

**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 and Improvement District No. 1 was held on Tuesday, February 16, 2016, pursuant to notice duly posted in accordance with law. The meeting was held at 333 Commercial Drive, Sour Lake, Hardin County, Texas. The following members of the Board were present:

Jack Maddox

Buddy Hughes

Paul Gustafson

Absent: Tim Beard

Absent: Jerry Giardina

Also present was Wayne Turk, Josh Armfield of Utility Innovations, LLC dba Utility Specialties 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 by President Maddox at 6:35 p.m.

**AGENDA ITEM NO. 2: Public Comments.** The Board was presented with a customer leak adjustment. The Board recognized Liz Will who reviewed the request and after discussion and upon motion duly made by Director Hughes and seconded by Director Gustafson, the leak adjustment was approved as presented per the District's policies.

**AGENDA ITEM NO. 3: Minutes.** The Minutes from the January 19, 2016 meeting were approved upon motion duly made by President Maddox and seconded by Director Gustafson.

**AGENDA ITEM NO. 4: Manager's Report.** The Board recognized the representatives of Utility Specialties who provided a report on the District operation including grinder calls, repairs

and presentation of the well pumpage and system operations. After presentation of the monthly report, President Maddox asked Josh to provide an update on proposed service to Ranell Clubbe. The Board was advised that a bid for line extensions had been provided and they reviewed in detail the location of current District facilities. The Board received comments from Mike Will, former operator of the District, about the location of certain District facilities and where facilities would have to be extended in order to provide service to the property proposed for development and/or sale by Mrs. Clubb. It was noted that the District was not extending any of the utility services beyond their current locations, and the District's operator stated it would advise the Board of any further questions raised by Mrs. Clubb or other persons seeking line extensions to initial areas within the District. A discussion followed as to a broken service line in Idylwild Country Club, and it was acknowledged that the Board would contact the Club owner to advise that the broken service and possible water inflow issues must be addressed.

**AGENDA ITEM NO. 5: District website including email addresses for Board of Directors.**

President Maddox indicated that the email address for Board members had been resolved, but he requested that the District's operators, its legal counsel, Mr. Turk and others provide information to the District's web designer on information required by State law and any beneficial links or connections be provided through him to the web designer so that the District could have its website updated as soon as possible.

**AGENDA ITEM NO. 6: Water distribution system upgrades and repairs.** President Maddox provided information and a drawing as to a swell ditch at the District's well site which appeared to traverse property adjacent to the District's well site which was private property not owned by the District. Due to a prior overflow of water in that area of the District, President Maddox discussed alternatives to ensure elimination of any problem, and it was noted that the overflow

would have to be part of a controlled operation from the District and would not be a periodic event. President Maddox stated he would review the matter with the property owner and see if there could be a resolution of the matter by, perhaps, upgrading the ditch facility along his property with the District to bear all such costs.

**AGENDA ITEM NO. 7: Monthly Financial Statements.** The statement from BBVA Compass Bank dated February 16, 2016 was presented to the Board which included a detailed review of bond payments made on February 15, 2016. After discussion and upon motion duly made by Director Hughes and seconded by President Maddox, the financial statements were approved as presented.

**AGENDA ITEM NO. 8: Accounts Payable.** The Board reviewed the accounts payable in the amount of \$17,689.87. Mr. Turk reviewed the invoices and after discussion and upon motion duly made by Director Hughes and seconded by Director Gustafson, accounts payable were approved for payment as presented.

**AGENDA ITEM NO. 9: Water System Improvement Project Contract A (water well).** There was no further action needed.

**AGENDA ITEM NO. 10: Water System Improvement Project Contract B (Well Site 1 & 2).** Mr. Turk presented Monthly Estimate No. 5 providing for a payment of \$16,656.75. Mr. Turk noted that the project was 98.22% complete and the contractor used 62.14% of their time. After discussion and upon motion duly made by President Maddox and seconded by Director Hughes, the Board approved the pay request as submitted by T. Johnson Industries.

**AGENDA ITEM NO. 11: County drainage grant and project progress report.** President Maddox indicated that he had been in discussions with KSA Engineers who were continuing right-of-way acquisitions for the project.

**AGENDA ITEM NO. 12: Report on correction of Hardin County Appraisal District records as to District properties shown as part of Big Thicket Preserve.** The Board recognized Director Hughes who indicated he was meeting with representatives of Hardin County Appraisal District following the Board meeting to discuss clarification of designation of District properties on the tax roll.

**AGENDA ITEM NO. 13: May 7, 2016 Directors' election.** The Board recognized legal counsel who presented the Election Order and noted that he had not been able to contact the Hardin-Jefferson Independent School District, which he advised was conducting a bond election in May, but was uncertain whether they were going to continue their plans to proceed with an election of trustees in May or move to November. Legal counsel noted that as the District had to adopt an election plan by Friday, the Board was presented with the Order Calling for the Election of two (2) Directors to be held on May 7, 2016. After discussion and upon motion duly made by President Maddox and seconded by Director Hughes, the Board approved the May 7, 2016 Directors' Election Order as presented.

**AGENDA ITEM NO. 14: District Water Loss Report.** The Board recognized Mr. Turk who indicated that he was proceeding with completing this required document and would provide more information to the Board.

**AGENDA ITEM NO. 15: Correspondence.** Mr. Turk advised that he had received information that would require the District to complete information for an upcoming U.S Census along with information presented by the Texas Municipal League and from its bank depository, BBVA Compass Bank.

**AGENDA ITEM NO. 16: Comments from Board Members.** None.

AGENDA ITEM NO. 17: Adjourn. There being no further business before the Board, the meeting was adjourned at 7:45 p.m.

\_\_\_\_\_  
President of the Board

ATTEST:

\_\_\_\_\_  
Secretary of the Board