

NUECES WATER SUPPLY CORPORATION

Minutes – Regular Meeting
April 9, 2019

Board Members Present:

Alice J. Black
Mike Benton
Donald Lundmark
Ruth Ann Smith

Board Members Absent:

Sherry Zimmerman

Staff Present:

Carola G. Serrato
Frances De Leon
Jo Ella Wagner

Guests Present:

None

1. Call to Order.

Ms. Alice J. Black, President, called the Regular Meeting to order at 10:15 a.m. at the South Texas Water Authority Boardroom, 2302 East Sage Road, Kingsville, Texas. A quorum was present.

2. Citizen comments.

Ms. Black opened the floor for citizen comments. No comments from the public were made.

3. Election of officers.

Mr. Benton made a motion to re-elect the current slate of officers by acclamation. Ms. Smith seconded. All voted in favor.

The slate of officers remains as follows:

President – Alice Black
Vice-President – Mike Benton
Secretary/Treasurer – Ruth Ann Smith

4. Approval of Minutes.

Ms. Smith made a motion to approve the minutes of the February 28, 2019 Regular Meeting as presented. Mr. Lundmark seconded the motion. All voted in favor.

5. Treasurer's Report/Payment of Bills.

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

Corrected Treasurer's Report as of January 31, 2019

Corrected Account Activity for General Account for January 1, 2019 to January 31, 2019

Treasurer's Report as of February 28, 2019

Account Activity for General Account for February 1, 2019 to February 28, 2019

Account Activity for Operations Account for February 1, 2019 to February 28, 2019

TEXPOOL Participant Statement for 02/01/2019 – 02/28/2019 for General Account

TEXPOOL Participant Statement for 02/01/2019 – 02/28/2019 for Security Deposit Account

TexSTAR General Account Statement for 02/01/2019 – 02/28/2019

The following bills were presented for payment:

STWA Invoice S19-041 \$36,936.43
February 2019 Water Usage, Water Cost and Handling Charge

STWA Invoice S19-042 \$14,732.10
February 2019 General and Administration

STWA Invoice S19-044 \$ 8,775.00
February 2019 Taps and Repairs

STWA Invoice S19-056 \$ 1,686.05
Payroll expense for Part-time Employee for January, February and March 2019

STWA Invoice S19-058 \$ 366.09
Payroll expense for Stand By for January 2, 2019 through March 27, 2019

STWA Invoice S19-060 \$ 776.31
Reimburse for Fiber optic phone service (12/20/18 through 03/19/19) and High Touch
Technology support (01/01/19 through 03/31/19)

Ms. Serrato noted that STWA Invoice S19-060 has been modified to add a section for the IT support charges. Mr. Benton made a motion to approve the Treasurer's Report and payment of the bills as presented. The motion was seconded by Mr. Lundmark. All voted in favor.

6. Appointment of Credentials Committee.

Mr. Benton made a motion to appoint Mr. William Staff, Mr. Lundmark and Ms. Smith to the Credentials Committee. Ms. Smith seconded the motion. All voted in favor. Mr. Lundmark stated that he would contact Mr. Staff to confirm that he is willing to serve on the committee.

7. Cyndie Park Projects – 4” Transmission Line and New Banquete Pump Station.
 - Utility Conveyance Agreement between Nueces County and Nueces Water Supply Corporation
 - NWSC requirement for customer cut-off valve no more than 12” downstream of the meter box
 - Special meeting to address bids for construction of new Banquete Pump Station if lowest base bid exceeds available funds

Ms. Serrato reported that the Utility Conveyance Agreement provided in the Board packet still needs exhibits to be finalized and provided by LNV. She is also confirming with Maria Bedia, Nueces County Grant Administrator, that the funding grants on the projects referenced in the agreement are the only grants that need to be listed. She requested authorization to execute the Utility Conveyance Agreement contingent on legal counsel Bill Flickinger reviewing and approving the final document. Mr. Lundmark made a motion to authorize Ms. Serrato to execute the agreement under that condition. Mr. Benton seconded. All voted in favor.

Ms. Serrato also reported that the tie-in to Cyndie Park has been completed and customers are receiving water from NWSC. However, when the previous project at Cyndie Park was completed, service lines were installed without a cutoff valve. NWSC requires a cut-off valve no more than 12” outside of the meter box. She stated that Field Technicians are at Cyndie Park verifying the customers’ names and meter numbers and taking beginning meter readings. She added that staff will also need to coordinate with the customers to turn off service when they are ready to install the cut-off valves and requested that the Board waive the call-out fee for this service. Nueces County is looking into hiring someone to perform the installations all at one time but it is not yet known if this will happen. Mr. Lundmark made a motion to waive the fees as requested. Mr. Benton seconded. All voted in favor.

Ms. Serrato reported that the original bid opening date for the Banquete Pump Station work was April 5th but has been changed to April 12th. The engineer’s estimate on the base bid is about \$50,000 more than the available grant fund; but, without actual figures on the bids, she is not able to provide a recommendation. She recommended scheduling a special meeting after the April 12th bid opening in case the lowest base bid exceeds the available funds. The Board agreed to hold a special meeting after April 12th if needed.

8. All matters pertaining to NWSC waterline adjustments for TxDOT Relief Route in Driscoll, Texas.

Ms. Serrato reported that construction on relocation of the waterline at the south end of the Driscoll Relief Route is expected to begin this week. She also reported that easement acquisition continues on the north end and presented the latest report on the acquisition status. Ms. Jannette Barlow, owner of one of the properties, is requesting an amount that is substantially higher than the estimated cost and Ms. Serrato feels that Right of Way Service should no longer pursue an easement on this property. She has discussed the matter with Eric Villarreal of LNV and requested that this section of line be constructed in public right of way. She recommended sending a letter to Ms. Barlow stating that NWSC will cease to negotiate on an easement and

advising her of NWSC's requirement of the land owner to provide an easement and paying for relocation of the line if future service is requested. Mr. Lundmark made a motion to send the letter to Ms. Barlow as recommended. Ms Smith seconded and all voted in favor.

9. Walker Partners Proposal for Turnkey Engineering Service related to wholesale water service for AquaTexas to provide service to Golden Acres including but not limited to design of necessary waterline(s), easement acquisition, bid advertisement and construction inspection.

Ms. Serrato reported that Brent Reeh, AquaTexas, has indicated that he continues working with the AquaTexas legal department to move forward on this project. Ms. Serrato has notified him that without a commitment the potential project will remain on hold and will not be included on future agendas.

10. City of Bishop Revised Water Supply Contract – License Agreement for Bishop East PS Property.

Ms. Serrato stated that she attended a Bishop City Council meeting on March 27th and is waiting for Bishop's attorney Gerald Benadum to provide a revised License Agreement for South Texas Water Authority and Nueces Water Supply Corporation. Mr. Benadum indicated that he would provide the revised document within two weeks from that meeting. She had nothing further to report.

11. Replacement of Remote Read Meter and/or Registers.

Ms. Serrato stated that she received the propagation study of NWSC's service area discussed at the previous meeting. However, the study will need additional work due to some incorrect assumptions on Mueller's part. A Mueller representative will visit on April 10th to look at the layout of the system. Ms. Serrato will provide additional information when it becomes available.

12. Water Supply and Development Contract between Nueces Water Supply Corporation and KNK Farms, LLC., Developer, for Ranchos Robstown and all related matters.

Ms. Serrato presented a Water Supply and Development Contract between NWSC and KNK Farms, LLC for the Ranchos Robstown subdivision. She explained that this contract differed from previous contracts because the size of the lots eliminated the need for the development to meet Nueces County subdivision requirements including the Nueces County Commissioners Court approving a plat with dedicated utility easements. The contract and associated easements were provided by attorney Bill Flickinger, Willatt and Flickinger and the necessary fees have been paid by KNK. Ms. Serrato explained that in order to continue progress on the development, materials have been ordered. She recommended that the Board ratify actions taken by staff and adopt Resolution 19-04 approving the Water Supply and Development Contract with KNK Farms.

13. Resolution 19-04. Resolution authorizing the Nueces Water Supply Corporation President to enter into a Water Supply and Development Contract with KNK Farms, LLC., Developer, for Ranchos Robstown.

Mr. Lundmark made a motion to ratify the actions taken by staff and adopt Resolution 19-04 authorizing the NWSC President to enter into a Water Supply and Development Contract with KNK Farms, LLC for the Ranchos Robstown subdivision. Ms. Smith seconded and all voted in favor.


14. TxDOT improvements at FM 70 & Hwy. 44 in Agua Dulce, Texas.

Ms. Serrato stated that TxDOT was unable to meet with staff regarding upgrades in Agua Dulce on FM 70 from Highway 44 to FM 1833. The area where NWSC has a waterline is about a mile long. Field staff has reviewed easements and probed the area to determine the location and depth of the line. It is unknown at this point whether NWSC's line will be impacted, but TxDOT is expected to provide additional information on this project. No action was taken by the Board.

15. Adjournment.

With no further business to conduct, Mr. Lundmark made a motion to adjourn the meeting at 11:03 p.m. Ms. Smith seconded and all voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary