

**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, March 16, 2021, 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

Allen Davis

Also present were Wayne Turk 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 6:31 p.m. by President Maddox.

**AGENDA ITEM NO. 2: Public Comments.** None.

**AGENDA ITEM NO. 3: Minutes.** The minutes of February 16, 2021 were unanimously approved upon motion duly made by President Maddox and seconded by Director Beard.

**AGENDA ITEM NO. 4: Manager's Report.**

(a) Operational Report:

The Board recognized Mr. Turk who reviewed the Manager's Report from Utility Specialties dated March 16, 2021, noting they had responded to 17 grinder calls and the amount of water pumped at Water Well #1 and #2. The report noted that Utility Specialties had used two refurbished pumps and had six in stock, had made 13 line locates, had pulled panel off of 463 Pine Shadows and 110 Woodlawn to be torn down by FEMA, and had made a grinder

installation at 205 W. Pine Shadows. The report also noted that Utility Specialties had repaired a sewer leak at 359 Pine Shadows, had winterized District facilities for the hard freeze, had serviced all generators and changed site glass at Well #2 pump. After the report, questions followed from the Board, and Director Beard noted the substantial deviation of water pumpage at Well #1 and Well #2 which needed to be investigated further as it was either a failure of the District's Scada System or the management of the well operations by the operator. Director Beard indicated this substantial deviation and well pumpage was continuing and might eventually lead to more issues at Well #2 which was the pump providing the substantial water production for District facilities. A question also followed on the required need for the change of the site glass at Well #2, which was explained by President Maddox. After discussion and upon motion duly made by Director Hughes and seconded by President Maddox, the Manager's Report was approved as presented.

**AGENDA ITEM NO. 5: Changes to Meter Reading Personnel.** The Board recognized President Maddox who indicated due to the anticipated loss of the meter reading provided by Will Administration, the District would need to consider alternative methods to have its meters read or consider moving to auto read meters. President Maddox indicated several options including a possible conversion to auto read meters. President Maddox stated based upon information provided, Northwest Forest MUD was in the process of converting to an auto read meter program through Core & Main as prime contractor and Neptune Meters, and a rough estimate of conversion cost had been provided in the amount of \$123,450.00. Legal counsel provided information, as counsel for Northwest Forest MUD, and indicated the company and the representative of Neptune Meters had made extensive presentations to Northwest Forest MUD before it acquired the radio read meters through a cooperative purchasing program procurement. President Maddox then noted he had contacted a person in Silsbee who read meters, and the cost was substantially higher than the current rate per meter being charged through Will Administration. He indicated that person might though be willing to negotiate a per meter reading fee.

President Maddox also noted that Keel Enterprises provided meter reading services to begin at a rate higher than the current rate provided by the District. President Maddox also stated due to the increase and request to Mr. Turk, if the District incurred a cost increase for meter readings, it may be necessary to consider a rate increase to District customers. President Maddox stated he wanted the Board to realize this was not a simple transition because Will Administration provided significant other services to the District, including handling all meter lockouts and customer complaints. President Maddox stated he would be happy to provide further information at the next Board meeting along with an estimate of when a change in service providers for the meter reading services would be necessary.

**AGENDA ITEM NO. 6: Monthly Financial Statements.** The Board recognized Wayne Turk who presented the accounting statement from BBVA Compass Bank for March 16, 2021. Mr. Turk noted the payment of the February 15, 2021 principal payment to Compass Bank, the receipt of the cable quarterly fee as well as service fees for the month. Mr. Turk reviewed the financial statements, and stated the District was in good financial condition. After discussion and upon motion duly made by Director Hughes and seconded by Director Turk, the Board approved the monthly financial statements as presented.

**AGENDA ITEM NO. 7: Ratification of pay increase for Office Manager.** Legal counsel noted this was simply a ratification of the actions suggested at the previous Board meeting for the pay increase of the Office Manager by \$200.00. After discussion and upon motion duly made by President Maddox and seconded by Director Jones, the Board ratified the pay increase for the Office Manager.

**AGENDA ITEM NO. 8: Accounts Payable.** The Board again recognized Mr. Turk who provided the accounts payable in the amount of \$23,139.47, and a review followed including two invoices from Jet Aeration, one for a callout to 122 Woodshire under Check No. 2819 as well as additional callouts and work under Check No. 2834. President Maddox reviewed the matters which were not warranty work as described in the invoices, and upon motion duly made by President Maddox and seconded by Director Beard, the invoices were approved as presented. Mr. Turk then reviewed additional pay requests

including that from DXI Industries for chlorine and from Simply Aquatics for the chlorinator repairs at the wastewater treatment plant. After discussion 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. 9: Update status of TWDB Grant and Contract. The Board recognized Mr. Turk who indicated in recent conversations with representatives of LJA Engineering, the contract had finally been completed and all bills paid Affidavit had been provided to the Texas Water Development Board.

AGENDA ITEM NO. 10: Correspondence. The Board recognized Mr. Turk who indicated the water use survey had been filed, and the District had received a request for confirmation of its boundaries as well as a water loss audit from the Texas Water Development Board which Mr. Turk stated he would assist the operator in providing. Mr. Turk closed with stating he had received correspondence from Coen Reznick on the Harvey 2017 Grant, again, raising additional questions and requests for additional documentation on the previous payments to the District as to direct administrative costs. Mr. Turk stated he had provided all of the information available, and he would keep the Board advised if there were any further issues in the audit of direct administrative cost under the Harvey Grant.

AGENDA ITEM NO. 11: Comments from Board Members. President Maddox then indicated the issues with the high-pressure pump were under warranty. He then noted there were several issues raised concerning a responsibility of the District for facilities on the customers side of the meter box. President Maddox noted previous actions by the Board had indicated the District assume responsibility for a distance of approximately 18 inches beyond the meter location, but this was not directly addressed in the District's Water and Sewer Use Order and it should be determined where its responsibilities begin and end and so correct the Water and Sewer Use Order in order for matters including the several which arose after the winter storm could be resolved. President Maddox advised, along with Mr. Turk, the District had been advised that the previous sewage backup claim which had arisen in 2020 was still pending as a letter had been received from the Texas Municipal League Inter-Governmental Risk Pool. There was no

action to be taken at this time, so President Maddox and Mr. Turk closed with noting the District had submitted a request to TJ Garrett in the amount of \$250.00 to pay for the District's cost to relocate the gate adjacent to the plant and Mr. Garrett's property, but the District had not received any response from Mr. Garrett, so no action on relocation of the gate had occurred. President Maddox stated he would keep the Board advised of any changes in this and other matters brought up during the public comments section.

AGENDA ITEM NO. 12: Adjourn. There being no further business, the meeting was adjourned at 7:45 p.m.

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President of the Board

ATTEST:

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Secretary of the Board