MINUTES

Regular Meeting
Laguna Madre Water District
Board of Directors
Wednesday, September 09, 2026
5:31 PM – 7:09 PM
Board Room
105 Port Rd. Port Isabel, TX 78578

1. The Chairman calls the meeting to order, determines the presence of a quorum, and notices that the meeting has been duly posted as required by law.

Vice-Chairman, Adam Lalonde initiated the meeting by confirming the presence of a quorum. With members in attendance, the official status of the meeting was established.

PRESENT
Adam Lalonde, Vice-Chairman
Jason Starkey, Secretary
William "Bill" Donahue. Director
David "Dave" Boughter, Director

ABSENT
Scott Friedman, Chairman

LMWD STAFF
Noe Cantu, Interim General Manager **virtually through Zoom**
Brian Hansen, Attorney
Mary Gamboa, Human Resources
Eduardo Salazar, Director of Finance
Enrique Samaniego, Purchasing Agent
Joel Lopez, Superintendent
Brandon Edge, Information Tech Specialist
Ana Lopez, Executive Secretary

2. Pledge of Allegiance and Invocation

The meeting commenced with the Pledge of Allegiance. Superintendent Joel Lopez led the invocation.

3. Invitation to the Audience for Public Comments

No comments.

4. Consider and discuss for possible approval the Minutes of the Regular Meeting held on August 26, 2026. (N. Cantu)

The minutes were submitted to the Board for review. The Board formally approved the minutes as presented.

Moved By J. Starkey, **Seconded** By D. Boughter.
Motion: Move to Approve
THE MOTION PASSED UNANIMOUSLY

5. General Manager's Report

- Reservoir Levels
  - N. Cantu stated the Reservoir levels are currently at 31.1%.
- Long Island Village update
  - Jacob Castaneda from SWG Engineering presented a quick update on the project. Based on the last pay application the project is about 78% complete. Several streets have been paved, and they are almost complete. The end of project date is looking to be at the end of November.

6. Superintendent's Report

- Operations Report
  - The monthly report looked steady with number changing in Occupant Change and Turn on Service, which is tied to Long Island Village. As well as Preventative Maintenance to avoid any huge issues.
- District Leaks
  - In the past 2-3 weeks, we have been averaging 2-3 leaks a day. Mr. Lopez wanted to acknowledge employees have worked day and night, with several late nights until the job is complete. Mr. Starkey wanted to pass along a Thank You to those employees.
- Reservoir 1 Repair
  - Several cracks and breaks were repaired.

7. Director of Finance Report

- Investment update
  - E. Salazar provided an update on the investment activities, detailing several money market accounts that have been moved to Plains Capital Bank. Focusing on several accounts that have matured and payments were made.
- Utility Rate Survey
  - Per Director Donahue's request, a survey comparing surround locations prices. Laguna Madre Water District lands right in middle of the 12 cities. The survey indicates larger cities tend to have rate at the lower end of the range, while the smaller cities generally have rates at the higher end of the range.

8. Consider and discuss for possible approval of Work Order No. 6 with Norris Leal, LLC for Seawater Plant Pilot Plant Operation, Addendum No. 2. (N. Cantu)

N. Cantu introduced Mr. David Pettry to provide a brief description of the requested work order. The addendum extends the current pilot operations to include two pilot runs to include the blending of settled seawater and river water and then moving into the Microfiltration, SWRO, and post treatment. The work order increases the total for this work by $438,262.00 and pilot operations will not conclude by December 4, 2026.

Moved By J. Starkey, **Seconded** By W. Donahue.
Motion: Motion to Approve
THE MOTION PASSED UNANIMOUSLY

9. Consider and discuss for possible approval to Adopt the proposed Budget for the Fiscal Year 2026-2027 (Resolution No. 232-09-2026). (E. Salazar)

E. Salazar presented three (3) options of the budget as per the Board's request for revisions at the last workshop. Proposal A, B and C were presented. Proposal A was the original budget with no revisions as provided at workshop. Proposal B included a 4% rate increase to begin January 2027; a cost-of-living adjustment (COLA) of 2.5%; additional capital outlay funds for Lift Station #21 and one vehicle; as well as additional funds for Insurance costs. Proposal C included a 3.5% rate increase to begin January 2027; a cost-of-living adjustment (COLA) of 2%; and additional capital outlay for Lift Station #21 and one vehicle. After some discussion Proposal B was selected by the Board.

Moved By J. Starkey, **Seconded** By D. Boughter.
Motion: Move to Approve
THE MOTION PASSED UNANIMOUSLY

10. Consider and discuss for possible approval of a Resolution Amending Laguna Madre Water District Water, Wastewater, and Raw Water Rate Schedules (Resolution No. 233-09-2026). (E. Salazar)

Director of Finance, E. Salazar, highlighted the 4% rate increase was included in the recently approved budget Proposal B and requires a resolution for official action.

Moved By J. Starkey, **Seconded** By D. Boughter.
Motion: Move to Approve
THE MOTION PASSED UNANIMOUSLY

11. Consider and discuss for possible approval of Worker's Compensation Insurance. (E. Samaniego)

E. Samaniego noted the staff is recommending Board approval and award contract for worker's compensation insurance to Texas Mutal/Texas Insurance for $26,320.00.

Moved By J. Starkey, **Seconded** By W. Donahue.
Motion: Move to Approve
THE MOTION PASSED UNANIMOUSLY

12. Consider and discuss for possible approval Liability and Property Insurance. (E. Samaniego)

E. Samaniego stated the staff is recommending Board approval and renewing contract for liability and property insurance to Texas Municipal League for $161,394.00.

Moved By J. Starkey, **Seconded** By W. Donahue.
Motion: Move to Approve
THE MOTION PASSED UNANIMOUSLY

13. Consider and review Expenditures from August 16, 2026, to August 31, 2026. (N. Cantu)

The Expenditures were provided for review and acknowledged by the board.

14. Consider and discuss for possible approval to appoint a Laguna Madre Water District representative to the Board of Directors of Southmost Regional Water Authority (SRWA) (Resolution No. 234-09-2026). (N. Cantu)

N. Cantu presented the opportunity to appoint a member of the Laguna Madre Water District board to be appointed to the Southmost Regional Water Authority Board of Directors. After some discussion on the location and dates they meet.

Moved By D. Boughter, **Seconded** By W. Donahue.
Motion: Move to Appoint Jason Starkey
THE MOTION PASSED UNANIMOUSLY

15. EXECUTIVE SESSION permitted by the Open Meetings Act, VCTA, Government Code Section 551.001 et seq.; Under Section 551.071, Consultation with Attorney; under Section 551.0761, Deliberation Regarding Critical Infrastructure Facility; under Section 551.074, Personnel Matters:

A. Discussion concerning CBRE appraisal presentation.

B. Discussion and possible action concerning the negotiations with the Port Isabel – San Benito Navigation District for Seawater Intake Facilities.

C. Discussion and possible action concerning Lift Station Rehabilitation Project with Mor-Wil, LLC.

Mr. Adam Lalonde, Vice-Chairman of the Laguna Madre Water District's Board of Directors, took the following action: that an Executive Session be included on the agenda for the said meeting, which was duly posted at the office of the District, authorizing the holding of such a closed or Executive Session.

The Vice-Chairman entertained the motion to enter into Executive Session. D. Boughter moved, with W. Donahue seconding, to initiate the **Executive Session** at **6:06 PM.** J. Starkey put forth a motion, seconded by D. Boughter, to adjourn the **Executive Session** at **7:08 PM.** The only matters discussed during the Executive Session were addressed by the Board of Directors, who then proceeded to the next agenda item.

16. Consideration and action on EXECUTIVE SESSION item(s), if necessary.

A. Moved: No Action

B. Moved: No Action

C. Motion: No Action

17. Adjournment

No additional business remained; the meeting was adjourned at **7:09 PM**.

ADAM LALONDE, VICE-CHAIRMAN

DAVID BOUGHTER, DIRECTOR

SIGN HERE

MINUTES APPROVED THIS 23RD DAY OF SEPTEMBER 2026.