

**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 Tuesday, August 15, 2023, 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

Buddy Hughes

Absent: Jack Maddox

Absent: Allen Davis

Also present were Wayne Turk, Mary Adams and Larry Davenport of Utility Specialties 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 Vice President Hughes at 6:32 p.m.

AGENDA ITEM NO. 2: Public Comments. None.

AGENDA ITEM NO. 3: Minutes. The minutes of July 18, 2023 were unanimously approved upon motion duly made by Director Fox and seconded by Director Jones.

AGENDA ITEM NO. 4: Manager's Report.

(a) Operational Report:

The Board recognized Mr. Davenport and Marty Adams who presented the Manager's Report of August 15, 2023. Mr. Davenport reported that Utility Specialties had responded to 20 grinder calls, nine line locates, replaced the battery on the SCADA at Well #1, made one

grinder installation and changed one check valve at the main. Mr. Davenport noted the significantly high water pumpage at Well #2 in the amount of 3.10 MG average of 100,087 gallons per day and the monthly total of water pumped was 4.86 MGD. Mr. Davenport was asked to discuss a recent line break and the actions to repair that line. Director Jones discussed the drought contingency planning along with possible pressure and capacity issues. A response was provided by Mr. Turk and legal counsel who stated the Board had adopted a Drought Contingency Plan which might be reviewed and updated as necessary. After discussion and upon motion duly made by Director Jones and seconded by Director Fox, the Board unanimously approved the Operational Report.

AGENDA ITEM NO. 5: **Water Treatment Plant Permit renewal.** The Board recognized Mr. Turk who advised the water treatment plant permit renewal publication and posting requirements had been met, and the District was simply awaiting the renewed permit from the TCEQ.

AGENDA ITEM NO. 6: **Monthly Financial Statements.** The Board recognized Mr. Turk who presented the PNC account statement dated August 15, 2023 noting service fees of \$24,882.88, a \$754.48 maintenance tax payment and \$1,904.03 ad valorem tax payment. Mr. Turk also noted an inter account transfer for the purpose of paying July accounts payable. Mr. Turk also noted he had paid the interest payment and agency fees required as to the bond payment. After discussion and upon motion duly made by Director Jones and seconded by Director Fox, the Board unanimously approved the monthly financial statements as presented.

AGENDA ITEM NO. 7: **Accounts Payable.** Mr. Turk presented the accounts payable in the amount of \$26,678.28, noting the significantly higher returned checks from customers, the materials acquired through Simply Aquatics and the payment for panels and other equipment from Automatic Pump as well as the payment of legal fees for the months of June and July. Finally, Mr. Turk

discussed the annual payment to the Texas Excavation Safety System (811 Program). After discussion and upon motion duly made by Director Jones and seconded by Director Fox, the Board unanimously approved the accounts payable in the amount of \$26,678.28.

AGENDA ITEM NO. 8: **Budget updates.** No action.

AGENDA ITEM NO. 9: **2023 Certified Tax Roll.** Legal counsel asked to be recognized and requested the Board table agenda items 9-12 as the certified tax roll had not been received, but only a certified estimate. It was further stated the Board should set a special meeting as soon as the Hardin County Appraisal District was able to produce the 2023 certified tax roll, and the Board concurred.

AGENDA ITEM NO. 10: **Set preliminary 2023 debt service and maintenance and operation tax rates for the District.** Tabled.

AGENDA ITEM NO. 11: **Set date and provide for publication of public hearing on proposed tax rate.** Tabled.

AGENDA ITEM NO. 12: **Action to submit tax rate reports to Hardin County.** Tabled.

AGENDA ITEM NO. 13: **Correspondence.** The Board recognized Mr. Turk who provided correspondence from the Southeast Texas Groundwater District, correspondence related to the approved budget of the Hardin County Appraisal District and noted the District was still awaiting transfer to Lead Engineering of files from LJA Engineering.

AGENDA ITEM NO. 14: **Comments from Board Members.** Vice President Hughes recognized Director Jones who indicated the Board needed to begin consideration of director replacements which may be required in May 2024, and a discussion followed on soliciting more community support for District involvement.

AGENDA ITEM NO. 15: Adjourn. There being no further business, the meeting was adjourned at 7:24 p.m.

President of the Board

ATTEST:

Secretary of the Board