

**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, June 9, 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 May 12, 2025, 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 Joey Keel who presented the Operations Report dated June 9, 2025, and stated in the month of May, Keel Enterprises responded to 10 grinder calls, repaired five leaks, all sampling and reports were read, as required,

and submitted to TCEQ. Mr. Keel stated that Keel Enterprises had also installed a new grinder station at 107 Woodshire and was waiting on a quote for a spare 15hp motor for the well site. Mr. Keel also provided an update on the work at Well #2 and advised that two rotation assemblies had been installed, and the rotation assembly was currently being rebuilt. Mr. Keel then reported that the work at Well #1 on the tank rehabilitation was underway. He advised that a small leak had occurred at 214 Pinehurst, but Keel Enterprises was having difficulty gaining access to the right-of-way due to fencing. A lengthy discussion followed, and President Maddox stated he would attempt to contact the property owner, so the leak could be repaired. Director Fox asked about a prior leak on Woodshire that resulted from the District's line being damaged due to a fallen tree limb. The Board asked Mr. Keel to elaborate on the charges that had been incurred, and Mr. Keel provided information as requested. After discussion and upon motion duly made by Director Fox and seconded by Director Hughes, the Board directed that half of the cost for the District line repair be charged to the customer. The Board thanked Mr. Keel for his report and after discussion and upon motion duly made by Director Hughes and seconded by President Maddox, the Operations Report was approved as presented.

AGENDA ITEM NO. 5: Monthly Financial Statements. The Board recognized Mr. Turk who presented the accounting statement from PNC Bank dated June 9, 2025, noting service fees of \$34,583.98 and the Cable One fee of \$545.13. Mr. Turk also updated the Board on the debt service obligation payable in August 2025 and noted an account transfer of \$5,000.00 on May 13, 2025. After discussion and upon motion duly made by Director Fox and seconded by Director Hughes, the financial statements were approved as presented.

AGENDA ITEM NO. 6: Accounts Payable. Mr. Turk indicated there were several unusual items and began with advising the Board that in order to mitigate fraud, it had been suggested that all checks only be executed with gel ink pins, and the District had to acquire envelopes resulting in the noted expenditure of \$1,205.27. Mr. Turk also noted the acquisition of two (2) grinder pumps from Automatic Pump & Equipment, 450 pounds of chlorine from PVS DX, Inc. and the acquisition of tapping saddle and fittings from Rural Pipe & Supply. Mr. Turk then reviewed the auditor invoice in the amount of \$6,000.00 which was presented for payment along with the Hardin County Pump Tech invoice for replacing the rotating assembly at Pump #2 at Well #2 that was mentioned during the Operator's Report. After discussion, Mr. Turk requested approval for payment of invoices in the amount of \$49,610.34. 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 \$49,610.34.

AGENDA ITEM NO. 7: Correspondence. The Board recognized Wayne Turk who presented information from the Texas Workforce Commission and the Texas Municipal League. He also provided an email from Director Tim Jones noting certain medical issues that kept him from attending meetings and stating the Board may wish to consider a replacement. Mr. Turk also noted that the annual audit had been filed timely with the TCEQ and posted on the EMMA website. Mr. Turk then mentioned that he along with legal counsel and financial advisors had responded to a Rating Request Questionnaire from Standard & Poor's, and Mr. Turk also indicated that he was working to provide information required by the auditor on additional reporting for system operations on water pumpage vs. billing. Mr. Turk closed with presenting an overview of the budget to date. The Board then thanked Mr. Turk.

AGENDA ITEM NO. 8: Comments from Board Members. President Maddox stated recent issues that had to be addressed in filings with the TCEQ, but the matters had been resolved.

AGENDA ITEM NO. 9: Adjourn. There being no further business, the meeting was adjourned at 7:07 p.m.

ATTEST:

President of the Board

Secretary of the Board