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, March 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 February 9, 2026, were unanimously approved upon motion duly made by Director Fox and seconded by Director Hughes.

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 2 sewer leaks, and the District currently had 1 control panel and 2 grinder pumps in inventory. It was also noted that all sampling results and monthly regulatory filings had been made timely. Mr. Keel stated they had installed a long water tap at 280 Idylwild Drive, maintenance work had been conducted at the wastewater treatment plant, replacement of 150' electrical underground service was performed at 207 Pinehurst as well as a 2" curb stop and meter flanges replaced at 1242 E. Pine Shadows. Mr. Keel further noted that in working with the District, the water use survey and Homeland Security reporting had been submitted, and one new water service had gone in for a new build at 443 Pinemont. Per a request from the previous Board meeting, Mr. Keel noted that a draw down simulation at the back well had shown significant PSI draw. After discussion and upon motion duly made by Director Fox and seconded by President Maddox, the Operations Report was approved as presented.

AGENDA ITEM NO. 5: **Unopposed Candidates for the May 2, 2026, Directors Election.** The Board recognized legal counsel who presented two documents for execution including the Certification and Order as to Unopposed Status noting that three (3) Director positions were up for election on May 2, 2026, and only three (3) candidates had filed for these same positions, and therefore, the District, pursuant to Texas Election Code §2.051(b), could provide notification of unopposed status of the Directors and move forward with the cancellation of the upcoming Directors' election. After review of the Certification and Order as to Unopposed Status, the Board unanimously approved same upon motion duly made by Director Hughes and seconded by Director Fox.

AGENDA ITEM NO. 6: **Paul Preston Capacity Request.** The Board recognized Wayne Turk who advised he had received the $1,250 capacity study payment from Mr. Preston. The then recognized Jeff Leavins who advised that Mr. Preston was requesting the 60 units that were considered in the capacity request and reaffirmed the District's available water and sewer capacity. After discussion and upon motion duly made by President Maddox and seconded by Director Hughes, the Board granted capacity approval for Paul Preston for 60 units and directed legal counsel to prepare the capacity approval correspondence to Mr. Preston also noting the 1-year time period for the capacity guarantee.

AGENDA ITEM NO. 7: **John Arcana, Janco Investments Capacity Request.** The Board again recognized Mr. Turk who advised that the capacity study to provide proposed service had not been paid by Mr. Arcana or Janco Investments, and based on prior information received, it was anticipated that this request would not proceed, but Mr. Arcana and Janco were still responsible for the capacity study. The Board directed Mr. Turk to notify Mr. Arcana that the capacity study fee was due, and service to any of the current three lots owned by Mr. Arcana or Janco Investments which were the subject of the capacity study would not receive service until the capacity study payment had been received.

AGENDA ITEM NO. 8: **Water and Wastewater Projects and Funding.** The Board again recognized Jeff Leavins who noted that the project information forms for both the water and wastewater projects had been filed with the Texas Water Development Board, and the steps ahead would be for the development by the Texas Water Development Board for its Drinking Water and Clean Water State Revolving Funds, the intended use plan that graded project information forms and then set the priorities for which the Texas Water Development Board would possibly provide financing.

AGENDA ITEM NO. 9: **Monthly Financial Statements.** The Board again recognized Mr. Turk who presented the PNC Bank statement showing service fees of $34,646.10 and a Cable One franchise fee of $956.49. The bond payment was then reviewed to Bank of New York Mellon as of February 15, 2026, in the amount of $89,543.75. Finally, Mr. Turk noted the maintenance tax collections were now exceeding the ad valorem collections due to the declining amount of outstanding ad valorem tax supported debt. After discussion and upon motion duly made by Director Hughes and seconded by President Maddox, the financial statements were approved as presented.

AGENDA ITEM NO. 10: **Accounts Payable.** The Board recognized Mr. Turk who reviewed the accounts payable noting a number of returned checks, and one in particular at 1014 Pine Needles where the account holders had moved out and left an account balance of $461.30. A discussion followed, and it was noted by legal counsel that the District would ensure that no service was reconnected for these account holders without satisfying this balance, and the County attorney could be contacted concerning the collection of this fee for the use of utility service without payment. The Board further reviewed the accounts payable including the Rural Pipe & Supply containing the curb stop for the repair previously mentioned as well as the purchase of additional grinder pumps through Automatic Pump. After discussion and upon motion duly made by Director Fox and seconded by Director Davis, the Board unanimously approved the accounts payable in the amount of $32,503.54.

AGENDA ITEM NO. 11: **Correspondence.** Mr. Turk presented a notification from the Texas Rural Water Association requesting the District's possible consideration of membership, TCEQ correspondence noting that the District's consumer credit report was in compliance, Texas Municipal League on cyber security, the Texas Workforce Commission on the District grading as well as TML correspondence on the insurance exposure summary.

AGENDA ITEM NO. 12: **Comments from Board Members.** None.

AGENDA ITEM NO. 13: **Adjourn**. There being no further business, the meeting was adjourned at 7:12 p.m.

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President of the Board

ATTEST:

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Secretary of the Board