was nominated, the motion failed for lack of a second. The Board appointed Mr. Herb Houston to the Board of Directors for Place 3, the newly appointed Board of Director will be administered Oath of Office at a Regular Meeting on September 27, 2017.

MR. D. WELLS nominated Mr. Herb Houston, seconded by ***MR. R. WELLS. MOTION CARRIED UNANIMOUSLY.***

ITEM #10 CONSIDER AND ACCEPT A LETTER OF RESIGNATION FROM MR. JEFF KEPLINGER AS BOARD OF DIRECTOR, PLACE 4, OF LAGUNA MADRE WATER DISTRICT. (C. GALVAN)

The Board agreed to accept a letter of resignation from Mr. Keplinger as Board of Director, Place 4. The seat for Place 4, term expires in November 2020.

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

ITEM #11 CONSIDER AND APPROVE APPOINTMENT TO THE BOARD OF DIRECTORS, PLACE 4, VACANCY. (C. GALVAN)

Mr. Rudy Garcia submitted a letter of intent for consideration (above in Public Comments, see Item 3) and was nominated; the motion failed for lack of a second. The Board appointed Mr. Alex Avalos to the Board of Directors for Place 4, the newly appointed Board of Director will be administered Oath of Office at a Regular Meeting on September 27, 2017.

MR. R. WELLS nominated Mr. Alex Avalos, seconded by ***MR. D. WELLS. MOTION CARRIED UNANIMOUSLY.***

ITEM #12 CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF DISTRICT'S COUNSEL AND GENERAL MANAGER'S RECOMMENDATIONS FOR AGREEMENT WITH VERIZON WIRELESS ANTENNA AT ANDIE BOWIE. (C. GALVAN)

This document got tabled for the next regularly scheduled meeting on September 27, 2017.

There was a discussion regarding the terms proposed in the Agreement, and it was determined to table the item, and the General Manager, Counsel, and Mr. D. Wells are reviewing the agreement further.

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

ITEM #13 CONSIDER AND AWARD CONTRACT FOR SEDIMENT REMOVAL SERVICES AT THE RIVER PUMP STATION (BID 17-06-15). (C. ORTIZ)

The document got tabled for the next regularly scheduled meeting on September 27, 2017.

Mr. Ortiz reported on the Bid Tabulation Summary showing Bullock Construction as the lowest bidder with a price of 48,500.00 and recommended approval to award the low bid. Discussion ensued it was requested that specs and additional information on the sediment removal services to be provided at the next regularly scheduled meeting.

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

ITEM #14 CONSIDER AND APPROVE TOPOGRAPHIC SURVEY FOR 12" SANITARY SEWER CROSSING AT SPI BIRDING CENTER. (C. ORTIZ)

Document not approved, rejected.

Mr. Ortiz reported on the proposed 8" waterline and 12" gravity sewer crossing at SPI Birding Center. The additional topographic survey is required to design sewer at a sufficient depth and diameter to decommission private lift stations in that area. The original survey performed by Mejia & Rose and requesting approval of the proposal as additional work required to complete the design. Discussion ensued, and it was determined not to approve the contract, requesting more information with additional quotes.

MR. D. WELLS made a motion to disapprove, seconded by ***MR. R. WELLS. MOTION CARRIED UNANIMOUSLY. ITEM REJECTED.***

ITEM #15 CONSIDER AND APPROVE CHANGE ORDERS NO. 1 AND 2 FOR LAGUNA VISTA WATERLINE REHABILITATION PROJECT (BEACH BLVD). (C. ORTIZ)

Mr. Ortiz reported: Change Order 1, changes in alignment that affected all the quantities with 0 change from a dollar standpoint;

Change Order 2, corrections of the quantities based on the changes in alignment with an overall request for an increase of \$13,424.00. Discussion ensued, and note engineering should've recognized the error, work authorized without Board Approval, and in the future no pre-authorization.

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

ITEM #16 CONSIDER AND APPROVE CHANGE ORDER NO. 2 FOR CONSTRUCTION OF WASTEWATER TREATMENT PLANTS REHABILITATION (BID # WW-16-10-02). (C. ORTIZ)

Mr. Ortiz reported Change Order No. 2 from Ferguson Service Systems, Inc. is for the construction of wastewater treatment plants rehabilitation showing an increase of \$32,094.00. Discussion ensued and noted (the same comments made as in item #15) engineering should've recognized the error, work authorized without Board Approval, and in the future no pre-authorization.

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

ITEM #17 CONSIDER AND APPROVE THE PURCHASE OF OPEN CHANNEL FLOWMETER AND TRANSMITTER FOR LAGUNA VISTA WASTEWATER TREATMENT PLANT. (C. ORTIZ)

Mr. Ortiz reported the flowmeter is used to measure the flow at Laguna Vista Wastewater Treatment Plant that broke and needed to replace in an emergency and request for approval of the purchase. It was agreed to purchase the flow meter for \$2,110.05.

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

ITEM #18 CONSIDER AND APPROVE REQUEST FOR PROPOSAL FOR WORKERS COMP INSURANCE FOR THE FISCAL YEAR 2018. (S. GARCIA)

Mrs. Garcia reported out of the four vendors contacted only two responded. Discussion ensued, and it was agreed to approve the recommended vendor Texas Insurance Service Center for a total of \$40,966.00.

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

ITEM #19 CONSIDER AND APPROVE REQUEST FOR PROPOSAL FOR PROPERTY AND LIABILITY INSURANCE FOR THE FISCAL YEAR 2018. (S. GARCIA)

Mrs. Garcia reported for the Property and Liability Insurance there was only one bidder to respond, Texas Mutual Insurance for a total of \$69,751.00 (a 5% increase from last year).

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

ITEM #20 CONSIDER AND APPROVE REQUEST FOR PROPOSAL(S) FOR HEALTH, LIFE, VISION AND DENTAL INSURANCE FOR THE FISCAL YEAR 2018. (S. GARCIA)

Mrs. Garcia handed out printed copies at the meeting and reported of modifications to the insurance proposals report and recommended the renewal of the current insurance with United Health Care. The results from the request for proposals validate the costs per employee provided by United Health Care, and since no other insurance provider could match or better the coverage, the District currently has. Discussion ensued and agreed to approve (renewal) Option 3, United Healthcare \$45,587.10 per month.

MR. D. WELLS made a motion to approve Option 3, for Health, Life, Vision and Dental Insurance for Fiscal Year 2018, seconded by **MR. R. WELLS. MOTION CARRIED UNANIMOUSLY.**

ITEM #21 CONSIDER AND APPROVE REVENUE AND EXPENSE REPORT FOR THE MONTH OF JULY 2017. (S. GARCIA)

The document was approved as presented.

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

ITEM #22 CONSIDER AND APPROVE DISBURSEMENTS. (C. GALVAN)

The document was approved as presented.

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

ITEM #23 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 551.086,

CONSIDER AND DISCUSS POTENTIAL LITIGATION AT PORT ISABEL WASTEWATER TREATMENT FACILITY.

MR. D. WELLS made a motion for the **BOARD** to go into executive session at **6:46 PM**, seconded by **MR. R. WELLS. MOTION CARRIED UNANIMOUSLY.**

The Board took a short recess before going into Executive Session.

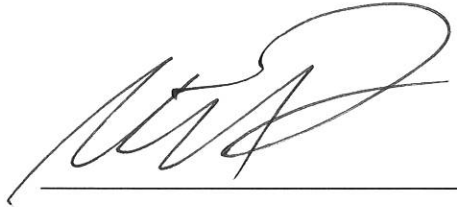
MR. R. WELLS made a motion for the **BOARD** to come out of executive session at **7:06 PM**, seconded by **MR. D. WELLS. MOTION CARRIED UNANIMOUSLY.**

ITEM #24 CONSIDERATION AND ACTION ON EXECUTIVE SESSION ITEM, IF NECESSARY.

It was noted for Counsel to proceed as directed with the assistance of Mr. D. Wells being a participant, seconded by *MR. R. WELLS*. *MOTION CARRIED UNANIMOUSLY.*

ITEM #25 ADJOURNMENT

The *CHAIRMAN* adjourned the meeting at *7:07 PM*.



SCOTT FRIEDMAN, CHAIRMAN



DOYLE WELLS, SECRETARY

MINUTES APPROVED THIS 27TH DAY OF SEPTEMBER 2017.