

MINUTES
Regular Meeting
Laguna Madre Water District
Board of Directors
Tuesday, September 10, 2024
5:30 PM – 6:25 PM
Board Room
105 Port Rd. Port Isabel, TX 78578

1. **The Vice-Chairman calls the meeting to order, determines the presence of a quorum, and notices that the meeting has been duly posted as required by law.**

Vice-Chairman A. Lalonde, with his facilitation, commenced the meeting by establishing a quorum. Three members were present, affirming the meeting's official status.

PRESENT

Adam Lalonde, Vice-Chairman
William "Bill" Donahue, Director
Dave Boughter, Director

ABSENT

Scott Friedman, Chairman
Jason Starkey, Secretary



LMWD STAFF

Daisy Martinez, Executive Secretary
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 Resources
Brian Hansen, Attorney

ABSENT

Carlos J. Galvan, Jr., General Manager

2. **Pledge of Allegiance and Invocation**

The meeting began with the Pledge of Allegiance, and Superintendent of Water N. Cantu said the Opening Prayer.

3. **Invitation to the Audience for Public Comments**

D. Boughter asked everyone to be mindful of the veterans from 9/11 tomorrow. It has been 23 years since 9/11, and Sunday will be 23 years since the bridge collapsed.

4. Consider and discuss the possible approval of the Minutes from the Regular Meeting on August 28, 2024.
(C. Galvan) 💧

The minutes were provided to the Board for review.

Moved By W. Donahue, Seconded By D. Boughter

Motion: Move to Approve.

THE MOTION CARRIED UNANIMOUSLY

5. General Manager's Report

- Reservoir Levels – Superintendent of Water N. Cantu reported on the Reservoir Levels:
 - As of this morning, the levels are 20.2%
 - Last week levels 18.9%

6. Director of Operation's Report 💧

- Monthly Report – R. Gomez reported for August, giving a breakdown of the services performed by each department:
 - Comparison to July's Service Orders and callouts
 - The Distribution Department showed a decrease for August (279 orders) compared to July (350 orders)
 - The Collection Department showed a decline in August (44 orders) compared to July (91 orders)
 - The Collection and Maintenance Department remained the same for August (43 orders) and July (45 orders)

7. District Engineer's Report 💧

- Construction Status- Lift Station No. 4 on Washington Ave, Laguna Heights - Lift Station #4 is the only work remaining for the Contractor to complete the Contract. The site work continues, and Mor-Will will install the driveway and fence
- Construction Status and Plan Review – Water System Improvements – The microfiltration equipment manufacturer will ship all equipment to the site this week. The Ground Storage Tank piers and subgrade are ready for preload to proceed with work. The mobilization schedule from October 1 to 15 and completion mid-January 2025
- Seawater Reverse Osmosis (SWRO) Facility Update – David Petry, Engineer with NorrisLeal, gave a PowerPoint Presentation (copy attached) followed by questions and answers.
 - Feasibility Study
 - Bureau of Reclamation Funding Opportunity WaterSMART: Desalination Construction Projects Under the WIIIN Act for Fiscal Years 2024 and 2024
 - Environmental Clearance
 - Work Order for Pilot Plant Construction
- Texas Desalination Association 2024 Annual Conference, September 11-13, Austin, TX – The PowerPoint presentation (copy attached) on the District's Port Isabel Seawater Reverse Osmosis Facility was presented for the Board to review and will be shown by the District Engineer at the Texas Desalination Association Conference.

8. Consider and discuss the possible approval of Members for the Capital Bond Planning Committee. (C. Ortiz) 🗨️

The Board reviewed the list, and the Vice-Chairman noted, and the Board agreed that more people can always be invited and added to the list.

Moved By D. Boughter, Seconded By W. Donahue

Motion: Move to Approve the list.

THE MOTION CARRIED UNANIMOUSLY

9. Consider and discuss the possible approval of the proposed Budget for Fiscal Year 2024-2025 (Resolution No. 215-09-2024). (E. Salazar) 🗨️

The Director of Finance gave a PowerPoint presentation (copy attached) proposing three options for the Budget for 2024-2025. The options were:

- Option 1 proposed:
 - No Rate Increase
- Option 2 proposed:
 - 2% Rate Increase
 - Purchase - A Blower for Wastewater Treatment Plant
 - Purchase - A Vacuum Truck for the Collection Department Non-CDL
 - Rehabilitation Project – Huisache Elevated Storage Tank
- Option 3 proposed: (copy attached)
 - 3% Rate Increase
 - Purchase - A Blower for Wastewater Treatment Plant
 - Purchase - A Vacuum Truck for the Collection Department Non-CDL
 - Rehabilitation Project – Huisache Elevated Storage Tank
 - 2% Cost of Living Adjustment
- Vice-Chairman A. Lalonde asked what would happen if the Budget was not approved today. Response: E. Salazar explained that if the option chosen includes a rate increase, the District needs to send a 60-day notice to customers about the rate changes, and the increase takes effect in November; these numbers are based on an annual increase for the Budget starting November. If not approved, the revenue numbers will change.
- The cost of living adjustment, employees' pay scale step increase, and the number of employees working for the District for 30 years were discussed, as well as how much it costs the District. The Vice-Chairman asked how many employees don't pass their evaluation each year. Response: N. Cantu answered that the information wasn't available. However, if employees don't pass the evaluation, they don't get a step increase. Director D. Boughter suggested possibly a rate study on salaries.

- The Consulting Fees were discussed. Director W. Donahue asked why the amount was lower than in previous years. R. Gomez explained that more money does need to be added, and more can be added to that account by moving funds from the Capital Improvements account to the Consulting Fees account.

Moved By W. Donahue, Seconded By D. Boughter

Motion: Move to Approve a 3% Increase (Option 3) with Subjective Changes in the Consulting Fees.

THE MOTION CARRIED UNANIMOUSLY

10. **Consider and discuss the possible approval of a resolution amending Laguna Madre Water District Rate Schedules for Water, Wastewater, and Raw Water (Resolution No. 216-09-2024). (E. Salazar)** 🔹

The Director of Finance presented a copy of the rates with a 3% increase starting in November 2024 for review (copy attached).

- Director W. Donahue asked why the 4" Meter charges appeared higher than the 6" Meter charges. Response: E. Salazar noted that the rates are based on Willdan Financial Services' last rate study from 2018.

Moved By D. Boughter, Seconded By W. Donahue

Motion: Move to Approve the Rate Table with a 3% increase across the Board.

THE MOTION CARRIED UNANIMOUSLY

11. **Consider and discuss the possible approval of an annual contract for asphalt paving and repair projects. (E. Samaniego)** 🔹

Purchasing Agent E. Samaniego presented the proposals, showing three bidders. The Board reviewed and requested more information on the number and size of projects because the bid amounts looked too expensive. It was determined to remain tabled for further review until the next regularly scheduled meeting.

Moved By W. Donahue, Seconded By D. Boughter

Motion: Move to Table.

THE MOTION CARRIED UNANIMOUSLY

12. **Consider and review Expenditures from August 16, 2024, to August 31, 2024. (C. Galvan)** 🔹

The Check Registers for all Banks were provided to the Board for review. The expenditures were acknowledged as presented.

Moved By W. Donahue, Seconded By D. Boughter

Motion: Move to Approve.

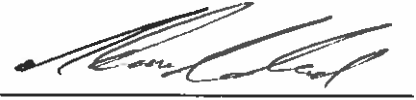
THE MOTION CARRIED UNANIMOUSLY

13. Adjournment

There was no further business; the meeting adjourned at 6:25 PM.



JASON STARKEY, SECRETARY



ADAM LALONDE, VICE-CHAIRMAN

MINUTES APPROVED THIS 25TH DAY OF SEPTEMBER 2024.