

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, 2021

CORRECTED MINUTES OF REGULAR “VIRTUAL” MEETING

1. The meeting was called to order by Mr. Homero Tijerina at 6:01 p.m., January 14, 2021, at which time Mr. Tijerina acknowledged the presence of the following Elected Members of the Board of the Agua SUD:

Directors Present:

Mr. Homero Tijerina
Mr. Ivan Sandoval (Virtually present)
Mrs. Maribel Diaz (Arrived at 6:02 p.m.)
Mrs. Esmeralda H. Solis
Mr. Adolfo Arriaga

Directors Absent:

Mr. Lloyd Loya
Mr. Cesar Rodriguez, Jr.

A quorum of the members of the Agua SUD being present, the meeting was duly convened.

Public Comment: None

2. The Board of Directors reviewed and adopted minutes of the September 14, 2020 Agua Board Meeting. The motion was made by Mr. Ivan Sandoval and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board. The Board of Directors reviewed and adopted minutes of the October 5, 2020 Agua Board Meeting. The motion was made by Mr. Adolfo Arriaga and seconded by Mr. Ivan Sandoval and was unanimously approved by the Board.
3. The Board of Directors approved a Non-Standard Service Agreement for water service to be submitted to Mr. Oviedo Garcia, for the cost related to water service for Kalidad Subdivision. The motion was made by Mr. Adolfo Arriaga and seconded by Mrs. Esmeralda H. Solis and was unanimously approved by the Board.
4. The Board of Directors approved Change Order No. 7 with SureTec for Palmview Wastewater Collection System Phase 1, Group A&G as recommended by Project Engineer, M2 Engineering and Legal, The Chapman Firm subject to Texas Water Development Board

approval and dealing with the credit concern at a later date. The motion was made by Mr. Ivan Sandoval and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

5. The Board of Directors approved award of bid for Waterline/Meter Maintenance Supplies as recommended by the General Manager as followed: Core & Main for sections 1, 2, 3, 4, 5, 6, 10, 14, 17, 20, 21, 22; Aguaworks for sections 4, 5, 7, 8, 9, 14, 15, 17, 21; Ferguson for sections 4, 6, 11, 12, 13, 14, 16, 17, 18, 21, 22, 23, 24, 25, 27; and ACT Pipe & Supply for sections 3, 6, 8, 9, 10, 11, 13, 14, 16, 17, 18, 19, 20, 24, 26. The motion was made by Mr. Adolfo Arriaga and seconded by Mr. Ivan Sandoval and was unanimously approved by the Board.
6. The Board of Directors approved amendment to Caballero Legislative Services contract reducing the time of contract to six months and reducing the contract amount to \$5,000 subject to a thirty (30) day termination clause. The motion was made by Mr. Ivan Sandoval and seconded by Mrs. Esmeralda H. Solis and was unanimously approved by the Board.
7. The Board of Directors received presentation by KM International on the services provide to District including public relations and website services. Questions were asked by Directors' and Legal. A brief discussion was held on the different types of services provided by KM International. The Board of Directors moved item seven regarding recommendations pertaining to KM International LLC service contract. The motion was made by Mr. Ivan Sandoval and seconded by Mrs. Esmeralda H. Solis and was unanimously approved by the Board.
8. The Board of Directors appointed and approved the formation of board committees for Districts 1, 2, 3, 4, 5, 6 and 7 by Directors that represent the areas within their District of no more than three Directors per committee as recommended by the Board President. The motion was made by Mrs. Esmeralda H. Solis and seconded by Mrs. Maribel Diaz and was unanimously approved by the Board.
9. The Board of Directors held discussion and took no action on the scheduling of new Director training as required by District by-laws and statute.
10. The Board of Directors held discussion and took no action on excusing Director Adolfo Arriaga from attending the next 6 regular monthly Board of Directors' meeting from (February 2021 thru and including July 2021) since Director Arriaga has been accepted for a first responder academy. The motion was made by Mr. Ivan Sandoval and seconded by Mrs. Esmeralda H. Solis 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. November Financials
 - b. December Financials
 - c. TWDB Palmview Sanitary Sewer Improvements
 - d. NAD Bank Technical Assistance Agreement (Sewer Hook-ups) status update was presented by Project Engineer, Milo Salinas, M2 Engineering. The status included summary of hookups on the L&G side, 600 completed lines, 290

connected and have sewer flowing to lift station, 146 septic tanks pump out, and 99 fully decommissioned septic tanks. Contractors are approximately 2 to 2 ½ months behind.

12. The Board of Directors recessed into an Executive (closed) meeting at 7:19 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 Mrs. Esmeralda H. Solis and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

- ITEM 12. a. TWDB Palmview Sanitary Sewer Improvements Project
- ITEM 12 b. Discussion regarding Cause No. C-3353-20-I; S&B Infrastructure vs. Agua Special Utility District; In the District Court of Hidalgo County, Texas, 398th Judicial District.
- ITEM 12 c. Discussion regarding previously terminated contract for professional legal services.
- ITEM 12 d. Discussion regarding pertaining to KM International LLC service contract.

At 9:10 p.m., The Board moved to reconvene in open session and no action was taken in executive session. The motion was made by Mrs. Esmeralda H. Solis and seconded by Mr. Adolfo Arriaga and was unanimously approved by the Board.

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

- ITEM 12.a. The Board of Directors took no action TWDB Palmview Sanitary Sewer Improvements Project.
- ITEM 12.b. The Board of Directors took no action on Cause No. C-3353-20-I; S&B Infrastructure vs. Agua Special Utility District; In the District Court of Hidalgo County, Texas, 398th Judicial District.
- ITEM 12.c. The Board of Directors took no action on previously terminated contract for professional legal services.
- ITEM 12.d. The Board of Directors took no action on KM International LLC service contract.

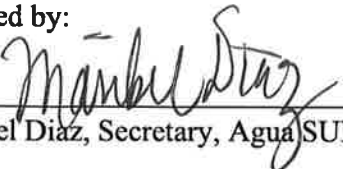
At 9:11 p.m., Mr. Adolfo Arriaga moved for adjournment. Motion was seconded by Mrs. Esmeralda H. Solis and was unanimously approved by the Board.

Approved, the 1st of November, 2021



Homero Tijerina, President, Agua SUD

Attested by:



Maribel Diaz, Secretary, Agua SUD