

# **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., March 6, 2023

## **MINUTES OF REGULAR MEETING**

1. The meeting was called to order by Ms. Maribel Diaz at 6:04 p.m., March 6, 2023, at which time Ms. Diaz acknowledged the presence of the following Elected Members of the Board of the Agua SUD:

**Directors Present:**

Ms. Maribel Diaz  
Dr. Adriana Flores-Villarreal  
Mr. Jose Luis Ochoa, Jr.  
Mr. Ricardo Perez  
Mr. Homero Tijerina  
Mrs. Ana María Perez

**Directors Absent:**

Mr. Narciso Solis

With a quorum of the members of the Agua SUD being present, the meeting was duly convened. Mrs. Cynthia Villarreal presented the invocation.

Public Comment: None received.

2. The Board of Directors reviewed and adopted the minutes of January 15, 2023, Agua Board Meeting. The motion was made by Mr. Homero Tijerina and seconded by Mrs. Ana María Perez and was unanimously approved by the Board.
3. The Board of Directors tabled the Non-Standard Service Agreement for water to be submitted to Vaquero OR Mission Partners, LP, for the cost related to water service for Buddy Boulevard Subdivision. The motion was made by Mr. Homero Tijerina and seconded by Mrs. Ana Maria Perez and was unanimously approved by the Board.
4. The Board of Directors approved an Order by the Agua SUD Board of Directors amending Article 7, Section 7-15 Leak repair assistance of the Agua SUD Rules. The motion was made by Mr. Ricardo Perez and seconded by Mr. Jose Luis Ochoa and was unanimously approved by the Board. 2 nays Mr. Homer Tijerina and Dr. Adriana Flores-Villarreal.

5. The Board of Directors approved the proposal for professional services related to water and wastewater infrastructure financing with Capex Consulting. The motion was made by Mr. Homero Tijerina and seconded by Mr. Ricardo Perez and was unanimously approved by the Board.
6. The Board of Directors authorized the General Manager to solicit requests for qualifications for geotechnical services. The motion was made by Mrs. Ana Maria Perez and seconded by Mr. Homero Tijerina and was unanimously approved by the Board.
7. The Board of Directors received a report from the General Manager on operations and finance including:
  - a. Status of 2023 financial reports
  - b. Reports of possible hydrant water conversion in Sullivan City
  - c. Senate Bill 1188 regarding the amendment to District enabling legislation.
  - d. Status of service capacity, existing connections, and current and pending applications.
8. The Board of Directors received a report from the District Engineer on ongoing projects including:
  - a. NAD Bank Technical Assistance Agreement (Sewer Hook-ups) No Progress from the last board meeting: 1,581 service connections have been installed, 1,509 services connected and eligible to be billed, 1,544 septic tanks fully pumped out, and 1,535 fully decommissioned. A list of items to complete has been sent to the Contractor, and a meeting is set for Wednesday of this week to discuss the list and continue toward the final completion of the scope of work. Reconciliation of quantities for the Final Change Order is being addressed and is anticipated to be submitted for the April 2023 Board Meeting. Final Completion anticipated date is April of 2023.
  - b. Havana Water Treatment Plant Improvements Projects (TWDB) – This project includes the following update: Army Corp. of Engineers provided their approved jurisdictional determination (AJD), dated February 9, 2023, and is valid for 5 years from the date of the letter. The Environmental Information Document (EID) is now approximately 75% complete and will be submitted to the TWDB within 45 calendar days awaiting other agency responses.
  - c. Mendiola Water Storage Tank Project Update – The Design Team has now been in communication (CJS and M&H). CSJ is to provide structural engineering certification for Monorail “I” beam as per the meeting held on 10-12-22 at the AGUA SUD office. The letter was provided from CSJ to M&H on Wednesday, March 1, 2023; the item was completed. CSJ reported that the caliche drive from the school parking lot to the facility will be performed during the week of Spring Break. A letter from the Engineer certifying the items in question pertaining to the Punch List would be provided. The engineer is to provide a letter from the tank manufacturer. The letter is still pending. Engineer to address and provide a remedy for the electrical conduit installed that does not meet the design specifications. A letter was provided to M&H from CSJ with a

credit of \$5,000, and a meeting is being coordinated for this week with the General Manager to evaluate.

- d. TWDB Palmview Sanitary Sewer Improvements Project Update – M2 Engineering, PLLC received televising videos from Southern Trenchless for the section of Main Trunkline G1 from Lift Station G1 to E.B. Reyna; M2 Engineering, PLLC prepared a Televising Report detailing the findings, and attended Mediation held in Austin, Texas. Additional televising was requested by Agua SUD from E.B. Reyna to Minnesota, which would conclude the entire main trunkline to have been televised by a third party. It is anticipated that the televising team will start within the following two (2) weeks, and M2 Engineering, PLLC to provide a report on the findings like the one provided previously within three (3) weeks of being received.
  - e. Capital Improvement Plan Update – The CIP is approximately 90% complete; Items pending: 1) Verify if other recommendations by Modeling Engineers. 2) Agua SUD & Capex discussion and review of CIP and/or Impact Fees. 3) Finalize Report upon discussions for final review.
9. The Board of Directors moved item nine regarding the service capacity, service limitations, and acceptance of pending and future service applications into the executive session. The motion was made by Mr. Ricardo Perez and seconded by Mr. Homero Tijerina and was unanimously approved by the Board.
10. The Board of Directors recessed into an Executive (closed) meeting at 7:13 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 Dr. Adriana Flores-Villarreal and seconded by Mr. Homero Tijerina and was unanimously approved by the Board.

- ITEM 10. a. 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 10. b. Performance Services, Inc. litigation.
- ITEM 10. c. Senate Bill 1188 regarding the amendment to District enabling legislation.
- ITEM 10. d. Mendiola Water Storage Tank Project.
- ITEM 10. e. Service capacity limitations and pending applications.

At 9:02 p.m., The Board moved to reconvene in an open session and no action was taken in the executive session. The motion was made by Mr. Ricardo Perez and seconded by Mrs. Ana María Perez and was unanimously approved by the Board.

Mrs. Ana María Perez motioned to return to item nine (9) which was seconded by Mr. Ricardo Perez and was unanimously approved by the Board.

ITEM 9. The Board of Directors authorized the General Manager to place a moratorium on service applications at such point that any additional applications combined with all other existing and pending applications would put the district at 98% capacity. The motion was made by Mrs. Ana María Perez and seconded by Dr. Adriana Flores-Villarreal and was unanimously approved by the Board.

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

ITEM 10. a. 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 10. b. The Board of Directors took no action on Performance Services, Inc. litigation.

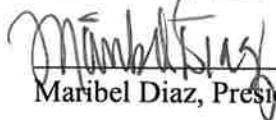
ITEM 10. c. The Board of Directors took no action on Senate Bill 1188 regarding the amendment to District enabling legislation.

ITEM 10. d. The Board of Directors took no action on the Mendiola Water Storage Tank Project.


ITEM 10. e. The Board of Directors took no action on service capacity limitations and pending applications.

At 9:03 p.m., Mr. Homero Tijerina moved for adjournment. The motion was seconded by Mr. Ricardo Perez and was unanimously approved by the Board.

Approved, the 8<sup>th</sup> of May 2023

  
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Maribel Diaz, President, Agua SUD

Attested by:

  
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Jose Luis Ochoa, Jr., Secretary, Agua SUD