

# **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., December 6, 2021

## **MINUTES OF REGULAR MEETING**

1. The meeting was called to order by Mr. Homero Tijerina at 6:06 p.m., December 6, 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 (arrived at 6:07 p.m.)  
Mrs. Esmeralda H. Solis  
Mr. Lloyd Loya  
Mr. Cesar Rodríguez, Jr.  
Mr. Ricardo Perez

Directors Absent:

None

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

Public Comment: None received.

2. The Board of Directors held a public hearing on the proposed 2022 Operating and Capital Improvements Budget. There were no public comments on the proposed 2022 Operating and Capital Improvements Budget.
3. The Board of Directors reviewed and adopted minutes of the September 13, 2021 Agua Special 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 October 4, 2021 Agua Board Meeting. The motion was made by Mr. Ivan Sandoval and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board. The Board of Directors reviewed and adopted minutes of the October 15, 2021 Agua Special Board Meeting. The motion was made by Mr. Ivan Sandoval and seconded by Ms. Maribel Diaz and was unanimously approved by the Board.

4. The Board of Directors approved a Resolution by the Agua Board of Directors adopting the 2022 Operating and Capital Improvement Budget. The motion was made by Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board. For the record, Mr. Ricardo Perez made the following comment: We need to be very careful because if budget is not controlled and the way money is spent, we will head to bankruptcy.
5. The Board of Directors approved moving the January regular board meeting from January 3, 2022 to January 10, 2022. The motion was made by Mr. Lloyd Loya and seconded by Mr. Ricardo Perez and was unanimously approved by the Board.
6. The Board of Directors approved a Non-Standard Service Agreement for water service to be submitted to Liberty Landing Opportunity Zone Fund, LLC, for the cost related to water service for Liberty Landing Subdivision Phase 1. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Ivan Sandoval and was unanimously approved by the Board.
7. The Board of Directors tabled Government Affairs and Consulting Service agreements. The motion was made by Mr. Ricardo Perez and seconded by Ms. Maribel Diaz and was unanimously approved by the Board. For the record, Mr. Homero Tijerina called out the list of companies that are currently under an agreement: Pathfinders at \$5,000 and up for renewal, Rigo Villarreal's company at \$2,000 under administrative, CSJ Group at \$200 per hour, Capex hourly not to exceed a certain amount, Mr. Parth at \$1,500 monthly for 6 months assisting on the audit and the budget.
8. The Board of Directors approved a one-time supplemental pay in the amount of \$250 for all Agua SUD employees. The motion was made by Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
9. The Board of Directors moved item nine into executive session regarding a resolution accepting all project infrastructure and officially closing construction project with Mor-Wil, LLC, for Agua SUD's Palmview Wastewater Conveyance System, Main Lift Station & Force Main. The motion was made by Mr. Lloyd Loya and seconded by Mr. Ivan Sandoval and was unanimously approved by the Board.
10. The Board of Directors approved Change Order No. 1 with RDH Site and Concrete, LLC for the Mile 3 Road Waterline Relocation Improvement Project. The motion was made by Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
11. The Board of Directors approved Change Order No. 3 with Mor-Wil, LLC for 250 connections for NADBank Palmview Yard Line Project (Hook-Up Project) subject to NADBank and EPA approval. The motion was made by Mr. Lloyd Loya and seconded by Mr. Ricardo Perez and was unanimously approved by the Board.
12. The Board of Directors moved item twelve into executive session regarding Mor-Wil, LLC's request for additional change order pertaining to the NADBank Palmview Yard Line Project (Hook-Up Project). The motion was made by Mr. Lloyd Loya and seconded by Ms. Maribel Diaz and was unanimously approved by the Board.

13. The Board of Directors approved extending agreement with M2 Engineering for Agua SUD's Palmview Wastewater Collection System Project. The motion was made by Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
14. The Board of Directors approved uniform lease agreement with UniFirst. The motion was made by Ms. Maribel Diaz and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.
15. The Board of Directors restructured the board officers on a motion to nominate Mrs. Esmeralda H. Solis as Board President by Ms. Maribel Diaz and was seconded by Mrs. Esmeralda H. Solis and was approved 4-3 with a nay by Mr. Ricardo Perez, Mr. Homero Tijerina and Ivan Sandoval. At this point Mrs. Esmeralda H. Solis assumed the position as Board President.

For the record, Mrs. Esmeralda H. Solis thanked everyone for the opportunity, ready to move forward and work together as a board for the best interest of the entity. Mrs. Esmeralda H. Solis continued with the meeting.

Mr. Lloyd Loya motioned to appoint Mr. Ricardo Perez as Board Treasurer and was seconded by Cesar Rodriguez, Jr. and by acclamation Mr. Ricardo Perez assumed the position of Board Treasurer.

Mrs. Esmeralda H. Solis motioned to appoint Ms. Maribel Diaz as Vice-President and was seconded by Ms. Maribel Diaz and was approved 6-1 with a nay by Mr. Homero Tijerina. Ms. Maribel Diaz assumed the position of Vice-President.

Mr. Lloyd Loya motioned to appoint Mr. Cesar Rodriguez, Jr. as Board Secretary and was seconded by Mr. Cesar Rodriguez, Jr. and was approved 6-1 with a nay by Mr. Homero Tijerina. Mr. Cesar Rodriguez, Jr. assumed the position of Board Secretary.

16. The Board of Directors received a report from the General Manager on operations and finance including:
  - a. August, September and October Financials
  - b. 3<sup>rd</sup> Quarter Investment Report
  - c. No update on District Operations
17. The Board of Directors received a report from the District Engineer on ongoing projects including:
  - a. NAD Bank Technical Assistance Agreement (Sewer Hook-ups) summary of hookups on the Mor-Wil project, 1,250 service connections, 909 connected, 862 septic tanks fully pumped out, and 831 fully decommissioned.
  - b. FM 492WTP Water Recovery and Waste Process Improvements (Water Saver) notice to proceed was on November 1, 2021. All material has been delivered and arrived at the yard and contractor will begin construction before the holidays.
  - c. Mile 3 Road Waterline Improvement update, approximately 90% waterline installed, currently working on street crossings.

- d. Havana Water Treatment Plant Improvements Project (TWDB), survey has been completed, approximately 60% with the environmental also in coordination with the Army Corp of Engineers.
- e. Bentsen Water Wells Project Update

18. The Board of Directors recessed into an Executive (closed) meeting at 7:00 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. Cesar Rodriguez, Jr. and seconded by Ms. Maribel Diaz and was unanimously approved by the Board.

- ITEM 18. a. TWDB Palmview Sanitary Sewer Improvements Project.
- ITEM 18. b. 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 9. Discussion and possible action on resolution accepting all project infrastructure and officially closing construction project with Mor-Wil, LLC, for Agua SUD's Palmview Wastewater Conveyance System, Main Lift Station & Force Main. ***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).***
- ITEM 12. Discussion and possible action regarding Mor-Wil, LLC's request for additional change order pertaining to the NADBank Palmview Yard Line Project (Hook-Up 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).***

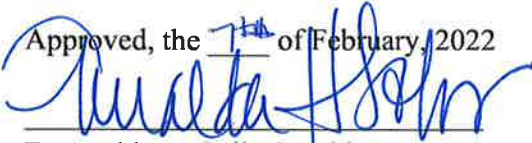
At 8:25 p.m., The Board moved to reconvene in open session and no action was taken in executive session. The motion was made by Mr. Cesar Rodriguez, Jr. and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.

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

- ITEM 18.a. The Board of Directors took no action on TWDB Palmview Sanitary Sewer Improvements Project.

- ITEM 18.b. 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 9. The Board of Directors tabled resolution accepting all project infrastructure and officially closing construction project with Mor-Wil, LLC, for Agua SUD's Palmview Wastewater Conveyance System, Main Lift Station & Force Main. The motion was made by Mr. Lloyd Loya and seconded by Mr. Cesar Rodriguez, Jr. and was unanimously approved by the Board.
- ITEM 12. The Board of Directors tabled Mor-Wil, LLC's request for a change order pertaining to the NADBank Palmview Yard Line Project (Hook-Up Project). The motion was made by Ms. Maribel Diaz and seconded by Mr. Lloyd Loya and was unanimously approved by the Board.

At 8:26 p.m., Mr. Cesar Rodriguez, Jr. moved for adjournment. Motion was seconded by Mr. Lloyd Loya and was unanimously approved by the Board.

Approved, the 7<sup>th</sup> of February, 2022  
  
Esmeralda H. Solis, President, Agua SUD

Attested by:

  
Cesar Rodriguez, Jr., Secretary, Agua SUD