

SOUTH TEXAS WATER AUTHORITY
Regular Board of Directors Meeting
June 23, 2015
Minutes

Board Members Present:

Kathleen Lowman
Rudy Galvan
Patsy Rodgers
Charles Schultz
Steven Vaughn

Board Members Absent:

Filiberto Treviño
Lupita Perez
Dr. Albert Ruiz

Staff Present:

Carola G. Serrato
Frances De Leon
Jacob Hinojosa
Jo Ella Wagner

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 5:34 p.m. A quorum was present.

2. Citizen Comments.

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

3. New Board members' oaths of office.

Ms. Wagner administered the Oath of Office to Mr. Vaughn who was appointed to Place 4 on the Board by the Nueces County Commissioner's Court and Mr. Galvan who was re-appointed to Place 7 by the Kleberg County Commissioner's Court.

4. Approval of Minutes.

Ms. Rodgers made a motion to approve the minutes of the May 26, 2015 Regular Meeting as presented. Mr. Vaughn seconded. The motion passed by unanimous vote.

5. Treasurer's Report/Payment of Bills.

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

Treasurer's Report for period ending May 31, 2015
Revenue Fund Income Statement for period ending May 31, 2015
Tax Fund Income Statement for period ending May 31, 2015
STWA Revenue Fund Balance Sheet – May 31, 2015
STWA Revenue Fund GL Account Summary Report as of May 31, 2015
STWA Debt Service Fund Income Statement for period ending May 31, 2015

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STWA Debt Service Fund Balance Sheet May 31, 2015

STWA Debt Service Fund GL Account Summary Report as of May 31, 2015

STWA Capital Projects Fund Income Statement for period ending May 31, 2015

STWA Capital Projects Fund Balance Sheet – May 31, 2015

STWA Capital Projects Fund GL Account Summary Report as of May 31, 2015

STWA 2012 Bond Election Report

Anticipated vs. Actual Water Rate Charged and Net Revenue Worksheet

Maintenance & Technical Report from O&M Supervisor

The following outstanding invoices were presented for Board approval:

• Hartwell Corporation	\$ 4,640.00
• Automated Concepts	\$ 2,574.87
• Kevin Kieschnick NC Tax Assessor	\$ 211.05
• Willatt & Flickinger, Attorneys at Law	\$ 8,460.30
• Kleberg County Appraisal District	\$ 4,792.90
• City of Corpus Christi	\$ 92,139.12

Ms. Wagner pointed out that the STWA Capital Projects Fund Income Statement showed the period ending April 30, 2015 instead of May 31, 2015 and said she would correct it for presentation at the next meeting. A motion was made by Mr. Vaughn and seconded by Mr. Schultz to approve the Treasurer's Report and payment of the bills as presented. The motion carried.

6. Water District Truth in Taxation Notices, Effective Tax Rate Calculation, and Meeting/Hearing Schedule.

Ms. Serrato presented the following proposed Truth in Taxation Meeting/Hearing Schedule.

Date	Event	Action
June 23, 2015	Board Meeting	Agree on calendar & confirm quorums
July 27, 2015	CADs deliver rolls	Staff calculates ETR
August 4, 2015	Board Meeting	Board votes on proposed rate & sets hearing date/time
August 5, 2015	Staff prep	Proposed budget is sent to wholesale customers for 30-day written comment period
Aug 5 – Sept 5	30-day comment period	Wholesale customers review & provide written comments on proposed budget
September 8, 2015	Special Meeting	Board approves publication of hearing notice
September 13, 2015	Publish newspaper notices	Publication occurs 7 days before hearing
September 22, 2015	Public Hearing	Board hears public comment on proposed tax rate
September 22, 2015	Board Meeting	Board adopts final budget

She reviewed the schedule and the Board members present agreed with the dates. Ms. Serrato stated that she expects all necessary information to be delivered on time and asked that the Board notify her of any scheduling conflicts.

7. Preliminary Fiscal Year 2016 Budget.

Ms. Serrato presented a slightly modified preliminary FY 2016 budget which reflected Meter Expense at \$16,265 and Tank Repairs at \$8,735. She explained that funds for the Kingsville meter were not available in FY 2015 so the preliminary budget was modified to include purchase of the meter at the beginning of FY 2016. Mr. Galvan made a motion to approve the preliminary Fiscal Year 2016 Budget. Mr. Schultz seconded and all were in favor.

8. TCEQ Enforcement Action and State Office of Administrative Hearings.

Ms. Serrato stated that there was nothing new to report. She said she would provide TCEQ Attorney Jennifer Cook's response to Bill Flickinger's proposed schedule when it is received.

9. Kingsville Pump Station Bond Projects – Construction of the 1.0 MG Ground Storage Tank and Pump Replacement – Advertisement for Bids.

Ms. Serrato reported that Invitation to Bid advertisements for the Kingsville ground storage tank and the Kingsville pump replacement projects were published in the Corpus Christi Caller Times on June 21st and will again be published on June 28th. She added that pre-construction conferences are scheduled for July 1st with bid openings on July 8th. She expects Mr. Aaron Archer of HDR Engineering to review the bids and make a recommendation in time for inclusion in the agenda packet for the August 4th Board meeting.

10. Purchase of standby pump and motor for Kingsville Pump Station.

Ms. Serrato reported that shortly after the last Board meeting, Mr. Archer was contacted and recommended purchase of the pump and motor from Odessa Pumps. The order was placed in the amount of \$20,162 and delivery is expected in 14 to 16 weeks from the time of the order.

11. Joint Project with Nueces Water Supply Corporation – Pump Station Improvements at the Driscoll Pump Station.

Ms. Serrato stated that like the Kingsville projects, the Invitation to Bid ad for the Driscoll Pump Station expansion project was published in the Corpus Christi Caller Times on June 21st and will be published again on June 28th. A pre-construction conference is scheduled for July 1st and bids will be opened on July 8th. Mr. Archer should provide a recommendation in time for preparation of the agenda packet for the August 4th Board meeting.

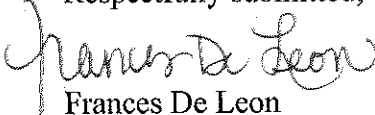
12. Codification of STWA's Enabling Legislation and consideration to utilize the services of Nora Del Bosque to track the Codified Legislation.

Ms. Serrato reported that SB1162 was signed by the Governor on June 17, 2015 and codification of STWA's Enabling Legislation is finalized.

13. Adjournment.

With no further business to discuss, Ms. Lowman adjourned the meeting at 6:23 p.m.

Respectfully submitted,


Frances De Leon
Assistant Secretary