

**Minutes of Proceedings  
Special Board Meeting  
La Feria Utilities Board  
Tuesday, August 25, 2015**

Be it known that the Board of Directors of the City of La Feria Utilities Board met in special session on Tuesday, August 25, 2015, 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. Paula Rodriguez	Planning & Community Dev. Director
Ms. Maria Chavero	Finance Director
Ms. Esmeralda Sanchez	City Secretary

Other person present at the meeting was Mrs. Helen Muse.

At 5:17 P.M., Board Chairman 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, Chairman Lopez declared that a quorum was present and called the meeting to order.

**PUBLIC COMMENTS**

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

**REVIEW TABULATION OF BID RECEIVED, CONSIDER, AND TAKE ACTION TO RECOMMEND CONTRACT AWARD FOR THE SANITARY SEWER IMPROVEMENTS TO WEST COLONIAS PHASE I TO THE LOWEST, RESPONSIVE, RESPONSIBLE, QUALIFIED BIDDER.**

A copy of the bid tabulation and supporting documentation was reviewed. Bids were received from eight contractors. The lowest bidder was Prodigy Construction LLC with a bid of \$1,223,408. A letter received from Prodigy was distributed for the Board's review, in which they indicated that their bid was materially deficient and therefore did not object to the City awarding the contract to the second lowest bidder. Prodigy Construction did not work the cost of dewatering into their bid line items, therefore their actual cost of construction was going to be higher than the amount of the contract.

Although the City has the option to file a claim against their bid bond, in this case the City will not pursue any action against their bid bond. JM Construction is the second lowest bidder with a bid of \$1,581,295. JM Construction has good done work for the City in the past. A letter of recommendation from Alfonso Gonzalez of SWG Engineering was included with the bid tabulation.

Following discussion, a motion was made by Mr. Ralph Muse to recommend to the City Commission award of the bid for *Sanitary Sewer Improvements to West Colonias Phase I* to JM Construction in the amount of \$1,581,295.

### **DISCUSS PROPOSED RAW WATER PURCHASE CONTRACT**

The City received a letter from the La Feria Irrigation District (LFID) regarding an increase to the municipal water rate. A copy of the letter was provided in the meeting packet for review. The current rate is 11 cents per 1,000 gallons. The LFID Board has proposed an increase to 20 cents by the year 2018. A discussion ensued including the talk of the greater amount of rain in the current year as a contributing factor to the LFID's ability to sell water and the high increase in the water rate; agitation in the current reservoir; location of a new smaller reservoir to lessen agitation of the water to facilitate the treatment process. City Manager, Sunny K. Philip will talk to LFID and put this item back on the agenda at a later date. No official action was necessary as a result of the discussion.

### **BUDGET WORKSHOP-CITY OF LA FERIA UTILITIES BOARD BUDGET FOR FISCAL YEAR 2015-2016.**

A copy of the budget was included in the meeting packet for review. Finance Director, Maria S. Chavero reviewed the packet and explained various line items. Discussion included potential savings in treatment costs; decreased revenue due to high rain amounts in the current year; decreased consumption; fixed costs regardless of the demand; impact of the new meters, increased cost of operations; minor pay adjustments; maintaining the same level of personnel to carry out water and waste water responsibilities; request for a comparison of rates of other municipalities; minimizing costs by not replacing retiring employees and treating water between 8 am – 5 pm. No official action was necessary for the budget workshop.

### **PUBLIC HEARING TO RECEIVE INPUT FOR THE PROPOSED UTILITIES BOARD FISCAL YEAR 2015-2016 BUDGET AND WATER AND SEWER RATES.**

Chairman Lopez opened the public hearing at 6:18. There being no comments, the public hearing was closed at 6:18 PM

**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 board.

**ADJOURNMENT**

Chairman Adolfo Lopez adjourned the meeting at 6:20 P.M.

**APPROVED:**

  
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Adolfo Lopez, Board Chairman

**ATTEST:**

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Esmeralda R. Sánchez, City Secretary

These minutes were prepared and filed with the City of La Feria as official record of the Utilities Board at 5:00 PM on October 12, 2015.

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Esmeralda R. Sánchez, City Secretary