

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., May 6, 2019

MINUTES OF REGULAR MEETING

1. The meeting was called to order by Mr. Esequiel Ortiz, Jr. at 6:05 p.m., May 6, 2019, at which time Mr. Ortiz acknowledged the presence of the following Elected Members of the Board of the Agua SUD:

Directors Present:

Mr. Esequiel Ortiz, Jr.
Mr. Lloyd Loya
Mr. Cesar Rodriguez, Jr. (arrived at 6:54 p.m.)
Mr. Adolfo Arriaga
Mr. Rogelio Hernández, III

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. John Wolmack.

2. The Board of Directors reviewed and adopted minutes of the April 1, 2019 Agua Board Meeting. The motion was made by Mr. Lloyd Loya and seconded by Mr. Rogelio Hernandez, III and was unanimously approved by the Board.
3. The Board of Directors approved a Non Standard Service Agreement and 30 year letter for water service to be submitted to Los Cuartos SNF Investments, LLC for the cost related to water service for Penitas Skilled Nursing Facility Subdivision. The motion was made by Mr. Lloyd Loya and seconded by Mr. Rogelio Hernández, III and was unanimously approved by the Board.
4. The Board of Directors approved agreement with Mil Encinos Development, LTD, for participation of waterline upgrade for proposed subdivision improvements. The motion was made by Mr. Rogelio Hernández, III and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

5. The Board of Directors took no action on Change Order No. 4 with OG Construction for Palmview Wastewater Collection System Phase I, Group A&G (Project 2).
6. The Board of Directors moved item six Change Order No. 3 with Mor-Wil for Palmview Wastewater Collection System Phase 1, Main Lift Station and Forcemain Conveyance System (Project 4) into executive session. The motion was made by Mr. Rogelio Hernandez, III and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.
7. The Board of Directors approved a Resolution Authorizing the Issuance of Agua Special Utility District Waterworks and Sewer System Revenue Bonds, Series 2019; authorized additional agreements; and other matters in connection therewith. The motion was made by Mr. Lloyd Loya and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.
8. The Board of Directors received a presentation of a preliminary plan of finance to refinance, Agua SUD Waterworks & Sewer System Revenue Bonds, Series 2009 by Mr. David Gonzalez, PFM Financial Advisor.
9. The Board of Directors moved item nine on extending termination date on the agreement with City of Palmview for trash collection into executive session. The motion was made by Mr. Rogelio Hernández, III and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.
10. The Board of Directors received a report from the General Manager on operations and finance including:
 - a. March Financials
 - b. Sensus Analytics Customer Portal
 - c. TWDB Palmview Sanitary Sewer Improvements.
 - d. NadBank Technical Assistance Agreement
 - e. Other Business included discussion on selection of a date (May 14, 2019) for a special board meeting to present the 2018 Fiscal Audit.
11. The Board of Directors recessed into an Executive (closed) meeting at 6:56 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. Lloyd Loya and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

ITEM 11:

- 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 sanitary sewer easement.
- e. Update on water rights purchase.

ITEM 6: Discussion and possible action on Change Order No. 3 with Mor-Wil for Palmview Wastewater Collection System Phase 1, Main Lift Stations and Forcemain Conveyance System (Project 4).

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

At 7:43 p.m., The Board moved to reconvene in open session and no action was taken in executive session. The motion was made by Mr. Rogelio Hernandez, III and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.

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

Item 6. The Board of Directors took no action on Change Order No. 3 with Mor-Wil for Palmview Wastewater Collection System Phase 1, Main Lift Stations and Forcemain Conveyance System (Project 4).

Item 9. The Board of Directors approved extending termination notice until August 5, 2019 for City of Palmview trash collection. The motion was made by Mr. Rogelio Hernández, III and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.

Item 11.a.,b.,c. The Board of Directors took no action on the following items: 11.a. PUC Docket No. 48497; Application of Agua Special Utility District for Section 13.252 Cease and Desist Order, 11.b. Palmview's Petition on CCN Application, 11.c. C-0667-18-H, City of Palmview vs. Agua Special Utility District; In the District Court of Hidalgo County, Texas, 398th District Court.

Item 11.d. The Board of Directors authorized Management and Legal to proceed as discussed in executive session regarding the sanitary sewer easement. The motion was made by Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.

Item 11.e. The Board of Directors moved to proceed as discussed in executive session regarding the water rights purchase. The motion was made by Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.

13. Public Comments: NONE

At 7:45 p.m., Mr. Rogelio Hernandez, Jr. moved for adjournment. Motion was seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

Approved, the 3rd of June, 2019



Cesar Rodriguez, Jr., Vice-President, Agua SUD

Attested by:



Adolfo Arriaga, Secretary, Agua SUD