

MINUTES

SPECIAL MEETING – AUGUST 21, 2017

LAGUNA MADRE WATER DISTRICT

BOARD OF DIRECTORS

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 **21ST day of AUGUST 2017** at the hour of **3:00 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 | |
| Jeff Keplinger – Director | ABSENT |
| William Thomas – Director | ABSENT |

ADMINISTRATIVE STAFF

Carlos J. Galvan, Jr., General Manager
Charles Ortiz – District Engineer

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

No one in the audience responded.

ITEM #4 PRESENTATION BY ESTRADA HINOJOSA ON POTENTIAL IMPACT OF POSSIBLE BOND ELECTION

This item was for discussion only, no action taken. Mr. Adrian Galvan with Estrada Hinojosa gave a presentation on Bond Election Scenarios and tax rate impact that would occur. Printed copies were handed out in the Boards Packets before the meeting for review. There were discussion and questions following the presentation. The following points made:

- Total Estimated Costs for each Project listed with a Total Proposition Bond Issue Requirements of \$16,435,000
- Locked rate for 2018 is 0.04386
- Discussed an Open Market Scenario Project Fund Amount \$15,780,000, with a True Interest Cost Rate: 4.02%
- Discussed a TWDB Case Scenario Project Fund Amount \$15,780,000, with a True Interest Cost Rate: 2.20%
- Comparison – Open Market vs. TWDB: Open Market total debt service Amount 23,997,221 vs. TWDB total debt service amount \$20,621,472. A Difference of \$3,375,748
- All projects qualify through the TWDB

ITEM #5 DISCUSS AND CONSIDER THE APPROVAL OF AN ENGINEER REPORT DETAILING THE PROJECTS TO BE CONSIDERED AT THE PROPOSED NOVEMBER 7, 2017, BOND ELECTION

Mr. Richard Corraera with Garver was present at the meeting and gave an update presentation from the Workshop Meeting presentation on August 9, 2017, of the Engineering Report for Clean Water Projects and Water Treatment Improvements for the proposed November 7, 2017, Bond Election. Printed copies were handed out in the Boards Packets before the meeting for review. There were discussion and questions following the presentation.

MR. D. WELLS made a motion to approve the Engineering Report detailing the Projects to be considered at the proposed November 7, 2017, Bond Election, seconded by **MR. R. WELLS**. *MOTION CARRIED UNANIMOUSLY.*

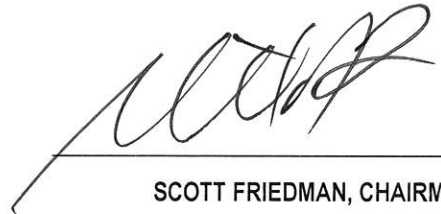
ITEM #6 DISCUSS AND CONSIDER THE APPROVAL OF AN ORDER CALLING A BOND ELECTION FOR THE LAGUNA MADRE WATER DISTRICT ON NOVEMBER 7, 2017, AND MAKING PROVISIONS FOR CONDUCTING SUCH ELECTION AND OTHER PROVISIONS INCIDENTAL AND RELATED THERETO (RESOLUTION NO. 154-08-17) (C. ORIZ)

There was a discussion regarding the wording on the Ballots for the November 7, 2017, Bond Election. The Desalination Project approved in 2011 (the District never issued the debt and no expiration date used and will always remain) was also discussed to be included in the ballots, and it was determined to be discussed later at a regularly scheduled meeting. The Board agreed to approve calling a Bond Election for the Laguna Madre Water District on November 7, 2017, and approved through a Resolution.

MR. D. WELLS made a motion to approve an Order Calling a Bond Election for the Laguna Madre Water District on November 7, 2017, and making provisions for conducting such Election and other provisions incidental and related thereto (Resolution No. 154-08-17), seconded by **MR. R. WELLS**. *MOTION CARRIED UNANIMOUSLY.*

ITEM #7 ADJOURNMENT

The *CHAIRMAN* adjourned the meeting at 3:34 PM.



SCOTT FRIEDMAN, CHAIRMAN



DOYLE WELLS, SECRETARY

MINUTES APPROVED THIS 5TH DAY OF SEPTEMBER 2017.