

SOUTH TEXAS WATER AUTHORITY
Minutes – Regular Board of Directors Meeting
January 28, 2025

Board Members Present:

Jose Graveley
Imelda Garza
Frances Garcia
Kathleen Lowman
Joe Morales
Angela Pena
Patsy Rodgers

Board Members Absent:

Rudy Galvan, Jr.
Arturo Rodriguez

Staff Present:

John Marez
Frances De Leon
Jo Ella Wagner
Patrick Sendejo

Guests Present:

Charles W. Zahn
Rogelio Rodriguez, Water Finance Exchange
Margaret Kelly, John Womack & Co., P.C.
Louis Longoria, John Womack & Co., P.C.
Kasy Stinson, Seven Seas

1. Call to Order.

Mr. Jose Graveley, Board President, called the Regular Meeting of the STWA Board of Directors to order at 5:30 p.m. at the Courthouse Annex Law Enforcement Center, 1500 E. King, Kingsville, Texas. A quorum was present.

2. Citizen Comments.

Mr. Graveley opened the floor to citizen's comments. No comments were made.

3. Proposed Fiscal Year 2024 Audit.

Ms. Margaret Kelly, John Womack & Co., P.C. reviewed the Fiscal Year 2024 Audit with the Board and reported that all records were in order and the Authority's financial position continued to strengthen. She added that there was nothing negative to report and thanked staff for their work.

4. Resolution 25-01. Resolution accepting the Fiscal Year 2024 Audit prepared by John Womack & Co., P.C. of Kingsville, Texas.

Ms. Garza made a motion to approve Resolution 25-01. Ms. Garcia seconded the motion. All voted in favor.

5. Approval of Minutes.

Ms. Rodgers made a motion to approve the minutes of the December 10, 2024 Regular Meeting as updated. Ms. Garza seconded. The motion passed by unanimous vote.

6. Treasurer' Report/Payment of Bills.

Mr. Marez reported that financial reports were delayed due to technical issues but will be presented at the February meeting. Ms. Wagner presented the following invoices for Board approval:

• Charles W. Zahn, Jr., Attorney at Law	\$ 44,910.00
• International Consulting Engineers	\$ 133,121.18
• International Consulting Engineers	\$ 48,165.00
• International Consulting Engineers	\$ 1,906.50
• International Consulting Engineers	\$ 55,657.50
• International Consulting Engineers	\$ 3,567.00

Mr. Morales made a motion to approve Payment of Bills as presented. Ms. Garcia seconded. The motion passed unanimously.

7. Operation and Maintenance Reports.

Mr. Sendejo reported that two employees were terminated and he is working on filling the vacancies. The remaining staff continues working on training.

8. Petition for Addition of Certain Lands to the South Texas Water Authority and setting of public hearing date, time and place.

- a. Maria Cecilia Lazo –Lot 2 Block F of The Ranch Subdivision as recorded in the map records of Nueces County also recognized as 6303 Branding Iron, Robstown, Texas and Lot 3 Block F of The Ranch Subdivision as recorded in the map records of Nueces County also recognized as 6297 Branding Iron, Robstown, Texas.
- b. Antonio Perez and Gloria Hernandez Perez – The East One-Half (E. ½) of Tract 2, Tierra Verde Unit Number 2, a subdivision in Nueces County, Texas, according to map or plat thereof recorded in Volume 50, Pages 92-93, of the Map Records of Nueces County, Texas.

The Board reviewed the Annexation Petitions. The property owners recently approached the Nueces Water Supply Corporation requesting service outside of the Authority's district boundaries and filed Annexation Petitions to begin the process of obtaining water service on the property. Mr. Marez recommended approval of Resolutions 25-02 and 25-03 setting the Public Hearing on February 18, 2025 at 5:30 p.m. at the Courthouse Annex Law Enforcement Center, 1500 E. King, Kingsville, Texas.

9. Resolution 25-02. 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. (Maria Cecilia Lazo
10. Resolution 25-03. 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. (Antonio Perez and Gloria Hernandez Perez)

Mr. Graveley made a motion to adopt Resolutions 25-01 and 25-02 setting the Public Hearing on February 18, 2025 at 5:30 p.m. at the Courthouse Annex Law Enforcement Center and authorizing publication of the public hearing notice. The motion was seconded by Ms. Garza and passed unanimously.

11. Approval of Professional Services Contract for a Consultant of Legislative Affairs.

Mr. Marez presented a Professional Services Agreement for a Consultant of Legislative Affairs. He explained that the consultant would advise and assist STWA with legislative matters, monitor legislative developments and represent STWA's interests in discussion with legislative bodies. The consultant will also provide additional support as mutually agreed and services will be provided on a pro bono basis. Ms. Rodgers made a motion to approve the Professional Services Agreement with Arthur Granado. Ms. Garza seconded. All voted in favor.

The order of the agenda was changed to accommodate the guests.

14. Job Description/Posting – Finance Manager.

Mr. Marez stated that in response to Ms. Wagner's expected retirement in February 2026, he recommends beginning the process to hire another Finance Manager in order to provide sufficient time for training. He presented an updated job description for the Finance Manager position. He requested the Board's feedback and approval of the job description in order to begin recruitment. Mr. Morales suggested adding reference to the type of accounting software used by STWA's Finance Department. Ms. Garza made a motion to approve the job description and post the opening with the suggested modification. Ms. Garcia seconded the motion and all voted in favor.

15. Specifications for Fiscal Year 2025 pickup trucks.

Mr. Marez presented information on various truck models. He added that Mr. Sendejo prefers a mid-size 4x4 truck rather than a full-size truck. Additionally, he expects smaller trucks to be less expensive. After reviewing the information Ms. Pena made a motion to authorize staff to submit a bid proposal for two pickup trucks and make minor adjustments to the specifications, as necessary, without requiring additional board action. Ms. Garza seconded. All voted in favor.

16. Texas Water Development Board Funding

- PIF Authorization

Mr. Marez reported that the Drinking Water State Revolving Fund has opened the current funding cycle. He requested authorization to apply for the next round of funding under the DWSRF program. Mr. Graveley moved to authorize staff to submit the Project Information Form for the DWSRF application in time to meet the March 7, 2025 deadline. Ms. Rodgers seconded and the motion passed by unanimous vote.

18. Administration Report.

Mr. Marez reported that there has been a small delay in kicking off the compensation study due to snow storms in Tennessee. The orientation has been rescheduled for February 10th and the end date of the study is expected to change to April. The next STWA Board Meeting is scheduled for February 18th. He informed the Board that some conferences are scheduled for March and that other legislative events are approaching. He asked that Board members notify him if they are interested in attending any of these events.

17. Water Supply Contract with the City of Corpus Christi.

12 Recess Open Meeting and Convene in Executive Session - In this executive session the board of Directors will deliberate or receive legal advice regarding (1) each of the following matters pursuant to the Section(s) of the Texas Open Meetings in parenthesis at the end of such matter, and (2) any other agenda item announced by the President of the meeting has announced will be considered in this executive session (collectively, the "Executive Session Agenda Items"). The Board of Directors may take action in open session after the executive session on any of the Executive Session Agenda items. The Board of Directors will deliberate the purchase, exchange, lease or value of real property in executive session only if deliberation in an open meeting would have a detrimental effect on South Texas Water Authority's position in negotiations with a third person.

12.a. Deliberate and receive legal advice regarding acquisition of an alternate source of water for the Authority.

Mr. Graveley announced that the Board would convene in Closed Session at 6:26 p.m. pursuant to Section 551.071 of the Government Code to receive legal advice from counsel regarding the Water Supply Contract with the City of Corpus Christi and regarding acquisition of an alternate source of water for the Authority.

13. Open Session Items for Post Executive Session Action – The Board of Directors will convene in Open Session and take action on (1) the agenda items listed below, (2) any other items on this agenda that were postponed or tabled until after Executive Session, and (3) any Executive Session Agenda Items

The Board reconvened in Open Session at 7:08 p.m. No action was taken during Closed Session.

19. Adjournment.

With no further business to discuss, Ms. Garza moved to adjourn the meeting at 7:08 p.m. Mr. Graveley seconded. The motion carried.

Respectfully submitted,


Frances De Leon
Assistant Secretary