

**MINUTES OF
MEETING**

Regular Meeting Minutes

November 18, 2019 – 5:30 pm

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

Robert L. Viator, Sr..... President
Frank Inzer..... Vice President
Tim Beard..... Secretary
Trey Haney..... Director
Guy Groves..... Director
Chris Serres..... 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 Robert L. Viator, Sr. 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 the following Board Members present Robert L. Viator, Sr., Frank Inzer, Tim Beard, and Guy Groves. Trey Haney was absent.

STAFF PRESENT

Chris Serres, General Manager and Jason Ponder, Administrative Assistant were present.

OTHERS PRESENT

Larry Hunter, Attorney and Jared Defrancis of LJA Engineering, Inc. were present.

INVOCATION AND PLEDGES

The invocation was given by Secretary Beard and the Pledges were led by Vice President Inzer.

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.

Jared Defrancis presented LJA Engineering monthly status report as follows:

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 the project. LJA continued to work on various details for the Lift Stations. The project has entered the design phase.

6560E – Surplus Funds Water and Sewer Service Extensions Project (Contract 3 – Water and Sanitary Sewer Service Extensions Project)

No work was completed during this period.

TWDB CWSRF Project No. 73815 – Sanitary Sewer Lift Station Restoration Project

Services through this month include design phase services. LJA has coordinated with the City of Vidor, TWDB, and the City's consultants.

The project is in the early stages of design and LJA has coordinated with the electrical engineer to determine equipment weights and dimensions in order to design a platform layout. The electrical engineer is currently waiting on the generator specifications. It is anticipated that the specifications will be provided the week of November 4th. Design of the platform and the site layout will begin shortly after.

Sanitary Sewer Line Replacement Project – CDBG Project No. 7217480 – Thru November 5, 2019

The construction is in progress. Five (5) service line connections have been replaced from September 17th thru November 5th. A total of 84 houses have been completed.

Well Site #7 - TTHM – Toby Davis and Jared Defrancis met with David LeJune and Chris Serres on November 18th to review the modifications. The valve is to be delivered the last week of November. Plans will be submitted to David LeJune to gather material for installation when the valve is delivered, and installation is expected to be completed in mid-December.

Vice President Inzer asked Jared to elaborate on the new valve.

Jared Defrancis explained that the valve is an OCV (Oil Capitol Valves) and is a modulating float valve. It operates from a float pilot that is attached to the tank and reads the water level. As the water level increases and decreases it controls the valve to open and close. The float will be operating from the smaller tank.

A motion was made by Secretary Beard and seconded by Director Groves to accept LJA monthly status report. All Voted Aye.

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

Invoice No. 201919786 in the amount of **\$598.50** for Project No. **B877-6282** – General Services and **Invoice No. 201919829** in the amount of **\$507.55** for Project No. **B877-1005** – Disaster Recovery – Sanitary Sewer LS Restoration Project for a **Grand Total of \$1,106.05**.

A motion was made by Vice President Inzer and seconded by Director Groves to approve payment of LJA Engineering monthly invoices. All Voted Aye.

4. Consideration and possible action regarding approval/amendments for the minutes of the **October 21, 2019** Regular Board Meeting and the **November 4, 2019** Special Board Meeting.

A motion was made by Secretary Beard and seconded by Vice President Inzer to approve the October 21, 2019 and November 4, 2019 minutes as presented. All Voted Aye.

5. Consideration and possible action regarding options for purchase/acquisition and/or to assist Mr. Melvin Block with non-compliance issues with his water system located on Hale Street.

David LeJune informed Members of the Board that Mr. Block approached him regarding a problem he is having with his water system located off Sawmill Road on Hale Street. He went on to explain that Mr. Block supplies approximately 25 connections with this system and that the Texas Commission on Environmental Quality (T.C.E.Q.) has informed him of a violation regarding Arsenic in the system. Mr. Block asked if the District would be willing to purchase the system from him and tie his customer's in to the District Water System thus providing these customers with arsenic-free water. David stated that he informed Mr. Block that he would speak with the Directors of the Board, but that he felt that the Board would not be willing to purchase or acquire this system. David then added that this system is very old, and the District would have to rehabilitate all the lines within this system.

Vice President Inzer asked what the cost would be to rehabilitate that whole system and stated an estimated figure of \$50,000.00.

David LeJune responded that the rehabilitation would cost much more than \$50,000.00 due to line location and where the District's line would have to be ran.

A full discussion then ensued regarding Mr. Block's request ranging from what, if any, assistance the District could offer Mr. Block, to predictions of costs regarding having to rehabilitate the existing water system if the District was forced to take over this system, to taking no action on this request except to direct David LeJune to contact Mr. Block and let him know that, at this time, the District is currently not in a position to acquire his water system.

A motion was made by Secretary Beard and seconded by Director Groves to take no action on the purchase/acquisition and/or to assist Mr. Block with non-compliance issues with his water system located on Hale Street.

6. Board Member comments.

Vice President Inzer stated he is anxious to get the new valve installed and asked about monitoring the TTHMs on a regular basis.

David LeJune responded that we are currently monitoring the TTHM levels to keep up with the trend adding that a lab is testing weekly, but lab testing results are taking 3 to 4 weeks to present. He then stated that Anthony Bennett, Consultant, has spoken to the State Health Department Lab regarding sampling once the new valve is installed. We will gather samples weekly and will send the samples to the State lab in batches. The District will then receive test results back from the State Lab to track.

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

Chris Serres presented the General Manager's Monthly Status Report as follows:

On-Going Topics

- **City of Vidor 2017-2018 Block Grant** – This project continues toward completion. To date we have a total of 94 households are eligible for sewer yard line replacement with 84 jobs be completed. We have applied for an extension for this project and have every reason to believe the extension will be granted. This will allow us to continue accepting applications for yard line replacements through May 2020.
- **TCEQ Notice of Non-Compliance with TTHM Rules** - Toby Davis, LJA Engineering, Inc. has been in contact with Jim Gibson of OCV Control Valves, LLC. Through much research, recommendation for the 6" OCV 8103-FL valve was confirmed. We have ordered the valve at a cost of \$5,787.00. I spoke to Jim Gibson with OCV Fluid Solutions on Thursday, November 14, 2019 and he confirmed shipment is scheduled for the last week in November and that the shipment date is still on track. Toby Davis, LJA Engineering Inc., David LeJune and I will meet on Monday morning to firm up plans for the installation of the valve. I will give you an update regarding the meeting at the Board Meeting.
- **Demolition of building at Tiger Lake LS** – We are ready to move forward with the demolition of the building at Tiger Lake LS. Plans to build a new storage building at Oak Lane Wastewater Treatment Plant are also included in this project. TML Insurance has already issued a check in the amount of \$22,813.00 to cover the costs of this project. As a reminder, this is ongoing Harvey related costs. At the time of writing this report, Rayford and I are scheduled to meet with the contractor Saturday, November 16, 2019 at 10:00 a.m. to review the plans and move forward with this project.

Secretary Beard asked how long the project would take to complete.

Chris Serres responded that he did not give a specific timeline to completion adding that the project entailed demolition of building and concrete slab, hauling off the debris, hauling in new dirt and leveling.

President Viator asked if there were plans to build another building on this site.

Chris Serres responded that there are no plans to build on this site due to the potential for flooding in that area.

- **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. I plan to move forward with this project as soon as possible.
- **Water Line Extension to Iwanda MHP - Update:** Larry Gray with Iwanda Mobile Home Park and Ali Liaqat with Vidor Superette have both signed an agreement for the North 105 Water Line Extension Project. As a reminder, the total cost of this project is \$59,000.00 with the District's portion to upgrade the lines to 6" lines will be \$19,000.00. Larry Gray and Ali Liaqat will fund the remainder of this project.
- **Office Manager Position** – I would like to have Jason Ponder take on more of the daily duties required of the Office Manager and to change his title from Administrative Assistant to Office Manager. He has already taken on the daily duties relating to employee relations and has taken on some of the daily/weekly financial duties. I would like him to take on more of the customer relations duties as well. This position would entail all duties that are required of the Office Manager relating to day to day operations.

President Viator briefed the other Board Members on the request to have Jason Ponder named Office Manager. He stated that the Office Manager position takes on the more day to day issues such as customer phone calls, personnel needs, etc. Chris will then be able to dedicate more time on the District projects without so many of the daily interruptions.

Larry Hunter, Attorney, stated that this item should have been handled in an Executive Session unless the employee wanted it on an open agenda.

Chris Serres stated that if the Board desired, they could table this item and she would put it on an Executive Session for the next Board Meeting. She apologized and added that she did research the minutes for previous Office Managers and did not find where it

took Board Action but understood that the Board hired the General Manager and the General Manager hires all other positions.

Secretary Beard suggested that the staff should move forward with naming Jason Ponder Office Manager and to ratify the decision at the next Board Meeting.

Chris Serres presented the Financial Report as follows:

As of October 31, 2019, the year-to-date billing is \$3,434 below the budgeted projections of \$1,090,854.00 coming in at \$1,087,420.00. The October 2019 billing was down by \$3,000.00 when compared to September's billing but is slightly above the monthly projected billings. If we remain on this tract, billings for the year should level out and come in right at the projected budget for water and sewer revenues.

The Statement of Account Balances shows all accounts to be balanced. The General Operating Account balance is a concern and we are having to monitor the account weekly prior to paying weekly invoices. We have no cushion in that account and our expenses continue upward. A major expense that will be paid within the next month is a \$26,000.00 repair for Craig Street Lift Station. This Lift Station was affected by Tropical Storm Imelda and this invoice will cover the \$25,000.00 insurance deductible. Of course, the insurance company will reimburse the difference between the deductible and the total cost of the repairs which amounts to a little over \$1,000.00.

Secretary Beard stated that he thought we had just moved \$100,000.00 from Contingency to the General Operating Account. Chris Serres responded that we did move that money over but that expenses are quickly reducing that balance. She stated that she is looking for different sources of revenue to pay for the larger projects.

Secretary Beard then asked about the variances in salaries and wages expense account. Chris responded that this line item reflects a 5-week payroll month so that extra week of payroll and related expenses will account for the variances. Also, some of the payments reflected in the expense line items are twice as much this month due to Houston Mail Distribution Center being affected by Tropical Storm Imelda and mail being delayed for several weeks.

Secretary Beard asked about Item 5137 – Contracts – Office Maintenance. Chris explained that was our Blackboard Connect Contract and is a one time a year payment.

With there being no further questions regarding the payment of the monthly invoices, Chris Serres then briefed the Board on the interest received for the month of October 2019 stating that interest earned for the month was \$12,977.28.

Vice President Inzer asked about Item 5184 – Office Equipment and Software. Chris Serres explained that we had to purchase a new laptop with the upgraded programs for reading meters adding that there was no longer any support available to the old software.

David LeJune presented the Field Report as follows:

Last month we pumped 37,082,000 gallons of water for the month and accounted for 30,693,900 gallons for an unaccounted amount 17.23%.

We treated 50,417,000 gallons at the wastewater plant.

We had 465 water jobs and 79 sewer jobs for a total of 544 jobs in the field.

Vice President Inzer asked if we knew how much it cost per gallon to treat the wastewater. David LeJune stated that he does have the cost but could not recall at the moment.

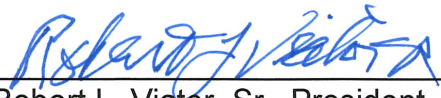
A motion was made by Secretary Beard and seconded by Director Groves to accept the Manager's status and financial reports as presented. All Voted Aye.

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

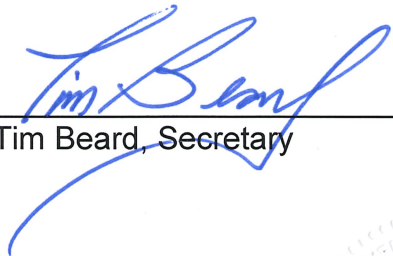
A motion was made by Vice President Inzer and seconded by Secretary Beard to pay the District's monthly bills as presented. All Voted Aye.

8. Adjournment.

A motion was made by Vice President Inzer and seconded by Director Groves to adjourn at 6:30 p.m. All Voted Aye.



Robert L. Viator, Sr., President



Tim Beard, Secretary

