

**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, January 13, 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

Buddy Hughes

Absent: Allen Davis

Absent: 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 December 9, 2024, were unanimously approved upon motion duly made by Director Fox and seconded by President Maddox.

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

- (a) **Operational Report.** The Board recognized Joey Keel who advised that responses had been made to 19 grinder calls and 4 leaks in the month of December. He also noted that all sampling requirements were made and provided timely without any issues. Mr. Keel did notice that in reading meters, the employees of Keel Enterprises had found several damaged or missing meter boxes, and 12 meter box lids had been replaced. Mr. Keel noted the air

relief valve on the well header was leaking and had been replaced, the new turbine master meter at well #2 had been replaced, and Keel Enterprises had wrapped and winterized all exposed pipes at the District's operating plants. Mr. Keel then advised that 2 new taps would be coming, and the Board requested that he acquire new equipment. Mr. Keel was also directed to acquire service meters in the system that had failed. Finally, Mr. Keel noted that the TClip sludge analysis was done, and it was determined to be good for the life of the permit. Mr. Keel stated that due to an elevation in leaking issues, Keel Enterprises requested and the Board approved, the replacement of the grinder tank at 451 Pinemont. The Board then entered a discussion on the finalizing of the TCEQ notice of violation letter, certain repairs including replacement of fuses and a control panel as well as operational issues giving rise to increase water depth briefly in the wastewater treatment plant. After further discussion, Mr. Keel advised that the generator provided to the District by the City of Sour Lake had gone through its initial startup successfully and was ready for operation. President Maddox asked that the District present a letter of gratitude to the City of Sour Lake which Mr. Turk stated he would prepare. The Board thanked Mr. Keel for his report, and after discussion and upon motion duly made by Director Hughes 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 reviewed the accounting statement from PNC Bank dated January 13, 2025, noting the significant event of service fees in the amount of \$29,115.90 and the payment of additional taxes to provide for the bond payment on February 15, 2025, of \$237,663.75 which would leave the District with approximately \$28,090.79. Mr. Turk also reported on the receipt of certain District fees. After discussion and upon motion duly made by Director Fox and seconded by President Maddox, the monthly financial statements were approved as presented.

AGENDA ITEM NO. 6: Accounts Payable. Mr. Turk advised of an invoices from Keel Enterprises, LLC, PVS DX, Inc. for purchase of chlorine, purchase of four (4) pumps from Automatic Pump & Equipment in the amount of \$10,646.00 and Hawkins, Inc. for 656 pounds of phosphate chemicals in the amount of \$1,666.61. Mr. Turk also reviewed the invoice from Accurate Utility Supply, LLC of 4-inch meter parts in the amount of \$2,350.00, the invoice for Rural Pipe & Supply, Mission Communications, LLC as well as the payment of the Annual Regulatory Assessment Fee to the Texas Commission on Environmental Quality and finally referenced the payment to Sieben Equipment Service, Inc. for generator repairs. After discussion and upon motion duly made by Director Hughes and seconded by Director Fox, the Board unanimously approved payment of the accounts payable in the amount of \$41,987.77.

AGENDA ITEM NO. 7: Auditor for 2024 audit. The Board reviewed the audit engagement letters from Mitchell Fontenote & Associates as well as Reed & Associates. After discussion and upon motion duly made by President Maddox and seconded by Director Hughes, the auditor and engagements were approved as presented.

AGENDA ITEM NO. 8: Correspondence. Mr. Turk reviewed correspondence from the Texas Water Development Board on the Water Use Survey and provided same to Keel Enterprises for completion.

AGENDA ITEM NO. 9: Comments from Board Members. None.

AGENDA ITEM NO. 10: Adjourn. There being no further business, the meeting was adjourned at 7:07 p.m.

President of the Board

ATTEST:

Secretary of the Board