

**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, May 13, 2024, 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:

Ben Fox

Tim Jones

Jack Maddox

Buddy Hughes

Absent: Allen Davis

Also present were Wayne Turk, Joey Keel of Keel Enterprises, Jeff Leavins of Leavins Engineering & Design, LLC 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 April 8, 2024, were unanimously approved upon motion duly made by Director Jones and seconded by President Maddox.

AGENDA ITEM NO. 4: 2023 Audit. Due to the weather, Mr. Turk indicated the auditors were not present, but he presented the audit report prepared by Mitchell T. Fontenote CPA, Inc. including information relative to the District's financial and supplemental audit information required for the TCEQ. Mr. Turk noted the audit was a clean opinion with no complaints or issues from its auditor. Questions followed on matters including revenues and expenses compared to budget year-to-date,

and after discussion and upon motion duly made by President Maddox and seconded by Director Fox, the Board unanimously approved for filing the District's 2023 audit report, and Mr. Turk indicated the audit confirmation would be filed with the TCEQ.

AGENDA ITEM NO. 5: Lindsey Application for Property Tax Refund. Mr. Turk noted this was a requirement from the County as the taxpayer had filed a protest due to the County's failure to provide two qualifying exemptions. After discussion and upon motion duly made by Director Fox and seconded by Director Hughes, the Board authorized the tax overpayment of \$677.09, and Mr. Turk noted the District did not have to write a check for this amount it could simply be reduced from the future tax receipts received through the County.

AGENDA ITEM NO. 6: Contract Operator/Maintenance Supervisor's Report, including review of the following:

Operational Report. The Board recognized Joey Keel who reviewed the operations report indicating Keel Enterprises had responded to 28 grinder calls, provided detailed information on water pumpage and inventory of District control panels and grinder pumps along with information on timely submittal of water samples and results with no effluent issues. Mr. Keel noted there had been 5 utility locates, various projects at the wastewater treatment plant had been completed and certain projects including the drum screen had been evaluated and was waiting on estimates for repair. Other operational and plant related issues were reviewed, and President Maddox thanked Mr. Keel for additional work on electrical duct sealant on panels and other matters including cleanup and organization of District facilities. Mr. Keel discussed the grinder installation on Plangdon Blvd., the purchase for the wastewater treatment plant servicing the generator at Well #1, replacing additional vents and gasgets and provided the cost per meter for drive by service and reconstituting the cost for

materials for the standard grinder installation. Mr. Keel finally advised of the utility meter reading and billing services along with notices and disconnects provided in the previous month. The Board then entered a discussion on the meter replacement project and outstanding billing issues.

AGENDA ITEM NO. 7: **Engineer Presentation on Water Quality Issues.** The Board recognized Jeff Leavins regarding water quality issues and possible outline of projects. He advised the Board he had received an estimate from Anthony Benett Consulting for possible work associated with a water quality analysis at Well #1 and #2 including service and scope primarily on behalf of the proposed consultant providing the initial task with an optimal corrosion control system with a designation followed by a determination of water quality objectives and potential treatment for primary and secondary drinking water. The Board thanked Mr. Leavins for his report.

AGENDA ITEM NO. 8: **Approval of Engineering Proposed Utility System Projects.** After discussion and upon motion duly made by Director Fox and seconded by Director Hughes, the Board approved the request for proposed utility system projects as presented.

AGENDA ITEM NO. 9: **Monthly Financial Statements.** The Board recognized Mr. Turk who reviewed the accounting statement dated May 13, 2024 noting significant service fees in the amount of \$35,638.60, a new water tap fee for 1434 Woodway and an additional collection of operation and maintenance tax as well as ad valorem taxes. Mr. Turk noted the financial condition of the District was presently in good order. After discussion and upon motion duly made by Director Hughes and seconded by Director Jones, the Board approved the financial statements as presented.

AGENDA ITEM NO. 10: **Accounts Payable.** The Board again recognized Mr. Turk who reviewed the returned checks as noted in the operator's report for possible service disconnection. The Board also was presented the Keel Enterprises invoice in the amount of \$18,391.83, an invoice

on the TCEQ testing protocols, and Mr. Turk thanked Mr. Keel for providing information on the requirement for these reports. The Board reviewed the invoice from Radley Electric for Well #1 motor connection, the invoice from Lonestar Hydrants & Utility for hydrant repair in the amount of \$1,998.89 as well as the Magnum Flow & Environmental invoice for the sludge removal in the amount of \$10,500 for a total accounts payable of \$42,887.78. After discussion and upon motion duly made by Director Hughes and seconded by Director Jones, the accounts payable were approved for payment as presented.

AGENDA ITEM NO. 11: Correspondence. The Board recognized Mr. Turk who indicated he was providing certain reporting requested from TCEQ to Mr. Keel for response. President Maddox noted that he would contact legal counsel to finalize easements required at 1434 Woodway. The Board also discussed the previously presented lead/copper compliance report and the amount completed by Keel Enterprises. Mr. Turk then provided information received on emergency operation planning and information requested from the East Texas Water Planning Group on projects for possible SWIFT funding through the Texas Water Development Board.

AGENDA ITEM NO. 12: Comments from Board Members. President Maddox indicated he wanted the Board to place on an upcoming agenda the service outside the District in anticipation of an additional customer request, and it was further noted that the Board had discussed and proceeded with the proposal of LEAD, and questions were raised relative to information provided by Simply Aquatics report.

AGENDA ITEM NO. 9: Adjourn. There being no further business, the meeting was adjourned at 8:05 p.m.

President of the Board

ATTEST:

Secretary of the Board