

**MINUTES OF
MEETING**

Regular Meeting Minutes

October 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 the meeting to order at 5:30 p.m.

ANNOUNCE THE PRESENCE OF A QUORUM

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

STAFF PRESENT

General Manager Norman Blackman, Finance Director Chris Serres, and Operations Manager David LeJune were present. Larry Hunter, the District's attorney was also present.

OTHERS PRESENT

Jeff Scogin of LJA Engineering, Inc. was present.

INVOCATION AND PLEDGES

Secretary Beard led the invocation and Vice President Inzer led the pledges.

MEETING AGENDA

1. Citizen comments.

There were no Citizen comments.

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

Jeff Scogin presented the monthly status reports as presented in meeting book:

66560C – SURPLUS FUNDS WATER SYSTEM IMPROVEMENTS PROJECT (Contract No. 1 – Cast Iron Water Line Replacement and Contract No. 2 Water Well Site Improvements)

Contract No. 1:

This project has been completed.

Contract No. 2:

This project has been completed.

6560D – SURPLUS FUNDS SANITARY SEWER IMPROVEMENTS PROJECT (Contract 4 – Sanitary Sewer Lift Station Rehabilitation Project)

LJA and the electrical sub consultant are working on the plans and specifications for this project.

6560E – SURPLUS FUNDS WATER AND SEWER SERVICE EXTENSIONS PROJECT (Contract 3 – Water and Sanitary Sewer Service Extensions Project)

No work occurred on this project this month. LJA met with Norman and David and finalized the service for water and sewer on FM105 TxDOT Permit last week and they moved on it quick. Looks like it has already gone through the admissions stages and should be able to get the permit to the District this week.

B877-1001 – WELL Site 7 TTHM Treatment System – Period from September 1, 2018 to September 28, 2018

The project has been completed except for a recent failure of the pinch valve on the influent line to the air stripper. The Contractor has coordinated with their electrician and valve supplier to order replacement parts for the valve. The contractor installed a new display board, but this did not fix the problem. They have ordered another replacement part that is supposed to ship 11/02/18.

Now scheduled to be delivered tomorrow 10/16/18 or Wednesday 10/17/18.

Pinch valves are custom made thus it takes longer to take delivery.

The warranty on that piece of equipment will start the day that it is put back into service.

Update on timing of part – hopefully have it ready by the end of the week.

City of Pine Forest, Texas – First Time Water and Sanitary Sewer Service Project – CDBG Project No. 7216370 – Period through October 10, 2018

The construction is complete with all the main lines installed. A total of twelve (12) homes have been completed. A site walkthrough was conducted with the Contractor, the District, and LJA. A punch list was generated to address clean-up in the project area. However, due to the weather, clean-up efforts have been delayed. Project completed except for clean-up items/efforts.

City of Vidor, Texas – Sanitary Sewer Line Replacement Project – CDBG Project No. 7216471 – Period through October 10, 2018

The construction is in progress. However, due to the weather, no work has been done since last month. A total of seventy-one (71) service line connections have been replaced since the beginning of construction.

Norman Blackman reported 76 connections have been replaced with a total of 93 being qualified and ready for completion.

A motion was made by Director Groves and seconded by Vice President Inzer to approve LJA status report as presented. All Voted Aye.

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

Invoice No. 201815254 in the amount of **\$3,500.00** for Project No. 6560D – Surplus Funds Sanitary Sewer System Improvements Project; **Invoice No. 201815255** in the amount of **\$374.00** for Project No. B877-6282 – General Services; and **Invoice No. 201815278** in the amount of **\$744.00** for Project No. B877-1004; for a **Grand Total** of **\$4,618.00**.

A motion was made by Vice President Inzer and seconded by Secretary Beard to approve LJA invoices as presented. All Voted Aye.

4. Consideration and possible action regarding the selection of an Engineering Firm for the purpose of providing Engineering Services for the Clean Water State Revolving Fund Sanitary Sewer Lift Station Restoration.

A motion was made by Director Groves and seconded by Vice President Inzer to approve LJA Engineering, Inc. to provide engineering services for the Clean Water State Revolving Fund Sanitary Sewer Lift Station Restoration. All Voted Aye.

5. Consideration and possible action regarding approval/amendments for the minutes of the September 17, 2018 Regular Board Meeting and the September 20, 2018 Public Hearing and Special Board Meeting.

A motion was made by Director Haney and seconded by Secretary Beard to approve the September 17, 2018 Regular Board Meeting Minutes and the September 20, 2018 Public Hearing/Special Board Meeting. All Voted Aye.

6. Board Member comments.

There were no Board Member comments.

7. Consideration and possible action regarding a proposal from Mr. Henry Norris to repair the LPSS located at Lott Street @ Baywood and to pay \$3,500 to satisfy the lien and to restore full sewer service at this location.

A motion was made by Vice President Inzer and seconded by Secretary Beard to accept the proposal from Mr. Henry Norris to repair the LPSS located at Lott Street @ Baywood and to pay \$3,500.00 to satisfy the lien and to restore full sewer service at this location. Mr. Norris is to pay \$3,500.00 and have the repairs to the lift station complete within 90 days. The District will not release the lien until the \$3,500.00 is paid and LPSS is repaired. Larry Hunter will provide a written contingent agreement. All Voted Aye.

8. Consideration and possible action regarding a proposed Bank Depository agreement between Orange County Water Control & Improvement District No. 1 and First Financial Bank.

It is a renewal but there is a slightly different wording. They would not be able to renew without charging fees, then changed that they would renew without charging fees but place a cap on the interest rate at 2%. Norman Blackman pointed out that Chris told him that we do not have to keep all of our funds in First Financial Bank. If the interest rates went higher than 2%, we could pull some of the funds and open accounts in another bank. This is a three-year contract renewal.

Chris Serres stated that they are our depository bank, but it doesn't mean we can't pull funds and buy CD's elsewhere.

A motion was made by Director Groves and seconded by Director Haney to table the Bank Depository Contract for renegotiations. All Voted Aye.

9. Consideration and possible action to schedule an Insurance Committee Meeting and to schedule an Audit Committee Meeting.

A motion was made by Director Haney and seconded by Director Groves to set October 18, 2018 at noon for the Insurance Committee meeting and October 30, 2018 at 5:30 p.m. for the Audit Committee meeting. All Voted Aye.

10. Consideration and possible action setting a Special Meeting date for the purpose of reviewing/approving the 2017/2018 Fiscal Year Audit and for approving the renewal/replacement of the District's health insurance policy which will expire November 30, 2018.

A motion was made by Director Haney and seconded by Vice President Inzer to set a Special Meeting date for the purpose of reviewing/approving the fiscal year 2017/2018 Audit and for renewal/replacement of the District's health insurance for November 6, 2018 at 5:30 p.m. All Voted Aye.

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

Chris Serres presented the District's Financial Report as follows:

The monthly billing is down this month by about \$1,400.00 from last month. We projected that we would bill \$118,333.00 for water and this month we billed \$116,065.91 which is about \$2,270.00 less than projected. We projected that we would bill \$120,833.00 for sewer and this month we billed \$121,001.07 which is about \$170.00 more than projected. All the accounts balance. On the Special Projects Account, we had interest earned of \$151.83, and had no expenditures. We ended the month with \$121,042.51. On the Water and Sewer Major Maintenance Account, we earned interest of \$74.65, with no expenditures leaving a balance of \$59,510.10.

On the Budget Comparison Report our revenues were \$360,094.00 which is \$10,097.00 more than the Monthly Budget of \$349,997.00. The expenditures were \$365,169.00 which is over the monthly budget by \$15,168.00. We are over on the total budget for overtime wages by \$2,489.00.

We earned \$11,309.40 in interest for the Month of September 2018.

Norman Blackman presented the Manager's Monthly Status Report as follows:

On-Going Topics

- **Hurricane Harvey Recovery** - All aspects of the recovery from Hurricane Harvey are still in slow, but steady, progress.
- **FEMA Assistance** – We have received approximately \$92,000 from FEMA but are fighting with them for additional costs of over \$100,000 that we believe they have wrongly denied.. Our TML/Synergy representative is helping with this fight. He tells us we don't need to be sending them anymore information. We have gone back to them with a demand of sorts and are waiting on a response and will fight with them a little more if need be.
- **West Davis LS** - Still waiting for Kinder-Morgan Pipeline Co. ROW department to get back to me about an easement we need. It is holding that project up. I guess need to take them up on an offer to set up a lease agreement that would allow us to proceed with our project at that site. Norman is going to go back to them to see if some other agreement can be settled on to move forward with the project.
- **City of Vidor 2015-2016 Block Grant** - This project is still under construction. Our commitment was for replacing sewer service lines at 110 qualified residential homes. We have completed 76 homes and have 17 more ready for construction. This has been a much bigger undertaking than originally expected, but we have learned a great deal that should make the next grant project go smoother.
- **City of Vidor 2017-2018 Block Grant** - Finally, we are getting this second round of sewer service line replacements moving forward. The project has been advertised for bidding. We expect to receive bids on October 29th and be ready for the City of Vidor to award bids on November 8th. Our commitment is for another 110 homes. We will incur an additional \$55,000 for matching grant funds for this project, the same as for the previous grant.

President Viator asked what the conditions customers would have to meet. Norman stated there would be some options. First would be income, we score things such as being over 65, being a veteran, and disabilities. The only other thing is we started out with owner occupied structures – no rental property. Then we couldn't find enough people, we exhausted that pool, and had to move to allowing rental property. In terms of the District's goal, it didn't matter whether it was renter or owner occupied. The I & I is what we are trying to reduce. We might start off giving higher points to owner occupied and lesser to renter occupied homes, then if we need to access rental property we will still have that option. The first target area was where we had just done the sewer lines rehabilitation, so we knew our lines were in good shape. This grant targets a larger area. He will ask more about that later when we get ready to start the project.

- **City of Pine Forest 2015-2016 Block Grant** - This grant project is complete.
- **Entrance Drive Repaving** - I have the plans ready for soliciting proposals from contractors for the repaving of the District's entrance drive. Next step is to contact three contractors to get cost proposals. City personnel on Saturday replaced a single 12-inch corrugated plastic drainage pipe under the drive near East Bolivar with two 12-inch corrugated steel pipes that the District furnished. The City is supposed to grade off the dirt and grass shoulder buildup along each side of the drive and lightly clean out the ditches.
- **Field Personnel** - For a long while we were short-handed in the field and were having trouble finding and keeping field personnel. We have now filled all open positions. We recently hired two people through the Texas Workforce Commission, including our first ever female field employee. TWC promotes job training through participating with employers by paying one-half of the employee's wages for a six-month period. At the end of six months if all goes well the District will receive a reimbursement check for approximately \$16,640.

Director Groves asked how our trucks were doing. Norman stated that we have some in the shop from some accidents that happened. Our trucks in general, the folks at the treatment plant are begging for a truck, they have one they won't even drive to Beaumont, they don't trust it. Norman stated we need to get one, but he hates to turn it loose. President Viator asked about the accidents. Norman stated that we had a couple of backup accidents – one where the trailer jackknifed into the fender and another one where they were backing up a trailer and it came into contact with another truck, and then we had someone pull out in front of one of our trucks pulling a trailer and in order to avoid being hit they pulled off the road and ended up nose end in a ditch and caused the trailer to jackknife into the truck fender on that one. They are all going to be alright. If you were asking about number of trucks and condition of the vehicles, we are still going to need to buy another truck here soon.

David LeJune, Operations Manager presented the Field Report as follows:

We pumped 31,065,000 and accounted for 28,310,985. The percentage unaccounted for was 8.87%. We treated 83,877,000 of wastewater. We performed a total of 326 water jobs and 85 sewer jobs for a total of 411 jobs. We had 33 LPSS service calls for the month.

A motion was made by Secretary Beard and seconded by Director Groves to approve the General Manager's Monthly Status and Financial Report as presented. All Voted Aye.

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

A motion was made by Vice President Inzer and seconded by Director Groves to approve payment of the District's monthly bills. All Voted Aye.

13. Adjournment.

A motion was made by Vice President Inzer and seconded by Director Groves to adjourn the Board meeting at 6:50 p.m. All Voted Aye.

Robert L. Viator Sr

Robert L. Viator, Sr., President

Tim Beard

Tim Beard, Secretary

