

AGUA SPECIAL UTILITY DISTRICT

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

6:00 p.m., January 14, 2019

MINUTES OF REGULAR MEETING

1. The meeting was called to order by Mr. Roger Hernández, III at 6:00 p.m., January 14, 2019, at which time Mr. Hernández acknowledged the presence of the following Elected Members of the Board of the Agua SUD:

Directors Present:

Mr. Rogelio Hernández, III
Mr. Cesar Rodriguez, Jr.
Mr. Esequiel Ortiz, Jr.
Mr. Lloyd Loya
Mr. Ivan Sandoval
Mr. Adolfo Arriaga
Mr. Homer Tijerina

Directors Absent

None

A quorum of the members of the Agua SUD being present, the meeting was duly convened. Invocation was presented by Mr. Esequiel Ortiz, Jr.

2. The Board of Directors reviewed and adopted minutes a and b of the December 11, 2018 Agua Board Meeting and the December 17, 2018 Agua Special Board Meeting. The motion was made by Mr. Ivan Sandoval and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.
3. The Board of Directors discussed the nomination of candidate for the Rio Grande Regional Water Planning Group (Region M). Mr. Lloyd Loya nominated himself and Mr. Roger Hernandez seconded the motion. Mr. Adolfo Arriaga nominated himself and Mr. Esequiel Ortiz, Jr. nominated himself. Mr. Lloyd Loya withdrew his motion and nominated Mr. Adolfo Arriaga. Mr. Esequiel Ortiz, Jr. withdrew his motion and nominated Mr. Lloyd Loya. Mr. Lloyd Loya rejected the nomination. The Board President called for a vote on the nomination of Mr. Adolfo Arriaga. The Board approved nomination of Mr. Adolfo Arriaga as candidate for the Rio Grande Regional Water Planning Group (Region M). The motion was made by

Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.

4. The Board of Directors authorized General Manager to advertise for Agua SUD Employee Uniforms. The motion was made by Mr. Lloyd Loya and seconded by Mr. Esequiel Ortiz, Jr. and was unanimously approved by the Board.
5. The Board of Directors approved termination of any existing credit card merchant contract agreement. The motion was made by Mr. Lloyd Loya and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.
6. The Board of Directors approved an emergency water transfer agreement with City of Mission subject to Legal and District Engineer finalizing the terms of the agreement. The motion was made by Mr. Adolfo Arriaga and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.
7. The Board of Directors discussed and presented the advertisement for the public hearings on the possible increase of water and wastewater rates set for February 4, 2019, March 4, 2019 and April 1, 2019.
8. The Board of Directors approved Change Order No. 2 on extension of time and warranty with Zitro Electric, LLC for FM 492 Generator Upgrades. The motion was made by Mr. Lloyd Loya and seconded by Mr. Esequiel Ortiz, Jr. and was unanimously approved by the Board.
9. The Board of Directors moved this item into executive session item regarding extending termination date on the agreement with City of Palmview for trash collection.
10. The Board of Directors received a report from the General Manager on operations and finance including:
 - a. 4th Quarter Finance Report ending December 2018
 - b. TWDB Palmview Sanitary Sewer Improvements
 - c. NADBanc Meeting (Technical Assistance Funding)
 - d. TWDB Water for Texas 2019
 - e. Surplus Update
11. The Board of Directors recessed into an Executive (closed) meeting at 6:31 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. Adolfo Arriaga and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
 - a. Discussion regarding PUC Docket No. 48497; Application of Agua Special Utility District for Section 13.252 Cease and Desist Order.
 - b. Palmview Petition on CCN Application.
 - c. Discussion regarding C-0667-18-H, City of Palmview vs. Agua Special Utility District; In the District Court of Hidalgo County, Texas, 398th District Court.

Item 9. Discussion and possible action extending termination date on the agreement with City of Palmview for trash collection.

At 7:12 p.m., The Board moved to reconvene in open session and no action was taken in executive session. The motion was made by Mr. Lloyd Loya and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

26. The Board of Directors took action in open session regarding item(s) discussed in executive session for the following:

Item 9. The Board of Directors approved extending a thirty day termination notice until March 4, 2019 for City of Palmview trash collection. The motion was made by Mr. Esequiel Ortiz, Jr. and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.

Item 11. a. The Board of Directors took no action on PUC Docket No. 48497; Application of Agua Special Utility District for Section 13.252 Cease and Desist Order.

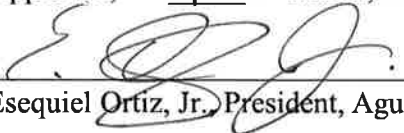
Item 11. b. The Board of Directors took no action on Palmview's Petition on CCN Application.

Item 11. c. The Board of Directors took no action on C-0667-18-H, City of Palmview vs. Agua Special Utility District; In the District Court of Hidalgo County, Texas, 398th District Court.


27. Public Comments: None.

At 7:15 p.m., Mr. Ivan Sandoval moved for adjournment. Motion was seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

Approved, the 4th of March, 2019


Esequiel Ortiz, Jr., President, Agua SUD

Attested by:


Adolfo Arriaga, Secretary, Agua SUD