

**Minutes of Proceedings
Regular Board Meeting
La Feria Utilities Board
Tuesday, September 14, 2010**

Be it known that the Board of Directors of the City of La Feria Utilities Board met in regular session on **Tuesday, September 14, 2010, at 5:15 P.M.** in the City Commission Meeting Room, 115 East Commercial Avenue, La Feria, Texas 78559. The purpose of said meeting was to consider and take action on those items of Utilities Board business as was duly posted by agenda in accordance with the State Open Meetings Law. The following Board Members were present at said meeting:

	Mr. Adolfo Lopez	Chairman
	Ms. Betty Jo Dunlap	Vice Chairman
	Mr. Ralph Muse	Board Member
Absent:	Mr. Ovidio Saldivar	Board Member
	Mr. Steve Brewer	Mayor/Ex-Officio Member

The following staff members were present at said meeting:

Mr. Sunny K. Philip	City Manager
Ms. Kin Mendoza	Accountant
Ms. Olga Oberwetter	City Secretary

A copy of the signature roster of all others present is attached as a part of the minutes hereof.

At 5:25 P.M., Board Chairman Mr. Adolfo Lopez asked all present to rise and recite aloud the Pledge of Allegiance to the Flag of the United States of America. After this was done, Mr. Lopez declared that a quorum of the Board was present and called the meeting to order.

CONSIDER AND TAKE ACTION TO APPROVE MINUTES OF PROCEEDINGS OF THE PREVIOUS SPECIAL MEETING OF THE LA FERIA UTILITIES BOARD HELD ON AUGUST 31, 2010

After review of the minutes, Ms. Betty Jo Dunlap moved to approve the minutes of proceedings of the previous special meeting of the La Feria Utilities Board held on Tuesday, August 31, 2010. Mr. Ralph Muse seconded the motion, and the motion carried by unanimous vote of the Board members present.

BUDGET WORKSHOP – CITY OF LA FERIA WATERWORKS AND SEWER SYSTEM FOR FY 2010-2011

City Manager Sunny K. Philip stated that the La Feria community has experienced a growth of approximately 3 or 4 percent in the past, however, this year the growth has been pretty flat. He explained the monthly water usage and said for various reasons, the

usage has been down. One of the major items in the budget was the utility cost for the operation of the new wastewater treatment plant. The monthly cost of \$15,000 was reduced to \$10,000 by making some adjustments in the operation. He said in prior years the cost per customer was \$1.71 and with the new utility costs, the cost per customer has increased to \$4.35. Mr. Philip said that the City just completed a 27 million-dollar water and wastewater improvements project by taking advantage of some grant money. Mr. Philip added that depreciation has increased by about \$600,000 this year and in a totally responsible business, the depreciation is recovered. He said as long as the cash flow is good, the business will be okay. Mr. Philip explained that the average monthly bill is approximately \$54.00. Mr. Philip reviewed the budget summary with the board. He said the proposed budget does not propose any additional employees, nor increase in salaries. He added that the City is working on a 13 million-dollar drainage program, which the City would manage and which allows \$120,000 for reimbursement for staff time. He said all other items would remain the same as what was presented at the previous workshop. There was no action needed on this item.

PUBLIC HEARING – BUDGET FY 2010-2011

City Manager Sunny K. Philip said the notice of public hearing was published in the newspaper. Board Chairman Mr. Adolfo Lopez declared the public hearing open at 6:03 P.M. There were no comments from the public, so Mr. Lopez declared the public hearing closed at 6:04 P.M.

CONSIDER AND TAKE ACTION TO APPROVE THE CITY OF LA FERIA WATERWORKS AND SEWER SYSTEM BUDGET FOR FISCAL YEAR 2010-2011

Mr. Ralph Muse moved to approve the City of La Feria Waterworks and Sewer System Budget for fiscal year 2010-2011. Ms. Betty Jo Dunlap seconded the motion, and the motion carried by unanimous vote of the board members present.

CONSIDER AND TAKE ACTION TO RECOMMEND TO THE CITY COMMISSION APPROVAL OF AN ORDINANCE OF THE CITY OF LA FERIA AMENDING WATER AND SANITARY SEWER REGULATIONS; ESTABLISHING STANDARD RATES FOR WATER AND SANITARY SEWER SERVICES; PROVIDING FOR THE METERING OF WATER DELIVERED; SETTING ALL OTHER FEES AND CHARGES RELATED TO WATER AND SANITARY SEWER SERVICES; PROVIDING FOR A SAVING CLAUSE; PROVIDING FOR THE EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION AND ORDAINING OTHER MATTERS RELATED TO THE FOREGOING

City Manager Sunny K. Philip explained the proposed water and sewer rate increases by category. The residential rates increase for water is \$1.00 and \$2.00 for sewer. After discussion and all questions answered, Mr. Ralph Muse moved to recommend to the City Commission approval of an ordinance of the City of La Feria amending water and sanitary sewer regulations; establishing standard rates for water and sanitary sewer services; providing for the metering of water delivered; setting all other fees and charges related to water and sanitary sewer services; providing for a saving clause; providing for

the effective date; providing for the publication and ordaining other matters related to the foregoing. Ms. Betty Jo Dunlap seconded the motion, and the motion carried by unanimous vote of the board members present.

FINANCIAL REPORTS FOR THE MONTH OF AUGUST 2010

City Manager Sunny K. Philip reviewed the Budget vs. Actual report for the month and year-to-date figures, as well. He then reviewed the performance indicators. After review and all questions answered, Board President Mr. Adolfo Lopez announced that the reports would be filed for audit.

REPORT BY STAFF

- **Water and Wastewater System Improvements projects**
- **Proposed Water and Wastewater Project Funding**

City Manager Sunny K. Philip reported the following:

- SLC Contractor is finalizing the lift stations. One is complete; there will be a walk through on the lift station on the South side to make sure it is working well.
- The City has submitted several applications to the Texas Water Development Board (TWDB) for water and wastewater projects totaling 24 million dollars. TWDB had initially considered funding in the ratio of 70% grant and 30% loan; however, the City submitted additional information, and they have now notified the City that the projects would qualify for 100% grant. The TWDB will meet on September 23, 2010 to consider these projects.

PUBLIC COMMENTS

Board Chairman Mr. Adolfo Lopez declared the public comment session open. No one signed up to speak before the board, so Mr. Lopez declared the public comment session closed.

ACTION FOR ADJOURNMENT

There being no further business to conduct, Ms. Betty Jo Dunlap moved for adjournment of the meeting. Mr. Ralph Muse seconded the motion, and the motion carried by unanimous vote of the board members present.

ADJOURNMENT – BOARD CHAIRMAN

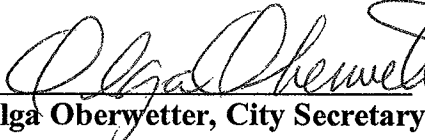
Board Chairman Mr. Adolfo Lopez adjourned the meeting at 6:16 P.M.

APPROVED:



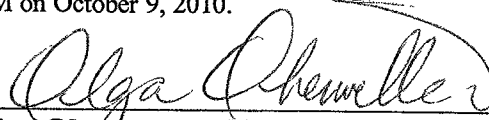
 Adolfo Lopez, Board Chairman

ATTEST:



 Olga Oberwetter, City Secretary

These minutes were prepared and filed with the City of La Feria as official record of the Utilities Board at 10:30 AM on October 9, 2010.

A handwritten signature in cursive script, reading "Olga Oberwetter", written over a horizontal line.

Olga Oberwetter, City Secretary

LA FERIA UTILITIES BOARD REGULAR MEETING
AT THE
CITY COMMISSION MEETING ROOM
TUESDAY, SEPTEMBER 14, 2010, AT 5:15 PM

WELCOME
PLEASE SIGN IN

	<u>NAME</u>	<u>MAILING ADDRESS</u>	<u>HOME/WORK PHONE NO.</u>
1	<i>Allen Huse</i>	<i>P.O. Box 877</i>	<i>Lafeta 797 1816</i>
2	<i>MB Wray</i>		
3	<i>A. A. Baldino</i>		
4	<i>Josamu Bianchini</i>	<i>P.O. Box 88</i>	<i>Weslaco TX 78599 956-867-9510</i>
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