

**Minutes of Proceedings
Regular Board Meeting
La Feria Utilities Board
Tuesday, September 9, 2014**

Be it known that the Board of Directors of the City of La Feria Utilities Board met in regular session on Tuesday, September 9, 2014, 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
Mr. Ovidio Saldivar	Board Member
Mr. Victor Gonzalez, Jr.	Mayor/Ex-Officio Member

The following staff members were present at said meeting:

Mr. Sunny K. Philip	City Manager
Ms. Maria Chavero	Finance Director
Ms. Paula Rodriguez	Planning and Community Dev. Director
Ms. Esmeralda Sanchez	Capital Projects Coordinator
Ms. Olga Oberwetter	City Secretary

The only other person present at this meeting was Mrs. Helen Muse.

At 5:17 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.

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.

REVIEW AND TAKE ACTION TO APPROVE MINUTES OF PROCEEDINGS OF THE SPECIAL MEETING OF THE LA FERIA UTILITIES BOARD HELD ON TUESDAY, AUGUST 26, 2014

After review of the minutes, Mr. Ralph Muse moved to approve the minutes of proceedings of the special meeting of the La Feria Utilities Board held on Tuesday, August 26, 2014 as presented in written form. Ms. Betty Jo Dunlap seconded the motion, and the motion carried by unanimous vote of the board.

FINANCIAL REPORTS FOR THE MONTH OF AUGUST 2014

Finance Director Ms. Maria Chavero reviewed the financial reports for the month of August 2014 with the board, reviewing both the monthly and year-to-date figures for the

month. Ms. Chavero then reviewed the Performance Indicators for the month. Ms. Betty Jo Dunlap inquired about the high figure on line item "Repairs/Maintenance." City Manager Mr. Sunny K. Philip explained that there have been a lot of repairs needed on water and sewer lines and the leak in the old water tower was also repaired. Chairman Mr. Adolfo Lopez inquired about the water meter project, and Mr. Philip responded that all the water meters received have been installed. There are another 160 meters that are still needed to complete the meter project. After review and all questions answered, Board Chairman Mr. Adolfo Lopez announced that the reports would be filed for audit.

CONSIDER AND TAKE ACTION TO APPROVE THE BUDGET FOR FY 2014-2015 FOR THE CITY OF LA FERIA WATERWORKS AND SEWER SYSTEM BUDGET AND CAPITAL PROJECTS, AND DISCUSSION WITH THE BOARD

City Manager Mr. Sunny K. Philip discussed that at the last meeting the City did not have the rates for the cost of health insurance and it had come in at approximately 5.5% instead of the 10% that was initially estimated. Mr. Philip discussed that the water tank on Business Highway 83 which was constructed in 1973 developed a quarter size leak and had to be shut down for repairs. The repair cost was about \$12,000.00. He added that the annual inspection found other areas that need to be repaired on the tank itself, along with the rusted walkway, and the estimated cost for repair would be approximately \$400,000.00. Mr. Philip said that the most that the City has ever spent on the tank in the past has been about \$125,000.00. He said that to construct a new tank with 250,000 gallon capacity would cost approximately \$1.5 million and a tank with 500,000 gallon capacity would cost about \$1.7 million. Mr. Philip added that the higher the tank is, the better the pressure, and with increased pressure, people will use more water which will increase revenue. Mr. Philip also said that before the City finances the bond issue, staff will have a discussion with the board on this matter, since there is no figure included in the budget for the water tank. Finance Director Ms. Maria Chavero reviewed the total Revenues and Expenditures with the board. Mr. Philip then reviewed the Capital Outlay budget of \$9,822,527.00 which he said is mainly the Texas Water Development Board Grant for the Water and Wastewater Improvements Project. He said the budget does not include a water rate increase for this year. He reminded the board that the other line items on the budget had been discussed during the budget workshop at a previous meeting. After discussion and all questions answered, Mr. Muse moved to approve the budget for FY 2014-2015 for the City of La Feria Waterworks and Sewer System Budget and Capital Projects. Mr. Ovidio Saldivar seconded the motion, and the motion carried by unanimous vote of the Utilities Board.

REPORTS BY STAFF AND DISCUSSION WITH THE BOARD

- **Water and Wastewater Systems Improvement Project**

City Manager Mr. Sunny K. Philip reported the following:

- Water and Wastewater Systems Improvement Project – The work being done by Cornett Construction is almost complete. They are testing the new system and some of it didn't pass. They are waiting on the final okay.

ACTION FOR ADJOURNMENT

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

ADJOURNMENT – BOARD CHAIRMAN

Board Chairman Mr. Adolfo Lopez adjourned the meeting at 5:57 P.M.

APPROVED:



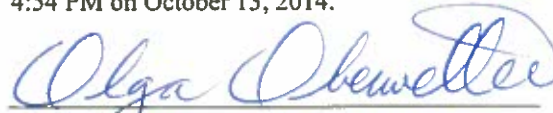
Adolfo Lopez, Chairman

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 4:54 PM on October 13, 2014.



Olga Oberwetter, City Secretary

