

**MINUTES OF
REGULAR MEETING**

Regular Meeting Minutes

January 15, 2018 – 5:30 pm

Orange County Water Control & Improvement District No. 1 Board Room
460 E Bolivar Street, Vidor, Texas

Robert Viator.....President
Frank Inzer.....Vice President
Tim Beard.....Secretary
Trey Haney.....Director
Guy Groves.....Director
Norman Blackman.....General Manager
David LeJune.....Operations Manager

In accordance with Section 551.042 of the Texas Government Code, this agenda has been posted in the lobby and on the front door of the Orange County Water Control & Improvement District No. 1 Administrative office for the time required by law. The President requests that all cell phones and pagers be turned off or set to vibrate.

Members of the audience are requested to step outside the Board Room to respond to a page or to conduct a phone conversation.

The O.C.W.C & I.D #1 Administrative office is wheelchair accessible. Sign interpretation or other special assistance for disabled attendees must be requested 48 hours in advance by contacting the General Manager's Office at 409.769.2669.

CALL MEETING TO ORDER

President Viator called meeting to order at 5:30 p.m.

ANNOUNCE THE PRESENCE OF A QUORUM

President Viator announced the presence of a quorum with all Board members present.

STAFF PRESENT

General Manager Norman Blackman, Director of Finance and Office Administration Chris Serres, and District's Attorney Larry Hunter were present.

OTHERS PRESENT

Toby Davis of LJA Engineering, Inc. was present.

INVOCATION AND PLEDGES

Vice President Inzer gave the invocation and Director Groves led the pledges.

MEETING AGENDA

1. Citizen comments.

There were no citizens' comments.

2. Consideration and possible action regarding LJA Engineering, Inc. Monthly Status Report concerning ongoing District projects.

Toby Davis gave an overview of LJA Engineering, Inc. monthly status report for the period of December 1, 2017 to December 31, 2017.

6560C – SURPLUS FUNDS WATER SYSTEM IMPROVEMENTS PROJECT (Contract No. 1 – Cast Iron Water Line Replacement and Contract No. 2 – Water Well Sites Improvements)

Contract No. 1:

The contractor is working on asphalt road restoration and cleanup.

Contract No. 2:

This project has been completed.

6560D – SURPLUS FUNDS SANITARY SEWER SYSTEM IMPROVEMENTS PROJECT (Contract No. 4 – Sanitary Sewer Lift Station Rehabilitation Project)

LJA's efforts this month were concentrated on the water improvements projects. Next month will see some movement.

6560E – SURPLUS FUNDS WATER AND SEWER SERVICE EXTENSIONS PROJECT (Contract No. 3 – Water and Sanitary Sewer Service Extensions Project)

LJA's efforts this month were concentrated on the water improvements projects. They are still working on the easements.

B877-1001 – Well Site 7 TTHM Treatment System

Engineering services included resident project representation and construction contract administration.

The contractor has completed the construction of the concrete foundations for the ground storage tank and the air stripper. The air stripper was delivered in the first week of January. The unit has been set on the slab and installation is underway.

City of Vidor, Texas Sanitary Sewer Line Replacement Project – CDBG Project No. 7216471

The construction is in progress. Two (2) service line connections have been replaced through the end of November, 2017. He updated the report – they have 30 service line replacements total installed.

City of Pine Forest, Texas – First Time Water and Sanitary Sewer Service Project – CDBG Project No. 7216370

The construction is in progress. The District is in the process of acquiring easements for the 9 properties to receive grinder pump stations and water services. There have been 400 feet of 6 inch water line installed along Lakeview Cut-off and 300 feet of 2 inch line installed along McVey St.

Chris Serres stated that there have been 7 easements signed and still have 2 that need to sign the right of entry agreement.

A motion was made by Secretary Beard and seconded by Vice President Inzer to accept LJA Engineering Monthly Status Report as presented by Toby Davis. All voted Aye.

3. Consideration and possible action regarding approval of LJA Engineering, Inc. monthly invoices for District projects as listed:

Invoice No. 201716717 in the amount of **\$2,680.00** for Project No. 6560C – Surplus Funds Water System Improvements Project; **Invoice No. 201716719** in the amount of **\$1,992.00** for Project No. B877-1001 – Well Site 7 TTHM Treatment System; and **Invoice No. 201716678** in the amount of **\$3,498.50** for Project No. B877- 1004 – General Services Contract – Developing the Sanitary Sewer Overflow (SSO) Plan for a **Grand Total of \$8,170.00**.

A motion was made by Director Groves and seconded by Director Haney to approve LJA Engineering monthly invoices as presented. All voted Aye.

4. Consideration and possible action regarding approval of Allco Inc. **Monthly Estimate No. 3** for Water Well Site 7 TTHM Treatment System, 2017 Water System Improvements Project in the amount of **\$179,083.67**.

Toby Davis stated that basically the only thing on the invoice is equipment for the job came in.

A motion was made by Vice President Inzer and seconded by Secretary Beard to approve Monthly Estimate No. 3 to Allco, Inc. for Water Well Site 7 TTHM Treatment System Improvements Project in the amount of \$179,083.67. All voted Aye.

Norman Blackman stated the as Larry Hunter, District's attorney, pointed out for Items 5, 6, and 7, that Item number 7 needs to be addressed first. Item 7 is the approval of Certificate of Completion, Item 5 is the last payment estimate without the retainage and Item 6 is the payment of the retainage and final acceptance.

7. Consideration and possible action regarding approval of the Certificate of Construction Completion for the Dogwood Drive Manhole Replacement Project.

Toby Davis presented on overview of the Certificate of Completion. Norman Blackman stated that there is a 12 month warranty beginning the 18th day of December, 2017.

A motion was made by Director Groves and seconded by Secretary Beard to approve the Certificate of Construction Completion for the Dogwood Drive Manhole Replacement Project. All voted Aye.

5. Consideration and possible action regarding approval of Brystar Contracting, Inc. **Monthly Estimate No. 2** in the amount of **\$7,290.00** for Dogwood Drive Manhole Replacement Project.

A motion was made by Director Haney and seconded by Vice President Inzer to approve payment of Estimate No. 2 to Brystar Contracting in the amount of \$7,290.00 for Dogwood Drive Manhole Replacement Project. All voted Aye.

6. Consideration and possible action regarding approval of Brystar Contracting, Inc. **Monthly Estimate No. 3** – Retainage and Final – in the amount of **\$9,972.00** for Dogwood Manhole Replacement Project.

A motion was made by Director Haney and seconded by Vice President Inzer to table Item No. 6 – Consideration and possible action regarding approval of Brystar Contracting, Inc. **Monthly Estimate No. 3** – Retainage and Final – in the amount of **\$9,972.00** for Dogwood Manhole Replacement Project. All voted Aye.

8. Consideration and possible action regarding approval/amendments for the minutes of the **December 18, 2017 Regular Board Meeting**.

A motion was made by Vice President Inzer and seconded by Secretary Beard to approve the minutes of the December 18, 2017 regular Board Meeting as presented. All voted Aye.

9. Board Member comments.

There were no Board Member comments.

10. Consideration and possible action regarding General Manager's monthly status and financial report.

Norman Blackman presented an overview of the General Manager's monthly status report:

- **Hurricane Harvey Recovery:**

The treatment plant is working well, all 4 blowers are in and we have plenty of air for the system. The limitation on daily operation is the UV Disinfection – we have about half of it back in service. Fortunately, we haven't had any rain events that took us over 6 mgd. Our biggest effort is through our electrical engineer, who is evaluating all of the electrical panels and everything in the wastewater treatment plant. We have a number of panels and other electrical boxes and some of them have a PLC so they are computerized with touch screens and some are just starters and such.

We have gotten quotes in on the generators ranging from \$415,000 to \$600,000 for 4 units depending on the brand. The brands are anywhere from Generac to Cummins.

Secretary Beard asked about the size of the generators. Norman Blackman stated that they would be the same size, but Baldor is no longer available, they were bought out by Generac.

The operators have been working through ANYTHING OPERATIONAL. We have been lucky that most of the motors that got wet are still working and most of the ones we were able to revive from the storm are still working. We have a lot of orders made for those replacement items.

TML and their people, Synergy, have been working really great with us and continue to do so. Our primary representative of Synergy has had a bout with cancer and has been out of the loop for a while and is back in now. That slowed us down a little.

Outside of the wastewater treatment plant, we are about where we were a month ago.

We are managing our lift stations are operating. We still have a lot of motors and panels to replace in the lift stations.

Director Haney asked about the payment of invoices. Norman Blackman stated the insurance is paying the invoices directly. He also stated that eventually we will just have to pay the deductible.

- **Sewer Overflows in Cloverleaf Subdivision:**

We have a series of some overflows in the Cloverleaf Subdivision that T.C.E.Q. knows about. We self-report, everything that overflows, it is required. We have had some customers complaining out there and we may have to deal with T.C.E.Q. over this issue again before it is all over with. In Cloverleaf Subdivision at the intersection of Holly and Old Spanish Trail, on the south side of the addition, there is a manhole that is the lowest manhole in the Subdivision. Anything that backs up from the lift station will spill out at this manhole. So it has several times now.

There is a house right by the manhole that is built as flat to the ground and every direction you look is up (he is in a hole basically). Norman Blackman stated that he thinks this person has had some sewer come up in his house. The house got flooded and is under construction so it isn't damaging the carpet or flooring. That is something we want to try to avoid. It has happened because Cloverleaf Lift Station was receiving flow from Alamo Lift Station, which is just south of Alamo St. near FM 105. That lift station serves all of the Orange St. area which is a pretty big service area. It has an 18-inch sewer line that runs down there to it. Its pumps pump the water across to the Cloverleaf Lift Station. Cloverleaf Lift Station collects all of that flow relief lift station and the gravity flow from Cloverleaf and pumps all the way across town to the lift stations by the plant.

President Viator stated that he thought we had already done something to change that. Norman Blackman stated that they had talked about it but have done it yet. What we are going to do is when we rebuild and replace the pumps at Alamo Lift Station, we are going to put in pumps with enough horsepower so they can pump not only to Cloverleaf Lift Station but not into Cloverleaf but tie into Cloverleaf's discharge line which is the big force main that goes across town so it will just pump one time all the way from Alamo to the Treatment Plant.

- **Oak Hollow (Freddy Blanchard) MHP:**

At the Oak Hollow Mobile Home Park on Aery St. we have been rebuilding that water and sewer system in there and have had a real hard time with it. The rains came at just the wrong time. We are almost done with it, but it has just been a hard job.

President Viator asked Norman Blackman if he had been out there and if there were any new trailers. Norman Blackman stated that he had been out there that day and no there were no new trailers. He also stated that they can't bring in the new trailers until we are finished working. When they bring the trailers in, they will have to mat them to get them into the spaces because they will be crossing trench lines we have had to open up to replace water and sewer lines.

Director Haney asked if Freddy Blanchard had paid anything yet. Norman Blackman and Chris Serres stated that he had paid \$17,050.00 on the water taps and \$2,200.00 in meter deposits. Norman Blackman stated that the original estimate was around \$38,000.00 and David LeJune thought that was a little high. We probably had a little more labor that was involved, it wasn't that high. He is thinking our cost out-of-pocket will be \$20,000.00 instead of \$38,000.00.

President Viator asked what he thought it would take to finish up and get out of there. Norman Blackman responded that week he thought they would finish up. They are getting close. It is just sloppy enough out there that it makes progress slowly.

- **Interview Request Re: Water Billing/usage:**

Norman Blackman stated that he was letting the Directors know about this item in case anything was to come up about it. He asked the Directors if they had heard from any of the customers that their water bills were higher now than they were before the storm. Norman stated that we have not heard much of that but a reporter from the Channel 6 News called wanting to do an on camera interview and he told her no, that he was not going to do anymore on camera interviews that the last one he did, he regretted. He thought it was going to be something controversial, but apparently they have had people calling in and stating that their bills are higher than they were before the storm, so what is the Water District doing. He reluctantly agreed that he would interview with her this week. He just couldn't do it when she was there. Norman got with Chris Serres and she researched the billing records and actually if you look at from the storm until now, right after the storm, the water we pumped out was more, then the next month it came up really high, and now it is back down to about where it was a year or two before the storm. That is on the whole of the District, not just one or two. The water pumped and billed, and the money billed is about what it was before the storm. Norman sent the reporter an email to let her know that he was declining the interview because after researching the matter there did not seem to be an issue to do a story on. He thought there was when she first called or there could be but he does not think there is now.

- **Archie Street Repaving:**

This has dragged out longer than he imagined. They sent Norman Blackman a final modified proposal. Last month it was discussed about getting an \$8,000.00 deduct back from McInnis Construction and they agreed to it. Norman talked to MK and for them to take it over at this stage and prepare the patching, holes and stuff in the pavement now, would cost probably \$2,000 to \$3,000 for them to prepare those holes. We got plenty of money from the deduct to cover that, so the grand total is \$29,700.00. There was also a \$2,000.00 increase beyond the \$25,000.00 basic cost to reach over there an extra three feet for the east side of the road for a ways. It said in the proposal under some clarifications, they are going to mobilize one time, they are going to need five days to do the work, and they will not be responsible for cracks in the asphalt or potholes and cannot offer a warranty due to unknown subgrade condition. Basically they are saying that we didn't build the road, lay the base material to fill up that hole, so we can't guaranty whether that base is going to hold up. The rest of us are all satisfied that the base material is stable now but their point was since they didn't put that base in there as there is a base failure and it cracks the surface or develops another pothole then they can't warrant that. Norman stated he took issue with it and understands that they can't warrant someone else's building of the road in the first place, but at the surface for the materials and workmanship for the hot mix asphalt overlays to be put on there, we have every right to expect a warranty on that. MK agreed to that. In the process Norman emailed him that, a week and a half later, he finally got tired of waiting on him, Norman contacted him again and he said he never received the email. Norman said he has had that happen a couple of times now. The man agreed to what Norman stated and was going to rework the proposal and get it to Norman. As of the meeting Norman had not received the information. Norman stated that he expected to receive it at any time and would get it executed and get it going.

- **Sugar Pines/Iwanda/Future MHP water/sewer line extensions:**

Norman Blackman was letting the Board know that we have not been able to do anything with this project. We have just been too busy with everything else that is going on. They are patient but they are anxious to get it done. He thinks they may have talked to a contractor to see if they can get a contractor to do it. Norman stated that he did not want to lose it; he really wants to do the work. We just have not had a chance to do it yet. David has been swamped. That is still hanging out there and he hopes they can make it work out, but he wanted to let the Board know it has not happened yet.

- **TCEQ SSO Initiative Agreement – I & I Reduction Efforts:**

They have already talked about the SSO Initiative, so he is not going to go over it again.

- **City of Vidor 2015-2016 Block Grant:**

This was talked about in the engineer's monthly status report.

- **City of Vidor 2017-2018 Block Grant:**

Norman Blackman reported that it was funded. He stated that he believes they did get the contract in and it has been signed.

- **City of Pine Forest 2015-2016 Block Grant:**

This was talked about in the engineer's monthly status report.

- **City of Pine Forest 2017-2018 Block Grant:**

Norman Blackman wanted to let the Board know that this Grant was not funded.

Chris Serres presented the District's financial report as follows:

Our billing is actually down this month but it is stabilizing from the storm. All of our bank statements balance. We earned \$9,150.18 in interest for the month of December, 2017. On the Special Projects account we had our monthly transfer and interest earned of \$4,722.40 and expended \$147,666.59. In the Water/Sewer Major Maintenance account we had deposits of our monthly transfer and our interest earned for a total of \$4,296.25 and no expenditures for the month.

On the Budget Comparison Report our revenues were \$349,400.00 which is a little below the monthly budget. The expenditures for the month were \$375,514.00 which is more than the monthly budget by \$26,114.00. We were over on the total budget on overtime salaries by \$17,460.00.

Norman Blackman presented David LeJune's Field Report in his absence as follows:

We pumped 31,081,000 and accounted for 27,129,800. The percentage unaccounted for is 12.71%. We treated 37,367,000 of wastewater. We performed a total of 259 water jobs and 46 sewer jobs for a total of 305 jobs. We had 20 LPSS service calls for the month.

A motion was made by Director Groves and seconded by Director Haney to approve the General Manager's monthly report, finance and field reports as presented. All voted Aye.

11. Consideration and possible action regarding payment of the District's monthly bills.

A motion was made by Director Groves and seconded by Director Haney to approve the payment of bills as presented. All votes Aye.

12. Consideration of an Order of Election of Directors for Orange County Water Control & Improvement District No. 1 and approval of Notice of Election of Directors for the May 5, 2018 General Election.

A motion was made by Vice President Inzer and seconded by Director Groves to approve the Order of Election of Directors and approve the Notice of Election of Directors for the May 5, 2018 General Election. All voted Aye.

13. Consideration of approval of an Orange County Election Services Contract and an AutoMark Lease Agreement for the May 5, 2018 Election of Directors for Orange County Water Control & Improvement District No. 1.

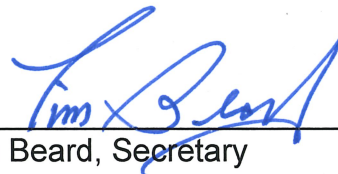
A motion was made by Vice President Inzer and seconded by Director Groves to approve an Orange County Election Services Contract and an AutoMark Lease Agreement for the May 5, 2018 Election of Directors. All voted Aye.

14. Adjournment.

A motion was made by Vice President Inzer and seconded by Director Haney to adjourn at 7:10 p.m.



Robert Viator, President



Tim Beard, Secretary