

AGUA SPECIAL UTILITY DISTRICT

Regular Meeting of the Board of Directors
Agua SUD Administration Building
3120 North Abram Road
Palmview, Texas

5:30 p.m., January 13, 2020

MINUTES OF REGULAR MEETING

1. The meeting was called to order by Mr. Lloyd Loya at 5:30 p.m., January 13, 2020, at which time Mr. Loya acknowledged the presence of the following Elected Members of the Board of the Agua SUD:

Directors Present:

Mr. Lloyd Loya
Mr. Cesar Rodriguez, Jr.
Mr. Adolfo Arriaga
Mr. Rogelio Hernández, III
Mr. Esequiel Ortiz, Jr.

Directors Absent:

Mr. Ivan Sandoval
Mr. Homero Tijerina

A quorum of the members of the Agua SUD being present, the meeting was duly convened. Invocation was presented by Mr. Ismael Martinez, IAM Insurance Agent.

Public Comment: None

2. The Board of Directors reviewed and adopted minutes of the October 7, 2019 Agua Board Meeting. The motion was made by Mr. Rogelio Hernandez, III and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board. The Board of Directors reviewed and adopted minutes of the November 4, 2019 Agua Board Meeting. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board. The Board of Directors reviewed and adopted minutes of the November 18, 2019 Agua Special Board Meeting. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Rogelio Hernandez, III and was unanimously approved by the Board.
3. The Board of Directors presented a resolution in Honor of Mr. Rogelio Hernandez, III for his years of service as Agua SUD Director. Mr. Esequiel Ortiz, Jr. read the resolution, which recognized Mr. Hernandez's past leadership and expressed the Board's gratitude for his years

of service, sound advice and valued counsel. The Board of Directors also received the resignation by Mr. Rogelio Hernandez, III.

4. The Board of Directors approved appointment of Mr. Franco Lopez as the District 3 Director to the Agua SUD Board. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board. The Honorable, Senator, Juan “Chuy” Hinojosa, administered the oath to Mr. Franco Lopez and executed the Oath of Office form. At this point, appointed Board Director, Mr. Franco Lopez took his position.

The Board of Directors motioned to recess at 5:38 p.m. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board. The Board of Directors motioned to come out of recess at 5:51 p.m. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

5. The Board of Directors approved Exclusive Designs for purchase of Uniforms as recommended by General Manager. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.
6. The Board of Directors approved Oscar R. Gonzalez, CPA & Associates, PLLC for Auditing Services as recommended by General Manager. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.
7. The Board of Directors approved Change Order No. 3 with JMJ Contractors on Havana WTP Improvements Filters & Blowers. The motion was made by Mr. Esequiel Ortiz, Jr. and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
8. The Board of Directors moved item eight regarding the increase of solid waste (trash) collection fees as requested by City of Sullivan City into executive session. The motion was made by Mr. Adolfo Arriaga and seconded by Mr. Esequiel Ortiz, Jr. and was unanimously approved by the Board.
9. The Board of Directors approved renewal of employee health insurance with Blue Cross Blue Shield of Texas as recommended by IAM Insurance Agent. The motion was made by Mr. Adolfo Arriaga and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
10. The Board of Directors approved a resolution ordering the General Election for Agua SUD Directors to be held on May 2, 2020. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.
11. The Board of Directors approved to move the February regular board meeting from February 3rd to February 10, 2020. The motion was made by Mr. Esequiel Ortiz, Jr. and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.

12. The Board of Directors received a report from the General Manager on operations and finance including:
- a. December Financials
 - b. 4th Quarter Investment Report
 - c. TWDB Palmview Sanitary Sewer Improvements
 - d. NadBank Technical Assistance Agreement (Sewer Hook-ups)
 - e. Other business included advising the Board of Directors on a GFAO Certificate received for the Annual Financial Report for the Fiscal Year Ending December 31, 2018 and the certificate will be presented at the next board meeting.
13. The Board of Directors recessed into an Executive (closed) meeting at 6:04 p.m. under Texas Gov. Code Section 551.001 Consultation with Attorney, 551.072 Regarding Real Property, 551.073 Prospective Gift, 551.074 Personnel Matters and 551.076 Security. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

- ITEM 13. a. TWDB Palmview Sanitary Sewer Improvements Project.
- ITEM 13. b. City of Sullivan Trash Collection Services Agreement
- ITEM 8. Discussion and possible action to increase solid waste (trash) collection fees as requested by City of Sullivan City.

At 6:44 p.m., The Board moved to reconvene in open session and no action was taken in executive session. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

14. The Board of Directors took no action in open session regarding item(s) discussed in executive session for the following:

- ITEM 8. The Board of Directors tabled the increase solid waste (trash) collection fees as requested by City of Sullivan City. The motion was made by Mr. Adolfo Arriaga and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
- ITEM 13.a. The Board of Directors took no action on TWDB Palmview Sanitary Sewer Improvements Project.
- ITEM 13.b. The Board of Directors approved to proceed as discussed in executive session regarding City of Sullivan trash collection services agreement. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Esequiel Ortiz, Jr. and was unanimously approved by the Board.

At 6:45 p.m., Mr. Cesar Rodriguez, Jr. moved for adjournment. Motion was seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

Approved, the 2nd of March, 2020


Lloyd Loya, President, Agua SUD

Attested by:


Adolfo Arriaga, Secretary, Agua SUD