

**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, June 15, 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

Allen Davis

Buddy Hughes

Absent: Tim Jones

Absent: Tim Beard

Also present were Wayne Turk, representatives 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 at 6:30 p.m. by President Maddox.

AGENDA ITEM NO. 2: Public Comments. None.

AGENDA ITEM NO. 3: Minutes. The minutes of May 18, 2021 were unanimously approved upon motion duly made by President Maddox and seconded by Director Hughes.

AGENDA ITEM NO. 4: Manager's Report.

(a) Operational Report:

The Board recognized representatives of Utility Specialties who reviewed the Operational Report for June 15, 2021, including the noted response to grinder calls, water pumpage and line locates. President Maddox stated he would address these matters later in the meeting under agenda items providing administrative services for the preparation of the TWDB water loss and related reporting, repair of three water and three sewer leaks and noted Utility Specialties had two panels and two pumps in inventory. The Board was also presented with the invoices from Utility Specialties for

work performed during the preceding month. President Maddox then recognized the consultant from Utility Specialties on several matters. A review began of the recently concluded tank inspection and, per invoices from Utility Specialties, the noted invoice for inspection of the ground storage tank with robotic equipment. It was further noted the procedure was intended to identify any structural issues, levels of sediment and observance of any rust or other matters that would require possible corrective action. While not required, it was also noted OSHA-approved hatches had been installed, and President Maddox asked, and it was acknowledged that a locking device had also been added. The Board then discussed the maintenance requirements for Well No. 2 which had showed a possible 2” of sediment for removal and the possible installation of a fine mesh screen. Next, the Board discussed a chloride issue relative to the groundwater, particularly, at Water Well No. 1. The Utility Specialties consultant reviewed EPA standards and noted Well No. 1 was close to the limit for chloride and recently a testing procedure had been undertaken at the wells by TCEQ with a test result of 224 which testing was the result of a complaint. It was advised the chloride could create issues with persons who had limited ability to process salt, and both, President Maddox and the consultant indicated to the TCEQ that prior to taking any corrective measures or an addition of any chemical changes, the District was going to undertake some possible operational connections including the cleanout and removal of sediment in the tank. It was decided that Simply Aquatics would not be asked to provide any proposed chloride reduction solutions. President Maddox closed the Manager’s Report discussion with a notation that the TTHM level had dropped and were remaining within permitted levels and acknowledged the significant benefit of those flushing activities taken by the District.

AGENDA ITEM NO. 5: Monthly Financial Statements. The Board recognized Wayne Turk who presented the accounting statement from BBVA Compass Bank dated June 15, 2021, noting the deposit of service fees, the cable one fees with a correction noted. The Board thanked Mr. Turk as he acknowledged the financial condition had improved dramatically since the beginning of 2020. After discussion and upon

motion duly made by Director Hughes and seconded by President Maddox, the monthly financial statements were approved as presented.

AGENDA ITEM NO. 6: Accounts Payable. Mr. Turk reviewed various items in accounts payable which were normal operating expenses. After discussion and upon motion duly made by Director Hughes and seconded by Director Davis, the accounts payable in the amount of \$24,999.66 were approved as presented.

AGENDA ITEM NO. 7: Update status of TWDB Grant and Contract. Mr. Turk indicated there was no update but did provide the Board with the spreadsheet showing the cash flow under the TWDB Grant and acknowledged due to the late review by the TWDB of its reporting, the District had been required to pay the Amegy Bank annual fee of \$500.00. The Board thanked Mr. Turk for his report.

AGENDA ITEM NO. 8: Correspondence. The Board noted of the filing of its water audit including water loss and water usage reporting and the recent calibration of the wastewater treatment plant equipment. It was also noted the Consumer Confidence Report had been handled by Liz Will, and the Cyber Security Training Affidavit had been duly filed as well.

AGENDA ITEM NO. 9: Comments from Board Members. President Maddox provided the Board a copy of a memorandum from Charlie Adams attaching and outlining procedures as to the American Recovery Act and the possibility wastewater power checks would be qualified if funds were available through an entitlement entity such as Hardin County. Representatives of Utility Specialties along with the Board President acknowledged they would be in touch with Amanda Young at the County to discuss the possibility of the District presenting projects noted by its utility system operator for consideration and funding over the 2020-2021 funding cycle under the American Recovery Act.

AGENDA ITEM NO. 10: Adjourn. There being no further business, the meeting was adjourned at 7:30 p.m.

President of the Board

ATTEST:

Secretary of the Board