

**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 Monday, February 10, 2025, 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

Ben Fox

Absent: Buddy Hughes

Allen Davis

Tim Jones

Also present were Wayne Turk, Joey Keel of Keel Enterprises 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 President Maddox at 6:30 p.m.

AGENDA ITEM NO. 2: Public Comments. None.

AGENDA ITEM NO. 3: Minutes. The minutes of January 13, 2025, were unanimously approved upon motion duly made by President Maddox and seconded by Director Davis.

AGENDA ITEM NO. 4: Contract Operator/Maintenance Supervisor's Report, including review of the following:

- (a) **Operational Report.** The Board recognized Joey Keel who presented his Operations Report of February 1, 2025 for operations for the month of January 2025. Mr. Keel reported that Keel Enterprises had reported on 21 grinder calls and three (3) leaks, that it currently had two (2) control panels and no grinder pumps in inventory but had utilized two (2) grinder stations in installations. Mr. Keel noted that all had been done and timely reported

along with meter readings. Mr. Keel then reported on issues at Wastewater Treatment Plant #1 during the freeze and provided an update on meter replacement and status of meters at the District's Conex box. Keel Enterprises also serviced the blowers at the Wastewater Treatment Plant, dug up and replaced two (2) failed check valves in the sewer system, bladed rock at all District facilities due to wet weather, and Mr. Keel noted that two (2) water main repairs had occurred, one (1) at the saddle at Pinehurst and Pine Glenn and a leaking valve at Pinehurst and Piney Point. It was also noted that customary District operations were reported. Following Mr. Keel's report, questions followed from the Board members, and Mr. Keel also responded to a question concerning the high-level sludge alert at the Wastewater Treatment Plant and noted other operational issues during the month. Following conclusion of the report and upon motion duly made by President Maddox and seconded by Director Jones, the Operations Report and Office Operations Report were approved unanimously as presented.

AGENDA ITEM NO. 5: Monthly Financial Statements. The Board recognized Mr. Turk who provided the Accounting Statement from PNC Bank effective through February 10, 2025. Mr. Turk reviewed in detail the debt service payments made by cashier's check to Bank of New York Mellon and the pending payment due February 15, 2025 to PNC Bank in the amount of \$192,470.00. It was noted by Mr. Turk and a discussion followed that the PNC was the final payment due on that bond issue, and Mr. Turk also showed on the accounting statement, the bank charges for the month and the interest earned on the District's deposits, and advised that after consultation with PNC Bank, the bank had agreed to reduce its fee from 4% to 1.9% to enable the District to equate more closely its previous earnings on its debt service deposit fund to its debt service bank charges. Mr. Turk also noted the water and sewer service fee of \$5,000.00 at 107 Woodshire and noted the service fees for the prior month as \$33,978.15. Following a review of the accounts payable and upon motion duly made by Director Jones and seconded by President Maddox, the monthly financial statements were unanimously approved.

AGENDA ITEM NO. 6: Accounts Payable. Mr. Turk noted that there were several higher than normal invoices that he would discuss, but he began by his presentation that Live Oak Silsbee had increased their waste hopper charge by \$20.00. A discussion followed on the possibility of soliciting service from Republic, and Mr. Keel stated he would provide further information to the Board on the availability of the Wastewater Treatment Plant waste hopper service. Mr. Turk then noted the \$15,480.00 account payable at Automatic Pump, but noted that included four (4) pumps and two (2) grinder stations, and that Mr. Keel had addressed these as installations or in the District Conex in his report. Mr. Turk also reviewed the Radley Electric, Inc. invoice in the amount of \$17,278.52, which included the transformer installation and connection to the District's new generator accounting for approximately \$11,000.00 of the Radley invoice. Mr. Turk concluded his review of the accounts payable by noting the meters and meter box purchases from Rulal Pipe & Supply in the amount of \$1,019.28. Mr. Turk then requested approval of the accounts payable in the amount of \$57,911.02. After questions from Board members and upon motion duly made by Director Jones and seconded by Director Fox, the accounts payable were approved for payment as presented.

AGENDA ITEM NO. 7: Correspondence. Mr. Turk provided information to Mr. Keel and presented a letter from the Texas Municipal League and closed with noting that Hawkins had provided two (2) chemical tanks to the District at no charge. The Board then recognized President Maddox who asked that the Board consider review of the billing for the Pinewood Country Club and that he would make some calculations relative to billing for other out of District customers and provide that to the Board for their consideration at the March meeting. The Board then returned to a recognition of Mr. Turk who indicated for the benefit of the Board, and analysis of the Budget year to date, noting that the Board was below budget on certain operational and repair costs.

AGENDA ITEM NO. 8: Comments from Board Members. President Maddox then returned to the earlier discussion of the payment of the District bond to PNC Bank and a brief discussion followed to include on the next Board agenda, a discussion of potential projects for funding through programs of the

Texas Water Development Board or through public market financing, such that a bond issue might be presented to the voters by August 2025 for an election in November 2025.

AGENDA ITEM NO. 9: **Adjourn.** There being no further business, the meeting was adjourned at 7:15 p.m.

President of the Board

ATTEST:

Secretary of the Board