

**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, January 16, 2024, 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:

Tim Jones

Buddy Hughes

Allen Davis

Jack Maddox

Absent: Ben Fox

Also present were Wayne Turk, Marty 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 at 6:30 p.m.

AGENDA ITEM NO. 2: Public Comments. None.

AGENDA ITEM NO. 3: Minutes. The minutes of December 19, 2023, were unanimously approved upon motion duly made by Director Davis and seconded by Director Jones.

AGENDA ITEM NO. 4: Manager's Report.

(a) Operational Report:

The Board recognized Larry Davenport who presented Utility Specialties Operator's Report noting that in December, Utility Specialties had responded to 26 grinder calls, made 9 line

locates, repaired the sewer main line at 422 Pinemont and 190 Woodmanor and had pulled booster #3 at Well #1 and took to Automatic Pump for repair. Mr. Davenport also reported that the wastewater treatment plant had a light on the pressure tank and then determined there was a damaged pressure switch in the panel which would be installed when the part arrived. Mr. Davenport noted Utility Specialties had purchased two panels and two pumps and had four pumps and four panels in inventory. A brief review followed of the invoices from Utility Specialties. President Maddox indicated he had concerns as the booster pump repair at Well #1 had left the system operating on one booster pump. A discussion followed concerning Well #1 repair issues. President Maddox then discussed the correspondence provided by Shea Kent of Automatic Pump on the timeline relative to the high-pressure pump which had been sent to Automatic Pump for a cost evaluation. A lengthy discussion followed on the responsibilities of parties for the pump noting that per Automatic Pump and based on confirmation, the pump had been scrapped. President Maddox noted he had not authorized the scrapping of the pump, and a discussion followed as to the responsibility of the District and its contractor relative to the pump. Legal counsel noted the District would be required by the Texas Water Code §49.226 to dispose of surplus property in accordance with the statute due to the value of the high-pressure pump, even with a non-operative motor, and would have required Board action but was never presented for Board consideration. Utility Specialties agreed to review the matter further and its records and would then report back.

AGENDA ITEM NO. 5: District Operations and Maintenance Contracts. President Maddox stated this was on the agenda because the Board had not reviewed its operation and maintenance contracts since 2018 except for a system administration for meter reading update dated March 29,

2021. President Maddox asked that the Board review the District’s Operation and Maintenance Contract for consideration at an upcoming Board meeting.

AGENDA ITEM NO. 6: **Order Calling May 4, 2024 Directors’ Election.** The Board was presented with an Order Calling the May 4, 2024 Directors’ Election premised upon a Joint Election Agreement with the Hardin-Jefferson Independent School District. After discussion and upon motion duly made by President Maddox and seconded by Director Jones, the Board unanimously approved Order Calling the May 4, 2024 Directors’ Election.

AGENDA ITEM NO. 7: **Authorize Jeff Leavins/LEAD Engineering to file Project Information Form with the Texas Water Development Board for Drinking Water and Clean Water State Revolving Fund Projects.** The Board recognized Jeff Leavins who reviewed the list of projects he had been provided for either Drinking Water and Clean Water State Revolving Funds project. The request was made to proceed with filing of the Project Information Form with the Texas Water Development Board for those projects for the 2025 Intended Use Plan. After discussion and upon motion duly made by President Maddox and seconded by Director Hughes, the Board unanimously authorized Jeff Leavins to file the TWDB Project Information Form for the projects as discussed.

AGENDA ITEM NO. 8: **Monthly Financial Statements.** The Board recognized Mr. Turk who reviewed the PNC Bank accounting statement of January 16, 2024. Mr. Turk noted the District had received significant service fees which were beneficial in offsetting recent accounts payable. The District accounts were running low due to the very low tax collection receipts that had been received through the Hardin County Tax Office. Mr. Turk noted he was in regular correspondence with the representatives of the tax office to determine why the District’s tax collections were very low in light of the fact that significant number of taxpayers had paid their taxes for the year. A

comment was raised that there may have been an issue in calculation of certain tax bills that were reserved in refunds by the Hardin County Tax Office. After discussion and upon motion duly made by Director Hughes and seconded by President Maddox, the Board unanimously approved the monthly financial statements as presented.

AGENDA ITEM NO. 9: **Accounts Payable.** Mr. Turk reviewed the invoices from Simply Aquatics, Inc., Automatic Pump & Equipment, Rural Pipe & Supply, as well as other billings from the TCEQ and the Southeast Texas Groundwater Conservation District. After comments from the Board and upon motion duly made by Director Hughes and seconded by Director Jones, the Board unanimously approved payment of the accounts payable in the amount of \$26,689.01.

AGENDA ITEM NO. 10: **Correspondence.** The Board recognized Wayne Turk who briefly reviewed correspondence received by the District.

AGENDA ITEM NO. 11: **Comments from Board Members.** None.

AGENDA ITEM NO. 12: **Adjourn.** There being no further business, the meeting was adjourned at 7:30 p.m.

President of the Board

ATTEST:

Secretary of the Board