


MINUTES
 Regular Meeting
 Laguna Madre Water District
 Board of Directors
 Wednesday, December 8, 2021
 5:30 PM – 6:13 PM
 Board Room

1	<p><u>QUORUM</u></p> <p>PRESENT: Chairman, Scott Friedman Vice-Chairman, Adam Lalonde arrived at 5:34 PM Secretary, Jason Starkey Director, William "Bill" Donahue</p> <p>ABSENT: Director, Dave Boughter</p> <p><u>ADMINISTRATIVE STAFF:</u> General Manager, Carlos J. Galvan, Jr. Director of Operations, Robert Gomez District Engineer, Charles Ortiz Director of Finance, Eduardo Salazar Purchasing Agent, Enrique Samaniego Information Tech Specialist, Orlando Huerta Attorney, Brian Hansen</p>	
2	<p><u>PLEDGE OF ALLEGIANCE AND INVOCATION</u></p> <p>The meeting began with the Pledge of Allegiance, and C. Ortiz said the Opening Prayer</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 reported District Staff did an amazing job at the Christmas Parade in Port Isabel and won first place. The District will receive a plaque sometime next week. The entire parade is available on the Facebook platform • C. Galvan touched on: <ul style="list-style-type: none"> ○ Thanking District Employees for giving back to the community, the Employees contributed to the Salvation Army Angels. As a result, the District sponsored six Angels (children) with gifts, and enough money contributed to give each angel a \$40 family meal gift card. ○ Noe Hinojosa with Estrada Hinojosa Investment Bankers father passed away; keep the Hinojosa Family in our prayers ○ Lift Station 37 and Lift Station 1 – Construction began on both lift stations. Lift station 1 on Mezquite is almost complete. Lift station 37 on Ocelot work is ongoing 	PUBLIC COMMENTS
4	<p><u>DISCUSS AND APPROVE A RESOLUTION AUTHORIZING THE ISSUANCE OF LAGUNA MADRE WATER DISTRICT UNLIMITED TAX REFUNDING BONDS, SERIES 2022; AUTHORIZING THE</u></p>	MOTION CARRIED

	<p><u>EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE CONTRACT OR AN INVESTMENT LETTER; AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE BONDS; DELEGATING AUTHORITY TO CERTAIN OFFICIALS OF THE DISTRICT TO SELECT OUTSTANDING BONDS TO BE REFUNDED AND TO APPROVE ALL FINAL TERMS OF THE BONDS AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE. (E. SALAZAR) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • Bobby Villarreal with Estrada and Hinojosa gave a presentation on Plan of Finance-Unlimited Tax Refunding Bonds, Series 2022, and printed copies were handed out during the meeting and attached to the minutes • The Board approved the Resolution <p>Moved by J. STARKEY, seconded by A. LALONDE.</p> <p>Motion: Move to approve.</p>	
5	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL THE MINUTES OF THE REGULAR MEETING FROM NOVEMBER 23, 2021. (C. GALVAN) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • The Board approved the Minutes as presented <p>Moved by W. DONAHUE, seconded by A. LALONDE.</p> <p>Motion: Move to approve.</p>	MOTION CARRIED
6	<p><u>GENERAL MANAGER'S REPORT 💧</u></p> <ul style="list-style-type: none"> • <u>EMPLOYEE AWARD'S BANQUET</u> <p>REPORT: Reminder of the upcoming Awards Banquet on December 11, 2021, at 6 PM, at Pirate's Landing dinner is included</p>	GENERAL MANAGER'S REPORT
7	<p><u>DIRECTOR OF OPERATION'S REPORT 💧</u></p> <ul style="list-style-type: none"> • <u>MONTHLY REPORT</u> <p>REPORT: R. Gomez reported on the Service Orders/Callouts from November 2021 compared to November 2020; overall, the comparison showed pretty much the same, no significant difference, the Pretreatment and Lift Stations comparison had fewer service orders in 2021</p>	DIRECTOR OF OPERATION'S REPORT
8	<p><u>DISTRICT ENGINEER'S REPORT</u></p> <ul style="list-style-type: none"> • <u>SEAWATER DESALINATION STATUS</u> • <u>WATER SYSTEM IMPROVEMENTS, TAX BOND STATUS</u> <p>REPORT:</p> <p><u>SEAWATER DESALINATION STATUS</u> – C. Ortiz reported currently trying to get the agreement approved with the Corps of Engineers to get the study to locate the intake at the Port Isabel San Benito Navigation District to see how it's going to react with the outfall waste. C. Ortiz sent a letter of the update to the Texas Water Development Board (TWDB).</p>	DISTRICT ENGINEER'S REPORT

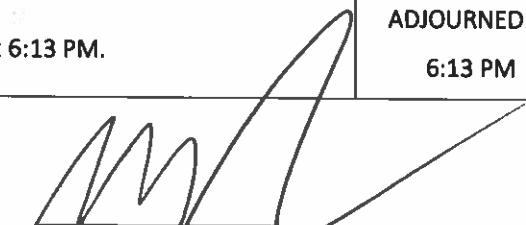
	<p>TWDB stated they could provide a letter from the state to be used to get clearance from the attorney review and proceed with the agreement with the corps of engineers</p> <p><u>WATER SYSTEM IMPROVEMENTS, TAX BOND STATUS</u> Freese and Nichols, completed Engineer's Report for Bond Election (from November 2020); the cost estimates in this report were used to determine the requested amount of \$27,620,000</p> <p><i>J. Starkey noted for a future meeting requests an item on the agenda to discuss Development and consider discussing the taste and odor for the end-users of the island and addressing the infrastructure.</i></p>	
9	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF UTILITY LETTER OF NO OBJECTION FOR THE DEMOLITION OF THE OLD QUEEN ISABELLA CAUSEWAY IN PORT ISABEL. (C. ORTIZ)</u> 💧</p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • C. Ortiz noted the Texas General Land Office is requesting the District review the attached exhibit related to the demolition of the Old Queen Isabella Causeway in Port Isabel. • Board approved <p>Moved by W. DONAHUE, seconded by A. LALONDE.</p> <p>Motion: Move to approve</p>	MOTION CARRIED
10	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF AMENDMENT NO. 1 FOR WATER SYSTEM IMPROVEMENTS - ENGINEERING DESIGN, BID, AND CONSTRUCTION PHASE SERVICES TO FREESE AND NICHOLS. (C. ORTIZ)</u> 💧</p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • C. Ortiz recommended the amendment for additional work with Freese and Nichols, which increases the contract amount by \$543,209. The revised total is not to exceed \$3,893,621 • Board approved <p>Moved by A. LALONDE, seconded by J. STARKEY.</p> <p>Motion: Move to approve.</p>	MOTION CARRIED
11	<p><u>DIRECTOR OF FINANCE REPORT</u> 💧</p> <ul style="list-style-type: none"> • <u>INVESTMENTS UPDATE</u> <p>REPORT:</p> <ul style="list-style-type: none"> • E. Salazar reported 3 CDs matured in November. The expiring CDs had interest rates at 0.42% and 1-year terms. Rates in the market declined over the past year but recently stabilized. The District solicited 24 banks with only two offers returned. The best option – one year at 0.22% interest. The three CDs were placed with East West Bank 	DIRECTOR OF FINANCE REPORT
12	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF END-OF-YEAR BUDGET ADJUSTMENTS. (E. SALAZAR)</u> 💧</p>	MOTION CARRIED

	<p>DISCUSSION:</p> <ul style="list-style-type: none"> • E. Salazar noted the request for the budget change is for the reconciliation of budget for the year-end of revenue and expenses • Board and Staff discussed current rates and upcoming rate study for the District • Board approved <p>Moved by J. STARKEY, seconded by A. LALONDE.</p> <p>Motion: Move to approve.</p>	
13	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL PURCHASE OF LIFT STATION 11 PUMP FOR LIFT STATION DEPARTMENT. (E. SAMANIEGO) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • E. Samaniego recommended no action at this time • Board agreed to take no action 	NO ACTION
14	<p><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL PURCHASE OF SEWER INSPECTION CAMERA AND TRANSPORTER FOR COLLECTIONS DEPARTMENT. (E. SAMANIEGO) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • E. Samaniego noted Staff's recommendation to award the contract to Patterson Equipment Company for the purchase of one sewer inspection camera for \$56,500.00 • Board approved <p>Moved by A. LALONDE, seconded by W. DONAHUE.</p> <p>Motion: Move to approve.</p>	MOTION CARRIED
15	<p><u>CONSIDER AND DISCUSS POSSIBLE PAYMENT RATIFICATION FOR PURCHASING EIGHTY (80) 5/8" WATER METERS FOR WAREHOUSE INVENTORY. (E. SAMANIEGO) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • E. Samaniego noted the amount of purchase of \$17,638.40. It's an emergency purchase due to a shortage of materials and lead times • Board approved <p>Moved by J. STARKEY, seconded by W. DONAHUE.</p> <p>Motion: Move to approve.</p>	MOTION CARRIED
16	<p><u>CONSIDER AND REVIEW EXPENDITURES FROM NOVEMBER 16, 2021, TO NOVEMBER 30, 2021. (C. GALVAN) 💧</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> • The Board accepted the expenditures as presented <p>Expenditures acknowledged by A. LALONDE and W. DONAHUE.</p>	ACKNOWLEDGMENT OF EXPENDITURES

17	<p><u>CONSIDER AND REMOVE FROM THE TABLE THE FOLLOWING EXECUTIVE SESSION ITEM Tabled AT THE REGULAR MEETING ON NOVEMBER 23, 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"> The Board removed the item from the table for discussion <p>Moved by A. LALONDE, seconded by J. STARKEY.</p> <p>Motion: Move to remove.</p>	MOTION CARRIED
18	<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> <p><u>DELIBERATION REGARDING THE EVALUATION OF DISTRICT EMPLOYEE TO WIT: GENERAL MANAGER</u></p> <p>DISCUSSION:</p> <ul style="list-style-type: none"> The Board agreed to wait for an entire Board to be present and to remain tabled till the next regularly scheduled meeting <p>Moved by J. STARKEY, seconded by W. DONAHUE.</p> <p>Motion: Move to remove.</p>	TABLED
19	<p><u>CONSIDERATION AND ACTION ON EXECUTIVE SESSION ITEMS, IF NECESSARY.</u></p> <p>This item was not discussed; see above item (item 18) for more information.</p>	NO ACTION
14	<p><u>ADJOURNMENT</u></p> <p>There being no further business, the CHAIRMAN adjourned the meeting at 6:13 PM.</p>	MEETING ADJOURNED @ 6:13 PM



JASON STARKEY, SECRETARY



SCOTT FRIEDMAN, CHAIRMAN



MINUTES APPROVED THIS 26TH DAY OF JANUARY 2022.