

RICARDO WATER SUPPLY CORPORATION
Regular Meeting Minutes
June 18, 2018

Board Members Present:

Baldemar Garcia
Robert Zavala
Oliver Hinojosa
Kathy Brown
James Fischer
Robert Garza
Briseida Mendoza

Board Members Absent:

None

Staff Present:

Carola G. Serrato
Frances De Leon
Jo Ella Wagner
Jacob Hinojosa

Guests Present:

George Brown
Wiley McIlwain, Medina River
Estates, LLC
Homer Castillo, Alpha Engineering

1. Call to Order.

Board President Baldemar Garcia called the Regular Meeting of the Ricardo Water Supply Corporation Board of Directors to order at 5:30 p.m. at the STWA Boardroom in Kingsville, Texas. A quorum was present.

2. Citizen comments.

Mr. Garcia opened the floor to citizen comments. No citizen comments were made.

3. Approval of Minutes.

Mr. Zavala made a motion to approve the minutes of the April 10, 2018 Regular Meeting as presented. Ms. Brown seconded and the motion carried.

4. Treasurer's Report/Payment of Bills.

The following financial reports were presented for Board review and approval:

Treasurer's Report as of March 31, 2018

Treasurer's Report as of April 30, 2018

Treasurer's Report as of May 31, 2018

Account Activity for General Account for March 1, 2018 to March 31, 2018

Account Activity for General Account for April 1, 2018 to April 30, 2018

Account Activity for General Account for May 1, 2018 to May 31, 2018

Account Activity for Operations Account for March 1, 2018 to May 31, 2018

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TEXPOOL Participant Statement for 03/01/2018 – 03/31/2018 for General Account
TEXPOOL Participant Statement for 03/01/2018 – 03/31/2018 for Membership Deposit Account
TEXPOOL Participant Statement for 03/01/2018 – 03/31/2018 for USDA Reserve Account
TEXPOOL Participant Statement for 04/01/2018 – 04/30/2018 for General Account
TEXPOOL Participant Statement for 04/01/2018 – 04/30/2018 for Membership Deposit Account
TEXPOOL Participant Statement for 04/01/2018 – 04/30/2018 for USDA Reserve Account
TEXPOOL Participant Statement for 05/01/2018 – 05/31/2018 for General Account
TEXPOOL Participant Statement for 05/01/2018 – 05/31/2018 for Membership Deposit Account
TEXPOOL Participant Statement for 05/01/2018 – 05/31/2018 for USDA Reserve Account

The following bills were presented for payment:

STWA Invoice S18-048 March 2018 Water Usage, Water Cost and Handling Charge	\$18,796.66
STWA Invoice S18-049 March 2018 General and Administration	\$18,361.08
STWA Invoice S18-052 March 2018 Taps and Repairs	\$ 3,431.45
STWA Invoice S18-67 April 2018 Water Usage, Water Cost and Handling Charge	\$22,275.21
STWA Invoice S18-068 April 2018 General and Administration	\$14,714.77
STWA Invoice S18-071 April 2018 Taps and Repairs	\$ 5,944.31
STWA Invoice S18-079 May 2018 Water Usage, Water Cost and Handling Charge	\$28,394.92
STWA Invoice S18-080 May 2018 General and Administration	\$14,834.07
Willatt & Flickinger, Attorneys at Law Professional Services – April 2018	\$ 211.00
STWA Invoice S18-083 May 2018 Taps and Repairs	\$ 3,783.06

A motion was made by Mr. Zavala and seconded by Ms. Mendoza to approve the Treasurer's Report and payment of the bills. The motion carried.

5. King Junior Estates, 24 lots, located on FM 772 – Developer Medina River Estates, LLC.

Ms. Serrato presented a revised Developer's Contract for servicing King Junior Estates and reviewed the changes made by Mr. Bill Flickinger, Willatt & Flickinger, which included a section addressing the developer's request to set the meters for lots 21 and 22 on CR 1026, and language pertaining to the lots which have already been sold. She requested approval to provide the document to the developer and present it at a future Board meeting. Mr. Homer Castillo, Alpha Engineering, also described the planned location of the service lines for lots 21 and 22. Ms. Brown made a motion to authorize staff to provide the revised developer agreement to Medina River Estates LLC. Ms. Mendoza seconded and all voted in favor of the motion.

6. Quotes for purchase of handheld computer devices.

Ms. Serrato reviewed the quote from Significant Digits, Inc. (SDI) for four devices and accessories at a total of \$9,465. There is an additional \$550 annual renewal fee for the software license and support agreement after the first year. After the last Board meeting, references were requested from SDI. Billing Clerk Monica Ayarzagotia contacted the companies and received positive feedback from all of the references. Logics was contacted about the cost of programming the devices for compatibility with the billing system and confirmed that the cost remains at \$1,775 with an annual fee of \$250. Logics has worked with SDI in the past. Ms. Serrato recommended approval of the quote from SDI. Mr. Zavala made a motion to approve the quote from SDI for the purchase of four devices and as well as the programming cost from Logics. Mr. Fischer seconded. All voted in favor.

7. TxDOT improvements on US 77 south of Kingsville.

The Board reviewed the latest information from TxDOT which included snapshots of the construction area with Google Earth overlays showing the new roadways. Ms. Serrato stated that there are three areas of concern as a result of the two new access lanes and an entry lane from Business 77 southbound onto the new I-69 lanes. She also stated that engineering assistance will most likely be needed on the project and asked for authorization to contact an engineer. The Board agreed by consensus to authorize Ms. Serrato to contact an engineering firm for assistance on the project.

8. SCADA system installation and payment of Mercer Controls Invoice.

Ms. Serrato presented Invoice #16890 from Mercer Controls, Inc. in the amount of \$74,450 for the installation of the RWSC SCADA system. She reported that most of the work is complete and operating as expected but a few items remain to be finalized by the contractor. She stated that the Board could choose to pay the entire invoice or hold back a percentage until the project is completed. Mr. Hinojosa made a motion to withhold 10% of the invoiced amount and pay the remainder the invoice. Mr. Garza seconded. All voted in favor.

9. Amended RWSC Water Conservation and Drought Contingency Plan.

Ms. Serrato presented the proposed amended RWSC Water Conservation and Drought Contingency Plan which was prepared in response to the City of Corpus Christi amending its Drought Plan to remove one of the stages and change the trigger levels. She added that the STWA Board of Directors approved an amended STWA Water Conservation and Drought Contingency Plan which was provided to STWA's wholesale customers. The amended RWSC Water Conservation and Drought Contingency Plan reflects the City's changes. She recommended approving Resolution 18-04 adopting the Amended Water Conservation and Drought Contingency Plan.

10. Resolution 18-04. Resolution adopting the Amended Ricardo Water Supply Corporation Water Conservation and Drought Contingency Plan.

Mr. Zavala made a motion to adopt Resolution 18-04 approving the Amended Ricardo Water Supply Corporation Water Conservation and Drought Contingency Plan. Mr. Garza seconded. All voted in favor.

11. TCEQ notice of exceedance of operational evaluation level for Trihalomethanes during Quarter One 2018.

Ms. Serrato presented a copy of an Operational Evaluation Report submitted to TCEQ as a result of RWSC's exceedance of Trihalomethanes. The form is a new requirement recently introduced by TCEQ and she believes one of the main goals is to focus on the various options to reduce or minimize Trihalomethane exceedances. She pointed out that she included mention on the form that a quote for removal of sediment from the tanks at Pump Station #2 will be presented to the Board. She also noted that results for the latest samples should be received soon. No action was taken by the Board.

12. Quote from U.S. Underwater Services for removal of sediment in the four 32,000-gallon ground storage tanks at Pump Station #2.

Ms. Serrato presented a quote in the amount of \$8,100 from U.S. Underwater Services for removal of sediment in the four ground storage tanks at Pump Station #2. She explained that the work is performed by a diver using an underwater vacuum. There is no down time and this method provides a better job. Mr. Zavala made a motion to approve the U.S. Underwater Services quote in the amount of \$8,100. Mr. Fischer seconded. All voted in favor.

13. Windmill Park Estates, Inc. and Ricardo Water Supply Corporation Agreement (1979).

Ms. Serrato stated that this item was placed on the agenda after Mr. Garcia was contacted by Mr. Jose Gravely regarding alleged previous RWSC Board action promising meter service related to business dealings with Beverly Nielsen and Windmill Park Estates. Ms. Serrato reported that staff located a 1979 agreement pertaining to the subdivision but no minutes or agreements suggest that the Corporation guaranteed providing meters for a particular subdivision or any future

subdivision lots. There has been no other contact regarding this situation. The Board took no action on the matter.

14. Proposed Dollar General on south side of FM 1118 just east of US Highway 77.

Ms. Serrato stated that the most recent information on the proposed Dollar General pertains to the location of the Corporation's waterline that crosses from the west side to the east side of US 77 south of FM 1118 which appears to be located within the property to be used for the Dollar General site. A map has been sent to Dollar General showing the location of the Corporation's 8" waterline, but staff has not received a response. Ms. Serrato stated that she wanted to make the Board aware of the situation.

15. Adjournment.

With no further business to conduct, Mr. Hinojosa made a motion to adjourn the meeting at 6:41 p.m. Mr. Zavala seconded and all voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary