

**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 21, 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 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.

AGENDA ITEM NO. 2: Public Comments. None.

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

AGENDA ITEM NO. 4: Manager's Report.

(a) Operational Report:

Mr. Davenport indicated Utility Specialties had responded to 23 grinder calls, the amount of water pumped at Well #1 was 1.03 MG and Well #2 was 1.35 MG. Mr. Davenport also noted Utility Specialties had made six line locates, met Third Coast for the TCEQ required

sampling and had addressed a problem on the valve at the main line at 311 Pinehurst, repaired the sewer line and put the check valve on the sewer line, but it was too wet to get to the main at the tap but they would provide that repair. Mr. Davenport noted Utility Specialties had purchased seven panels and nine pumps and had five pumps and five panels in inventory. After discussion and upon motion duly made by Director Jones and seconded by Director Fox, the Operational Report was approved as presented.

AGENDA ITEM NO. 5: Monthly Financial Statements. The Board recognized Mr. Turk who presented the accounting statement from PNC Bank dated March 21, 2023 and noted the District had made its bond payment on February 15, 2023 in the total amount of \$233,638.75, and the debt service account balance was \$195,099.23. Mr. Turk also noted the significant amount of accounts payable due to the purchase from Automatic Pump. Mr. Turk noted the District had collected service fees of \$15,674.35, maintenance taxes of \$21,470.03 and ad valorem taxes of \$54,182.70. Vice President Hughes asked if there were any matters for consideration, and after discussion and upon motion duly made by Director Jones and seconded by Director Fox, the financial statements were approved as presented.

AGENDA ITEM NO. 6: Presentation and discussion on budget spreadsheet. Mr. Turk stated this agenda item did not need to be addressed and could be tabled.

AGENDA ITEM NO. 7: Accounts Payable. Mr. Turk noted the payment in the amount of \$38,718.90 to Automatic Pump for nine pumps, seven panels and four grinder system packages. Mr. Turk also noted the repairs by Simply Aquatics to the leaking regulator at Well #1 and the receipt of the cost of material. The invoice from Charles E. Reed & Associates was noted in the amount of \$4,000.00 for the preparation of the 2022 audit balance sheets. After a review and upon

motion duly made by Director Jones and seconded by Director Fox, the Board approved the accounts payable in the amount of \$67,976.49.

AGENDA ITEM NO. 8: Correspondence. The Board recognized Mr. Turk who reviewed the TML Inter-Governmental Risk Pool Report on the District’s workers’ compensation coverage and provided correspondence from the Texas Water Development Board confirming the District did not have to provide a water loss audit. Mr. Turk provided his response to information requested by the U.S. Census and provided documentation to Utility Specialties with a copy of the regulations for the lead and copper inventory due in 2024.

AGENDA ITEM NO. 9: Comments from Board Members. Director Fox asked as to the lead and copper report required by the EPA and the possible cost it would be to the District. Mr. Turk stated he would provide information to the Board for their further consideration.

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

President of the Board

ATTEST:

Secretary of the Board