


MINUTES
 Regular Meeting
 Laguna Madre Water District
 Board of Directors
 Wednesday, September 23, 2020
 5:30 PM – 6:37 PM
 Board Room

1	<p><u>QUORUM</u></p> <p>PRESENT: Chairman, Scott Friedman Vice-Chairman, Herb Houston Secretary, Alex Avalos Director, Jason Starkey Director, Adam Lalonde</p> <p style="text-align: center;"></p> <p style="text-align: right;">Virtual Meeting with ZOOM Virtual Meeting with ZOOM Virtual Meeting with ZOOM</p> <p>ADMINISTRATIVE STAFF: General Manager, Carlos J. Galvan, Jr. Director of Operations, Robert Gomez District Engineer, Charles Ortiz Purchasing Agent, Enrique Samaniego Director of Finance, Eddie Salazar Information Tech Specialist, Orlando Huerta Attorney, Brian Hansen</p> <p style="text-align: right;">Virtual Meeting with ZOOM</p> <p>A. Lalonde departed the meeting at 6:28 PM, a quorum maintained. A Lalonde returned promptly and joined the forum at 6:32 PM.</p>	
2	<p><u>PLEDGE OF ALLEGIANCE AND INVOCATION</u></p> <p>The meeting began with the Pledge of Allegiance, and C. Galvan said the Invocation.</p>	
3	<p><u>INVITATION TO THE AUDIENCE FOR PUBLIC COMMENTS</u></p> <p>COMMENTS:</p> <ul style="list-style-type: none"> • Victor Baldovinos, with Grant Access, commented Staff and Freese and Nichols for a great presentation at the Property Owners Who Care (POWC) meeting <ul style="list-style-type: none"> ▪ S. Friedman noted complimenting the staff, the Board members representing the District, and representing the Bond. It was very well presented and received, good PR. • R. Gomez reported, the District recently found out by a customer that the City of Port Isabel will repave Bass Street and Trout Street, and asked what will be done about the lines. The District needs to redo the water and sewer lines before the paving, requiring reconstructing about 150 feet on Bass Street and 120 feet on Trout Street. The City of Port Isabel gave no notice. The District informed the City that the District's need to take care of the infrastructure before starting the paving and contacted the contractor G & T Paving the condition. Discussion ensued. 	
4	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL THE MINUTES OF THE WORKSHOP MEETING AND THE REGULAR MEETING FROM SEPTEMBER 9, 2020. (C. GALVAN) ♠</u></p> <p>DISCUSSION:</p>	<p>MOTION CARRIED</p>

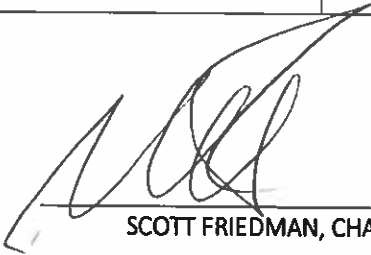
	<ul style="list-style-type: none"> The Board approved the Regular Meeting Minutes as presented <p>Moved by A. AVALOS, seconded by H. HOUSTON.</p> <p>Move to approve.</p>	
5	<p><u>GENERAL MANAGER'S REPORT</u> 📌</p> <p>REPORT:</p> <p><u>COVID-19 UPDATES –</u></p> <ul style="list-style-type: none"> The diagram display C. Galvan noted was a COVID-19 comparison from July 16, 2020, to September 17, 2020. The numbers show a decline in cases. Staff and Employees continue the following protocol, temperature checked and washing of hands every morning and afternoon when entering the building, and avoiding close contact <p><u>BOND ELECTION 2020 PRESENTATION AT PROPERTY OWNERS WHO CARE (POWC) –</u></p> <ul style="list-style-type: none"> C. Galvan noted the presentation on September 19 was a good turnout and heard good reports. The staff and Board did a good job <p><u>BOIL WATER NOTICE -</u></p> <ul style="list-style-type: none"> C. Galvan noted the District had a Boil Water Notice because of a water line break at South Padre Island on Sunday, September 13, around 3 PM. The employees did a great job; they completed the repairs around 11 PM, finished the work, and cleaned up, done by 2 AM. Following protocol samples taken for bacterial logical for the whole Island, the tests came back negative. On September 15- more samples were taken; the tests were negative. The boil water notice is a Texas Commission on Environmental Quality (TCEQ) requirement after a major leak to inform the public that water might be contaminated. The District received lots of calls and was pleased to announce that water is safe to drink. Discussion ensued concerning the public who are not getting the Districts notices. It was noted the District needs to look into how everybody can get notified. ✓ E. Salazar and Grant Access will work on posting information on social media to get the word out of services that are available to the public to get District news, notices, and updates 	GENERAL MANAGER'S REPORT
6	<p><u>DIRECTOR OF OPERATION'S REPORT</u> 📌</p> <p>REPORT: <u>WASTEWATER TREATMENT PLANT -</u></p> <ul style="list-style-type: none"> R. Gomez noted Managers, from time to time, will have short presentations or reports for the Board Presentation by Mark Garza, Manager for Wastewater Treatment Department, on the Wastewater process and operations followed by questions and answers 	DIRECTOR OF OPERATION'S REPORT
7	<p><u>DISTRICT ENGINEER'S REPORT</u> 📌</p> <p>REPORT:</p> <p><u>WASTEWATER TREATMENT PLANTS PERMIT RENEWALS</u></p> <p>C. Ortiz noted the permit to discharge wastes is renewed every five years with Texas Commission on Environmental Quality (TCEQ).</p> <ul style="list-style-type: none"> The Port Isabel Wastewater Treatment Facility permit renewal was issued on August 14, 2020, by TCEQ 	DISTRICT ENGINEER'S REPORT

	<ul style="list-style-type: none"> ○ For the Laguna Vista Wastewater Treatment Facility permit renewal was issued on August 17, 2020 ○ For Isla Blanca Wastewater Treatment Plant should receive the permit in the next 30 days ○ For the Andy Bowie Wastewater Treatment Plant, because of the copper limit stringent the language is getting modified to fix the ratio for the copper limit on the permit <p><u>WASTEWATER REVENUE BOND PROGRAM SUMMARY REPORT</u></p> <p>Charles Kucherka, with Freese & Nichols, Inc., gave a PowerPoint presentation on the Revenue Bond Report followed by questions and answers. Copy of the Powerpoint presentation attached to the minutes. The following topics discussed:</p> <ul style="list-style-type: none"> ○ Project 1 – Lift Station Rehabilitation – (rehab of thirteen Lift Stations) ○ Project 2- Isla Blanca Wastewater Treatment Plant improvements <ul style="list-style-type: none"> ▪ Improvements on: <ul style="list-style-type: none"> ➢ Headworks Improvements ➢ Aeration Basin Loading and Flow Distribution Improvements ➢ Clarifier No. 3 Rehabilitation ➢ Effluent V-Notch Weir Replacement ○ Project 3 – Andy Bowie Wastewater Treatment Plant ○ Over project total of at \$12M (for all three projects) 	
8	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF CHANGE ORDER NO. 2 (FINAL) WITH CORNETT CONSTRUCTION FOR THE TARPON STREET SANITARY SEWER IMPROVEMENTS PROJECT. (C. ORTIZ) ♣</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • This change order is a decrease of \$87,389.80 • The Board agreed to approve the change <p>Motion by A. AVALOS, seconded by H. HOUSTON.</p> <p>Move to approve.</p>	MOTION CARRIED
9	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF ENGINEERING AMENDMENT NO. 2 WITH FREESE AND NICHOLS, INC. FOR LIFT STATIONS REHABILITATION (TWDB PROJECT #73730). (C. ORTIZ) ♣</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • C. Ortiz noted this amendment is regarding lift stations 1 and 37 in the Laguna Vista Wastewater Treatment Plant service area. There were failures in the admissions pumps that were forced to accelerate this construction in a separate bid package from the remaining part of the job • Charles Kucherka, with Freese & Nichols, Inc., presented the item followed by questions and answers • The amendment is for \$140,990 for additional services <p>Motion by A. LALONDE, seconded by A. AVALOS.</p> <p>Move to approve.</p>	MOTION CARRIED
10	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE AWARD OF CONSTRUCTION FOR LIFT STATION NOS. 1 AND 37 REHABILITATION (BID NO. LS-20-07-01). (C. ORTIZ) ♣</u></p>	MOTION

	<p>DISCUSSION:</p> <ul style="list-style-type: none"> • Charles Kucherka, with Freese & Nichols, Inc., presented the item followed by questions and answers • A total of five bids were received on September 16 • Souther Trenchless, LLC appears to be qualified (low bidder) and capable of performing the work for this project with a base bid amount of \$589,325, Alternate No. 1 Amount of \$ 110,000. • Recommendation to award the construction contract for this project to Southern Trenchless, LLC, including the alternate Bid item No. 1 for the amount of \$699,325 • The Board approved the recommendation award <p>Motion by H. HOUSTON, seconded by A. AVALOS.</p> <p>Move to approve.</p>	<p>CARRIED</p>
<p>11</p>	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF PETITION OF THE TOWN OF LAGUNA VISTA FOR THE ANNEXATION OF 23.02 ACRE TRACT IN THE TOWN OF LAGUNA VISTA, CAMERON COUNTY, TEXAS, ALSO KNOWN AS LAGUNA VISTA ECO PARK SUBDIVISION (C. ORTIZ) ♣</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • C. Ortiz reported the petition submitted by the Town of Laguna Vista, the subdivision tract owner, for 23.02 acres. It's been platted where lot 2 is the ecotourism under construction and transferred to Cameron County. Lot 1 is a 12.89-acre lot for economic development. The development is unknown at this time. The request is to get annexation into the District • Ed Meza, City Manager for the Town of Laguna Vista, and Alan Ozuna, Attorney for the Town of Laguna Vista, were present at the meeting for questions and answers • C. Ortiz noted the District agreed to waive the Water Rights Charge and Water and Wastewater Buy-in fee for Lot 2, a 10 Acre site for Cameron County South Texas Ecotourism Center • There was a discussion on the language for Article V. C. Ortiz noted modifying the wording from may to shall for Article V; Under paragraph four. The correct phrasing is as follows: The Water Rights Charge and Water and Wastewater Buy-in charges shall be applicable for Lot 1 at the time of development <p>Motion by J. STARKEY, seconded by A. AVALOS.</p> <p>Move to approve.</p>	<p>MOTION CARRIED</p>
<p>12</p>	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF THE ORDER SETTING DATE PUBLIC HEARING PETITION FOR ANNEXATION. (C. ORTIZ) ♣</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • C. Ortiz reported part of the process for annexation through state law requires having a public hearing • The Board agreed the Public Hearing is on October 14, at 5:25 PM, in the District's Board Room located at 105 Port Road, Port Isabel, Texas <p>Motion by H. HOUSTON, seconded by A. AVALOS.</p> <p>Move to approve.</p>	<p>MOTION CARRIED</p>
<p>13</p>	<p><u>DIRECTOR OF FINANCE REPORT ♣</u></p> <p>REPORT:</p>	<p>DIRECTOR OF</p>

	<p><u>ENGAGEMENT LETTER TO BEGIN THE AUDIT</u></p> <ul style="list-style-type: none"> E. Salazar reported the District is entering into the engagement letter process with the Auditors, Carr Riggs & Ingram (CRI). The District has a multiyear agreement with the firm awarded in 2018. A copy of the engagement letter was available for review. H. Houston and J. Starkey both acknowledged the engagement letter <p><u>HEALTH REIMBURSEMENT ARRANGEMENTS</u></p> <ul style="list-style-type: none"> E. Salazar noted the District's Flexible Spending Arrangement (FSA) Account for Employees Health Group Insurance needed to be interchanged to a Health Reimbursement Account (HRA) because of the amount. The FSA maximum amount is \$500, and the District offered \$1,000. The HRA funds that specific amount. The HRA is not a use it or lose it like the FSA; the employee will keep it, and it rolls over until funds get used 	<p>FINANCE REPORT</p>
14	<p><u>CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED AT THE REGULAR MEETING ON SEPTEMBER 9TH, 2020:</u></p> <p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL RESTORING SECTION 1.4.8-PENALTIES FOR LATE FEES CORRESPONDING TO THE SERVICE POLICY FOR LAGUNA MADRE WATER DISTRICT DUE TO THE COVID-19</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> The Board agreed to remove the item from the table for discussion <p>Motion by J. STARKEY, seconded by A. AVALOS.</p> <p>Move to approve.</p>	<p>MOTION CARRIED</p>
15	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF RESTORING SECTION 1.4.8 – PENALTIES FOR LATE FEES CORRESPONDING TO THE SERVICE POLICY FOR LAGUNA MADRE WATER DISTRICT DUE TO THE COVID-19. (E. SALAZAR) ♦</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> Recommendation to restore the penalties and late fees by November 2020, enough time to give a 30-day notice to customers advising any amounts past due will be subject to penalties by a specific date The Board agreed to send a notification to customers and to reinstate the penalties in November 2020 <p>Moved by J. STARKEY, seconded by A. LALONDE.</p> <p>Motion: Starting November 1, resume penalty standards with a 30-day prior notice to customers of restoring the penalties.</p>	<p>MOTION CARRIED</p>
16	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL REQUEST FOR BUDGET TRANSFER TO CAPITAL PROJECTS FUND. (E. SALAZAR) ♦</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> The Board agreed to approve the Budget transfer as presented <p>Moved by H. HOUSTON, seconded by J. STARKEY.</p> <p>Move to approve.</p>	<p>MOTION CARRIED</p>

17	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL THE WORKER'S COMPENSATION RENEWAL. (E. SAMANIEGO) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • E. Samaniego noted the current insurance is expiring. Last year's amount \$38,000 • Staff is recommending award the contract renewal of the worker's compensation insurance to Texas Insurance for \$21,963 • The Board approved the staff's recommendation <p>Moved by J. STARKEY, seconded by A. AVALOS.</p> <p>Move to approve.</p>	MOTION CARRIED
18	<p><u>CONSIDER AND REVIEW EXPENDITURES FROM SEPTEMBER 1ST, 2020 – SEPTEMBER 15TH, 2020. (C. GALVAN) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • No questions or comments <p>Expenditures acknowledged by H. HOUSTON and A. LALONDE.</p>	ACKNOWLEDGMENT OF EXPENDITURES
19	<p><u>ADJOURNMENT</u></p> <p>There being no further business, the CHAIRMAN adjourned the meeting at 6:37 PM.</p>	MEETING ADJOURNED @ 6:37 PM



 SCOTT FRIEDMAN, CHAIRMAN



 ALEX AVALOS, SECRETARY

MINUTES APPROVED THIS 14TH DAY OF OCTOBER 2020.