

**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 19, 2023, 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:

Ben Fox

Tim Jones

Buddy Hughes

Allen Davis

Absent: Jack Maddox

Also present were Wayne Turk, Mary Adams and Larry Davenport of Utility Specialties, Jeff Leavins of Leavins Engineering & Design, LLC 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 by Vice President Hughes at 6:30 p.m. who noted President Maddox was absent.

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

AGENDA ITEM NO. 3: **Minutes.** The minutes of November 21, 2023 were unanimously approved upon motion duly made by Director Jones and seconded by Director Davis.

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

(a) Operational Report:

The Board recognized Larry Davenport who presented the Operator's Report dated December 19, 2023 noting Utility Specialties this month had responded to 16 grinder calls, addressed a

generator issue at Well #2 and determined the issue was on Entergy's service line. Mr. Davenport further noted Utility Specialties had made nine line locates, repaired a sewer leak at 471 Piney Point and repaired a water leak at 1350 Woodway. Mr. Davenport reported on low pressure at Well #1 and #2 and advised the low-pressure alarms had been reset which was discussed further with the Board. Mr. Davenport also noted at Well #1, there was a callout with water coming from the tank, and it was determined there was a loose fitting on the pressure tank which was repaired. In closing, Mr. Davenport noted the battery on the generator at Well #1 had been replaced, and Utility Specialties had purchased two panels and two pumps and had four pumps and four panels in inventory. Mr. Davenport also advised that discussions were held with Automatic Pump as to the pump that went under water and issues concerning the pump. Automatic Pump agreed it would review its records on the matter and provide information to Utility Specialties. Vice President Hughes thanked Mr. Davenport for his report and asked the Board if they had any questions concerning the report and the invoices from Utility Specialties in the amount of \$8,348.43. Director Jones and Vice President Hughes both made inquiries concerning certain matters handled by Utility Specialties during the month and after discussion and upon motion duly made by Director Fox and seconded by Director Jones, the Operator's Report was approved as presented.

AGENDA ITEM NO. 5: Monthly Financial Statements. The Board recognized Mr. Turk who presented the monthly financial statements noting that due to low tax collections received so far in November or December, the District's cash accounts or operating accounts had very low balances. Mr. Turk noted the low amount of collected service fees and the receipt of Cable One quarterly franchise fee and stated he would keep the Board advised of the cash flow situation. After

discussion and upon motion duly made by Director Jones and seconded by Director Davis, the Board approved the monthly financial statements as presented.

AGENDA ITEM NO. 6: Accounts Payable. Mr. Turk made a detailed review of invoices including Automatic Pump & Equipment for the purchase of grinder pumps and panels, the TCEQ quarterly water system fee and the DXI Industries, Inc. invoice for 1,350 pounds of chlorine. Mr. Turk also noted the annual invoices from Immense Impact, LLC, Mission Communications, LLC and Munibilling for annual or 4th quarter services related to billing software of the District. Mr. Turk reviewed the invoice from Live Oak Environmental and GFL Environmental for sludge hauling and advised the total bills for payment were \$36,301.37. The Board reviewed the accounts payable, and Mr. Turk responded to questions concerning the invoices. Mr. Turk also inquired and was advised by Mr. Davenport that the District had requested GFL Environmental to haul bio solids (sludge) in the noted amount of \$3,502.08. After discussion and upon motion duly made Director Jones and seconded by Director Fox, the Board unanimously approved the accounts payable in the amount of \$36,301.37.

AGENDA ITEM NO. 7: Presentation by Leavins Engineering & Design, LLC on possible projects to submit to Texas Water Development Board. The Board recognized Jeff Leavins who provided background on Leavins Engineering & Design, LLC and advised he was there to discuss its views on possible projects to submit to the Texas Water Development Board through the Drinking Water State Revolving Fund or the Clean Water State Revolving Fund for water and/or sewer projects. The Board also recognized legal counsel who suggested that Agenda Item No . 7 and No. 8 be discussed simultaneously, and the Board agreed. Legal counsel reviewed prior bond authorizations and noted the District had relied on voter approved unlimited tax bonds for financing the capital projects. Timetables were discussed for both the discussed applications to the TWDB as

well as the timing of bond issues for voters. Legal counsel along with Mr. Leavins noted if the District wished to pursue projects through the TWDB, it would need to file a Project Information Form for both water and wastewater projects by the filing date in late March 2024. The Board discussed a number of projects including the following:

1. Hardening the water and sewer plant facilities including elevating all equipment.
2. Acquisition and installation of radio read water meters.
3. Force main improvements including the area at the end of Pinemont, Pinehurst and Pinetimbers.
4. Possible GIS Mapping or CAD mapping of District facilities.
5. Installation of equipment at the wastewater treatment plant for data collection.
6. Acquisition and installation of a third pump at Well #2.
7. Water well controllers.
8. Addition of auto flush valves within the District.

The Board again was encouraged to review these and other items and determine the projects to submit by its January 2024 meeting. The Board thanked Mr. Leavins for his report.

AGENDA ITEM NO. 8: Presentation by legal counsel on status of District bond issues and financing of capital projects by bonds/grants. This item was discussed along with Agenda Item No. 7 above.

AGENDA ITEM NO. 9: Correspondence. My Turk noted he had filed the Annual Eminent Domain Report. Mr. Turk also advised that Mr. Cormier had paid for the damages to the District's system, and the Water and Sewer Use Order with revised rates had been posted as well as information being provided on service charges by an insert on the customer water bills. Mr. Turk noted that in discussion with legal counsel, he had updated required internet postings and provided

the Notice of the upcoming May 4, 2024 Election. Legal counsel noted the election packets would be available for the filing period of January 17, 2024 through February 16, 2024.

AGENDA ITEM NO. 10: Comments from Board Members. None.

AGENDA ITEM NO. 11: Adjourn. There being no further business, the meeting was adjourned at 7:30 p.m.

President of the Board

ATTEST:

Secretary of the Board