

MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS
LAGUNA MADRE WATER DISTRICT

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 **30th day of July 2014** at the hour of **6:00 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:

BOARD OF DIRECTORS

Scott Friedman – Chairman
Whitey William J. Thomas – Vice Chairman
Robert Vela – Secretary
Jeff Keplinger – Director
Rudy H. Garcia – Director

ADMINISTRATIVE STAFF

Carlos J. Galvan, Jr. – General Manager
Charles Ortiz – District Engineer
Victor Valdez – Director of Operations
Robert Gomez – Director of Finance
Juan Magallanes - Attorney

ITEM #2 **PLEDGE OF ALLEGIANCE**

The **CHAIRMAN** asked everyone in the audience to recite the Pledge of Allegiance.

ITEM #3 **INVITATION TO AUDIENCE FOR DISCUSSION**

The **CHAIRMAN** asked if anyone in the audience would like to address the **BOARD**. No one responded.

ITEM #4 **CONSIDER AND APPROVE MINUTES FOR REGULAR MEETING OF JULY 16, 2014 AND WORKSHOP MEETING OF JULY 19, 2014.**

A motion was made by **MR. GARCIA** to approve Minutes for Regular Meeting July 16, 2014 and Workshop Meeting of July 19, 2014 as submitted, seconded by **MR. THOMAS**. **MOTION CARRIED UNANIMOUSLY.**

ITEM #5 **CONSIDER AND APPROVE NEW WATER AND WASTEWATER RATE INCREASE SCHEDULE**

A motion was made by **MR. THOMAS** to approve new Water and Wastewater Rate Increase, seconded by **MR. KEPLINGER**. On vote, motion carries 2 in support, 2 opposed (**MR. GARCIA** and **MR. FRIEDMAN**), and 1 abstained (**MR. VELA**). **MOTION FAILED.**

ITEM #6 **CONSIDER AND APPROVE IN HIRING A CONSULTING GROUP TO PROVIDE A COMPREHENSIVE WATER AND WASTEWATER UTILITY FINANCIAL RATE STUDY TO LAGUNA MADRE WATER DISTRICT**

A motion was made by **MR. GARCIA** to approve hiring Economists.com to provide a Comprehensive Water and Wastewater Utility Financial Rate Study to Laguna Madre Water District, seconded by **MR. VELA**. On vote, motion carried 3 in support, 2 opposed (**MR. KEPLINGER** and **MR. THOMAS**). **MOTION CARRIED.**

ITEM #7 **CONSIDER AND AWARD BID FOR TELEPHONE AUTO DIALER SYSTEM FOR WASTEWATER LIFT STATIONS**

A motion was made by **MR. KEPLINGER** to approve bid award to Antx, Inc. for telephone auto dialer system for Wastewater Lift Stations, for a total amount of \$10,170.00, seconded by **MR. THOMAS**. **MOTION CARRIED UNANIMOUSLY.**

ITEM #8 **CONSIDER AND AWARD FLOOR COATING FOR WATER PLANT NO. 2 MICROFILTRATION BUILDING**

A motion was made by **MR. THOMAS** to approve Fastco Sandblasting & Painting Co. for floor coating for Water Plant No. 2 Microfiltration Building, seconded by **MR. GARCIA**. **MOTION CARRIED UNANIMOUSLY.**

ITEM #9 **CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED ON THE BOARD MEETING OF JUNE 25, 2014**

CONSIDER AND APPROVE RENEWING ORBIT BROAD BAND IT CONTRACT

A motion was made by **MR. GARCIA** to remove item from the table for discussion, seconded by **MR. VELA**. **MOTION CARRIED UNANIMOUSLY.**

ITEM #10 **CONSIDER AND APPROVE RENEWING ORBIT BROAD BAND IT CONTRACT**

A motion was made by **MR. KEPLINGER** to approve renewing Orbit Broad Band IT Contract, seconded by **MR. VELA**. **MOTION CARRIED UNANIMOUSLY.**

ITEM #11 **CONSIDER AND APPROVE INVESTMENT REPORT FOR THE QUARTER ENDING JUNE 30, 2014**

A motion was made by **MR. THOMAS** to approve Investment Report for the Quarter ending June 30, 2014, seconded by **MR. VELA**. **MOTION CARRIED UNANIMOUSLY.**

ITEM #12 **CONSIDER AND APPROVE FINANCIAL REPORT AS OF JUNE 30, 2014**

A motion was made by **MR. THOMAS** to approve Financial Report as of June 30, 2014, seconded by **MR. KEPLINGER**. **MOTION CARRIED UNANIMOUSLY.**

ITEM # 13 **CONSIDER AND APPROVE DISBURSEMENTS**

A motion was made by **MR. THOMAS** to approve Disbursements as submitted, seconded by **MR. GARCIA**. **MOTION CARRIED UNANIMOUSLY.**

ITEM #14 **GENERAL MANAGER'S REPORT**

- **TANK PRO INC.**
- **VEHICLE USAGE**

MR. GALVAN briefly reported on Tank Pro Inc.; and Vehicle usage.

ITEM #15 **DISTRICT ENGINEER'S REPORT**

- **LIFT STATION NO. 19 EXPANSION CONSTRUCTION PROGRESS UPDATE**
- **CUATES PUMP STATION AND PIPELINE CONSTRUCTION PROGRESS UPDATE**
- **WATER PLANT NO. 2 MICROFILTRATION IMPROVEMENTS**

MR. ORTIZ gave a brief update on the following: Lift Station No. 19 expansion construction progress; Cuates Pump Station and Pipeline construction progress; and Water Plant No. 2 microfiltration improvements.

ITEM #16 **FINANCE DIRECTOR'S REPORT**

- **NOVEMBER BOARD ELECTIONS**
- **CLARIFICATION OF 2012 BOND REVENUE TRANSFER TO GENERAL FUND \$1.1M**
- **INSURANCE BID (HEALTH, LIFE, DENTAL, AND LIABILITY)**
- **TELEPHONE CALLS ANSWERED BY CUSTOMER SERVICE**
- **PAYROLL – NEGATIVE BALANCE ON SICK LEAVE OR VACATION WARNINGS**

MR. GOMEZ reported on the following: Board of Directors November Elections; Clarification of \$1.1m - 2012 Bond Revenue transfer to the General Fund; Insurance Bid for Health, Life, Dental, and Liability; Telephone calls answered by Customer Service; and Payroll procedures for negative balance on Sick Leave or Vacation warnings in Incode.

ITEM # 17 **ADJOURNMENT**

The **CHAIRMAN** adjourned the meeting at **7:49 p.m.**

SCOTT FRIEDMAN, CHAIRMAN

ROBERT VELA, SECRETARY

MINUTES APPROVED THIS _____ DAY OF _____ 2014.