

**MINUTES**  
 Workshop Meeting  
 Laguna Madre Water District  
 Board of Directors  
 Wednesday, June 12, 2024  
 4:30 PM – 5:17 PM  
 Board Room

1	<p>Chairman S. Friedman, with his facilitation, commenced the meeting by establishing a quorum. Four members were present, affirming the meeting's official status.</p> <p>Vice-Chairman A. Lalonde entered the meeting at 4:35 PM.</p> <p><b><u>QUORUM</u></b>          Scott Friedman, Chairman          Adam Lalonde, Vice-Chairman arrived at 4:35 PM          William "Bill" Donahue, Director          Dave Boughter, Director</p> <p><b><u>ABSENT</u></b>          Jason Starkey, Secretary</p> <p><b><u>ADMINISTRATIVE STAFF</u></b>          Carlos J. Galvan, Jr., General Manager          Robert Gomez, Director of Operations          Charles Ortiz, District Engineer          Eduardo Salazar, Director of Finance          Enrique Samaniego, Purchasing Agent          Brandon Edge, Information Tech Specialist          Noe Cantu, Superintendent of Water          Santiago Ochoa, IV, Superintendent of Wastewater          Mary Gamboa, Human Resource          Brian Hansen, Attorney</p>	
2	<p><u>Pledge of Allegiance and Invocation.</u></p> <p>The meeting began with the Pledge of Allegiance, and E. Salazar said the Opening Prayer.</p>	
3	<p><u>Discuss Seawater Desalination Plant Project SWIFT Project No 51089 Application Review Comments &amp; District Response.</u></p> <p>C. Ortiz, with detail, presented the Board with the Seawater Desalination Plant Project Budget from the Texas Water Development Board for the SWIFT Application. The presentation gave details and clarification on Items for the Project.</p> <ul style="list-style-type: none"> <li>• Construction – 5MGD 100% Seawater</li> <li>• TWDB Funds SWIFT Low-Interest Loan \$5,415,000.00</li> <li>• TWDB – Program 2 - \$45,525,000.00</li> </ul>	

	<ul style="list-style-type: none"> <li>• Sources not through TWDB – Water SMART Desalination Reclamation \$15,175,000.00</li> <li>• Title XVI, Feasibility Reclamation \$490,000.00</li> <li>• Unlimited Tax Bond Series 2024 - \$4,050,000.00</li> <li>• Total cost of \$73,386,750.00</li> <li>• Questions and answers</li> </ul>	
4	<p><u>Discuss Water System Improvements Opinions of Probable Construction Cost, Actual Contract Amounts, and Professional Services Agreement with Freese and Nichols, Inc.</u> 💧</p> <p>C. Ortiz noted that the Project for Water Plant No. 1 started in 2021 with the Opinion Probable Construction Cost (OPCC) of \$12.1 Million. As of June 2024, OPCC is \$21.1 Million. This increase is due to inflation and market conditions, which have significantly raised costs in the past 4 to 5 years, posing a budget challenge for the Project (copy attached of Water Plant Improvements Project Schedule).</p> <p>Freese and Nichols Project Manager Charles Kucherka gave a PowerPoint Presentation (copy attached) on the Contract for the Water System Improvements. The presentation exhibited the Original Contract from September 2021 with a breakdown summary of each itemized (four amendments) amendment, showing details and clarification for each project amendment.</p> <p>A fifth proposed amendment (tabled at the Regular Meeting on May 22) will be presented and considered for approval at the Regular Meeting on June 12. However, Mr. Kurcherka recommended no action and proposed revising Amendment No. 5 (copy attached) to only include Water Plant No. 1 Desalination Design Modifications. Amendment No. 6 (copy attached) will reconcile the extended project duration and additional coordination required for TWDB Funding. Both Amendments will be brought to the Board for approval at a future meeting.</p>	
5	<p><u>Adjournment</u></p> <p>There was no further business; the meeting was adjourned.</p>	<p>MEETING ADJOURNED @ 5:17 PM</p>



SCOTT FRIEDMAN, CHAIRMAN




JASON STARKEY, SECRETARY



MINUTES APPROVED THIS 26<sup>TH</sup> DAY OF JUNE 2024.