

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., October 4, 2021

MINUTES OF REGULAR MEETING

1. The meeting was called to order by Mr. Homero Tijerina at 6:00 p.m., October 4, 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
Ms. Maribel Diaz
Mrs. Esmeralda H. Solis (arrived at 6:03 p.m.)
Mr. Lloyd Loya
Mr. Cesar Rodríguez, Jr.

Directors Absent:

Mr. Adolfo Arriaga

A quorum of the members of the Agua SUD being present, the meeting was duly convened. The Board of Directors extended their gratitude towards Mr. Jose E. "Eddie" Saenz for everything he did for Agua SUD and introduced the new general manager Robert J Salinas. Mr. Roberto Salinas introduced himself and addressed the board advising them that he was here to work for the rate payers and under the direction of the board president and the directors and with the help from staff.

Public Comment: Mr. Jose Luis Perez, City of Palmview Councilman addressed to the Board regarding sewer and street pot holes. He highlighted meetings between City of Palmview and Agua SUD that have been extremely productive and very efficient and have gotten a lot of information that they have been supplying to their community members and being able to communicate those conflicts and resolve them. Second highlight was the southside and the number of connections that have has been slowly, but surely and that the people are grateful. He notes that the Contractor (L&G) has been able to respond and has been accountable for the pavement of the street repairs. However, he also notes that on the north side it has been a little more conflicting and that they know that Agua has been handling those conflicts with SureTec with the understanding of the deficiencies on the pipes and that those need to be addressed first. Mr. Perez suggested to consider some of the streets, one street in particular is South Breyfogle Road.

2. The Board of Directors reviewed and adopted minutes of the June 3, 2021 Agua Board Meeting. The motion was made by Mr. Ivan Sandoval and seconded by Mrs. Esmeralda H. Solis and was unanimously approved by the Board. The Board of Directors reviewed and adopted minutes of the July 1, 2021 Agua Board Meeting. The motion was made by Mr. Ivan Sandoval and seconded by Ms. Maribel Diaz and was unanimously approved by the Board.
3. The Board of Directors received a presentation regarding proposal by Aypa Power for lease of district property for power backup facility. The Board of Directors authorized legal to negotiate and start communication with both entities and requested legal to conduct a study on the fair market value price. The motion was made by Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez and was unanimously approved by the Board.
4. The Board of Directors took no action on the electrical power contract with Direct Energy Business LLC dated November 27, 2019.
5. The Board of Directors moved item five into executive session regarding Energy Services Agreement between District and Valiant Energy Sources LLC. The motion was made by Mr. Lloyd Loya and seconded by Mr. Ivan Sandoval and was unanimously approved by the Board.
6. The Board of Directors moved item six into executive session regarding solicitation of energy services consulting agreement. The motion was made by Mr. Lloyd Loya and seconded by Mr. Ivan Sandoval and was unanimously approved by the Board.
7. The Board of Directors took no action on recommendations by committee to amend fee schedule set forth in District Rules Article 9.
8. The Board of Directors approved a contract for services, consultation, and support between Agua SUD and CSJ Group. The motion was made by Mr. Lloyd Loya and seconded by Mr. Ivan Sandoval and was unanimously approved by the Board.
9. The Board of Directors moved item nine into executive session regarding offer to terminate easement from L&G Engineering on behalf of Hidalgo County for Liberty Rd Project (TXDOT Project). The motion was made by Ms. Maribel Diaz and seconded by Mr. Ivan Sandoval and was unanimously approved by the Board.
10. The Board of Directors authorized revision of scope and funding for Yardline Project to include extension of mainline pursuant to recommendation by NAD Bank. The motion was made by Mr. Lloyd Loya and seconded by Mr. Ivan Sandoval and was unanimously approved by the Board.
11. The Board of Directors approved amendment #1 to work authorization #12 with M2 Engineering PLLC for additional services for Yardline Project. The motion was made by Mr. Lloyd Loya 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. July Financials

- b. 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 Mor-Wil project, 995 service connections, 852 connected, 745 septic tanks fully pumped out, and 696 fully decommissioned.
- c. Agua SUD's Mobile Application
- d. Salida del Sol Tank Certification
- e. Mendiola Project
- f. Status on Water Meters
- g. Status on Cause No. C-3856-20-D; Marvin Lee Terveen vs. Agua Special Utility District, Mor-Wil, LLC, S&B Infrastructure, LTD; In the District Court of Hidalgo County, Texas, 206th Judicial District.

13. The Board of Directors recessed into an Executive (closed) meeting at 6:59 p.m. under Texas Gov. Code Sections 551.071-551.091, the Board of Directors may convene in closed Executive Session to deliberate, discuss, or consult regarding the matters listed below and, on proper motion and approval, any of the items set forth above. The motion was made by Mr. Ivan Sandoval and seconded by Mrs. Esmeralda H. Solis and was unanimously approved by the Board.

- ITEM 13. a. TWDB Palmview Sanitary Sewer Improvements Project. ***Texas Open Meetings Act, Texas Government Code Section 551.071 (Consultation with Attorney).***
- ITEM 13 b. 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. ***Texas Open Meetings Act, Texas Government Code Section 551.071 (Consultation with Attorney).***
- ITEM 13 c. Mor-Wil, LLC Liquidated Damages for Palmview Wastewater Collection System, Main Lift Station and Force Main. (Project 4) ***Texas Open Meetings Act, Texas Government Code Section 551.071 (Consultation with Attorney).***
- ITEM 13 d. Jimmy Closner & Sons Liquidated Damages for Palmview Wastewater Collection System Phase 1, Lift Stations A2, F, G, & G7. (Project 3) ***Texas Open Meetings Act, Texas Government Code Section 551.071 (Consultation with Attorney).***
- ITEM 5. Discussion and possible action regarding Energy Services Agreement between District and Valiant Energy Sources LLC. ***This matter may be taken into Executive Session pursuant to Texas Open Meetings Act, Texas Government Code Section 551.071 (Consultation with Attorney).***
- ITEM 6. Discussion and possible action regarding solicitation of energy services consulting agreement. ***This matter may be taken into***

Executive Session pursuant to Texas Open Meetings Act, Texas Government Code Section 551.071 (Consultation with Attorney).

- ITEM 9. Discussion and possible action regarding offer to terminate easement from L&G Engineering on behalf of Hidalgo County for Liberty Rd Project (TXDOT Project) ***This matter may be taken into Executive Session pursuant to Texas Open Meetings Act, Texas Government Code Sections 551.071 (Consultation with Attorney) and 551.072 (Real Property).***

At 8:01 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 Mrs. Esmeralda H. Solis 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 13.a. The Board of Directors took no action on TWDB Palmview Sanitary Sewer Improvements Project.
- ITEM 13.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 13.c. The Board of Directors took no action on Mor-Wil, LLC Liquidated Damages for Palmview Wastewater Collection System, Main Lift Station and Force Main (Project 4).
- ITEM 13. d. The Board of Directors took no action on Jimmy Closner & Sons Liquidated Damages for Palmview Wastewater Collection System Phase 1, Lift Stations A2, F, G, & G7 (Project 3).
- ITEM 5. The Board of Directors took no action regarding Energy Services Agreement between District and Valiant Energy Sources LLC.
- ITEM 6. The Board of Directors took no action regarding solicitation of energy services consulting agreement.
- ITEM 9. The Board of Directors took no action regarding offer to terminate easement from L&G Engineering on behalf of Hidalgo County for Liberty Rd Project (TXDOT Project).

At 8:01 p.m., Mrs. Esmeralda H. Solis moved for adjournment. Motion was seconded by Mr. Lloyd Loya and was unanimously approved by the Board.

Approved, the 6th of December, 2021


Homero Tijerina, President, Agua SUD

Attested by:


Maribel Diaz, Secretary, Agua SUD