


**MINUTES**  
 Regular Meeting  
 Laguna Madre Water District  
 Board of Directors  
 Wednesday, January 8, 2020  
 5:30 PM – 7:00 PM  
 Board Room

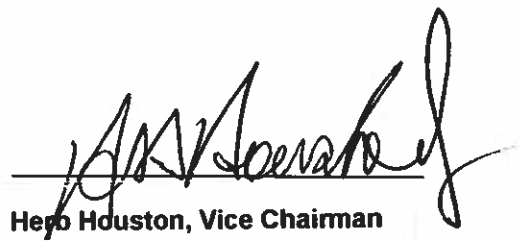
1	<p><b><u>QUORUM</u></b></p> <p><b>PRESENT:</b>          Chairman, Scott Friedman          Vice-Chairman, Herb Houston          Director, Jason Starkey arrived @ 5:32 PM          Director, Adam Lalonde</p>  <p><b>ADMINISTRATIVE STAFF:</b>          General Manager, Carlos J. Galvan, Jr.          Director of Operations, Robert Gomez          District Engineer, Charles Ortiz          Purchasing Agent, Enrique Samaniego          Director of Finance, Eddie Salazar          Attorney, Brian Hansen</p> <p><b>ABSENT:</b>          Secretary, Alex Avalos</p> <p>❖ <i>Agenda items presented as follows: 1,2,3,4,6,5,7,8,9,10,11,12,13,14</i></p>	
2	<p><b><u>INVOCATION AND PLEDGE OF ALLEGIANCE</u></b></p> <p>The meeting began with the Pledge of Allegiance and Opening Prayer by C. Galvan.</p>	
3	<p><b><u>INVITATION TO THE AUDIENCE FOR PUBLIC COMMENTS</u></b></p> <p><b>COMMENTS:</b></p> <ul style="list-style-type: none"> <li>C. Galvan reported, District employee Jose Garza acquired his Wastewater 'B' License. C. Galvan noted the District is happy because Mr. Garza has been with the District for a short time and received it pretty quickly. The Board congratulated Mr. Garza even though not present at the meeting</li> </ul>	
4	<p><b><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL THE MINUTES OF THE REGULAR MEETING ON DECEMBER 18, 2019. (C. GALVAN) ♣</u></b></p> <p><b>DISCUSSION:</b></p> <ul style="list-style-type: none"> <li>The Board approved the Regular Meeting Minutes as presented</li> </ul> <p>Moved by H. HOUSTON, seconded by A. LALONDE.</p> <p>Move to approve.</p>	<p><b>MOTION CARRIED</b></p>

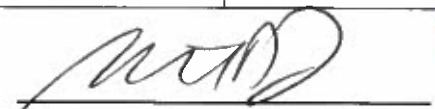
5	<p><b><u>CONSIDER AND DISCUSS CALENDAR FOR THE UPCOMING BOND ELECTION</u></b></p> <p><b>DISCUSSION:</b></p> <ul style="list-style-type: none"> <li>• This item was taken out of order because Agenda Item 6 was moved up</li> <li>• During the meeting printed copies were handed about the dates of events for the May 2020 Bond Election Schedule</li> <li>• C. Ortiz noted the last day for the governing body to adopt an Order calling the bond election is February 14, 2020</li> <li>• The next Bond Committee meeting is on January 20, 2020. Bond Counsel, Noel Valdez, is to start building the language prepared for the proposition. The engineer's report will be ready, as well. The request will be presented at a Board of Directors Regular Meeting on February 12, 2020. Discussion ensued regarding the date being too close to the deadline of February 14<sup>th</sup></li> <li>✓ The Board agreed its best to schedule the request (sooner) on February 5, 2020, rather than February 12, 2020, because it is too close to the order calling the bond election deadline (and possibly a workshop before the Regular Meeting on February 5, 2020)</li> <li>• Question: After February, the 14<sup>th</sup> deadline, are the Board, staff, and employees legally allowed to attend the Bond Committee meetings? Response: The Board may participate in the meetings as long as the open meetings act is followed. The Board has no restrictions for advocating, but District employees cannot advocate because they are considered as the district's resources. The law says the District cannot use district resources to promote the bonds.</li> </ul>	<p>FOR DISCUSSION ONLY</p>
6	<p><b><u>CONSIDER AND DISCUSS WATER SAVER APP UPDATE</u></b></p> <p><b>DISCUSSION:</b></p> <ul style="list-style-type: none"> <li>• This item was taken out of order and moved up before item 5 on the agenda</li> <li>• H. Houston noted that during the holidays, he approached several people and how none of them have used or installed the app. The word needs to get out about the app</li> <li>• E. Salazar reported 1,427 people (21%) had installed the watersmart app, and compared to other municipalities in getting customers to install the app; the District has done well in a short amount of time. The District has done a mass mail-out and emails</li> <li>• Suggestions on ways to publicize the watersmart app: <ul style="list-style-type: none"> <li>○ On a cardstock colored paper, two-sided for English and Spanish information on the app and how to install it on your iPhone. Mail it to every account holder and handout to municipalities to include in their (trash) bills.</li> <li>○ Add it in the newspaper</li> <li>○ Also, the District's taxes reduced two years ago it should be in the newspaper</li> </ul> </li> </ul>	<p>FOR DISCUSSION ONLY</p>

7	<p><b><u>CONSIDER AND DISCUSS VIDEOS ON PRESENTATION UPDATE</u></b></p> <p><b>DISCUSSION:</b></p> <ul style="list-style-type: none"> <li>• Discussion on the short 3-minute video for marketing and informational purposes of the two water plants comparisons: <ul style="list-style-type: none"> <li>○ Minor changes needed before its ready</li> <li>○ When ready it will be posted on the District's Website and Facebook</li> </ul> </li> <li>• Scheduling to take part in the meetings with the cities (Port Isabel, South Padre Island, Laguna Vista, and Long Island Village, Property Owners who care, Rotary Club, and PI &amp; SPI Chambers Meetings) with the video</li> <li>• This video will be before the Engineers attend the cities meeting regarding the Bond Election</li> </ul>	<p style="text-align: center;"><b>FOR DISCUSSION ONLY</b></p>
8	<p><b><u>DISTRICT ENGINEER'S REPORT</u></b> ▲</p> <ul style="list-style-type: none"> <li>• <u>DISCUSS BOND PLANNING COMMITTEE MEETING HELD ON JANUARY 7, 2020</u></li> <li>• <u>FREQUENTLY ASKED QUESTIONS FOR PROPOSED TAX BOND</u></li> </ul> <p><b>REPORT:</b></p> <p><b><u>DISCUSS BOND PLANNING COMMITTEE MEETING:</u></b></p> <ul style="list-style-type: none"> <li>• The committee discussed identifying key members that are active in getting the word out to the community and approaching them to get the word out</li> <li>• Discussed different tactics on how to present to the cities</li> <li>• Reviewed Draft Presentation by Freese and Nichols for the 2020 Tax Bond Project Proposal and fliers. Revisions needed before the final draft.</li> <li>• Suggestions for the fliers: <ul style="list-style-type: none"> <li>○ Under the Tax increase amount add that it's for the year</li> <li>○ Use the term family investment or community investment instead of tax increase</li> </ul> </li> </ul> <p><b><u>FREQUENTLY ASKED QUESTIONS FOR PROPOSED TAX BOND:</u></b></p> <ul style="list-style-type: none"> <li>• The Bond Committee reviewed the draft documents and working on minor revisions</li> </ul>	<p style="text-align: center;"><b>DISTRICT ENGINEER'S REPORT</b></p>
9	<p><b><u>PRESENTATION BY FREESE AND NICHOLS FOR THE 2020 TAX BOND PROJECT PROPOSAL TO CITIES AND OTHER STAKEHOLDERS IN THE LAGUNA MADRE AREA.</u></b></p> <p><b>REPORT:</b></p> <ul style="list-style-type: none"> <li>• A PowerPoint presentation by Charles Kucherka with Freese &amp; Nichols, Inc. on the 2020 Tax Bond Project Proposal. The same presentation will be used at the city's meetings and other stakeholders.</li> <li>• The draft presentation was presented to the Bond Planning Committee on January 7, 2020</li> </ul>	<p style="text-align: center;"><b>FOR DISCUSSION ONLY</b></p>

	<ul style="list-style-type: none"> <li>• The recommendations from the committee will get incorporated</li> <li>• C. Kucherka noted the Laguna Boulevard 2" water main upsize cost went up about \$400,000 because they found a few broken valves within the system.</li> <li>• The total project cost for all three projects is around \$28 million</li> <li>• Suggestions to improve performance: <ul style="list-style-type: none"> <li>○ The term System Firm Capacity possibly change to Needed Capacity</li> <li>○ It is best to use layman's terms</li> <li>○ Mention both water-treatment plants (presentation only reads one water treatment plant)</li> <li>○ Use commas and zeros instead of decimal points for size or capacities. Use 600,000 gallons instead of .6 million gallons and 7,300,00 gallons instead of 7.3 million gallons per day (mgd).</li> <li>○ At the performances explain to your audience why water tanks are important</li> <li>○ The "how much does this cost?" slide – <ul style="list-style-type: none"> <li>▪ use decimals</li> <li>▪ Change the wording use the term Community Investment instead of Project cost</li> <li>▪ Insert the chart that shows the property value/tax increase and improve the text from Tax increase to Family Investment</li> </ul> </li> <li>○ The beginning needs work, maybe a slide to get the attention of the audience</li> <li>○ Remove the slide on Types of Bonds to Fund Projects. It will confuse the audience</li> <li>○ For the slide Benefits of Tax Bond - remove 2020 from the graph only show up to 2019</li> <li>○ Remove the Service Area Property Taxes pie chart from the slide - How much will I pay?</li> </ul> </li> <li>✓ The Board agreed to schedule a Workshop Meeting at 4:30 PM before the regularly scheduled meeting on January 22, 2020</li> </ul>	
10	<p><b><u>CONSIDER AND DISCUSS FOR POSSIBLE APPROVAL OF THE FINANCIAL REPORTS FOR SEPTEMBER 2019 (E. SALAZAR) ♦</u></b></p> <p><b>DISCUSSION:</b></p> <ul style="list-style-type: none"> <li>• The financials for September 2019 got approved as presented</li> </ul> <p>Moved by H. HOUSTON, seconded by A. LALONDE.</p> <p>Move to approve.</p>	<p><b>MOTION CARRIED</b></p>
11	<p><b><u>CONSIDER AND REVIEW EXPENDITURES FROM DECEMBER 1, 2019 – DECEMBER 30, 2019</u></b></p>	

	<u>(E. SAMANIEGO)</u> DISCUSSION: • The expenditures were acknowledged as presented Expenditures acknowledged by H. HOUSTON and J. STARKEY.	ACKNOWLEDGMENT OF EXPENDITURES
12	<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, CONSULTATION WITH ATTORNEY; SECTION 551.072, DELIBERATION ABOUT REAL PROPERTY:</u></p> <p>A. <u>CONSIDER AND DISCUSS A 2-ACRE TRACT NEXT TO PORT ISABEL WASTEWATER TREATMENT PLANT WITH GARCIA DOUGHERTY INTEREST.</u></p> <p>B. <u>UPDATE ON LEGAL MATTERS CONCERNING RATEPAYERS APPEAL OF THE RAW WATER RATE</u></p> <p>A. LALONDE made a motion for the BOARD to go into the executive session at 6:36 PM, seconded by J. STARKEY.</p> <p>A. LALONDE withdrew himself before the Executive Session Item B, and a quorum maintained.</p> <p>H. HOUSTON made a motion for the BOARD to get out of the executive session at 6:59 PM, seconded by J. STARKEY.</p>	<p>MOTION CARRIED IN SESSION @ 6:36 PM</p> <p>MOTION CARRIED OUT OF SESSION @ 6:59 PM</p>
13	<p><u>CONSIDERATION AND ACTION ON EXECUTIVE SESSION ITEMS, IF NECESSARY.</u></p> <p>A. <u>CONSIDER AND DISCUSS A 2-ACRE TRACT NEXT TO PORT ISABEL WASTEWATER TREATMENT PLANT WITH GARCIA DOUGHERTY INTEREST.</u></p> <p>Motion: to proceed as directed Moved by J. STARKEY, seconded by H. HOUSTON.</p> <p>B. <u>UPDATE ON LEGAL MATTERS CONCERNING RATEPAYERS APPEAL OF THE RAW WATER RATE</u></p> <p>The CHAIRMAN noted no action at this time.</p>	<p>EXECUTIVE SESSION RESULTS: ITEM A: PROCEED AS DIRECTED</p> <p>ITEM B: NO ACTION</p>
14	<p><u>ADJOURNMENT</u></p> <p>There being no further business the CHAIRMAN adjourned the meeting at 7:00 PM Moved by H. HOUSTON, seconded by J. STARKEY.</p>	<p>MEETING ADJOURNED @ 7:00 PM</p>

  
Herb Houston, Vice Chairman

  
SCOTT D. FRIEDMAN, CHAIRMAN

MINUTES APPROVED THIS 22<sup>ND</sup> DAY OF JANUARY 2020.