

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
HARDIN COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 1**

A regular meeting of the Board of Directors of the Hardin County Water Control & Improvement District No. 1 was held on Tuesday, October 17, 2017, pursuant to notice duly posted in accordance with law. The meeting was held at 1008 Pinewood Blvd. in Pinewood Estates, Hardin County, Texas. The following members of the Board were present:

Jack Maddox

Jerry Giardina

Tim Beard

Paul Gustafson

Absent: Buddy Hughes

Also present were Wayne Turk, Liz Will of Will's Administration and Certification, Josh Armfield, Karin Warren and Marty Adams of Utility Innovations, LLC dba Utility Specialties, Ryan Frykholm and Keith Evans of Simmons Recovery Consulting, Jeff Leavins of LJA Engineering and Guy N. Goodson of Germer PLLC as legal counsel for the District.

AGENDA ITEM NO. 1: **Call to Order.** A quorum being present, the meeting was called to order at 6:40 p.m. by President Maddox.

AGENDA ITEM NO. 2: **Public Comments.** The Board began by recognizing Liz Will concerning handling by the District of late fees, disconnects for non-payment and amendments to current billing due to the landfall of Hurricane/Tropical Storm Harvey. A lengthy discussion followed, and after discussion and upon motion duly made by Director Beard and seconded by President Maddox, late fees were waived for billing periods ending on or before January 1, 2018. The amendment to the late fee policy passed unanimously. The Board then moved to

consideration of dis-connects for non-payment, and upon motion duly made by Director Beard and seconded by Director Giardina, the Board moved that dis-connect notices would still be provided for service and non-payments prior to the landfall of Hurricane/Tropical Storm Harvey with dis-connects for non-payment to be abated thereafter until January 1, 2018. The Board then considered service fee costs and agreed that for the month of October 2017, all customers would be billed a minimum bill upon motion duly made by Director Beard and seconded by Director Giardina which amendment passed unanimously.

AGENDA ITEM NO. 3: Minutes. The minutes of July 25, August 15 and September 19, 2017 were tabled.

AGENDA ITEM NO. 4: Manager's Report. The Board recognized Josh Armfield who introduced Ryan Frykholm and Keith Evans of Simmons Recovery Consulting. The Board provided the Simmons representatives with an opportunity to describe the services they provide in contracting grant management services. The Board indicated that it wished to consider such services on an interim basis on repair and recovery efforts of the District. The Board indicated that it would consider setting a special meeting on October 26, 2017, to consider that matter. The Board then discussed with Mr. Armfield the Operational Report, and the representatives of Utility Specialties gave an update on the condition of District operating plants and needed repairs for interim and complete service restoration.

The Board then recognized Jeff Leavins who together with Utility Specialties was developing cost summaries to provide to the Federal Emergency Management Agency ("FEMA") for their public assistance applications. It was noted that the District had experienced 29 service dis-connections since the beginning of the hurricane. Legal counsel noted that the emergency conditions under the FEMA letter of September 10, 2017 had ended as of October 10, 2017,

requiring all repair and replacement as opposed to prior emergency protective measures be procured in accordance with competitive procurement processes to include required FEMA mandated contract provisions. Legal counsel stated he would provide those mandated contract provisions to the District's current consultants for whom reimbursement of Hurricane/Tropical Storm Harvey would be utilized.

AGENDA ITEM NO. 5: Report on TML Intergovernmental Risk Pool insurance coverages and possible filing of claims. The Board recognized Wayne Turk who indicated he was continuing to collaborate with the TML Intergovernmental Risk Pool on claims, filing of claims and presenting additional damage to District facilities which may be covered by TML Pool coverage.

AGENDA ITEM NO. 6: Monthly Financial Statements. The Board again recognized Wayne Turk who presented the financial statements from Compass Bank dated October 17, 2017, which included as non-customary items with TML Insurance advance of \$200,000, which had been placed in the District's general reserve account. After discussion and upon motion duly made by Director Beard and seconded by President Maddox, the monthly financial statements were approved as presented.

AGENDA ITEM NO. 7: Accounts Payable. The Board recognized Mr. Turk who presented the accounts payable in the amount of \$97,460.49 including invoices from Automatic Pump in the amount of \$27,728 for the acquisition of additional sewer system equipment and an invoice to Environmental Treatment Technologies, Inc. for the Kaeser blower in the amount of \$34,400. It was also noted that the District had paid its TML Intergovernmental Risk Pool Insurance at the cost of \$7,742. After discussion and upon motion duly made by Director Beard and seconded by Director Gustafson, the accounts payable were approved for payment in the amount of

\$97,460.49. Mr. Turk then noted that there was one invoice that had failed to be included in the amount of \$42.95 to the Groundwater District. Director Beard and Director Gustafson agreed that this invoice should be added to their motion and approved for payment. The accounts payable, as amended, were approved unanimously.

AGENDA ITEM NO. 8: **LJA Engineering Services Agreement.** The Board reviewed the previously drafted LJA Engineering Services Agreement for general engineering services. Upon motion duly made Director Giardina and seconded by Director Beard, the LJA Engineering Services Agreement was approved as presented. Legal counsel again noted he would provide to LJA a copy of additional contract provisions that may be necessary for the services under that agreement related to Hurricane/Tropical Storm Harvey.

AGENDA ITEM NO. 9: **Plans and specifications for water/sewer system repairs and authorize advertisement for bids/proposals.** This agenda item was tabled after discussion with representatives of Simmons Recovery Consulting.

AGENDA ITEM NO. 10: **Correspondence.** Mr. Turk provided correspondence from the TCEQ on lead sampling which was provided to Utility Specialties for action as well as correspondence from the Region I Water Planning Group.

AGENDA ITEM NO. 11: **Comments from Board Members.** President Maddox asked that in the future, when boil water notices and related press releases were sent, that concurrently information was provided by the District that boil water notices were terminated and signage be removed and/or notice be placed on the Pinewood website about the date of termination of such boil water notices.

AGENDA ITEM NO. 12: **Adjourn.** There being no further business before the Board, the meeting was adjourned at 7:48 p.m.

President of the Board

ATTEST:

Secretary of the Board