

**MINUTES**  
**REGULAR MEETING – OCTOBER 12, 2016**  
**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 **12th day of OCTOBER, 2016** at the hour of **5:00 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***

Jeff Keplinger – Chairman  
William “Whitey” J. Thomas – Vice Chairman  
Scott D. Friedman – Secretary  
Rick A. Wells – Director  
Doyle Wells, III - Director

**ABSENT**

***ADMINISTRATIVE STAFF***

Carlos J. Galvan, Jr. – General Manager  
Charles Ortiz – District Engineer  
Victor Valdez - Director of Operations  
Sanjuana Garcia – Director of Finance  
Eddie Lucio, III – Attorney

**ITEM #2        INVOCATION AND PLEDGE OF ALLEGIANCE**

The **CHAIRMAN** invited everyone in the audience to stand for the Invocation and Pledge of Allegiance.

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

Public comments and announcements were given at this time.

**MR. GALVAN** reported on the District’s Christmas Banquet menu and will be contacting the Board via email.

**ITEM #4        CONSIDER AND APPROVE MINUTES FOR REGULAR MEETING OF SEPTEMBER 28, 2016**

A motion was made by **MR. R. WELLS** to approve Minutes for Regular Meeting of September 28, 2016 as presented, seconded by **MR. D. WELLS**. **MOTION CARRIED UNANIMOUSLY.**

**ITEM #5            GENERAL MANAGER'S REPORT**

- **STATE OF TEXAS BOARD MEMBERS CERTIFICATES**
- **SMALL CLAIMS UPDATE**

**MR. GALVAN** reported on the following:

- **STATE OF TEXAS BOARD MEMBERS CERTIFICATES** – Newly re-elected candidates, Mr. Jeff Keplinger, Mr. Scott Friedman, and Mr. William Thomas, who are unopposed for the offices of the LMWD Board of Directors on November 8, 2016 General Election and Board of Director, Mr. Doyle Wells III, who was recently appointed in July 2016 were presented a certificate given by The Senate of the State of Texas and The Texas House of Representatives.
- **SMALL CLAIMS UPDATE**- The 2 highest unpaid accounts from the accounts receivables Bad Debt/Write-off list were sent a final notice via certified mail and given 10 business days to respond and/or pay. If no response after the 10<sup>th</sup> business day the District will file a small claims suit. There was discussion regarding the District's Service Policies for General Rules and Regulations on the course of action.

**ITEM #6            DISTRICT ENGINEER'S REPORT**

- **TEXAS WATER DEVELOPMENT BOARD CLEAN WATER SRF**
- **PORT ISABEL WWTP CONSTRUCTION**
- **WASTEWATER TREATMENT PLANTS REHABILITATION**
- **PORT ISABEL WATERLINES CONSTRUCTION**

**MR. ORTIZ** reported on the following:

- **TEXAS WATER DEVELOPMENT BOARD CLEAN WATER SRF** - Successful closing on October 6, 2016.
- **PORT ISABEL WWTP CONSTRUCTION** - Advertised on Phase 1 this past Sunday and Opening Bids on Nov. 30<sup>th</sup>.
- **WASTEWATER TREATMENT PLANTS REHABILITATION** – Bid date extended to October 18<sup>th</sup>.
- **PORT ISABEL WATERLINE CONSTRUCTION**- Newspaper article was released on starting the construction. Project is ongoing and on schedule.

**ITEM #7            DIRECTOR OF OPERATION'S REPORT**

- **MONTHLY REPORT**

**MR. VALDEZ** reported the following for the month of September:

- 24 – Water Taps
- 19 – Sewer Taps;
- For Meter Testing - 88 Services Orders out of 200 Service Orders created have been completed for inspection on faulty meters.
- 3- Water Leaks – 24" line behind HEB; and Davis Street in Laguna Vista had 2 leaks.

**ITEM #8            DIRECTOR OF FINANCE REPORT**

• **AUDIT COMMITTEE UPDATE**

**MRS. GARCIA** reported on the following:

- Audit Committee met with Auditors; received Engagement Letter and printed copies were handed to Board. Audit should be completed by Nov. 15<sup>th</sup>. Inventory Audit is working on a second count. Discussion ensued and it was noted, Mr. Galvan to look over inventory control.

**ITEM #9            CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING ITEM TABLED AT REGULAR MEETING ON SEPTEMBER 14, 2016:**

**CONSIDER AND APPROVE AMENDMENT NO. 3 FOR CONSTRUCTION PHASE SERVICES WITH CAROLLO ENGINEERS FOR PORT ISABEL WASTEWATER TREATMENT PLANT IMPROVEMENTS. (C. ORTIZ)**

A motion was made by **MR. D. WELLS** to remove item from the table for discussion, seconded by **MR. R. WELLS** with **MR. THOMAS** opposing. **MOTION CARRIED.**

**ITEM #10            CONSIDER AND APPROVE AMENDMENT NO. 3 FOR CONSTRUCTION PHASE SERVICES WITH CAROLLO ENGINEERS FOR PORT ISABEL WASTEWATER TREATMENT PLANT IMPROVEMENTS.**

**MR. ORTIZ** handed out printed copies to the Board regarding Carollo Fee Proposal on Amendment No. 3 with District Engineer Review (Alternative 1, 2, & 3) for Construction Management Services for Port Isabel WWTP Modifications. Discussion ensued regarding: Alternate 2 – District Engineer recommends Approval of Construction Management Services with Carollo for an amount not to exceed \$282,822.

It was noted, **MR. ORTIZ** will provide the Port Isabel WWTF Modifications Plans and Specs to the Board for review and possibly a workshop. Any changes will be reported on at a Regular Meeting.

A motion was made by **MR. D. WELLS** to approve Alternate 2 with an amount not to exceed \$282,882.00, seconded by **MR. J. KEPLINGER** with **MR. W. THOMAS** and **MR. R. WELLS** opposing. **MOTION FAILED.**

**ITEM #11      CONSIDER AND APPROVE A RESOLUTION ADOPTING CLAUSE 1.4.8 (B) RELATING TO SERVICE DISCONNECTION FOR NONPAYMENT OF BILLS ON THE SERVICE POLICIES FOR GENERAL RULES AND REGULATIONS OF THE LAGUNA MADRE WATER DISTRICT (RESOLUTION NO. 141-10-16).**

There was discussion regarding the language for Clause 1.4.8 (B) relating to the service disconnection for nonpayment of bills on the Service Policies for General Rules and Regulations. There was agreement to approving the Resolution No. 141-10-16 Adopting Clause 1.4.8 (B) relating to Service Disconnection for Non Payment of Bills on the Service Policies for General Rules and Regulations of the Laguna Madre Water District with catch-all. Changes are to be made by Staff and District Counsel on producing the necessary language for Clause 1.4.8 (B) and also correct all typographical errors on the District's Service Policies for General Rules and Regulations of the Laguna Madre Water District.

A motion was made by **MR. W. THOMAS** to approve with catch-all language on Adopting Clause 1.4.8 (B) relating to Service Disconnection for nonpayment of bills on the Service Policies for General Rules and Regulations of the Laguna Madre Water District (Resolution No. 141-10-16), seconded by **MR. D. WELLS**. ***MOTION CARRIED UNANIMOUSLY.***

**ITEM #12      CONSIDER AND APPROVE RENEWAL OF CONTRACT FOR IT SERVICES WITH G5 DBA ORBIT BROADBAND LLC CONSULTING AGREEMENT.**

There was discussion regarding the language on the document contract for IT Services Agreement. It was determined contract will be further reviewed and all typographical errors corrected. The document was tabled and deferred to the next Regular Meeting on October 26, 2016.

A motion was made by **MR. W. THOMAS** to table renewal of Contract for I T Services with G5 DBA Orbit Broadband LLC Consulting Agreement, seconded by **MR. R. WELLS**. ***MOTION CARRIED UNANIMOUSLY. ITEM TABLED.***

**ITEM #13      CONSIDER AND AWARD BID FOR BASIN REHABILITATION PROJECT TO OUTLINE WELL AT LIFT STATION 15 (BID #LS-09-11-01).**

Bid Tabulation Summary showed Southern Trenchless with a total Bid amount of \$43,000.00 as the recommended bidder for Lift Station 15 Rehabilitation Project.

A motion was made by **MR. W. THOMAS** to approve Bid award to Southern Trenchless for Basin Rehabilitation Project to outline well at Lift Station 15 (Bid #LS-09-11-01), seconded by **MR. D. WELLS. MOTION CARRIED UNANIMOUSLY.**

**ITEM #14      CONSIDER AND APPROVE DISBURSEMENTS**

There was discussion and questions on certain items on the Disbursements list.

A motion was made by **MR. R. WELLS** to approve Disbursements as presented, seconded by **MR. D. WELLS. MOTION CARRIED UNANIMOUSLY.**

**ITEM #15      ADJOURNMENT**

There being no further business the **CHAIRMAN** adjourned the meeting at **6:32 PM.**



JEFF KEPLINGER, CHAIRMAN



RICK WELLS, DIRECTOR

MINUTES APPROVED THIS 26 DAY OF October 2016.