

Public Hearing and Regular Minutes

August 17, 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
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.

PUBLIC HEARING REGARDING A CDBG-MIT APPLICATION TO THE TEXAS GENERAL LAND OFFICE.

The Public Hearing was called to order at 5:30 p.m. by President Robert Viator.

There were no Citizen comments.

A motion was made by Director Haney and seconded by Vice President Inzer to close the Public Hearing at 5:38 p.m. All Voted Aye.

CALL MEETING TO ORDER

President Robert Viator called the meeting to order at 5:38 p.m.

ANNOUNCE THE PRESENCE OF A QUORUM

President Viator announced the presence of a quorum with the following Board Members present: Frank Inzer and Trey Haney. Tim Beard and Guy Groves were absent.

STAFF PRESENT

Chris Serres, General Manager, Jason Ponder, Office Assistant, Kim Roark, Customer Service Representative, and the District's Attorney, Larry Hunter, were present.

OTHERS PRESENT

Toby Davis of LJA Engineering, Inc. was present.

INVOCATION AND PLEDGES

The Pledges were led by Vice President Frank Inzer, and the invocation was given by Director Trey Haney.

MEETING AGENDA

1. Citizen Comments

There were no citizen comments

2. Consideration and possible action approving **LJA Engineering, Inc.** to provide the **Professional Engineering Services** needed to implement the **CDBG-MIT Grant Project**.

A motion was made by Vice President Inzer and seconded by Director Haney to ratify the decision to award the Contract for Professional Engineering Services to LJA Engineering, Inc. made at the August special meeting. All voted Aye.

3. Consideration and possible action approving **Traylor and Associates** to provide the **necessary Grant Administration Services** needed to implement the **CDBG-MIT Grant Project**.

A motion was made by Director Haney and seconded by Vice President Inzer to ratify the decision to approve Traylor and Associates for the Professional Administrative Services contract made at the special meeting. All voted Aye.

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

Toby Davis with LJA Engineering Inc. presented an overview of the following projects:

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. The plans are near completion except for the electrical. We are considering including this Sanitary Sewer Lift Station project in the CDBG Mitigation grant application.

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

No work was completed during this period.

TEXAS WATER DEVELOPMENT BOARD TADS 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. We have completed most of the detailed design with only the electrical and structural platform plans remaining.

We are working to complete the plan submittal package and expect to have plans ready for review by mid-August. We will continue to keep the staff apprised of our schedule and involved in any design decisions.

WELL SITE #5 – GROUND STORAGE TANK REPLACEMENT PROJECT

Services this month include bidding phase services. A special meeting was called for on Monday, July 6th, 2020 to award contract to MK Constructors. LJA Engineering coordinated with MK Constructors regarding a Notice of Award. The documents were delivered to our office and after reviewing the documents LJA requested corrections to MK Constructors insurance certificate and agreement. Final documents were delivered for review on August 6th, 2020. A pre-construction meeting will be scheduled in the coming weeks once bonds are reviewed and approved by district attorney.

COMMUNITY DEVELOPMENT BOCK GRANT- CDBG

This is the first time that Districts, which are not cities or counties, have been allowed to apply for a grant directly. These grants can range from three to thirty million dollars. LJA is thinking about replacing the remaining concrete sewer lines to help with the inflow and infiltration. Another idea is to take the lift stations in the low to moderate income areas that the District was going to use Surplus Funds to restore, and put those into a grant project. This will allow the District to save a sizeable amount of money.

A discussion was had about the CDBG block grant possibilities.

More data was collected on the trihalomethane issue a few weeks ago and sent to the same labs in Austin that TCEQ use, in order to see what the results would be from the same lab that tests our water. The data showed that it takes a day and two thirds for the TTHMs to reach their peak growth. This means we might be able to change the way we use the treatment plant operationally to solve our TTHM problem.

A discussion ensued about the TTHM issue.

A motion was made by Director Haney and seconded by Vice President Inzer to accept the monthly status report by LJA Engineering, Inc. as presented by Toby Davis, Engineer. All Voted Aye

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

Invoice No. 202014071 - for Project B877-1005 CWSRF – Sanitary Sewer Restoration Project (TWDB Grant) in the amount of \$3,491.70; Invoice No. 303025269 for Project B877-1006 – Well Site 5 Ground Storage Tank Replacement Project in the amount of \$2,688.80 for a grand total of \$6,180.50.

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

6. Consideration and possible action regarding **approval/amendments for the minutes of the June 15, 2020 Regular Board Meeting; July 6, 2020 Special Board Meeting; and the August 6, 2020 Special Board Meeting.**

A motion was made by Vice President Inzer and seconded by Director Haney to approve the May 26, 2020 Regular Board Meeting minutes. All voted aye.

7. Board Member comments.

Vice President Inzer asked what the largest complaints were the District gets from its customers.

Kim Roark, Customer Service Representative, answered that customers complain a lot about their fear that the district's water is not safe to drink.

There were no further board comments.

8. Consideration and possible action regarding the approval of the **2020 Certified Tax Values** in the amount of **\$519,253,612** as presented by the Orange County Appraisal District and Orange County Tax Office.

A motion was made by Vice President Inzer and seconded by Director Haney to approve the **2020 Certified Tax Values** in the amount of **\$519,253,612**. All voted aye.

9. Consideration and possible action to approve or to amend the **2020 Proposed Tax Rate of \$0.42201 per \$100.00 of Tax Valuation**; and called for a **Public Hearing** to be held on **September 21, 2020 at 5:30 p.m.** regarding the **2020 Proposed Tax Rate**.

A discussion was had about the proposed tax rate.

A motion was made by Director Haney and seconded by Vice President Inzer to approve the **2020 Proposed Tax Rate of \$0.42201 per \$100.00 of Tax Valuation**. All voted aye.

10. Consideration and possible action regarding the approval of **Anthony Bennett TTHM Consultant Invoice #20200283** for the months of **June 2020 and July 2020** in the amount of **\$4,904.46**.

A motion was made by Vice President Inzer and seconded by Director Haney to approve Anthony Bennett TTHM Consultant **Invoice #20200283** in the amount of **\$4,904.46**. All voted aye.

11. Consideration and possible action **appointing a member of the Board or its designee** to represent **Orange County Water Control & Improvement District No. 1** on the **South East Texas Regional Planning Commission (SETRPC) Executive Committee**.

A discussion ensued about a possible designee.

A motion was made by Director Haney and seconded by President Viator to appoint Vice President Inzer as the District's designee. All voted aye.

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

Chris Serres, General Manager, presented the monthly status and financial reports as follows:

- **TCEQ Notice of Non-Compliance with TTHM Rules** – Progress is taking place and we may possibly have a bit of good news resulting from the latest testing. Anthony Bennett, Consultant, has shared his thoughts that, with some modifications to the pumping volumes at each site, there is a chance to reduce the TTHMs without any additional treatment equipment. A meeting will be scheduled for the next week or two with the Consultant, the Engineers, David LeJune and me to further discuss.

- **Water Line Extension to Iwanda MHP - Update:** At a prior Board Meeting, David LeJune and I asked for permission to seek quotes for the Hwy. 105 North Water Line Extension Project. We received one quote that is within our projected cost for the Water Extension portion of the project. We are hopeful that construction of this project can begin within the next month or two.
- **West Davis Street Lift Station:** I have continued to email and/or call Rick Sellers with Kinder Morgan regarding purchasing the tract of land adjacent to our West Davis Street Lift Station for expansion purposes. I did receive a reply from him on August 3, 2020 stating that he “believes everyone involved was OK with selling the property but not sure of the offer” and that he would let me know something ASAP. I have reached out to him on two occasions since the August 3, 2020 correspondence but have not received a reply.
- **Capital Projects/Expenses:** We have started the 2020-2021 Fiscal year with some major hits to our expense accounts. Expenses are outlined below:
 1. Hydrovac – \$5,000.00 (in shop until probably October).
 2. Scada System - \$15,800.00 (Windows 7 no longer supported – upgraded to Windows 10)
 3. Alamo Lift Station - \$9,810.00 (New Pump)
 4. Alamo Lift Station - \$4,815.00 ()
 5. A/C Unit in Field Office - \$9,000.00
 6. Anthony Bennett - \$4,904.46 (TTHM Consultant)
 7. Department of State Health Services - \$6,808.56 (TTHM Samples)
 - 8. Total = \$56,138.02**

The good news to go along with these major expenses is I did find the dollars to cover these expenses. Our 2013 Revenue Note Refinance Bond will be paid in full with the February 2021 payment. The law required that I keep enough money in a **Reserve Account** to cover the final payment. To pay Revenue Bonds, there is two accounts – one to pay the scheduled bond payments semi-annually; and the Reserve Account which houses funds set aside to make the final bond payment. The funds are transferred into the payment account monthly to cover the August and February payments, in this case a total of \$14,500 monthly. While studying the bond payments for the upcoming fiscal year, I discovered that our last payment is scheduled for February and will be paid out of the Reserve Account. This freed up the \$151,000 that had accumulated in the “payables” account. I was able to transfer those funds back into our General Operating account. In addition, we will no longer have to transfer the \$14,500 monthly from our General Operating Account which is also helpful!

- **Surplus Funds:** No progress has been made on the Surplus Funds project. We are concentrating our efforts on the application for a TCDBG-Mitigation Grant for which we are eligible.
- **Hours of Operation:** As you all know; the Office Staff's hours of operation are 7:30 a.m. thru 5:00 p.m. (30-minute Lunch) Monday thru Thursday and 8:00 a.m. thru 5:00 p.m. (1-hour lunch) Friday. This is called a 9/80 work schedule and consists of a total of eight nine-hour days, one eight-hour day, and one day off spread over a two-work week period. In this case the one day off is taken every other Friday. Opening at 7:30 a.m. Monday through Thursday has given our customer's the opportunity to pay their bills on the way to work, etc. and several have expressed "thanks" for opening before 8:00 a.m. The staff does enjoy the benefits they receive from working this schedule; however, I am asking to modify the schedule a bit. The office hours would remain the same with the exception of Fridays. I am requesting that the staff work every Friday, but we would close at noon on Fridays. If this schedule is approved, I believe that David LeJune would like to extend these hours to the field employees as well.

The hours would look like this:

Monday	7:30 a.m. – 5:00 p.m.	(9 hours)
Tuesday	7:30 a.m. – 5:00 p.m.	(9 hours)
Wednesday	7:30 a.m. – 5:00 p.m.	(9 hours)
Thursday	7:30 a.m. – 5:00 p.m.	(9 hours)
Friday	8:00 a.m. – 12:00 noon	(4 hours)
	Total Hours	(40 hours)

I have research and there are quite a few municipalities and districts throughout the state that have implemented these hours.

The Board chose to test the new schedule out for the next month and make the new schedule an agenda item for September's board meeting.

Chris Serres presented the Financial Report as follows:

Our billing was up this month because of the new rates. We billed \$295,194.53 for water and sewer utility services versus \$273,779.14 last month.

Statement of account balance shows all accounts balanced.

For the month of July, revenues totaled \$398,342.00. Expenses for the month totaled \$1,025,126.00. The expenditures were so high due to paying the District's bond payment.

Chris presented the Field report as follows:

Water pumped into the system this month was 32,696,000 gallons. We accounted for 29,280,500 gallons. The percentage unaccounted for this month is 10.45%. We treated 34,108,000 gallons at the wastewater plant. Field employees completed 223 water jobs, and 77 sewer jobs, for a total of 300 field jobs.


A motion was made by Vice President Inzer and seconded by Director Haney to approve the General Manager's monthly status and financial report. All voted Aye.


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

A motion was made by Vice President Inzer and seconded by Director Haney to pay the District's monthly bills as presented. All voted Aye.

14. **Adjournment.**

A motion was made by Vice President Inzer and seconded by Director Haney to Adjourn at 6:45 P.M. All voted Aye


Robert L. Viator, Sr., President


Tim Beard, Secretary

