

**MINUTES OF A PUBLIC HEARING & REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
HARDIN COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 1**

A public hearing and regular meeting of the Board of Directors of the Hardin County Water Control & Improvement District No. 1 was held on Monday, September 9, 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

Allen Davis

Jack Maddox

Absent: Buddy Hughes

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 6:00 p.m.

AGENDA ITEM NO. 2: Public hearing on proposed 2024 tax rate. President Maddox opened the public hearing on the tax rate and asked for comments noting there were no citizens in attendance.

- a. Comments from Board members. None.
- b. Comments from citizens. None.
- c. Close public hearing. President Maddox closed the public hearing.

AGENDA ITEM NO. 3: Public Comments. None.

AGENDA ITEM NO. 4: 2024 Tax Rate (debt rate and maintenance tax rate). President Maddox recognized Wayne Turk who distributed the previously presented tax rate information that was published in the Notice of Hearing on Tax Rate in the Beaumont *Examiner* as required by the Texas Property Tax Code. President Maddox noted the Board previously set the proposed tax rate for maintenance and operation as \$0.105308/\$100.00 valuation and the proposed ad valorem/debt service

rate at \$0.196692/\$100.00 valuation for a total tax rate of \$0.302000/\$100.00 valuation. The Board was also advised the District's exemptions to be granted would be Over 65 - \$40,000.00 and the Disabled Veterans Exemption as required by law. After presentation and upon motion duly made by President Maddox and seconded by Director Jones, the Board unanimously approved the following tax rate:

- Maintenance & Operations: \$0.105308/\$100
- Ad Valorem/Debt Service: \$0.196692/\$100
- Total Tax Rate: \$0.302000/\$100

Also, the Board provided the following tax exemptions:

- Over 65 \$40,000.00
- Disabled Veterans Exemption (Standard) as provided by law.

AGENDA ITEM NO. 5: Minutes. The minutes of August 12, 2024, were unanimously approved upon motion duly made by President Maddox and seconded by Director Fox.

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

- (a) **Operational Report.** The Board recognized Joey Keel who presented his Operations Report noting Keel Enterprises had responded to 13 grinder calls and two water leaks in August and noted the District had three (3) control panels and two (2) grinder pumps in inventory. Mr. Keel reviewed the effluent and other sampling required, the DMR's presented to the TCEQ as well as the operational information on meter reading and completion of the lead and copper survey. Mr. Keel also reported on the drum screen at the wastewater treatment plant which was repaired at a cost of \$4,800.00 and would be shown in the accounts payable. Additional operational issues discussed included line flushing, rebuilding of the hydro regulator and steam cleaning of the interior at the wastewater treatment plant.

Mr. Keel also reported on issues with a meter lock being cut at 318 Pinehurst and a letter sent advising of the cost to the customer for the damage to the District's property. Mr. Keel reported on a sewage backup issue at 195 Woodshire and noted Radley Electric had been onsite at Well #1 locating a bad relay and providing for replacement. Mr. Keel stated the final item for compliance with the TCEQ Notice of Violation had been logged on September 4, so the District was now complete in its TCEQ audit compliance. Mr. Keel then briefly discussed other operational and customer-related issues. President Maddox requested that Keel Enterprises determine the cost of a reserve coordinator to keep in the District's equipment, and questions followed concerning issues with the chlorine meter location and further recommendations. Mr. Keel stated he would provide information on the cost for the possible chlorine relocation as well as a cost estimate for land clearing at the wastewater treatment plant. After discussion and upon motion duly made by Director Jones and seconded by Director Fox, the Operator's Report was approved as presented.

**AGENDA ITEM NO. 7: Update by LEAD on revisions to raw water treatment system.** The Board recognized Jeff Leavins who stated he only had a brief report to provide on the request for modification of the District's raw water treatment system which had been submitted to the TCEQ and logged in their system on August 2, and there was a preliminary note for the approval to be provided by TCEQ on or about October 22.

**AGENDA ITEM NO. 8: Monthly Financial Statements.** The Board recognized Mr. Turk who presented the monthly accounting statement and banking information as of September 9, 2024. Mr. Turk reviewed the bond payment made on August 15, 2024 for interest due on both of the District's bonds as well as the payment of the paying agent registrar fees in the total amount of \$8,385.59. Mr. Turk noted a small amount of ad valorem tax collections placed in the debt service fund, and the service fees for the prior month were \$33,120.69 for a total balance on the operating account as of August 31, 2024 of \$53,628.45. After review of the accounting statement and upon motion duly made by President

Maddox and seconded by Director Jones, the Board unanimously approved the monthly financial statements as presented.

**AGENDA ITEM NO. 9: Accounts Payable.** The Board again recognized Mr. Turk who presented the accounts payable noting specifically the payment of the Bank of New York Mellon agent fees, the invoices presented by Keel Enterprises for services for the month of August, the billing from the *Examiner* for the publication of the tax rate public hearing notice as well as the invoices from Automatic Pump referencing the three (3) pumps in inventory mentioned in the Manager's Report along with other equipment purchases. Mr. Turk noted the website update fee in the amount of \$184.00 from Immense Impact, LLC, the invoice from Leavins Engineering & Design, LLC for the raw water treatment system modifications and the Parkson Corporation invoice. Following a review of the invoices and upon motion duly made by President Maddox and seconded by Director Fox, the Board unanimously approved the payment for invoices in the amount of \$34,666.31.

**AGENDA ITEM NO. 10: Correspondence.** The Board recognized Wayne Turk who presented a brief review of the Hardin County Appraisal District Reappraisal Plan, and stated he would provide any information on the plan requested by the Board. Mr. Turk noted, as stated in the Manager's Report, the presentation and completion of the TCEQ Notice of Violation Compliance Audit, provided information on a rate increase and questioned if the Board wished to continue coverage for an auto policy to provide coverage for the Board if they were in the service of the District in their personal vehicle and were involved in a vehicular accident . President Maddox suggested the Board cancel the policy, the Board concurred and directed Mr. Turk to cancel the policy. The Board thanked Mr. Turk for his presentation.

**AGENDA ITEM NO. 11: Comments from Board Members.** President Maddox began by asking if the District needed to consider the timing of the purchase of grinders and pumps because often payments were made, and users waited months before requesting installation. It was agreed the District would continue to purchase the grinders and pumps at the time a request was made but would hold these in inventory in the District's facilities.

AGENDA ITEM NO. 12: **Adjourn.** There being no further business, the meeting was adjourned at 7:05 p.m.

ATTEST:

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President of the Board

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Secretary of the Board