

**MINUTES OF
MEETING**

Regular Meeting Minutes

July 15, 2019 – 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 5:50 p.m.

ANNOUNCE THE PRESENCE OF A QUORUM

President Viator announced the presence of a quorum with Director Groves absent.

STAFF PRESENT

Norman Blackman, General Manager, David LeJune, Operations Manager, Chris Serres, Finance Director, and Larry Hunter, Attorney.

OTHERS PRESENT

Jeff Scogin of LJA Engineering, Inc. and Ernest Bayard.

INVOCATION AND PLEDGES

Secretary Beard gave the invocation and Director Haney 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 LJA Engineering, Inc. monthly status report as follows:

6560C – Surplus Funds Water System Improvement Project (Contract No. 1 – Cast Iron Water Line Replacement and Contract No. 2 – Water Well Sites Improvements)

Contract No. 1:

This project is complete.

Contract No. 2:

This project is complete.

6560D – Surplus Funds Sanitary Sewer System Improvements Project (Contract No. 4 – Sanitary Sewer Lift Station Rehabilitation Project)

There is no invoicing during this period for this project. Work has started on the project. LJA met with Norman and the staff to discuss various items related to the lift stations. LJA will be working on the project and should have a better idea when the project can be completed at the August Board meeting.

6560E – Surplus Funds Water and Sewer Service Extensions Project (Contract No. 3 – Water and Sanitary Sewer Service Extensions Project)

No work has been completed during this period.

City of Vidor, Texas – Sanitary Sewer Line Replacement Project – CDBG Project No. 7217480 – Period through July 10, 2019

The construction is in progress. Eleven (11) service line connections have been replaced from June 12th thru July 10th. A total of 43 houses have been completed.

President Viator asked how many were signed up. Chris Serres stated there were 68.

Orange County WCID #1 – CWSRF – Sanitary Sewer Restoration Project

Services through this month include development of the Engineering Feasibility Report, TWDB coordination, and planning phase services. The Engineering Feasibility Report was submitted for TWDB review on June 18th. It is anticipated that the Engineering Feasibility Report will be approved towards the end of July. Approval of the Engineering

Feasibility Report marks the end of the planning phase and the beginning of the design phase. LJA has coordinated with the District, TWDB, and the District's consultants.

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

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

Invoice No. 201910917 for Project B877-1005 CWSRF – Sanitary Sewer Restoration Project (TWDB Grant) in the amount of \$2,000.00 for a grand total of **\$2,000.00**.

A motion was made by Vice President Inzer and seconded by Director Haney to approve payment of Invoice No. 201910917 for Project B877-1005 CWSRF in the amount of \$2,000.00. All Voted Aye.

4. Consideration and possible action regarding **approval/amendments for the minutes** of the June 17, 2019 Regular Board Meeting.

A motion was made by Vice President Inzer and seconded by Secretary Beard to approve the minutes of the June 17, 2019 Regular Board Meeting. All Voted Aye.

5. Board Member comments.

There were no Board Member comments.

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

Norman Blackman presented the Manager's Report as follows:

On-Going Topics

- **TCEQ Enforcement Order/EPA Administrative Order** - In the first quarter of 2019 we executed an Enforcement Order with the TCEQ for violations at the WWTP caused by excessive I&I flows during storm events. We had taken more time with that negotiation because we were being held accountable for violations that occurred following the Harvey Flood. We were successful in that TCEQ responded with a lesser number of violations and a reduced fine. Unfortunately, the additional time to resolve that issue caused the **EPA** to review the violations and sent us an **Administrative Order** to maintain compliance. We made an initial response to that Order and await the EPA's reply. The major point here is that I&I has caused us more regulatory scrutiny lately. The only time we have problems is when we have very heavy rainfalls and have a lot of flow at the plant. It is important to keep pushing on the I&I issues.
- **City of Vidor 2017-2018 Block Grant** – Construction on this project has advanced slowly. It has been harder than expected to sign customers up for free sewer service lines. We have had to drive through neighborhoods to assess the age of structures and, by association, the service lines to target areas for smoke testing for Grant eligibility. Our experience has been that one third of the homes we smoke test show service line leaks. For every sewer service line, we replace, we must have

three applicants signed up for the grant. To reach the goal of 110 service line replacements we need over three hundred applicants. Overall, using the grant program for elimination of private sewer service leaks has been much more costly in terms of personnel manhours than we initially expected. We have 2 2-man crews and a ½ crew working on smoke testing, repairs, etc. We have made improvements in a few neighborhoods. We are making some progress but need to make more progress.

- **TCEQ Notice of Non-Compliance with TTHM Rules** - Since our last board meeting, we have received from the TCEQ a Notice of Non-Compliance Letter pointing out that we have not achieved compliance with the TTHM Limits. We have struggled with the operation of the air stripper at Well No. 7, and our TTHM test results have not followed the 80 ug/l maximum level. For the second time since the stripper was started up, we have experienced a failure of the flow-regulating valve (the pinch valve) and could not find repair parts. TTHM stripping has been effectively shut down for the last three weeks. We got word today that the valve supplier has located the needed circuit board and will be here Wednesday to install it. In addition, we had one other technical issue with the air stripper operational controls since start-up that caused water production at Well 7 to temporarily shut down.

We have not been able to operate the air stripper for a long enough continuous time period to fully evaluate its performance, especially since the TCEQ TTHM testing is performed only once per quarter. We believe the air stripper is working well to strip out TTHM's from the water at Well 7, but the blending with water from the other two wells has not produced the desired results. We have also had problems with the results of TTHM testing that we have had performed by laboratories independent of the State lab. Based on the results that we do have; however, it appears that more must be done to reduce TTHM's to achieve compliance. We met on June 25th with our engineer and our water quality consultant to discuss the TTHM situation. We are currently working on ideas for more TTHM reduction, testing our wells for presence of organic compounds, and for better TTHM testing.

Larry Hunter asked when the warranty would be up on the air stripper system. Norman Blackman stated that he would check to see when the warranty expires. Chris Serres found where the warranty expires one year from the time the pinch valve is put back into service.

Norman Blackman mentioned that we had a TTHM analyzer for about a year and we could take a sample and have the results in 2 hours. He went further to say that we may need to get one again. We were renting the analyzer at the time for about \$6,000.00 a quarter. President Viator stated that we could buy one. Norman Blackman stated that he got our water quality consultant to research it and talk to the analyzer people and before we were told to purchase the machine was \$72,000.00, now the price is down to \$60,000.00 but the lease costs \$15,000.00 a quarter.

- **Demolition of building at Tiger Lake LS** - After the closure and demolition of the Tiger Lake Wastewater Treatment Plant a few years ago the metal building there that housed the blowers became abandoned except for the electrical service and pump controls for the upgraded Tiger lake Lift Station and a small office for our mechanical maintenance technician. Later the Harvey Flood destroyed the building,

equipment, and the office. The equipment was replaced and housed in the adjacent masonry block structure that had been the chlorine building and the office was abandoned. The metal building had been scheduled for demolition by our TML insurance representative, and bids were procured for the demolition of the building and foundation.

I began working on an idea to disassemble the building and re-erect it at the WWTP where we needed more storage space. I found a building contractor who wanted the building for his personal use and was willing to handle the removal of the building and the demolition of the site for a very reasonable price. TML is willing to cut us a check for the demolition bid rather than execute and handle the demolition contract. Using the savings from the local demolition contractor's price and the value of the old building we can have a new 30' X 40' building constructed at the WWTP for less than \$10,000. We plan to find the money to make this deal happen.

- **Replacement of Spare Well Pump Motors Destroyed by Harvey Flood** - Four electric motors stored in the Control building at Well No. 5 were damaged by the Harvey Flood. TML has agreed to replace those motors which were spare well pump motors for Well 4 and Well 5. Depending on how TML works on this we may end up with three motors as spares, one for each well.
- **Water Line Extension to Iwanda MHP** - Since last month's meeting David and I have worked on the plan to extend a water line using District personnel north along FM 105 from Decker Road to Iwanda MHP and Vidor Superette. Norman Blackman stated that the cost of the extension is what he has been worried about and that he would not recommend installing a small line that would just serve those customers. The customers will have to pay for the line extension, but we will need to pay the difference to upgrade the line size for future growth. I have contacted the Vidor Superette property owner to inquire if he is still on board with the project. Contact with Sugar Pines MHP indicated that the MHP was not sold as we had been told, but the representative I spoke to could not say if the owner still wanted to have our water. It may boil down to, this is what it is going to cost, if you want it, you will each pay half, or not.

President Viator stated he needs to figure how much it would cost to run water to Larry Gray's Park (Iwanda Mobile Home Park) and he would have to pay for that line. Norman Blackman stated he did not want to put anything smaller than a 6" line in. The line from Decker Rd. to W. Circle Dr. (Phase 1), from W. Circle Dr. to Iwanda Mobile Home Park (Phase 2).

A 3-inch line for Phase 1 and Phase 2 is going to cost \$39,000.00 if we install it. That will get it all the way up to Iwanda Mobile Home Park, \$15,000.00 of that is bores. 4-inch pipe would cost \$47,000.00 and 6-inch pipe would cost \$58,000.00. Our part to upgrade from 3-inch to 6-inch would be \$19,000.00 and the partners at the end of the line would pay \$39,000.00 between the 2 of them if they both stay in the agreement. That is if we go straight to the mobile home park and store. If we branch off at W. Circle Dr. and go down to the other mobile home park, then you add in their participation.

Norman Blackman asked the Board if the line to Iwanda is the only thing that happens is the Board interested in upsizing the line for \$19,000.00. President Viator

stated that if we could put it in for \$19,000.00, we would be foolish not to upsize the line.

Norman Blackman stated that if Sugar Pines participates and we upsize going both directions the upgrade cost would be \$25,000.00 for the District. That would put a 6-inch line about 3,000 feet down W. Circle Dr. to Sugar Pines Mobile Home Park. Director Haney and Secretary Beard both stated that we should plan for growth.

Larry Hunter asked if Larry Gray was the only player, wouldn't it make sense to split the cost with the customer. Norman Blackman stated that it depends on what our philosophy would be to generate more customers out there for revenue, then long term he thinks it would be worth extending the line.

Norman Blackman stated he would continue working on it and contact all the parties for interest in the lines.

Norman Blackman informed the Board that he would be on vacation August 7, 2019 through August 23, 2019 and asked to delay the meeting until August 26, 2019.

After a brief discussion regarding Mr. Blackman's vacation schedule, it was decided by the Board not to reschedule the August meeting at this time but if necessary, to do so, Mr. Blackman could inform the Board of the change in dates.

Chris Serres presented the Financial Report as follows:

June 2019 Water and Sewer Billing totaled \$288,850.21. This amount is up from the previous months' billing of \$218,181.78. The June billing totals reflect the adopted rate increase.

The Statement of Account balances reflects all accounts are balanced for the Month of June.

The Capital Projects account were reported as follows: The Special Projects Account balance is \$14,342.26. The City of Vidor Grant Project invoice and the Entrance Drive Project invoice were both paid from this Capital Projects Account. The balance in this account will reflect an increase of \$2,640.00 in the next reporting period. An invoice was paid from this account in error and the increase will reflect the correction to this error. The Water/Sewer Major Maintenance Account balance is \$43,222.14. The only transaction for the month of June in the account was the monthly transfer of \$4,667.00.

Budget Comparison Report for the month of June showed revenue/billing totals of \$394,191.00 and expense totals of \$394,272.32 reflecting an \$81.32 overage in spending for the month of June.

Secretary Beard asked about item 5132-G. Chris Serres explained that Item Number 5132-G is budgeted for sewer repairs including lift stations throughout the District. Ms. Serres pointed out that we did go over budget projections for the year by \$9,700.00.

The Public Funds Investment Act Interest Report showed interest earned for the month of June was \$14,733.14.

David LeJune presented the Field Report for the month of June as follows:

Water pumped into the system was 33,728,000 gallons and accounted for 30,302,700 gallons. 10.16% of water pumped is unaccounted. We treated 54,137,000 gallons of sewer at the wastewater treatment plant.

There were 267 water jobs and 63 sewer jobs completed for a total of 330 jobs for the month, with 27 of those sewer jobs being LPSS service calls.

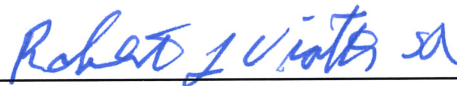
A motion was made by Secretary Beard and seconded by Director Haney to approve the General Manager's Monthly Status and Financial Reports as presented. All Voted Aye.

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

A motion was made by Director Haney and seconded by Secretary Beard to pay the monthly bills as presented. All Voted Aye.

8. **Adjournment.**

A motion was made by Vice President Inzer and seconded by Director Haney to adjourn at 7:35 p.m. All Voted Aye.



Robert L. Viator, Sr., President



Tim Beard, Secretary

