

SOUTH TEXAS WATER AUTHORITY
Regular Board of Directors Meeting
March 26, 2019
Minutes

Board Members Present:

Kathleen Lowman
Dr. Albert Ruiz
Brandon Barrera
Patsy Rodgers
Filiberto Treviño
Steven Vaughn

Board Members Absent:

Rudy Galvan
Lupita Perez

Staff Present:

Carola G. Serrato
Frances De Leon
Jacob Hinojosa
Dony Cantu
Armando Yruegas

Guests Present:

Dr. Amit Verma, Texas A&M-
Kingsville

1. Call to Order.

Ms. Kathleen Lowman, Board President, called the Regular Meeting of the STWA Board of Directors to order at 5:35 p.m. A quorum was present.

2. Citizen Comments.

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

3. New Board members' oaths of office.

Ms. Wagner administered the Oath of Office to Mr. Treviño and Dr. Ruiz who were re-appointed to their current positions on the Board by the Kleberg County Commissioner's Court.

4. Approval of Minutes.

Ms. Rodgers made a motion to approve the minutes of the February 26, 2019 Regular Meeting as presented. Mr. Treviño 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 February 28, 2019
Revenue Fund Income Statement for period ending February 28, 2019
Tax Fund Income Statement for period ending February 28, 2019
Special Services Income Statement for period ending February 28, 2019
STWA Revenue Fund Balance Sheet – February 28, 2019

STWA Revenue Fund GL Account Summary Report as of February 28, 2019

STWA Debt Service Fund Income Statement for period ending February 28, 2019

STWA Debt Service Fund Balance Sheet February 28, 2019

STWA Debt Service Fund GL Account Summary Report as of February 28, 2019

STWA Capital Projects Fund Income Statement for period ending February 28, 2019

Cathodic Protection Expenses Breakdown through February 2019

STWA Capital Projects Fund Balance Sheet – February 28, 2019

STWA Capital Projects Fund GL Account Summary Report as of February 28, 2019

2012 Bond Election Report

Anticipated vs. Actual Water Rate Charged

Maintenance & Technical Report from O&M Supervisor

The following outstanding invoices were presented for Board approval:

• Willatt & Flickinger, Attorneys at Law	\$ 563.30
• Kleberg County Appraisal District	\$ 5,344.48
• Nueces County Appraisal District	\$ 1,953.00
• Kevin Kieschnick-NC Tax Assessor	\$ 4,713.16
• City of Corpus Christi	\$ 87,625.45

A motion was made by Mr. Treviño to approve the Treasurer's Reports and payment of the bills as presented. Mr. Barrera seconded. The motion carried.

The order of the agenda was changed to accommodate the guest, Dr. Amit Verma.

19. TAMUK request for funding in the amount of \$10,533 for a study to determine the Effectiveness of a Metal Centered Nanotube Network on Water Disinfection and Desalination.

Dr. Amit Verma of the Texas A&M Kingsville Electrical Engineering and Computer Science Department addressed the Board and presented an updated request for funding. Dr. Sajid Liu attended via cell phone. Dr. Verma and Dr. Liu reviewed some of the specifics of their proposed study and answered questions for the Board. They requested the Board's consideration of cash or in-kind support for the study in order to present their request to the Qatar Foundation. After listening to the presentation, the Board suggested that they approach other entities who might be interested in this type of study such as the City of Corpus Christi or Celanese. Mr. Vaughn made a motion to send a letter to Dr. Liu and Dr. Verma thanking them for the offer to participate in the study, but indicating that it did not fit it into the Authority's role as wholesale provider and offering suggestions of other entities that might be interested. Mr. Treviño seconded. The motion passed with five voting in favor and Dr. Ruiz abstaining.

6. **Resolution 19-12. Resolution approving Annexation of Certain Lands to the South Texas Water Authority. (Ryan M. Esquivel and Tabitha F. Esquivel – The north east half of Tract 14, the south west half of Tract 14, all of Tract 15, all of Tract 16 and the north east half of Tract 17 of Cyndie Park Unit 2, Nueces County, Texas).**

7. **Resolution 19-13.** Resolution approving Annexation of Certain Lands to the South Texas Water Authority. (Roland Gonzalez –Tract Forty-Four (44), Cyndie Park Unit 2, Nueces County, Texas and the adjoining one-half of Tract Forty-Three (43), Cyndie Park Unit 2, Nueces County, Texas).
8. **Resolution 19-14.** Resolution approving Annexation of Certain Lands to the South Texas Water Authority. (Patricios Riojas, III and Angel Gonzales Riojas –Tract One (1), Cyndie Park Unit 2, Nueces County, Texas).

Ms. Serrato stated that approval of Resolutions 19-12, 19-13 and 19-14 finalizes the annexation process for the annexation of these properties and recommended adoption of the three resolutions. Ms. Rodgers made a motion to adopt Resolution 19-12, 19-13 and 19-14. Mr. Treviño seconded. All voted in favor.

9. Tax Increment Reinvestment Zone 1 – Historic Downtown Kingsville, Texas.

Ms. Serrato stated that Kleberg County has not yet discussed participation in the Kingsville Tax Increment Reinvestment Zone. Mr. Barrera said he spoke to the Kingsville City Manager who stated that he is interested in having a joint meeting with Kleberg County and STWA to discuss this matter. There was no further discussion.

10. License Agreement with City of Bishop for Pump Station Facilities.

Ms. Serrato reported that the Bishop City Council is scheduled to meet tomorrow and she plans to attend the meeting. City Secretary Cynthia Contreras informed her that the License Agreement will be a topic of discussion. No action was taken by the Board.

11. Water Supply Contract with the City of Driscoll.

Ms. Serrato said that the City of Driscoll should be holding on an election in May to fill the vacancy on the city council.

12. Bids for construction of an equipment barn.

Ms. Serrato presented cost information for three additional larger size kits and two contractor bids for the equipment barn. She stated that the lowest was from Will Pope Construction in the amount of \$78,300 and requested the Board's feedback on how to proceed. Mr. Treviño stated that Mr. Galvan was not able to attend the meeting but had previously suggested building the barn in phases and has contacted the Authority's attorney regarding the situation. He added that he would like to table this item until Mr. Galvan is able to attend and participate in the discussion. Mr. Treviño then made a motion to table discussion until Mr. Galvan is in attendance. The motion was seconded by Dr. Ruiz and passed by unanimous vote.

13. **Resolution 19-07.** Resolution awarding the bid for construction of an equipment barn.

No action was taken on Resolution 19-07.

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

Ms. Serrato reported that Field Foreman Dony Cantu provided an additional suggestion for addressing the need for a Chloramine Booster Station for the Ricardo WSC's waterline. She provided a sketch to Aaron Archer of Walker Partners to determine if this idea will work. Of the three options being researched, this last option seems that it will be the least expensive, but a response is needed from Mr. Archer.

15. Cathodic Protection Report and zinc anode purchase for STWA 42-inch waterline cathodic protection project.

Ms. Serrato provided information from previous anode purchases and current quotes for the purchase of 250 or 500 anodes for the cathodic protection project on the Authority's 42-inch waterline. She said that calls were made this morning to confirm the costs on the quotes. The lowest bid is from Aegion/Corrpro for the purchase of 500 anodes at a cost of \$85.25 each with freight included for a total of \$42,625.

16. Resolution 19-15. Award of bid for the purchase of anodes.

Mr. Treviño made a motion to adopt Resolution 19-15 authorizing the purchase of 500 anodes from Aegion/Corrpro at a total cost of \$42,625. Mr. Vaughn seconded the motion and all voted in favor.

17. Declaration of surplus property, authorization to approve sale of surplus property to the highest bidder, declaration of unsold items as salvage property and authorization to dispose of salvage items.

Ms. Serrato presented a list of items to be included in the next surplus sale. She said she previously discussed surplus sales with Mr. Flickinger who confirmed that the entire process could be conducted in one meeting by having the Board declare the items on the list as surplus, authorize sale of the items, approve the sale to the highest bidder, declare items not receiving any bids as salvage property and instruct staff to dispose of the salvage items. This would eliminate the need to bring the matter before the Board several times while still providing opportunity for the public to bid on items. Dr. Ruiz made a motion to declare the items on the presented list as surplus, authorize sale of the attached list, approve the sale to the highest bidder, declare any items not receiving a bid as salvage property and instruct staff to dispose of salvage items. Mr. Barrera seconded. All voted in favor. Ms. Serrato said she would present a follow-up report on the sale upon completion of the process.

18. Con Mims response to Resolution 19-10.

Ms. Serrato presented an email from Con Mims in appreciation for adoption of Resolution 19-10 in his honor. She added that she just wanted to make the Board aware that Mr. Mims was appreciative of the Board's action.

20. Petitions for Addition of Certain Lands to the South Texas Water Authority and setting of public hearing date, time and place.
- a. Crystal Lynn Barrera – Cyndie Park Unit 2, Tract Twenty-Seven (27) and Southwest Quarter (SW/4) of Tract Twenty-eight (28), Nueces County, Texas
 - b. Robert E. Burleson, III. – Tract 45, Cyndie Park Unit 2, Nueces County, Texas
 - c. Roland Bayardo and San Juana Bayardo – Tract Twenty-Two (22) and the adjoining one-half (1/2) of Tract Twenty-Three (23), Cyndie Park Unit 2, Nueces County, Texas
 - d. Richard L. Burleson – The Southwest 23.51 feet of Lot 9, all of lot 10 and the adjoining Northeast ½ of Lot 11, Cyndie Park Unit 2, Nueces County, Texas
 - e. Jose Ovidio Guzman, Jr. – Tract Two (2), Cyndie Park Unit 2, Nueces County, Texas

Ms. Serrato stated that these property owners approached the Nueces Water Supply Corporation requesting service outside of the Authority's district boundaries as a result of a project to extend water service to the Cyndie Park area. As in the past, the process has been for the property owner to request annexation into the district. In this manner, all of NWSC's retail customers are paying the same rates including being taxed by STWA since NWSC does not have out of district rates. Ms. Serrato recommended approval of Resolutions 19-16 through 19-20 to set the Public Hearing on April 23, 2019 at 5:30 p.m. at the STWA conference room.

21. **Resolution 19-16.** 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. (Crystal Lynn Barrera)

Ms. Rodgers made a motion to adopt Resolution 19-16 setting the Public Hearing on April 23, 2019 at 5:30 p.m. at the STWA conference room and authorizing publication of the public hearing notice. The motion was seconded by Mr. Treviño and passed unanimously.

22. **Resolution 19-17.** 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. (Robert E. Burleson, III.)

Ms. Rodgers made a motion to adopt Resolution 19-17 setting the Public Hearing on April 23, 2019 at 5:30 p.m. at the STWA conference room and authorizing publication of the public hearing notice. The motion was seconded by Mr. Treviño and passed unanimously.

23. **Resolution 19-18.** 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. (Roland Bayardo and San Juana Bayardo)

Ms. Rodgers made a motion to adopt Resolution 19-18 setting the Public Hearing on April 23, 2019 at 5:30 p.m. at the STWA conference room and authorizing publication of the public hearing notice. The motion was seconded by Mr. Treviño and passed unanimously.

24. **Resolution 19-19. 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. (Richard L. Burleson)**

Ms. Rodgers made a motion to adopt Resolution 19-19 setting the Public Hearing on April 23, 2019 at 5:30 p.m. at the STWA conference room and authorizing publication of the public hearing notice. The motion was seconded by Mr. Treviño and passed unanimously.


25. **Resolution 19-20. 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 Ovidio Guzman, Jr.)**

Ms. Rodgers made a motion to adopt Resolution 19-20 setting the Public Hearing on April 23, 2019 at 5:30 p.m. at the STWA conference room and authorizing publication of the public hearing notice. The motion was seconded by Mr. Treviño and passed unanimously.

26. **Adjournment.**

With no further business to discuss, Ms. Lowman adjourned the meeting at 6:42 p.m.

Respectfully submitted,


Frances De Leon
Assistant Secretary