

**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, December 18, 2018, 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 Beard

Tim Jones

Jody Aiena

Absent: Buddy Hughes

Also present were Wayne Turk, Larry Davenport of Utility Innovations, LLC dba Utility Specialties, 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 6:30 p.m. by President Maddox.

AGENDA ITEM NO. 2: Public Comments. None.

AGENDA ITEM NO. 3: Minutes. The Board approved the minutes of November 20, 2018 upon motion duly made by Director Beard and seconded by President Maddox.

AGENDA ITEM NO. 4: Manager's Report. The Board recognized Larry Davenport who initiated the review of the Operator's Report dated December 18, 2018, noting that Utility Specialties had responded to 26 grinder calls followed by a discussion of the pumpage at Well No. 1 and the absence of any well water pumpage from Well No. 2. Mr. Davenport then advised

additional services including installation of a battery charger on the generator at the water plant and location of lines at five locations. Questions followed from the Board President as to whether these were District line locates for CenterPoint or on the exclusive utility lines of the District. Mr. Davenport indicated that they responded to two no water calls and found water to be turned off on the customer side. Mr. Davenport also indicated that three panels and two pumps had been replaced.

**AGENDA ITEM NO. 11: Report on status and consideration on Hurricane Harvey project payments.** The Board recognized Jeff Leavins who gave a report on the status of the Hurricane Harvey projects and payment request. Mr. Leavins noted that Well No. 2 site was back online with minimal punch list items to be completed. It was also noted by Mr. Leavins that installation of the generators was pending due to waiting on the generators now anticipated in January 2019. President Maddox also noted that there had been initial work on demo at the sewer plant, and Mr. Leavins concurred and noted that LJA was preparing a smaller bid package for Well No. 1 project which would be paid for by insurance. Mr. Leavins also discussed a story that had been reported in the Beaumont Enterprise concerning the District along with other local communities were in the process of applying for grants through the Texas Water Development Board and stated it was hoped that such approval might be given by January 2019.

The Board then moved to consideration of the Water Well No. 2 rehabilitation project monthly Pay Estimate No. 3 for the period ending December 13, 2018. Mr. Leavins noted that the contract time used was 88.75%, but the work was substantially complete based upon the quantities and review as outlined in the monthly pay estimate. Mr. Turk noted that the pay estimate was \$63,526.50 resulting in full disbursement of funds to the contractor, save and except the retainage withheld in the amount of \$26,576. The Board reviewed the pay request and upon motion duly

made by President Maddox and seconded by Director Beard, Pay Estimate No. 3 was approved for payment as presented. Additionally, Mr. Turk noted that two invoices from LJA Engineers and Germer PLLC as to the Hurricane Harvey project were presented, and after discussion and upon motion duly made by Director Beard and seconded by President Maddox, the invoice from LJA Engineers in the amount of \$4,328 and from Germer PLLC in the amount of \$215 were approved for payment as presented. Mr. Leavins also indicated that he had received quotations from T. Johnson Industries, Inc. for estimates for additional items for the well project which would be reviewed by the Board and brought on for consideration at its January 2019 meeting. The Board then discussed with Mr. Leavins other pending matters.

**AGENDA ITEM NO. 4: Manager's Report.** The Board then moved to determine if there were any additional reports on repairs to the District's systems due to Hurricane/Tropical Storm Harvey and possible action on TTHM issues. Mr. Davenport stated he had no additional reports on either item. President Maddox did indicate that the letter as required for the TTHM had been sent, but an additional letter may be needed. The Board then discussed, generally, the TTHM issues.

**AGENDA ITEM NO. 5: Contract for District minor repairs/maintenance services.** President Maddox noted he had requested this matter be placed on the agenda not to remove currently contracted services from Utility Innovations, LLC dba Utility Specialties, but whether to address matters that were not system operations, but small items needed for repair. President Maddox suggested that the Board consider engaging Jim Mason as an independent contractor to perform designated services at a rate of \$25.00/hr. with services to be invoiced as with other independent contractors for the District on a monthly basis. After discussion and upon motion duly made by Director Beard and seconded by President Maddox, the Board approved the engagement of Jim

Mason to provide minor repairs/maintenance services for the District at a rate of \$25.00/hr. and as directed by the Board or its President.

AGENDA ITEM NO. 6: **Cost summary/estimates to provide to Federal Emergency Management Agency (“FEMA”) for Public Assistance/approve actions for FEMA Public Assistance.** Mr. Turk noted that there had been no activity with the FEMA representatives since the last meeting.

AGENDA ITEM NO. 7: **Report on TML Intergovernmental Risk Pool and claim status.** Mr. Turk also indicated that at this time, there would not be any more report, subject to the Board receiving the bid package as noted on Well No. 1 which then would be submitted to its insurance carrier.

AGENDA ITEM NO. 8: **Report from Pine Island Bayou Drainage Committee.** The Board noted that certain Committee members had not been able to meet, therefore, there was no report at this time.

AGENDA ITEM NO. 9: **Monthly Financial Statements.** Mr. Turk presented the monthly financial statements showing operating revenues of the District of \$17,491.79 and indicated one fee for the third quarter of 2018 in the amount of \$1,655.42. After discussion and upon motion duly made by Director Beard and seconded by Director Aiena, the monthly financial statements were approved as presented.

AGENDA ITEM NO. 10: **Accounts Payable.** Mr. Turk presented the accounts payable in the amount of \$23,819.38. Mr. Turk noted that most of the cost were routine but did note the acquisition of various grinder panels and pumps from Automatic Pump and noted that the District had received a \$6,540 credit due to the failure of Automatic Pump to give it the appropriate pricing on previously acquired equipment. The Board also was provided with information on the annual

payment of the District's Directors' bonds, the cost for mailing the TTHM Notice of Violation, the website fee and then a number of deposit returns due to property sales and moveouts. After discussion and upon motion duly made by Director Beard and seconded by President Maddox, the accounts payable in the amount of \$23,819.38 were approved for payment as presented.

AGENDA ITEM NO. 12: Correspondence Mr. Turk noted a report from the Texas Department of Health Services which he provided to the District's operator.

AGENDA ITEM NO. 13: Comments from Board Members. Comments followed from the Board.

AGENDA ITEM NO. 14: Adjourn. There being no further business, the meeting was adjourned at 7:08 p.m.

ATTEST:

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President of the Board

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Secretary of the Board