

MINUTES
 Regular Meeting
 Laguna Madre Water District
 Board of Directors
 Wednesday, March 27, 2024
 5:30 PM – 6:24 PM
 Board Room
 105 Port Rd. Port Isabel, TX 78578

1	<p>The Chairman facilitated the meeting, and the following present constituted a quorum:</p> <p><u>PRESENT</u></p> <p>Scott Friedman, Chairman Adam Lalonde, Vice-Chairman Jason Starkey, Secretary William "Bill" Donahue, Director Dave Boughter, Director</p> <p style="text-align: right;">Departed the meeting at 5:50 PM. Virtually through ZOOM</p> <p><u>LMWD STAFF</u></p> <p>Robert Gomez, Director of Operations Charles Ortiz, District Engineer Eduardo Salazar, Director of Finance Enrique Samaniego, Purchasing Agent Brandon Edge, Information Tech Specialist Santiago Ochoa, IV, Superintendent of Wastewater Noe Cantu, Superintendent of Water Mary Gamboa, Human Resources Brian Hansen, Attorney</p> <p><u>ABSENT</u></p> <p>Carlos J. Galvan, Jr., General Manager</p>	
2	<p><u>Pledge of Allegiance and Invocation.</u></p> <p>The meeting began with the Pledge of Allegiance. R. Gomez 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"> • No questions or comments from the audience or Staff • S. Friedman thanked Staff and fellow Members for his support while out. 	PUBLIC COMMENTS

4	<p><u>Consider and discuss the possible approval of the Minutes from the Regular Meeting on March 13, 2024. (C. Galvan) 💧</u></p> <p>Discussion: The Board approved the Minutes as presented.</p> <p style="text-align: center;"><u>The motion carried unanimously:</u></p> <p style="text-align: center;">MOVED BY A. LALONDE, SECONDED BY D. BOUGHTER.</p> <p style="text-align: center;">MOTION: MOVE TO APPROVE.</p>	MOTION CARRIED
5	<p>There was no discussion. This item was passed over.</p> <p><u>General Manager's Report</u> 💧</p> <p><u>Reservoir Levels</u></p> <p><u>Legislative Update</u></p>	GENERAL MANAGER'S REPORT
6	<p><u>District Engineer's Report</u> 💧</p> <p>Mr. Ortiz reported on:</p> <p><u>Wastewater System Improvements</u> – C. Ortiz provided a timeline for the improvements that led to reviewing the wastewater system needs and looking into future growth. C. Ortiz explained that with more growth happening in Laguna Vista, instead of looking for expansion in Laguna Vista, having it prepared in Port Isabel (Port Isabel would be that expansion) would be how it would be addressed through the wastewater system (for instance, if the growth is happening at Lift Station 2 the service area can be changed to send flows to Port Isabel).</p> <p>Discussion followed, addressing the Wastewater System Improvements, which would target a Bond Election, possibly in 2025, and all which could include. The Board would also need to consider addressing what is coming down the pipeline in the seawater aspect and all the wastewater needs (like Isla Blanca). The election's timeframes (deadlines to call an election) must be considered if proceeding with a 2025 Bond Election for May or November.</p> <p>The Board's Response and Requests:</p> <ul style="list-style-type: none"> • Check with Bond Counsel to advise when the best time to have the 2025 Election • Agreed that anything that needs funding for the Wastewater System needs to be in Bond <p><u>Bond Planning Committee</u>- C. Ortiz pointed out that the District succeeded in the 2020 Bond Election with an ad hoc committee and suggested the possible 2025 Wastewater Systems Bond Election start with an ad hoc committee to get public participation. An updated list of the names of the Committee Members who served in the 2020 Election was in the packet for review, and C. Ortiz implied possibly reaching out to the members and reactivating the list and maybe giving an update at the Regular Meeting on April 24</p> <p>The Board's Response and Requests:</p> <ul style="list-style-type: none"> • Keep Wastewater and Seawater separate (Bonds) • Set up a meeting with the Ad hoc Committee members • Present to the Ad hoc Committee the Wastewater System Improvements and request input and feedback 	DISTRICT ENGINEER'S REPORT

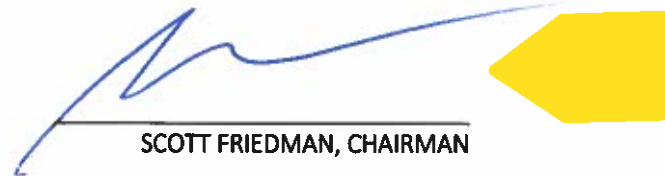
7	<p><u>Consider and discuss for possible approval of Groundwater Monitoring Well Sampling Proposal with Professional Service Industries, Inc. for Port Isabel Monofil. (C. Ortiz) 💧</u></p> <p>Discussion: District Engineer C. Ortiz noted the proposal request includes groundwater sampling events for the next three years for \$61,296.00 to cover the monitoring requirements on the monofil. The Board approved as presented.</p> <p style="text-align: center;"><u>The motion carried unanimously:</u> MOVED BY J. STARKEY, SECONDED BY A. LALONDE. MOTION: MOVE TO APPROVE.</p>	MOTION CARRIED
8	<p><u>Consider and discuss for possible approval of Laguna Madre Water District Utility and Access Easement with Long Island Village Owners Association, Inc. (C. Ortiz) 💧</u></p> <p>Discussion: District Engineer C. Ortiz noted that the Long Island Village Association signed the agreement earlier today and recommended approval of the easement agreement for all the road right ways for the water, sewer, and lift station sites with Long Island Village. The Board approved.</p> <p style="text-align: center;"><u>The motion carried unanimously:</u> MOVED BY J. STARKEY, SECONDED BY D. BOUGHTER. MOTION: MOVE TO APPROVE.</p>	MOTION CARRIED
9	<p><u>Consider and discuss for possible approval of Bond Application Report for \$9,500,000 Unlimited Tax Bonds, Series 2024, and Amendment to Seawater Desalination Engineering Report for Election Held on May 14, 2011, in Support of Proposition 2 – Seawater Desalination, Distribution, and Concentrate Disposal. (C. Ortiz) 💧</u></p> <p>Discussion: District Engineer C. Ortiz noted this request will cover all the planning-acquisition design aspects of the Bond Application and the needed modifications. The Board approved.</p> <p style="text-align: center;"><u>The motion carried unanimously:</u> MOVED BY J. STARKEY, SECONDED BY D. BOUGHTER. MOTION: MOVE TO APPROVE.</p>	MOTION CARRIED

<p>10</p>	<p><u>Consider and discuss for possible approval of Change Order No. 2 with Ferguson Service Systems, Inc. for Water System Improvements – Water Plant 1 Seawater Process Adjustment. (C. Ortiz) 💧</u></p> <p>Discussion: District Engineer C. Ortiz noted this was still under review with Freese and Nichols but has a proposal from the Contractor to modify the piping as needed to get ready for seawater and stated that getting this material released as fast as possible would be beneficial and recommends approval with a cost not to exceed \$332,835.00. The Board approved.</p> <p style="text-align: center;"><u>The motion carried unanimously:</u> MOVED BY J. STARKEY, SECONDED BY A. LALONDE. MOTION: MOVE TO APPROVE.</p>	<p>MOTION CARRIED</p>
<p>11</p>	<p><u>Consider and discuss for possible approval of Work Order with NorrisLeal, LLC for Seawater Plant Environmental Study. (C. Ortiz) 💧</u></p> <p>Discussion: District Engineer C. Ortiz explained that the need for dredging to get across the property might involve a lot of environmental efforts. C. Ortiz noted Norrisleal also recommended approval and proposed having it funded reimbursable and being part of the reimbursement with Proposition 2. The Board approved.</p> <p style="text-align: center;"><u>The motion carried unanimously:</u> MOVED BY D. BOUGHTER, SECONDED BY J. STARKEY. MOTION: MOVE TO APPROVE.</p>	<p>MOTION CARRIED</p>
<p>12</p>	<p><u>Consider and review Expenditures from March 1, 2024, to March 15, 2024. (C. Galvan) 💧</u></p> <p>Discussion: The Board accepted the expenditures as presented.</p> <p style="text-align: center;"><u>The expenditures acknowledged by:</u> D. BOUGHTER, A. LALONDE, S. FRIEDMAN, J. STARKEY, and W. DONAHUE.</p>	<p>ACKNOWLEDGED</p>

13	<p><u>Presentation by Mr. Jonathan Hall, with Carr, Riggs, and Ingram CPA and Advisors on the Financial Audit for Laguna Madre Water District's Financial Statements for the Fiscal Year Ended September 30, 2023. (E. Salazar) 📌</u></p> <p>A. Lalonde departed the meeting at 5:50 PM, and a quorum was maintained.</p> <p>The Board took a recess at 5:50 PM and returned at 6:16 PM.</p> <p>Discussion: E. Salazar announced Mr. Jonathan Hall was absent because he presented elsewhere and was delayed. The Audit Supervisor, George Vasquez, gave the presentation on behalf of Mr. Hall.</p> <p>Copies of the finalized Audit and Required Communications for the Laguna Madre Water District were handed out at the meeting (copy attached). Mr. Vasquez summarized the financial audit findings, highlighted and referenced pages 11,17,21,24-25,33,39,41, 135,137, and 141 from the Annual Comprehensive Financial Report, and was open to discussion and questions.</p> <p>Overall, the Independent Auditor's Report (page 17) disclosed that the financial audit for the year ended September 30, 2023, presented fairly under the accounting principles generally accepted in the United States.</p>	PRESENTATION
14	<p><u>Consider and discuss for possible approval the Financial Audit Report of Laguna Madre Water District's Financial Statements for the Fiscal Year Ended September 30, 2023. (E. Salazar)</u></p> <p>Discussion: The Financial Audit Report of Laguna Madre Water District's Financial Statements for the fiscal year ended September 30, 2023, was formally approved.</p> <p style="text-align: center;"><u>The motion carried unanimously:</u> MOVED BY J. STARKEY, SECONDED BY D. BOUGHTER. MOTION: MOVE TO APPROVE.</p>	MOTION CARRIED
15	<p><u>Adjournment</u></p> <p>There was no further business; the meeting was adjourned.</p>	MEETING ADJOURNED @ 6:24 PM



JASON STARKEY, SECRETARY



SCOTT FRIEDMAN, CHAIRMAN

MINUTES APPROVED THIS 24TH DAY OF APRIL 2024.