

**Minutes of Proceedings
Regular Board Meeting
La Feria Utilities Board
Tuesday, August 9, 2016**

Be it known that the Board of Directors of the City of La Feria Utilities Board met in regular session on **Tuesday, August 9, 2016, 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. Ovidio Saldivar	Board Member
Mr. Ralph Muse	Board Member
Mr. Olga H. Maldonado.	Mayor/Ex-Officio Member

The following staff members were present at said meeting:

Ms. Esmeralda Sánchez	Interim City Manager
Mr. Richard Talbert	City Attorney
Ms. Kin Mendoza	Finance Director
Ms. Paula Rodriguez	Planning Director

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

Board Chairman Adolfo Lopez asked all present to rise and recite the Pledge of Allegiance to the Flag of the United States of America. He then declared that a quorum was present and called the meeting to order at 5:15 PM

PUBLIC COMMENTS

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

REVIEW AND TAKE ACTION TO APPROVE MINUTES OF PROCEEDINGS OF THE REGULAR MEETING OF THE LA FERIA UTILITIES BOARD HELD ON TUESDAY JULY 12, 2016.

A copy of the minutes was provided for review. There was no discussion, Mr. Muse made a motion to approve the minutes. The motion was seconded by Ms. Dunlap and passed by unanimous vote of the Board Members present.

DISCUSSION AND POSSIBLE ACTION PERTAINING TO PROSPECTIVE FUNDING SOURCE FOR WATER AND WASTEWATER SYSTEM IMPROVEMENTS

Ms. Sánchez reported on a previous application submitted to NADBANK in 2010. Previously the City did not rank high enough to receive funding. They have now reached out to the City regarding

the 2010 application and approximately \$2,000,000 that may be available to the City for water and sanitary sewer improvements. Many of these projects are already being funded through TWDB. The funds from NADBANK could be used for other improvements including the hook ups. Currently the City and Cornett construction are waiting for approval from the TWDB legal department to continue the project with the water hook ups. The funds from NADBANK could be used for this part of the project. A meeting with Carlos from NADBANK is scheduled for the week of August 22, 2016. The City will present an update on all the projects that were originally submitted with the 2010 application and any other funding that has been used to complete them.

After discussion, the board agreed that the City should proceed with the meeting with NADBANK regarding the 2010 application and possible funding available.

BUDGET WORKSHOP #1 FISCAL YEAR 2016-2017

Finance Director Kin Mendoza presented the board with a copy of the Waterworks and Sewer System Fund Report. Ms. Sánchez reviewed the report with the board. The City has had an increase of 6% in consumption and will have an increase in water accounts this year. There is an anticipated increase in insurance of 11%, a 1-4% increase in operating expense and a pay increase of 2-5%. Ms. Sánchez has talked with TCEQ to address the violations that have caused the City's annual average to increase. The City is now at a Level 1 assesment with TCEQ. TCEQ is concerned that the employee non-retainment may be an issue in operating the plants.

Discussion on the preliminary budget report included the total revenue approved budget of \$11,468,571, the projected budget of \$5.9 million, and the proposed budget of \$8.3 million for next year. This includes the TWDB projects completion, the new accounts, and the miscellaneous accounts.

A discussion on the different departments salaries, benefits, training costs, and equipment costs included the board contributing fifty percent to the cost of salaries and benefits.

The percentage that is received from the credit and debit card payments is more than cost we pay out for the equipment and software that is used.

It was discussed that the power produced by the solar panels needs to be looked into in regards to the electricity being paid for the Waste Water Plant.

Ms. Sánchez recommended that the board review the preliminary budget and submit any questions prior to the next workshop to allow time for information to be collected.

REPORTS BY STAFF

- **WATER AND WASTE WATER IMPROVEMENTS**

Ms. Sánchez reported the following:

The City is still waiting on the hook ups and she will contact TWDB concerning that issue.

JM Construction is continuing on the lift station west of Rabb Rd, south of Business 83.

Saenz Brothers is close to completion. They are waiting on electrical changes that SWG is putting together to finalize a lift station and hook up.

TWDB has a revised change order with the split of the hook ups from the SCADA.

Working with TWDB on the contract and change order for the SCADA into an existing contractor.

There being no further discussion, Mr. Lopez declared that no official action was required as a result of these reports.

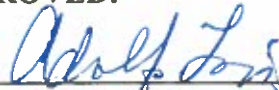
ACTION FOR ADJOURNMENT

There being no further business to conduct, Mr. Muse made a motion to adjourn the meeting. Ms. Dunlap seconded the motion, and the motion carried by unanimous vote of the Board Members present.

ADJOURNMENT

Chairman Adolfo Lopez adjourned the meeting at 6:00 P.M.

APPROVED:



Adolfo Lopez, Board Chairman

ATTEST:

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 11:00 AM on August 29, 2016.

Esmeralda R. Sánchez, City Secretary