

SOUTH TEXAS WATER AUTHORITY
Regular Board of Directors Meeting
April 28, 2020
Minutes

(This meeting was held remotely by phone and Zoom.)

Board Members Present:

Kathleen Lowman
Brandon Barrera
Rudy Galvan, Jr.
Jose Graveley
Lupita Perez
Patsy Rodgers
Filiberto Treviño

Board Members Absent:

None

Staff Present:

Carola G. Serrato
Frances De Leon
Jo Ella Wagner
Armando Yruegas

Guests Present:

None

1. Call to Order.

Ms. Kathleen Lowman, Board President, called the Regular Meeting of the STWA Board of Directors to order at 5:38 p.m. A quorum was present.

2. Citizen Comments.

Ms. Lowman opened the floor to citizen's comments. No Comments were made.

3. Approval of Minutes.

Mr. Galvan made a motion to approve the minutes of the March 24, 2020 Regular Meeting as presented. Ms. Rodgers seconded. The motion passed by unanimous vote.

4. Quarterly Report/Treasurer's Report/Payment of Bills.

The following reports were presented for the Board's consideration:

STWA Investment Report for Quarter ended March 31, 2020
Treasurer's Report for period ending March 31, 2020
Revenue Fund Income Statement for period ending March 31, 2020
Tax Fund Income Statement for period ending March 31, 2020
Special Services Income Statement for period ending March 31, 2020
STWA Revenue Fund Balance Sheet – March 31, 2020
STWA Revenue Fund GL Account Summary Report as of March 31, 2020
STWA Debt Service Fund Income Statement for period ending March 31, 2020

STWA Debt Service Fund Balance Sheet – March 31, 2020
STWA Debt Service Fund GL Account Summary Report as of March 31, 2020
STWA Capital Projects Fund Income Statement for period ending March 31, 2020
STWA Capital Projects Fund Balance Sheet – March 31, 2020
STWA Capital Projects Fund GL Account Summary Report as of March 31, 2020
FY 2020 Cathodic Protection Expenses Breakdown through March, 2020
2012 Bond Election Report
Anticipated vs. Actual Water Rate Charged
Maintenance & Technical Report from O&M Supervisor
CP Update from CP Technician

The following outstanding invoices were presented for Board approval:

• Willatt & Flickinger	\$ 4,619.00
• City of Corpus Christi	\$ 94,996.27
• Kevin Kieschnick-Nueces Tax Assessor	\$ 380.96

A motion was made by Mr. Graveley and seconded by Ms. Perez to approve the Quarterly Report, Treasurer's Report and payment of the bills as presented. The motion carried.

5. Fiscal Year 2020 Budget Amendments.

Ms. Serrato reviewed the proposed amendments to the FY 2020 Budget. She stated that Total Revenues decreased by \$17,200 based on anticipated lower Interest Earning. Total Administrative/Operations Expenditures without Capital Outlay increased by \$50,212. Capital Outlay increased by \$37,600. Other Finance Sources decreased by \$10,900 and Deficiencies of Revenues over Expenditures decreased by \$116,002 for a Net Income of \$212,961 compared to the original budget's ending balance of \$328,963. Mr. Galvan made a motion to approve the FY 2020 Budget Amendments. Mr. Graveley seconded. The motion carried.

6. Permanent Easement with City of Bishop for Pump Station Facilities.

Ms. Serrato stated that the permanent easement for the Bishop Pump Station facilities is on the City's April 29th agenda. She plans to attend the meeting remotely and will keep the Board updated.

7. Relocation of meter at O.N. Stevens Plant.

Ms. Serrato stated that she has contacted legal counsel Bill Flickinger about a response to the City of Corpus Christi's request for relocation of the master meter from the O. N. Stevens Water Treatment Plant to US 77 and CR 52. Due to shelter in place restrictions, Mr. Flickinger has not been able to work on changes to the City's offered agreement but has indicated that he hopes to be more accessible soon and will resume work on a response.

8. Nueces County project for construction of Banquete Pump Station to serve the Nueces Water Control and Improvement District #5 (Banquete) and Nueces Water Supply Corporation.

Ms. Serrato stated that the project is awaiting final approval from the Texas Water Development Board. Construction on the new Banquete Pump Station should begin once TWDB approval is received. She had nothing further to report.

9. Purchase of existing pumps at the Banquete Pump Station from Nueces Water Supply Corporation.

Ms. Serrato stated that at Nueces Water Supply Corporation's April 14, 2020 meeting, the NWSC Board decided not to charge STWA to transfer ownership of the pumps and associated controls. She requested Board authorization to work with Mr. Flickinger on a conveyance agreement for the transfer. Ms. Rodgers made a motion to authorize Ms. Serrato to work with legal counsel to draft a Conveyance Agreement between NWSC and STWA to transfer ownership of the pumps and associated controls to STWA contingent on construction of the new pump station. Mr. Galvan seconded and the motion passed by unanimous vote.

10. Nueces County Water Control and Improvement District #5 Wholesale Water Supply Contract and Contract for Operation and Maintenance of Facilities.

Ms. Serrato stated that the NCWC&ID #5 Board is scheduled to meet on May 13th and she will update the STWA Board on any developments.

11. Water Supply Contract with the City of Driscoll.

Ms. Serrato reported that the City of Driscoll has approved and executed the Wholesale Water Supply Contract. She added that this is the final report on this item.

12. Operations and Maintenance Contract – City of Driscoll.

Ms. Serrato stated that she has received no additional information from the Driscoll City Council but will follow up with the City.

13. Chloramine Booster Station – Kingsville Pump Station for Ricardo WSC 12-inch waterline.

Ms. Serrato reported that O&M Supervisor Armando Yruegas spoke with Sherrel Mercer of Mercer Controls who indicated that he would be visiting with him this week and that the materials for the project have been ordered. She had nothing else to report.

14. Review of South Texas Water Authority Personnel Policies – Retiree Benefits.

Mr. Galvan stated that he prefers to discuss this item during an in-person meeting. Several other Board members agreed and voiced support for this type of benefit. Mr. Galvan made a motion to

table the item contingent on discussing it further at a future face-to-face meeting. Mr. Graveley seconded. The motion passed unanimously.

15. Resolution 20-10. Resolution adopting the revised South Texas Water Authority Personnel Policies – Retiree Benefits.

No action was taken by the Board.

16. TCAP Strategic Hedging Program.
- Professional Services Agreement – TCAP
 - Commercial Electric Service Agreement – GEXA Energy

Ms. Serrato stated that City of Kingsville staff has recommended that the City approve participation in the TCAP Strategic Hedging Program. However, Ms. Serrato recommends tabling this item due to the uncertainty of the COVID-19 pandemic's impact on oil pricing.

17. Resolution 20-07. Resolution adopting TCAP's Professional Services Agreement and GEXA Energy's Commercial Electric Service Agreement for power to be provided on and after January 1, 2023.

Mr. Galvan made a motion to table Resolution 20-07. Ms. Rodgers seconded. All voted in favor.

18. Corrpro Close Interval Potential Survey on Contract 1.

Ms. Serrato presented the final Close Interval Structure-To-Electrolyte Potential Surveys Report on Contract 1 from Aegion/Corrpro along with their quote in the amount of \$15,175 for services to examine certain areas of the pipeline for which they recommend further testing. Mr. Galvan made a motion to hire Corrpro for the additional services. Mr. Treviño seconded. The motion passed unanimously.

19. Approval of Annexation of Certain Lands to the South Texas Water Authority.
- a. Santos Ramirez, Jr. – Cyndie Park Unit 1, Lot 11 and 12, aka 4590 Cyndie Ln., Robstown in Nueces County, Texas

Ms. Serrato stated that approval of Resolution 20-13 finalizes the annexation process of this property and she recommended adoption of the resolution.

20. Resolution 20-13. Resolution approving Annexation of Certain Lands to the South Texas Water Authority. (Santos Ramirez, Jr. – Cyndie Park Unit 1, Lot 11 and 12, aka 4590 Cyndie Ln., Robstown in Nueces County, Texas)

Mr. Galvan made a motion to adopt Resolution 20-13. The motion was seconded by Ms. Perez and passed unanimously.

21. Petition for Addition of Certain Lands to the South Texas Water Authority and setting of public hearing date, time and place.
 - a. Jose A. Garcia and Mary L. Garcia – Lot 7, Block G of The Ranch Subdivision in Nueces County, Texas
 - b. John Hernandez – Tract Twenty-One-H (21-H), The Ranch Subdivision in Nueces County, Texas

The Board reviewed the Annexation Petitions. The owners of the properties recently approached the Nueces Water Supply Corporation requesting service outside of the Authority's district boundaries as a result of the project extending water service to the Cyndie Park area. Requesting annexation is the first step in the process to obtain service on the property. Ms. Serrato recommended approval of Resolutions 20-14 and 20-15 setting the Public Hearing on May 26, 2020 at 5:30 p.m. at the STWA conference room.


22. Resolution 20-14. Resolution of determination of validity of Petition for Addition of Certain Lands to the South Texas Water Authority and setting the date, time and place for a public hearing and authorizing publication of public hearing notice. (Jose A. Garcia and Mary L. Garcia)
23. Resolution 20-15. Resolution of determination of validity of Petition for Addition of Certain Lands to the South Texas Water Authority and setting the date, time and place for a public hearing and authorizing publication of public hearing notice. (John Hernandez)

Mr. Galvan made a motion to adopt Resolutions 20-14 and 20-15 setting the Public Hearings on May 26, 2020 at 5:30 p.m. at the STWA conference room and authorizing publication of the public hearing notices. The motion was seconded by Mr. Treviño and passed unanimously.

24. Adjournment.

With no further business to discuss, Mr. Galvan made a motion to adjourn the meeting at 6:25 p.m. Mr. Graveley seconded. All voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary