

**MINUTES OF  
MEETING**

**Regular Meeting Minutes**

May 26, 2020 – 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**

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

**ANNOUNCE THE PRESENCE OF A QUORUM**

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President Viator announced the presence of a quorum with the following Board Members present: President Viator, Secretary Beard, Director Groves and Director Haney. Vice President Inzer was absent.

**STAFF PRESENT**

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Chris Serres, General Manager, Donna Myers, Administrative Assistant, and the District's Attorney, Larry Hunter were present. David LeJune, Operations Manager was absent.

**OTHERS PRESENT**

Jeff Scogin, LJA Engineering, Inc. was also present.

**INVOCATION AND PLEDGES**

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Invocation was given by Secretary Beard and the Pledges were led by Director Groves.

## MEETING MINUTES

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1. Execution and filing of Statement of Elected Officers by unopposed Directors elected to office.

A motion was made by Secretary Beard and seconded by Director Groves to table the Execution and filing of the Statement of Elected Officers by unopposed Directors elected to office until the June 15, 2020 due to the absence of one of the Board Members. All Voted Aye.

2. Oath of Office by Frank Inzer and Guy Groves as unopposed elected Directors of the District.

A motion was made by Secretary Beard and seconded by Director Groves to table the Oaths of Office by Frank Inzer and Guy Groves as unopposed elected Directors of the District until the June 15, 2020 due to the absence of one of the Board Members. All Voted Aye.

3. Consideration and approval of issuance of Certificates of election to Frank Inzer and Guy Groves.

A motion was made by Secretary Beard and seconded by Director Groves to table the issuance of Certificates of election to Frank Inzer and Guy Groves until the June 15, 2020 due to the absence of one of the Board Members. All Voted Aye.

4. Election of Officers of the Board of Directors of Orange County Water Control & Improvement District No. 1.

A motion was made by Secretary Beard and seconded by Director Groves to table the Election of Officers until the June 15, 2020 due to the absence of one of the Board Members. All Voted Aye.

5. Citizen Comments.

There were no citizen comments.

6. Consideration and possible action regarding a request by Mauriceville Municipal Utility District (MUD) that Orange County Water Control and Improvement District No. 1 relinquish a portion of its CCN to allow the MUD to provide water and sewer utility services to unserved customers outside the District boundaries in an area on the north side of IH-10 from Evangeline Drive to Claiborne Park, subject to the approval of the Texas Commission on Environmental Quality.

The Board requested Mauriceville MUD to provide a map of the metes and bounds outlining the boundaries of the CCN to be relinquished to the MUD. The Board also requested the Engineers provide a map outlining the water and/or sewer mains owned by the District in the area close to the boundary line being requested by Mauriceville MUD. These requests were made to help in determining how far west of Doty Road the District will retain.

A motion was made by Director Groves and seconded by Secretary Beard to table the item to obtain the map and information. All Voted Aye.

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

Jeff Scogin presented LJA Engineering, Inc. monthly status report on ongoing projects as follows:

Project 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 - This project has been completed.

Contract No. 2 – This project has been completed.

Project 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. LJA met with staff and identified new flow rates. LJA worked on resizing pumps for the new flow rates. LJA has continued to work on plans and details.

Director Haney asked why they were looking at the flow rates.

Originally the District was looking at running Alamo Lift into the Cloverleaf Lift Station and have started looking at going a different way with it.

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

No work was completed during this period.

Texas Water Development Board TWDB CWSRF Project No. 73825 – Sanitary Sewer Lift Station Restoration Project

Services through this month include design phase services. LJA has coordinated with the District, TWDB, and the District's consultants. Design slowed for the month of April due to the lack of information available to determine the submersible pump size. We now have that information which will allow the electrical and structural design to continue. We are hopeful that plans will be ready to review with the District by June and ready for TWDB review by July.

Well Site #5 – Ground Storage Tank Replacement Project

Services this month include design phase services. TCEQ has approved the plans and specifications. This project is ready for bidding once approved by the Board.

City of Vidor – Sanitary Sewer line Replacement Project - CDBG Project No. 7217480

Two (2) service line connections have been replaced from March 7<sup>th</sup> thru April 9<sup>th</sup>. A total of 110 houses have been completed. Project closeout documents will be prepared.

Chris Serres stated that they are working on the closeout documents and it appears that the District may be get approximately \$10,000 in reimbursements.

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

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

**Invoice No. 202007221 for Project B877-1005 CWSRF – Sanitary Sewer Restoration Project (TWDB Grant)** in the amount of **\$8,724.48**; **Invoice No. 202007459 for Project B877-6282 – General Services** in the amount of **\$361.00**; **Invoice No. 202009393 for Project B877-1006 – Well Site No. 5 - Ground Storage Tank Replacement** in the amount of **\$3,830.88** for a grand total of **\$12,916.36**.

Chris Serres recommended paying LJA monthly invoices.

A motion was made by Director Haney and seconded by Secretary Beard to approve payment of LJA Engineering monthly invoices. All Voted Aye.

9. Consideration and possible action regarding advertisement for bids for the Well Site #5 Ground Storage Tank Replacement Project.

A motion was made by Director Groves and seconded by Director Haney to approve and proceed with the advertising for bids for the Well Site #5 Ground Storage Tank Replacement Project. All Voted Aye.

10. Consideration and possible action regarding **approval/amendments for the minutes of the February 17, 2020 Regular Board Meeting as amended and the March 16, 2020 Regular Board Meeting.**

A motion was made by Secretary Beard and seconded by Director Groves to approve the minutes of the **February 17, 2020 Regular Board Meeting as amended and the March 16, 2020 Regular Board Meeting.** All Voted Aye.

11. Board Member comments.

There were no Board Member comments.

12. Consideration and possible action regarding **Wathen, DeShong & Juncker, LLP Initial Communication Audit Engagement Letter** for the Fiscal Year ending 06/30/2020.

A motion was made by Director Groves and seconded by Secretary Beard to approve Wathen, DeShong, Juncker, LLP Initial Communication Audit Engagement Letter for Fiscal Year ending 06/30/2020. All Voted Aye.

13. Consideration of and possible action approving a **proposed rate increase** in water and sewer rates effective for June 30, 2020 billing.

Chris Serres stated that we did mock billings at a \$.01, a \$.02, and \$.04 increases and she is recommending that we go with a \$.04 rate increase

A motion was made by Secretary Beard and seconded by Director Groves to approve a proposed rate increase in water and sewer rates for June 30, 2020 billing. All Voted Aye.

14. Consideration of and possible action regarding approval of the **Operating Budget** for the fiscal year **2020/2021** as presented by the Budget Committee and Staff.

President Viator and Chris Serres presented an overview of the Operating Budget for fiscal year 2020/2021.

A motion was made by Secretary Beard and seconded by Director Groves to accept and approve the Operating Budget for fiscal year 2020/2021. All Voted Aye.

15. Consideration and possible action regarding adopting **Local Option Property Exemptions for the 2020 Tax Year.**

A motion was made by Director Haney and seconded by Director Groves to adopt a \$10,000 Exemption for 65 years of age or older and a \$5,000 Exemption for Disabled Persons for the 2020 Tax Year. All Voted Aye.

16. Consideration and possible action regarding an offer to **Kinder Morgan** by the District to purchase a tract of land adjacent to the West Davis Street Lift Station site for purposes of expansion of the area of the existing site.

Chris Serres stated that the Kinder Morgan representative told her that they are willing to sell or lease the tract of land but if they were to give us a value to purchase the property it would cost more than it is worth. He suggested that the District offer Kinder Morgan a price to purchase the land. Chris Serres was asking the Board to approve offering them \$1,000 for the property and see if they will accept.

A motion was made by Director Haney and seconded by Director Groves to approve to offer Kinder Morgan \$1,000.00 to purchase a tract of land adjacent to the West Davis Lift Station site for purposes of expansion of the area of the existing site. All Voted Aye.

17. 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:

- **City of Vidor 2017-2018 Block Grant** – This construction phase of this project is complete. We are in the process of working on the closing documents. I spoke with the Grant Administrator on Monday, May 18, 2020 and she reported that there is a possibility that the District will be receiving a refund of approximately \$10,000. The reimbursement to the District is from unexpended funds in the construction portion of this project.

This item has been reported in LJA Engineering monthly status report.

- **TCEQ Notice of Non-Compliance with TTHM Rules** – There is no good news to report on the TTHM Non-Compliance project. The District received lab results from collections taken on May 7, 2020. The Air Stripper was put back in operation at the end of March 2020. The only numbers that were within or below range was the small tank at Well #7 and the Ground Storage Tank at Well #4. All other collection sites were above the allowable range. David LeJune and I will meet with the Engineers and TTHM Consultant for assessment and direction.

- **Water Line Extension to Iwanda MHP - Update:** We are ready to proceed with this project. COVID 19 shutdown and social distancing has caused us to put a hold on all non-emergency projects. We have started small non-emergency projects and are assessing the COVID 19 numbers and will decide as how to proceed soon.

Chris Serres stated that she is bringing the staff back Monday, June 1, 2020 and we will be ready to get started on the project.

- **Preliminary Property Values for 2020:** Preliminary Property Tax Values for 2020 are up by \$19,615,643. Of course, these values are prior to any Review Board adjustments. We will not receive the Certified Values until the end of July 2020.
- **Texas Division of Emergency Management (TDEM):** The District received a deposit of \$7,666.50 as a result of Senate Bill 7 - passed by the 86<sup>th</sup> Legislature and is a reimbursement of 75% of the local cost share (\$10,222.00) for DR 4332 (Hurricane Harvey).

Chris Serres presented the financial reports as follows:

The billing is up a little, but still lower than projected. All the bank statements balance. We brought in more money than was spent this month. Last month we made \$9,894.74 in interest and this month we made \$2,984.45 in interest. Interest earned on accounts has dropped from 1.3339 percent to .3961 percent this month.

Chris Serres presented the Field Report in David's absence as follows:

Water pumped to the system was 35,853.000 gallons and accounted for 30,090,800 gallons. Percentage of unaccounted for water is 16.07%. We treated 23,862,000 gallons of wastewater.

We performed 112 water jobs and 36 sewer jobs for a total of 148 jobs. There were 17 LPSS calls for the month and we only had to charge one person for misuse of the unit.

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

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

A motion was made by Secretary Beard and seconded by Director Haney to approve payment of the District's monthly bills. All Voted Aye.

19. **Executive Session** pursuant to Section 551.074(a)(1) of the Texas Government Code to deliberate the evaluation, reassignment, and/or discipline of public employees of the Water District.

A motion was made by Secretary Beard and seconded by Director Groves to enter an Executive Session at 7:05 p.m. to deliberate the evaluation, reassignment, and/or discipline of public employees of the Water District. All Voted Aye.

20. Reconvene in **General Open Session** for the consideration of any necessary action following the executive session concerning the evaluation, reassignment, and/or discipline of certain public employees of the Water District.

A motion was made by Director Groves and seconded by Director Haney to reconvene in General Open Session at 7:25 p.m. for the consideration of any action following an Executive Session concerning the evaluation, reassignment, and/or discipline of certain public employees of the Water District.

The Executive Session was a deliberation concerning 3 employees' misappropriation of public funds. The District Manager informed the Board that the 2 employees that benefitted are repaying the funds on a payment plan and a letter of reprimand will be placed in the employee's personnel file. She then informed the Board that it was her suggestion that the Office Manager be demoted to Office Assistant with a reduction in salary.

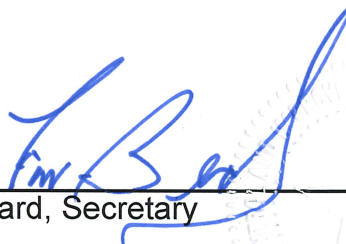
A motion was made by Secretary Beard and seconded by Director Groves that the reprimand of the 2 employees that benefitted from the misappropriation of funds stands as suggested by the General Manager and that the Office Manager will be demoted to Office Assistant with a reduction in salary, one week off without pay and will be placed on a 6-month probation period. All Voted Aye.

#### 21. Adjournment.

A motion was made by Director Groves and seconded by Director Haney to adjourn at 7:28 p.m. All voted Aye.



Robert L. Viator, Sr., President



Tim Beard, Secretary

