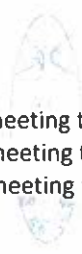





**MINUTES**  
 Regular Meeting  
 Laguna Madre Water District  
 Board of Directors  
 Wednesday, August 11, 2021  
 5:30 PM – 6:20 PM  
 Board Room

1	<p><b><u>QUORUM</u></b></p> <p><b>PRESENT:</b>          Chairman, Scott Friedman          Vice-Chairman, Adam Lalonde          Secretary, Jason Starkey          Director, William "Bill" Donahue          Director, Dave Boughter</p> <p style="text-align: center;"></p> <p style="text-align: right;">virtual meeting through ZOOM, joined at 5:40 PM          virtual meeting through ZOOM          virtual meeting through ZOOM</p> <p><b><u>ADMINISTRATIVE STAFF</u></b></p> <p>General Manager, Carlos J. Galvan, Jr.          Director of Operations, Robert Gomez          Director of Finance, Eduardo Salazar          District Engineer, Charles Ortiz          Information Tech Specialist, Orlando Huerta          Purchasing Agent, Enrique Samaniego          Attorney, Brian Hansen</p>	
2	<p><b><u>PLEDGE OF ALLEGIANCE AND INVOCATION</u></b></p> <p>The meeting began with the Pledge of Allegiance, and E. Salazar said the Opening Prayer</p>	
3	<p><b><u>INVITATION TO THE AUDIENCE FOR PUBLIC COMMENTS</u></b></p> <p><b>COMMENTS:</b></p> <ul style="list-style-type: none"> <li>• E. Salazar noted the WaterSmart Portal has over 3,000 registrants that's 43% of eligible accounts since July 2019</li> </ul>	PUBLIC COMMENTS
4	<p><b><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL THE MINUTES OF THE REGULAR MEETING FROM JULY 28, 2021. (C. GALVAN) 💧</u></b></p> <p><b>DISCUSSION:</b></p> <ul style="list-style-type: none"> <li>• The Board approved the Regular Meeting Minutes as presented</li> </ul> <p>Moved by D. BOUGHTER, seconded by W. DONAHUE.</p> <p><b>Motion: Move to approve.</b></p>	MOTION CARRIED
5	<p><b><u>GENERAL MANAGER'S REPORT 💧</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>RESERVOIR LEVELS</u></b></li> </ul>	GENERAL MANAGER'S REPORT

	<ul style="list-style-type: none"> <li>• <u>CITY OF SOUTH PADRE ISLAND MEETING</u></li> </ul> <p><b>REPORT:</b></p> <p><u>RESERVOIR LEVELS</u> - C. Galvan noted the reservoir and lakes levels remain the same at 40% it's slowly rising rather than going down. Therefore, the District will continue with the water restrictions.</p> <p><u>CITY OF SOUTH PADRE ISLAND MEETING</u> - The Administration Staff met with the City on August 4 to discuss the City's request to propose a workshop and possibly set a date and time.</p> <p>The City requests information on:</p> <ul style="list-style-type: none"> <li>o Status of the District's Bond Project</li> <li>o Methods for continuing to supply the City with water during peak times</li> <li>o Coordinate with the City on the reconstruction of new development on Laguna Blvd</li> <li>✓ C. Galvan will email the Board more information</li> </ul>	
6	<p><u>DIRECTOR OF OPERATION'S REPORT</u> 💧</p> <ul style="list-style-type: none"> <li>• <u>MONTHLY REPORT</u></li> </ul> <p><b>REPORT:</b> R. Gomez pointed out for July 2021 on service orders and service calls comparison from 2020 numbers. The comparison mostly showed an overall increase for Distribution and Collection Departments. However, the Pretreatment and Lift Stations monthly comparison had fewer service orders in July.</p>	DIRECTOR OF OPERATION'S REPORT
7	<p><u>DISTRICT ENGINEER'S REPORT</u> 💧</p> <ul style="list-style-type: none"> <li>• <u>TAX BOND FUNDING THROUGH TEXAS WATER DEVELOPMENT BOARD</u></li> <li>• <u>TCEQ BOND APPLICATION REPORT FOR \$27,620,000 UNLIMITED TAX BONDS, SERIES 2021</u></li> <li>• <u>TITLE XVI WIIN WATER RECLAMATION AND REUSE PROGRAM – PORT ISABEL WATER RECLAMATION AND REUSE FACILITY</u></li> <li>• <u>SEAWATER DESALINATION</u></li> </ul> <p><b>REPORT:</b></p> <p><u>TAX BOND FUNDING THROUGH TEXAS WATER DEVELOPMENT BOARD</u> - C. Ortiz noted the District would not receive an invitation to apply for funding through the SFY 2022 Drinking Water State Revolving Fund. Therefore, a recommendation is to proceed with open market financing.</p> <p><u>TCEQ BOND APPLICATION REPORT FOR \$27,620,000 UNLIMITED TAX BONDS, SERIES 2021</u> – Staff is working on completing the report for submittal</p> <p><u>TITLE XVI WIIN WATER RECLAMATION AND REUSE PROGRAM – PORT ISABEL WATER RECLAMATION AND REUSE FACILITY</u> – C. Ortiz noted the projects were not included in the list of selected projects transmitted to Congress on July 23. Also, the debriefing with the Bureau of Reclamation got rescheduled to August 20.</p>	DISTRICT ENGINEER'S REPORT

	<u>SEAWATER DESALINATION</u> – Bond Counsel requested discussion to be in executive session	
8	<p><u>DISCUSS AND APPROVE A RESOLUTION AUTHORIZING THE DISTRICT’S STAFF AND PROFESSIONAL ADVISORS TO SUBMIT AN APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY IN CONNECTION WITH ISSUING UNLIMITED TAX BONDS TO FINANCE DISTRICT IMPROVEMENTS. (RESOLUTION NO. 187-08-2021). (C. ORTIZ) </u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> <li>The Board unanimously approved the Resolution for the District to submit an application to the Texas Commission on Environmental Quality to utilize the entire \$27,620,000 to finance the construction of water treatment plant improvements and water distribution improvements</li> </ul> <p>Moved by J. STARKEY, seconded by D. BOUGHTER.</p> <p><b>Motion: Move to approve.</b></p>	MOTION CARRIED
9	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL AMENDMENT NO. 1 FOR PROFESSIONAL SERVICES WITH FREESE AND NICHOLS FOR ANDY BOWIE WASTEWATER TREATMENT PLANT POTENTIAL COPPER LIMIT. (C. ORTIZ) </u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> <li>C. Ortiz noted the streamlined (WER) Water-Effect Ratio procedure is 1.25. WER ratio of 1.25 was lower than expected. Texas Commission on Environmental Quality suggested a WER 2.0.</li> <li>Total cost \$12,582.00</li> <li>The Board approved Amendment No. 1 for Professional Services with Freese and Nichols for additional testing of copper limit</li> </ul> <p>Moved by J. STARKEY, seconded by D. BOUGHTER.</p> <p><b>Motion: Move to approve.</b></p>	MOTION CARRIED
10	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF AMENDMENT NO. 2 WITH SWG ENGINEERING, LLC FOR DESIGN SERVICES FOR WATER LINE UPGRADE IN LAGUNA BLVD FROM MARISOL TO GARDENIA ST. (C. ORTIZ) </u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> <li>Additional Surveying fee since the project got larger than described on the bond report</li> <li>Total additional fee amount \$96,500.00</li> <li>The Board approved Amendment No. 2</li> </ul> <p>Moved by D. BOUGHTER, seconded by W. DONAHUE.</p> <p><b>Motion: Move to approve.</b></p>	MOTION CARRIED

11	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF PALL CORPORATION PROPOSAL FOR WATER PLANT 2 SCADA PC UPGRADES. (C. ORTIZ) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> <li>• The current programming used on the plant for the SCADA system is not compatible and must be upgraded to provide functionality on two SCADA computers</li> <li>• The total amount for the upgrade is \$55,617.67</li> <li>• The Board approved the proposal for the install</li> </ul> <p>Moved by J. STARKEY, seconded by W. DONAHUE.</p> <p>Motion: Move to approve.</p>	MOTION CARRIED
12	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF THE PROPOSED TAX RATE TO BE PUBLISHED IN THE NOTICE OF A PUBLIC HEARING TO BE HELD ON AUGUST 25, 2021, AT 5:30 PM, AND SUBSEQUENTLY ADOPT THE TAX RATE AT THE REGULAR MEETING FOLLOWING THE PUBLIC HEARING. (E. SALAZAR) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> <li>• The Board unanimously approved by a Rollcall vote to advertise the notice</li> <li>• Vote for AYES: <ul style="list-style-type: none"> <li>○ D. BOUGHTER</li> <li>○ S. FRIEDMAN</li> <li>○ W. DONAHUE</li> <li>○ A. LALONDE</li> <li>○ J. STARKEY</li> </ul> </li> <li>• Vote for NOES: None</li> </ul> <p>Moved by D. BOUGHTER, seconded by J. STARKEY.</p> <p>Motion: Move to approve.</p>	MOTION CARRIED
13	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF PURCHASE 45HP PUMP FOR LIFT STATION 22. (E. SAMANIEGO) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> <li>• E. Samaniego noted one of two pumps for Lift Station 22 burnt out. TCEQ requirement two functional pumps in each Lift Station at all times</li> <li>• Recommendation to award the contract to Xylem Water Solutions USA, Inc for one submersible pump for \$16,645.00</li> </ul>	MOTION CARRIED

	<ul style="list-style-type: none"> <li>The Board agreed and approved the purchase to replace the pump</li> </ul> <p>Moved by J. STARKEY, seconded by W. DONAHUE.</p> <p>Motion: Move to approve.</p>	
14	<p><u>CONSIDER AND REVIEW EXPENDITURES FROM JULY 16, 2021 – JULY 31, 2021. (C. GALVAN) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> <li>The Board accepted the expenditures as presented</li> </ul> <p>Expenditures acknowledged by D. BOUGHTER, J. STARKEY, A. LALONDE, and W. DONAHUE</p>	ACKNOWLEDGMENT OF EXPENDITURES
15	<p><u>CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING EXECUTIVE SESSION ITEM TABLED AT THE REGULAR MEETING ON JULY 28, 2021:</u></p> <p><u>DELIBERATION REGARDING THE EVALUATION OF DISTRICT EMPLOYEE TO WIT: GENERAL MANAGER</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> <li>The Board removed the item from the table for discussion</li> </ul> <p>Moved by J. STARKEY, seconded by D. BOUGHTER.</p> <p>Motion: Move to remove.</p>	MOTION CARRIED
16	<p><u>INSURANCE COMMITTEE’S REPORT ON APPEAL BY GREGORY KLEMENT ON THE AWARD OF RFQ # INS-031-21.</u></p> <p>REPORT:</p> <ul style="list-style-type: none"> <li>Brian Hansen noted this is the last stage of appeal by Gregory Klement. The District went with another company for insurance. In the first state of appeal, Mr. Klement went to the General Manager and was denied. Then Mr. Klement addressed the Board, and the Insurance Committee (S. Friedman and W. Donahue) reviewed the appeal. B. Hansen advised the Board to go into executive session for further discussion on the matter</li> <li>E. Salazar gave a report on the appeal; attached to the minutes is a copy of the information.</li> </ul>	INSURANCE COMMITTEE REPORT
17	<p><u>EXECUTIVE SESSION PERMITTED BY THE OPEN MEETING ACT, V. T. C. A., GOVERNMENT CODE SECTION 551.001 ET. SEQ., UNDER SECTION 551.071 (1) (A), CONSULTATION WITH ATTORNEY; UNDER SECTION 551.074, PERSONNEL MATTERS:</u></p> <ol style="list-style-type: none"> <li><u>APPEAL BY GREGORY KLEMENT ON THE AWARD OF RFQ # INS-01-31-21</u></li> <li><u>DELIBERATION REGARDING THE EVALUATION OF DISTRICT EMPLOYEE TO WIT: GENERAL MANAGER</u></li> </ol>	IN SESSION @ 6:03 PM

	<p>D. BOUGHTER made a motion for the BOARD to go into the executive session at 6:03 PM, seconded by W. DONAHUE.</p> <p>J. STARKEY made a motion for the BOARD to get out of the executive session at 6:18 PM, seconded by W. DONAHUE.</p>	<p>OUT OF SESSION @ 6:18 PM</p>
18	<p><u>CONSIDERATION AND ACTION ON EXECUTIVE SESSION ITEMS, IF NECESSARY:</u></p> <p>a. <u>CONSIDERATION AND ACTION ON APPEAL BY GREGORY KLEMENT ON THE AWARD OF RFQ # INS-01-31-21</u></p> <p>MOTION:</p> <p>Motion made by J. STARKEY to deny the appeal by Gregory Klement on RFQ # INS-01-31-21, seconded by A. LALONDE.</p> <p>b. <u>CONSIDERATION AND ACTION REGARDING THE EVALUATION OF DISTRICT EMPLOYEE, GENERAL MANAGER</u></p> <p>This item was not discussed and deferred to the next regularly scheduled meeting on August 25, 2021.</p> <p>MOTION:</p> <p>D. BOUGHTER made a motion to table the executive session item, seconded by J. STARKEY.</p>	<p>EXECUTIVE SESSION RESULTS:</p> <p>ITEM A: MOTION CARRIED TO DENY APPEAL.</p> <p>ITEM B: TABLED</p>
19	<p><u>ADJOURNMENT</u></p> <p>There being no further business, the CHAIRMAN adjourned the meeting at 6:20 PM.</p>	<p>MEETING ADJOURNED @ 6:20 PM</p>



ADAM LALONDE, VICE-CHAIRMAN



WILLIAM DONAHUE, DIRECTOR

MINUTES APPROVED THIS 25<sup>TH</sup> DAY OF AUGUST 2021.