

**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, April 17, 2018, 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 Beard

Buddy Hughes

Paul Gustafson

Jody Aiena

Also present were Wayne Turk, Charlie Adams of Utility Innovations, LLC dba Utility Specialties and Guy N. Goodson of Germer PLLC as legal counsel for the District.

**AGENDA ITEM NO. 1: Call to Order.** A quorum being present, the meeting was called to order at 6:32 p.m. by President Maddox.

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

**AGENDA ITEM NO. 3: Minutes.** The Board approved the minutes of March 20, 2018 upon motion duly made by Director Beard and seconded by Director Hughes.

**AGENDA ITEM NO. 4: Manager's Report.** The Board recognized Charlie Adams who provided the Utility Specialties Report dated April 17, 2018 noting that Utility Specialties had responded to 33 grinder calls, replaced 11 grinder panels, provided line locates for Centerpoint Energy and had installed a new grinder unit at 218 Pinehurst Blvd. Wayne Turk asked certain questions on the invoices that were submitted by Utility Specialties and requested that certain costs related to

Hurricane Harvey be segregated into that file. The representatives of Utility Specialties agreed to do so. President Maddox and the Board reviewed Utility Specialties invoices, and a charge for a grain truck rental was questioned and explanation provided by Utility Specialties. After discussion and upon motion duly made by Director Beard and seconded by Director Hughes, the Manager's Report was approved as presented.

**AGENDA ITEM NO. 5: Presentation of waterline installation project status report and any requested change order.** The Board received a report from Utility Specialties on the project and was presented with Pay Estimate No. 5 in the amount of \$28,770.30. The Board reviewed the pay estimate, and it was noted that the project was 71.6% complete and the contract time used was 68.33%. After discussion and upon motion duly made by Director Hughes and seconded by Director Aiena, the waterline installation project Pay Estimate No. 5 in the amount of \$28,770.30 was approved as presented.

**AGENDA ITEM NO. 6: Cleaning and improvements in Pinewood drainage ditches.** President Maddox stated he would continue to review and look for deed instruments showing the ownership of the District for these various drainage ditches in hopes of entering into an Interlocal Agreement with the County for their cleaning and maintenance. Legal counsel stated he would look again in his files but had not located any express conveyance, although it did appear that in 1964, Pinewood Development had conveyed easements to the District.

**AGENDA ITEM NO. 7: Cost summary/estimates to provide to Federal Emergency Management Agency ("FEMA") for Public Assistance/approve actions for FEMA Public Assistance.** The Board recognized Mr. Turk who provided the summary report from Bob Vanderwerff on behalf of FEMA. Mr. Vanderwerff's report indicated that grinder pumps were completed pending final review, well #2 project is in the EHP review, the emergency work project

was in its initial review and the water well and wastewater projects were discussed as well. Mr. Turk noted that it was a very time-consuming process working with FEMA on the projects. The Board thanked Mr. Turk for his work.

**AGENDA ITEM NO. 8: Report on TML Intergovernmental Risk Pool insurance coverages and claim status.** Mr. Turk noted that the TML would not be providing any additional funding until final plans and specifications for the repair and mitigation work was submitted for their approval. Mr. Turk again reminded that the TML had advised that they had earmarked approximately \$950,000 for the District's projects excluding the grinder unit rehabilitations, and \$200,000 had been paid.

**AGENDA ITEM NO. 9: Engineering procurement for repair and mitigation projects to be submitted to Federal Emergency Management Agency ("FEMA").** The Board was given a report by the Committee appointed to review the engineering procurement responses. President Maddox reviewed the responses and the scoring for each response. President Maddox also noted that two firms received a score of 100%, and the Committee recommended the selection of LJA Engineering. The Board reviewed the scoring for each firm submitted, and President Maddox indicated that LJA was proposed for selection because of its familiarity with the Scada System of the District and that LJA had an electrical engineer on staff, so the District would not have to separately procure such engineering services. After discussion and upon motion duly made by President Maddox and seconded by Director Aiena, the Board approved the selection of LJA as consulting engineer for the District for its pending repair mitigation projects and asked that legal counsel and Jeff Leavins of LJA draft for review by the Board an engineering services agreement. Legal counsel noted again that any reference in service agreements to cost plus pricing would not be allowed.

**AGENDA ITEM NO. 10: Bid notice and bid documents for Well #2 and Sewer Plant repairs.**

This agenda item was tabled. Legal counsel noted this was placed on the agenda but would be subject to TML funding and after approved plans and specifications were provided by LJA.

**AGENDA ITEM NO. 11: Monthly Financial Statements.** The Board received the accounting statement from Compass Bank dated April 17. A review of the accounting statement was made by Wayne Turk. After discussion and upon motion duly made by Director Beard and seconded by Director Aiena, the financial statements were approved as presented.

**AGENDA ITEM NO. 12: Accounts Payable and payment for bond project improvements.**

The Board received and reviewed bills payable in the amount of \$43,715.15 including the acquisition of grinder panels and grinder units from Automatic Pump. The Board also reviewed the bond payment invoices including the payment to T. Johnson Industries for the waterline improvement project. After discussion and upon motion duly made by Director Hughes and seconded by Director Aiena, the accounts payable were approved as presented.

**AGENDA ITEM NO. 13: Report on notification of appraised values from Hardin County**

**Appraisal District.** The Board then recognized Wayne Turk who indicated that within the next few weeks, the District should anticipate receipt of preliminary appraised values from the Hardin County Appraisal District. Mr. Turk indicated that the initial reports were that the appraised values in the District would drop approximately 60%.

**AGENDA ITEM NO. 14: Correspondence.**

Mr. Turk noted that legal counsel had advised of the Texas Water Development Board's opening of project information forms for certain grant and loan funding for disaster relief. Mr. Turk indicated he had initiated the draft of the Project Information Form (PIF) so that the District could proceed with a grant application. Mr. Turk also noted that the

sewer plant permit renewal was progressing and may be available in the next 2 months for approval. Additional reports from the State and the discharge monitoring reports were presented.

AGENDA ITEM NO. 15: Comments from Board Members. President Maddox indicated that he had received the payment from Centerpoint in the amount of \$9,500.

AGENDA ITEM NO. 16: Adjourn. There being no further business, the meeting was adjourned at 7:55 p.m.

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President of the Board

ATTEST:

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Secretary of the Board