

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., February 4, 2019

MINUTES OF REGULAR MEETING

1. The meeting was called to order by Mr. Roger Hernández, III at 6:00 p.m., February 4, 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. Adolfo Arriaga

Directors Absent

Mr. Ivan Sandoval
Mr. Homer Tijerina

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 opened a public hearing at 6:03 pm concerning the proposed amendment of water and wastewater rates and received a presentation from Jeff Snowden with Capex on the proposed amendment of water and wastewater rates. Mr. Roger Hernandez, III, Board President, asked if anyone in the public had comments on the proposed water and wastewater rate study. Mr. Mario Chapa addressed the Board of Directors with his preliminary remarks on the proposed water and wastewater rate study. The Board of Directors closed the public hearing at 6:55pm. The motion was made by Mr. Lloyd Loya and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board. The Board of Directors read, passed and approved the first reading of the first draft of the proposed Order regarding Water and Wastewater Rate Study. The motion was made by Mr. Esequiel Ortiz, Jr. and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.

3. The Board President, Mr. Roger Hernández, III, called for nomination of President. Mr. Esequiel Ortiz, Jr. was nominated for President by Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.

Mr. Esequiel Ortiz, Jr. assumed the position of Board President. Mr. Esequiel Ortiz, Jr. called for nomination of Vice-President. Mr. Cesar Rodriguez, Jr. was nominated to remain as Vice-President by Mr. Lloyd Loya and seconded by Mr. Roger Hernández, III and was unanimously approved by the Board.

Mr. Esequiel Ortiz, Jr. called for nomination of Secretary. Mr. Adolfo Arriaga was nominated for Secretary by Mr. Lloyd Loya and seconded by Mr. Roger Hernández, III and was unanimously approved by the Board.

Mr. Esequiel Ortiz, Jr. called for nomination of Treasurer. Mr. Lloyd Loya nominated himself to remain as Treasurer due to receiving the certification a couple months ago. Motion was seconded by Mr. Roger Hernández, III and was unanimously approved by the Board.

4. The Board of Directors approved a Non Standard Service Agreement and 30 year letter for water service to be submitted to Mr. Rodolfo Perez for the cost related to water service for R & S Subdivision. The motion was made by Mr. Roger Hernández, III and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
5. The Board of Directors approved a Non Standard Service Agreement and 30 year letter for water service to be submitted to Mr. Cristo S. Vargas for the cost related to water service for Vargas Subdivision. The motion was made by Mr. Roger Hernández, III and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.
6. The Board of Directors approved a Non Standard Service Agreement and 30 year letter for water service to be submitted to Mr. Carlos Leal, Jr. for the cost related to water service for Las Comadres #5 Subdivision. The motion was made by Mr. Lloyd Loya and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.
7. The Board of Directors ratified the United Irrigation District permit application and license fee for the Palmview Wastewater Collection System Project (Phase 4). The motion was made by Mr. Roger Hernández, III and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.
8. The Board of Directors authorized purchase of Mini Excavator through the Texas Buy Board. The motion was made by Mr. Roger Hernández, III and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.
9. The Board of Directors appointed a committee consisting of (2) two Board Directors, Mr. Roger Hernandez, III, Mr. Lloyd Loya and Mr. Esequiel Ortiz, Jr., as an alternate to negotiate with Hidalgo County Irrigation District No. 6 and No. 16 regarding the water delivery and water supply contract agreements. The motion was made by Mr. Roger Hernández, III and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.

10. The Board of Directors approved recommendation as presented by District's Insurance Agent, Mr. Jonathan Sakulenzki, on employee health and dental insurance coverages and premiums as follows: Employee Health Plan with BlueCross BlueShield and Employee Medical Gap, Dental Low Plan and Basic Life with Sun Life Financial. All other voluntary supplemental insurance will be offered to employees through Sun Life Financial that include: Vision, Critical Illness, Accidental, Voluntary Life, Short Term Disabilities and Cancer. The motion was made by Mr. Roger Hernández, III and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
11. The Board of Directors received a report from the General Manager on operations and finance including:
 - a. TWDB Palmview Sanitary Sewer Improvements
 - b. NADBanc Meeting (Technical Assistance Funding)
 - c. TWDB Water for Texas 2019
 - d. Other Business include coordinating a workshop with City of Palmview, update on the 3.5 Bond, update on the 3 mile road widening and a Rural Water Conference in Eagle Pass
12. The Board of Directors recessed into an Executive (closed) meeting at 7:37 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.
 - d. Discussion regarding Mendiola a.k.a. "Western" Booster Station Project.
 - e. Discussion regarding easement with United Irrigation District for the Palmview Wastewater Collection System Project (Phase 4).

At 8:09 p.m., The Board moved to reconvene in open session and no action was taken in executive session. The motion was made by Mr. Roger Hernández, III 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 12. 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 12. b. The Board of Directors took no action on Palmview's Petition on CCN Application.
- Item 12. 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.
- Item 12. d. The Board of Directors moved to proceed as discussed in executive session regarding Mendiola a.k.a. "Western" Booster Station Project. The motion was made by Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
- Item 12. e. The Board of Directors moved to proceed as discussed in executive session regarding easement with United Irrigation District for the Palmview Wastewater Collection System Project (Phase 4). The motion was made by Mr. Lloyd Loya and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

27. Public Comments: Mr. Mario Chapa addressed the Board of Directors by expressing his congratulations to all the board members and advised about a concern on his meter swap. The Board President, Esequiel Ortiz, Jr., expressed his gratitude toward the Board Directors for being present and supporting the community by being present at the meeting.

At 8:17 p.m., Mr. Cesar Rodriguez, Jr. moved for adjournment. Motion was seconded by Mr. Roger Hernandez, III 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