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 9, 2026, 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

Allen Davis

Buddy Hughes

Absent: Tim Jones

Also present were Wayne Turk, Joey Keel of Keel Enterprises, Jeff Leavins of Leavins Engineering & Design, LLC, 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 12, 2026, were unanimously approved upon motion duly made by Director Fox 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 Mr. Keel who presented the Operational Report for the month noting that Keel Enterprises had responded to 17 grinder calls and 4 sewer leaks. It was also noted that the meters were read on January 31, and ten (10) water meter box lids were replaced. In relationship to projects, Mr. Keel stated the generator at the wastewater treatment plant had been repaired by Sieben Equipment Service. Mr. Keel also noted they repaired a leak on the 8" water line on well site #2 that triggered a boil water notice for the rear section of the subdivision. As to pending projects, it was noted that the site glass on the pressure tank had been replaced due to the freeze, a new water tap was installed at 280 Idylwild Drive and all sampling had been timely prepared. Mr. Keel briefly returned to the outage at well site #2 which did not effect the front areas within Pinewood, and it was possible the District needed to do a isolation check for an air pocket in its waterline since it resulted in no affect from the outage in the front areas, and President Maddox joined in explaining the cause of the leak. The Board discussed with its engineer conducting the flow volume test to determine if, in fact, the District had a possible air pocket in the line that would need to be addressed. After discussion and upon motion duly made by Director Hughes and seconded by Director Fox, the Operations Report was approved as presented.

AGENDA ITEM NO. 5: **Order Calling May 2, 2026, Directors' Election.** Legal counsel noted that the District would be conducting an election on May 2, 2026, for the matter of election three (3) Directors, and the deadline for receiving application packets was Friday, February 13, 2026. Legal counsel was assured that all Director positions would have a candidate for the election. After discussion and upon motion duly made by President Maddox and seconded by Director Fox, the Order Calling May 2, 2026, Directors' Election was approved as presented.

AGENDA ITEM NO. 6: **Paul Preston Capacity Request.** The Board recognized Jeff Leavins who said he had been in contact with the proposed developer and felt that the District may be acting upon the capacity request of Mr. Preston at its March Board meeting. President Maddox restated that both for Mr. Preston and Mr. Arcana, the District needed to submit invoices for the capacity studies that had been undertaken.

AGENDA ITEM NO. 7: **John Arcana, Janco Investments Capacity Request.** The Board again recognized Jeff Leavins who said he had been in contact with the proposed developer and indicated that due to the opposition from adjacent property owners, Mr. Arcana was evaluating the capacity request. Mr. Leavins stated it was unlikely that Mr. Arcana may pursue the replat of the lots.

AGENDA ITEM NO. 8: **Water and Wastewater Projects and Funding.** The Board again recognized Jeff Leavins who presented the outline of the water and wastewater projects that had been submitted to the Texas Water Development Board for funding consideration under both the Drinking Water and Clean Water State Revolving Funds. A discussion followed on the items that were proposed, and it was noted that Mr. Leavins would update and file revised project information forms for both the water and wastewater system improvement projects including as legal counsel noted updated budgets that would include new project and engineering costs as well as the addition of non-construction costs and closing fees to the Texas Water Development Board. Legal counsel also noted that the District needed to contact James Gilley of U.S. Capital Advisors LLC to secure a proposal for financial advisory services to be included on the March agenda. The Board thanked Mr. Leavins for his report, and noted that in the projects that had been presented, the District could also include in the water project mapping of the system, and in the wastewater project, the District might consider including a force main system upgrade as recommended by President Maddox along with possibly adding a line item for a third pressure pump which would all be included by Mr. Leavins in his proposed revised and updated project information forms.

AGENDA ITEM NO. 9: **Approve Auditor for 2025 Audit.** The Board recognized Mr. Turk who made a presentation as to an auditor. After discussion and upon motion duly made by Director Hughes and seconded by Director Fox, the Board unanimously approved the engagement of Mitch Fontenote & Associates to perform the 2025 audit on behalf of the District.

AGENDA ITEM NO. 10: **Monthly Financial Statements.** The Board again recognized Mr. Turk who presented the PNC Bank statement showing service fees of $36,610.51, two new services at 280 Idylwild and 443 Pinemont and revenue collections for the month of $46,610.59. Mr. Turk reviewed the bond payment to be made through BNY Mellon in the amount of $89,443.79. After discussion and upon motion duly made by Director Fox and seconded by Director Davis, the financial statements were approved as presented.

AGENDA ITEM NO. 11: **Accounts Payable.** The Board recognized Mr. Turk who reviewed the accounts payable including operation and maintenance costs that had been identified in the engineering report in the payment to Keel Enterprises. Mr. Turk also reviewed specifically payments to Aero-Mod for the floating skimmer head assembly, Global Treatment for the purchase by Keel Enterprises of the required chlorine scale as well as the invoice to Sieben Equipment Service for the generator transfer switch repair. After discussion and upon motion duly made by Director Hughes and seconded by Director Fox, the Board unanimously approved the accounts payable in the amount of $30,983.79.

AGENDA ITEM NO. 12: **Correspondence.** Mr. Turk presented a TCEQ Notice of Violation dated 12/31/2025 noting a deficiency in the submitted consumer confidence report. The Board recognized Mr. Keel who indicated that there was a new inclusion for a lead copper inventory in the consumer confidence report which had been submitted following the receipt of the Notice of Violation, so the matter was resolved.

AGENDA ITEM NO. 13: **Comments from Board Members.** None.

AGENDA ITEM NO. 14: **Adjourn.** There being no further business, the meeting was adjourned at 7:17 p.m.

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President of the Board

ATTEST:

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Secretary of the Board