

**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, November 17, 2020, pursuant to notice duly posted in accordance with law. The meeting was held at 333 Commercial Drive, Hardin County, Texas. The following members of the Board were present:

Jack Maddox

Tim Jones

Buddy Hughes

Tim Beard

Also present were Wayne Turk, a representative of the Texas Municipal League Intergovernmental Risk Pool, a resident of the District and Guy N. Goodson of Germer PLLC as legal counsel to the District.

AGENDA ITEM NO. 1: **Call to Order.** A quorum being present, the meeting was called to order at 6:30 p.m. by President Maddox.

AGENDA ITEM NO. 2: **Board vacancy.** This agenda item was tabled until the December meeting.

AGENDA ITEM NO. 3: **Public Comments.** None. Keith Withers was not present.

AGENDA ITEM NO. 4: **Minutes.** The minutes of October 20, 2020 were approved as presented upon motion duly made by Director Beard and seconded by Director Hughes.

AGENDA ITEM NO. 5: **Presentation by representative of Texas Municipal League Intergovernmental Risk Pool on District insurance coverages.** The Board recognized a representative of the Texas Municipal League Intergovernmental Risk Pool who discussed the

requested information on the District's insurance coverages. The TML representative advised that the District's representative was Tracy Wood, but she was unavailable to attend the meeting. A discussion followed on issues related to the endorsement provided to the District's TMLIRP commercial insurance coverage for sewage backup claims. Issues were addressed as to how the endorsement coverage was presented when initially acquired by the District and subsequent determinations that coverage was limited to certain events and limits based upon availability of coverage for such claims through homeowners' policies of insurance. After the discussion, the Board thanked the TML representative for her time and advised they would evaluate the possibility of a third-party policy to enhance possible wastewater backup claims which might occur.

AGENDA ITEM NO. 5: Manager's Report.

(a) Operational Report:

The Board recognized Wayne Turk who reviewed the Utility Specialties Operating Report as of November 17, 2020 showing the response to grinder calls, the water pumped at Well No. 1 and No. 2, noting almost twice pumpage at Well No. 2 to that at Well No. 1 and noted the change of a battery on generator at Well No. 1. Mr. Turk also noted that Utility Specialties advised they had performed seven line locates, repaired one leak on the main line and had one panel and one pump in inventory. President Maddox stated he had some matters to discuss relative to the Manager's Report including addressing matters as to the line locates. President Maddox noted that in two situations, one involving a repair on the main line near Pine Shadows and separately at a private property owner's location where a contractor was installing an electrical line that the contractors performing work damaged District lines due to mismarking or non-marking of lines. President Maddox stated he had spoken with the representatives of Utility Specialties concerning the locating of lines

following the receipt by Utility Specialties of 811 calls for line locates due to the cost of probing and locating lines. Utility Specialties then advised they would charge for such locates. After a brief discussion and upon motion duly made by Director Beard and seconded by Director Hughes, the Board authorized President Maddox to advise Utility Specialties to probe as necessary and locate accurately any District lines following receipt of an 811 call, the motion for the policy change passed unanimously.

(b) TTHM Issues:

The Board recognized President Maddox who stated he had spoken with Karin at Utility Specialties on the last submission of TTHM levels by the District. Karin reported that the levels were 70.8 in the back and 54.7 in the front, so the District had completed five quarters of reporting periods without exceedances. No action was necessary by the Board, but Director Beard noted this would enable him to remove the posting on the District's website.

AGENDA ITEM NO. 6: Monthly Financial Statements. The Board recognized Wayne Turk who presented the accounting statement dated November 17, 2020 showing the District's service fees of \$22,260.03. Mr. Turk also reviewed the proposed total amount of bills for payment of \$32,935.00 and stated that the District, due to its collection of ad valorem taxes, was in very good financial condition. After presentation and upon motion duly made by Director Beard and seconded by President Maddox, the financial statements were approved as presented.

AGENDA ITEM NO. 7: Accounts Payable. The Board again recognized Wayne Turk who reviewed the bills for payment including a notation of invoices from DXI for chlorine, the purchase of three units from Automatic Pump, plus the purchase of 24 mini float switches. A question was raised as to the need for those in light of float switches from the previous project. President Maddox indicated that all the float switches had been reused in the grinder pump rehabilitation

project. The Board then reviewed the invoice from Sprint Waste Services, LP for the removal of solids from the Wastewater Treatment Plant followed by a review of the invoice from Core & Main, LP for the granulated chlorine used at the cleanup sites for one of the misallocated lines. Mr. Turk also noted the payment to the TCEQ for the fiscal year 2021 sewer plant permit and water quality fee. The Board noted a refund to Joe Bourque, a resident of the District. After review of the accounts payable and upon motion duly made by Director Hughes and seconded by Director Jones, the accounts payable were approved for payment as presented.

AGENDA ITEM NO. 8: Correspondence. Mr. Turk first advised that the District had received notification from the TCEQ dated November 6, 2020 of the requirement for updating homeland security data, and such information was provided to Utility Specialties for completion. Mr. Turk then mentioned the upcoming filing due on the eminent domain report which he took care of annually. Lastly, Mr. Turk reported on the requirements for satisfaction of posting and submission of information for the Local Government debt reporting requirements administered by the Texas Comptroller.

AGENDA ITEM NO. 9: Comments from Board Members. The Board received a comment from Director Hughes asking that the District check its website to ensure it had posted all the requirements from the 86th Texas Legislature as to administrative and debt postings. Legal counsel stated he would work with Director Beard to ensure all information required to be posted was present on the website.

The Board then recognized President Maddox who first advised of the departure of Jeff Leavins from LJA Engineering and the reassignment of their work. President Maddox noted that as the District was wrapping up its last project with LJA Engineering, this matter would be turned over to another individual, and then the District could determine with which firm it wished to continue its

engineering relationship. President Maddox restated the information in the Operator's Report concerning the well pumpage differentials and noted that the District had previously been advised that the installation of a Scada System would be required in order to better manage the balancing of the well pumpage. A discussion then followed on the opportunity for the District to install a third pump since it had pump equipment in inventory. President Maddox noted this would be a project the Board should consider, and he would gather information along with Mr. Turk and provide such to the Board. President Maddox then advised that the radio at Well No. 1 which was supported by Verizon would no longer be supported by Verizon, and the service would be through an LTE Radio which would be provided at no charge, but the District would be required to pay for certain electrical installation charges.

President Maddox then moved to the consideration of the October sewer overflow mentioned earlier in the meeting which had been reported and an investigation had been followed by the TCEQ requiring the District to take supplemental removal steps. President Maddox noted that this again was due to the placement of non-biodegradable materials into the wastewater system and suggested the District needed to provide a new letter now that the grinder pump installation project was complete to residents of the District, both homeowners and renters, advising of the requirements of the Sewer Use Ordinance and the items that could not be placed in system.

President Maddox then addressed the purchase of property along Woodcrest by a new property owner being just north of the District's property leading to its Wastewater Treatment Plant. President Maddox along with legal counsel reviewed some history on Woodcrest being a platted street but unimproved, and a recommendation was made that the new property owner be asked to move and reset the existing gate of the District across Woodcrest to a point on the south line of his property and the north line of the District property to continue the security the gate provided to the

District's Wastewater Treatment Plant. President Maddox noted the property owner intended to install some culverts, and due to issues concerning flooding, he had contacted the Hardin County Floodplain Administrator who indicated they would make certain the culverts were installed at a size and at elevations not to create any flood or drainage issues.

President Maddox advised that a property owner on Lakeview Drive had standing water and asked the District to clean the roadside ditch which was overgrown. President Maddox advised the Board he had told the property owner to contact the County for the Golf Course to address the maintenance as the ditch was not under the control of the District.

President Maddox stated there were two other matters to bring to the Board's attention. The first being that the District may be sending a dirt service disconnect notice due to the movement of a meter by property owner for which the property owner had been invoiced, but the owner had not paid the cost to the District which might result in a service disconnection.

Finally, President Maddox noted certain issues with the chlorine protection system regulators which had missing screens, but this matter had been corrected.

AGENDA ITEM NO. 10: Adjourn. There being no further business, the meeting was adjourned at 7:32 p.m.

ATTEST:

President of the Board

Secretary of the Board