

RICARDO WATER SUPPLY CORPORATION
Special Meeting Minutes
January 16, 2017

Board Members Present:

Baldemar Garcia
Robert Zavala
Oliver Hinojosa
James Fischer
Briseida Mendoza

Board Members Absent:

Kathy Brown
Robert Garza

Staff Present:

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

Guests Present:

None

1. Call to Order.

Board President Baldemar Garcia called the Special Meeting of the Ricardo Water Supply Corporation Board of Directors to order at 5:31 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. South Texas Water Authority Taps and Repairs fees and RWSC Tariff to charge retail customers.

Ms. Serrato presented STWA's Taps & Repairs service fees schedule and stated that these fees were last increased three years ago. She reminded the Board that the cost of some of these services is recouped by passing the cost along to the RWSC customers that benefit from those services. She stated that STWA increased the Lock Out, Customer Service Inspection, Tap & Meter Set, Meter Box Installation and Non-Standard Service Connection Fees and recommended that the Board consider raising those fees in the same amounts as charged by STWA. Mr. Zavala made a motion to approve increasing the Lock Out, Customer Service Inspection, Tap & Meter Set, Meter Box Installation and Non-Standard Service Connection Fees as recommended. Mr. Hinojosa seconded. All voted in favor.

4. Disinfection by-product results and TCEQ sampling.

Ms. Serrato presented the most recent disinfection by-product results and explained that although the quarterly running average is 76.5 parts per billion which is under the MCL of 80 ppb, the last sample results were 86.5 ppb which exceeds the MCL. She noted that the TCEQ subcontractor arrived a month earlier than expected to take the samples, and Pump Station #3 which supplies

water to one of the two sample sites had been experiencing problems with the disinfection system. She stated that she wanted to bring the matter to the Board's attention due to recent media coverage regarding water issues. She added that the average of the next set of samples which is expected to be collected in February will need to be 74 ppb or below in order to avoid exceeding the MCL and sending out notices to customers.

5. TxDOT Utility Installation Request Form for existing 12" waterline crossing US 77 at TxDOT station 7012+00.

The Board reviewed an email from Mr. Jared Silva of The Rios Group who serves as a facilitator between the design-build contractor, Austin-Bay, and utilities on the project upgrading US 77 to I-69 standards. The email requested that RWSC execute a Utility Installation Request Form associated with the crossing of the Corporation's 12" line north of Corral Street. Ms. Serrato explained that during the 12" waterline project, Coym, Rehmet and Gutierrez Engineering had to re-file the permit for the crossing several times because USDA's processing of the loan and associated paperwork spanned a number of years. During the extended timeline, changes to TxDOT's boring requirement occurred which would have required the casing for the waterline to extend from property line to property line. According to Mr. Silva, the Utility Installation Request Form is an acknowledgement that TxDOT did not require the Corporation to move its line once construction of the I-69 upgrades began. In addition, if the waterline needs to be moved in the future, the Corporation agrees to relocate it in a manner approved by TxDOT. Ms. Serrato stated that both she and attorney Bill Flickinger reviewed the form and presented an email from Mr. Flickinger advising to execute the form provided by TxDOT. Mr. Zavala made a motion to authorize execution of the Utility Installation Request Form. Ms. Mendoza seconded. All voted in favor.

6. System Improvements: Remote Read Meter System, Replacement of Pump Station Buildings and Replacement of Transmission Lines.

Ms. Serrato provided a list of the Corporation's accomplishments over the past ten years as well as recent and archived information on a remote read meter system and several other system improvements considered for construction. The Board reviewed a recent quote for a remote read meter system from HydroPro Solutions showing a total cost of \$241,432.00. They also discussed a SCADA system and replacement of pump station buildings. Ms. Serrato explained that STWA's SCADA was completed in phases and added that the cost for a new system will vary depending on what features are implemented and whether the Board is interested in a standalone system or one integrated with STWA's current SCADA. Mr. Garcia stated that he would prefer to integrate with STWA's system if possible and Ms. Serrato said she would contact Mission Automation for a quote.

In regards to replacement of pump station buildings, Ms. Serrato noted that staff has been informed that the cost of materials can increase by approximately 15% at the end of January. She added that replacement of Pump Station #2 is the most urgent. When asked by the Board to prioritize the projects, Ms. Serrato responded that she prefers to start looking into a SCADA system because it can provide better insight into potential problems. She added that she can

request a quote on a basic, useful system that can be expanded. The Board agreed to discuss the SCADA system further when more information becomes available.

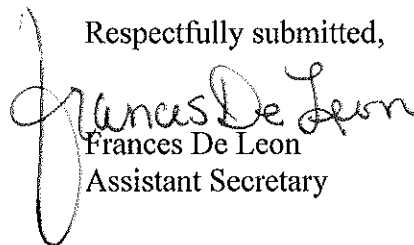
7. Leak repair on 14" transmission line on CR 1030 south of FM 772.

Ms. Serrato provided information on a recent repair to the 14" transmission line on CR 1030 south of FM 772. She explained that she wanted to make the Board aware of the repair for several reasons. First, it required going out to the site twice resulting in considerable overtime. Second, the repair was adjacent to a previous repair which complicated the second repair due to the size of the available clamps and the proximity to the bell of the pipe. Finally, this pipeline was previously titled with South Texas Water Authority and RWSC accepted title to the line in August 2015. Photos of the repair and copies of the work orders were provided in the Board packet. Ms. Serrato provided the information as a report only and the Board took no action.

8. Adjournment.

With no further business to conduct, Mr. Zavala made a motion to adjourn the meeting at 6:47 p.m. Ms. Mendoza seconded and all voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary