

**Regular Meeting Minutes**

November 14, 2022 – 5:30 pm

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

Frank Inzer.....President  
Tim Beard.....Vice President  
Trey Haney.....Secretary  
Kelly Brewer.....Director  
Troy Taylor.....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.*

**REGULAR MONTHLY MEETING OF BOARD OF DIRECTORS**

**CALL MEETING TO ORDER**

President Frank Inzer called the Regular Meeting to order at 5:32 p.m.

**ANNOUNCE THE PRESENCE OF A QUORUM**

Members present were President Frank Inzer, Vice President Tim Beard, Secretary Trey Haney, Director Troy Taylor, and Director Kelly Brewer.

**STAFF PRESENT**

Chris Serres, General Manager, David LeJune, Operations Manager, and Denise Ackley, Accounts Receivable were present.

**OTHERS PRESENT**

Toby Davis, LJA Engineering, and Kate Leverett, Attorney, Mark McLiney, SAMCO Financial Advisor, and Stacy Smith, MK Constructors were present

**INVOCATION AND PLEDGES**

Invocation was given by Director Trey Haney and Pledges were led by Director Kelly Brewer.

**MEETING AGENDA**

1. Citizen comments.

There were no citizen comments.

4. Consideration and possible action regarding the approval of Resolution No. 08-2022 requesting financial assistance from the Texas Water Development Board for constructing various public improvements to the District's utility system; authorizing the District's Financial Advisors, Bond Counsel, and Engineers to coordinate the submission of one of more applications to the Texas Water Development Board; and other matters in connection therewith.

Mark McLiney, Financial Advisor requested that the Board of Directors give authorization to SAMCO Capital Markets, Inc. to submit an application requesting for TWDB state financial assistance for the District's chloramine conversion and new well site projects. Mr. McLiney gave an overview on the application process and stated that the deadline for the submission is on December 19, 2022. Mr. McLiney stated that along with the application, it is required to submit the Engineers contract, Financial Advisors contract, and Bond Counsel contract.

A motion was made by Director Troy Taylor and seconded by Director Kelly Brewer approving Resolution No. 08-2022 requesting financial assistance from the Texas Water Development Board for constructing various public improvements to the District's utility system; authorizing the District's Financial Advisors, Bond Counsel, and Engineers to coordinate the submission of one of more applications to the Texas Water Development Board; and other matters in connection therewith. All voted Aye.

2. Consideration and possible action regarding a Work Authorization Engagement Letter from LJA Engineering, Inc. for the purpose of coordinating the submission of one or more applications to the Texas Water Development Board through the Drinking Water State Revolving Fund Program.

Toby Davis, LJA Engineering went over the scope of the projects, engineering services, and presented proposals for both Project No. B877-1009 with the cost of \$139,656 for the Chloramine conversion and Project No. B877-1010 with the cost of \$680,000 for the engineering services of planning, designing, and construction phases for a new water well site, storage tank, pump and a whole new facility.

A motion was made by Vice President Tim Beard and seconded by Secretary Trey Haney to approve the Work Authorization Engagement Letter from LJA Engineering, Inc. for the purpose of coordinating the submission of one or more applications to the Texas Water Development Board through the Drinking Water State Revolving Fund Program and to move forward on the projects. All voted Aye.

3. Consideration and possible action regarding Resolution No. 07-2022 approving an Engagement Agreement for Bond Counsel Legal Services with Norton, Rose, and Fulbright, US LLP, and other matters in connection therewith.

A motion was made by Secretary Trey Haney and seconded by Vice President Tim Beard approving Resolution No. 07-2022 of an Engagement Agreement for Bond Counsel Legal Services with Norton, Rose, and Fulbright, US LLP, and other matters in connection therewith. All voted Aye.

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

Toby Davis, LJA Engineering presented the monthly status report as follows:

**ORANGE COUNTY WCID No. 1  
2015 Surplus Funds Water and Sanitary Sewer Projects  
ENGINEERING INVOICE DETAIL  
October 2022**

**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.

Services during this period included work on the draft surplus funds report and submission to the District for comments.

**6560D – SURPLUS FUNDS SANITARY SEWER SYSTEM IMPROVEMENTS PROJECT (Contract No. 4 – Sanitary Sewer Lift Station Rehabilitation Project)**

LJA has prepared and sent the Notice of Award to the contractor for the Alamo Lift Station. We are waiting for them to submit their executed contract documents.

LJA is working to complete the plans for the West Davis LS, Poplar LS, and Texas St LS.

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

LJA has begun working on plans to complete the extensions. We met with the District in Area 1 to investigate the feasibility of obtaining utility easements. LJA will provide options for providing water and sewer service to Area 1 to the Board to consider at its November meeting.

**ORANGE COUNTY WCID #1  
Texas Water Development Board  
TWDB CWSRF Project No. 73825  
Sanitary Sewer Lift Station Restoration Project  
PROJECT STATUS REPORT  
October 2022**

Services through this month include coordination with TWDB and construction phase services.

Equipment is starting to arrive and the rest will follow soon after with exception to the generator.

MK Constructors has started the demolition work required for the dry well to wet well conversion as well as site preparation and drilling of the platform pile. A gas line was located that interferes with the placement of the center platform pile and the construction of the piles has been put on hold. LJA has been in coordination with Centerpoint Gas Service on the relocation of the gas line. We are awaiting approval to continue construction of the platform and piles over the gas line. Centerpoint would then relocate the gas line soon after to prevent any additional delays in the lift station construction schedule.

Toby Davis gave an overview on each project. Mr. Davis stated the drafts for surplus funds have been submitted to Chris Serres, General Manager. Mr. Davis stated that

bids were submitted on the Alamo Lift Station project that will be presented on line item #7 and discussed today. Mr. Davis stated that the plans for West Davis Lift Station, Poplar Lift Station, and Texas Street Lift Station are 98% complete. Mr. Davis presented an exhibit map of Area No. 1 of Caney Creek, Evangeline and Beechnut area demonstrating options and the cost for the water and sewer line extensions for that area. Mr. Davis stated that more equipment has arrived at the site of the Sanitary Sewer Lower Lift Station project. Mr. Davis informed the Board of Directors that the contractor discovered a gas line at the site and LJA is coordinating with Centerpoint on relocating the gas line.

A motion was made by Director Kelly Brewer and seconded by Vice President Tim Beard to approve LJA Engineering, Inc. Monthly Status Report concerning ongoing District projects as presented. All voted Aye.

6. Consideration and possible action regarding approval of LJA Engineering, Inc. monthly invoices for District projects as listed: Invoice No. 202229381 in the amount of \$847.00 for Project No. B877-6282 – General Services; Invoice No. 202229382 in the amount of \$1500.00 for Project No. 6560c – Surplus Funds Water System Improvements Project; Invoice No. 202229419 in the amount of \$3538.00 for Project No. 6560D – Surplus Funds Sanitary Sewer System Improvements Project; Invoice No. 202229420 in the amount of \$1500.00 for Project No. 6560E – Surplus Funds Water and Sewer Service Extensions Project for a Grand Total of \$7,385.00.

Mr. Davis went over line items on the invoices with the Board of Directors.

A motion was made by Secretary Trey Haney and seconded by Vice President Tim Beard to approve payment of LJA Engineering, Inc. monthly invoices for District projects as listed: Invoice No. 202229381 in the amount of \$847.00 for Project No. B877-6282 – General Services; Invoice No. 202229382 in the amount of \$1500.00 for Project No. 6560c – Surplus Funds Water System Improvements Project; Invoice No. 202229419 in the amount of \$3538.00 for Project No. 6560D – Surplus Funds Sanitary Sewer System Improvements Project; Invoice No. 202229420 in the amount of \$1500.00 for Project No. 6560E – Surplus Funds Water and Sewer Service Extensions Project for a Grand Total of \$7,385.00. All voted Aye.

7. Consideration and possible action regarding award of bid for the Alamo Sanitary Sewer Lift Station Rehabilitation Project.

The Board of Directors reviewed four bids received for the Alamo Sanitary Sewer Lift Station Rehabilitation Project. The Board of Directors and Mr. Davis had a discussion regarding the City of Vidor sharing funds with the District from the American Rescue Plan Act (ARPA), the Orange County donation, and the District's Surplus Funds that will be going towards the project.

A motion was made by Director Troy Taylor and seconded by Director Kelly Brewer awarding the bid for the Alamo Sanitary Sewer Lift Station Rehabilitation Project to MK Constructors and to move forward on the project. All voted Aye.

8. Consideration and possible action regarding approval of Invoice #764268 in the amount of \$3,330.00 to Germer PLLC for legal services.

A motion was made by Secretary Trey Haney and seconded by Vice President Tim Beard approving payment of Invoice #764268 in the amount of \$3,330.00 to Germer PLLC for legal services. All voted Aye.

9. Consideration and possible action to award bid for Surplus Property to the highest bidder received for each of the Surplus Property items as tabulated by the Board of Directors upon opening and recording each bid received:

- Kubota Tractor MX5800 – Minimum Bid required \$12,000.
- 2001 Ditch Witch
- 1994 Ford Diesel Rig
- 1975 Tanker Trailer
- Dump Bed (Fifth Wheel)
- Surplus Office Equipment

A motion was made by Secretary Trey Haney and seconded by Vice President Tim Beard to award each surplus property to the highest bidder:

- Kubota Tractor MX5800 – Michael Taylor
- 2001 Ditch Witch – Rock Builders
- 1994 Ford Diesel Rig – David Brewer
- 1975 Tanker Trailer – Rock Builders
- Dump Bed (Fifth Wheel) – David Brewer
- Surplus Office Equipment – Michael Taylor

President Frank Inzer, Vice President Tim Beard, Secretary Trey Haney, and Director Troy Taylor voted Aye. Director Kelly Brewer recused himself.

10. Consideration and possible action to ratify the quote from Weisinger Inc. in the amount of \$91,112.00 for the Rehabilitation of Well No. 5 and approve payment. All voted Aye

David LeJune, Operations Manager stated that this invoice is for new pump equipment for Well No. 5. The mechanical vibrations within the pump and shaft caused the pump to sustain a complete bearing failure which allowed the pump shaft to become unstable resulting in the destruction of mechanical parts. Chris Serres, General Manager informed the Board that the District is only required to keep \$944,000 in the Revenue Reserve account and that there is approximately \$111,000 over the required amount in that account. She then stated that the \$111,000 overage will be transferred to General Operating account to cover the cost of new pump equipment.

A motion was made by Director Troy Taylor and Secretary Trey Haney to ratify the quote from Weisinger Inc. in the amount of \$91,112.00 for the Rehabilitation of Well No. 5 and to approve payment. All voted Aye.

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

Chris Serres presented the General Manager's monthly status as follows:

- The District is moving three accounts to Money Market Accounts which are currently paying 2.9336% interest for October 2022. Those accounts are the Revenue Note Reserve account, Tax account, and Contingency account.
- Mrs. Serres recommended that the 2022-2023 Budget needs to be amended. She noted that looking at the Budget Comparison Report the budget line items in expenditures are exceeding the budgeted cost to date along with the increases in materials and services. She then added that the yearly cost is still within the budgeted projections, but an amendment will still be needed.

- Mrs. Serres informed the Board of Directors that Paul King with the Texas Rural Water Association recently gathered information and performed a rate study on the District's water and sewer rates. Mr. King has not completed the study but preliminarily, it is in his opinion that the District's rates are very low compared to where the rates should be.
- Mrs. Serres updated the Board of Directors on the Sewer Only Accounts. There are four customers on payment plans, five customers in line to be capped and seven customer's sewer lines are capped and turned over to City and County Enforcement. Sewer Only Accounts remaining balance as of November 1, 2022:

Sewer Only Balance Owed	\$136,898.56
Collected	<u>\$55,225.04</u>
Remaining Balance	\$81,673.52

- Mrs. Serres informed the Board of Directors that the District has two options to allow line extensions to the new Truck Stop on Hwy 1132:

1) Insta-Valve \$8,500

2) Line-Stop \$5,500

David LeJune, Operations Manager is still exploring the best option for this site.

- Mrs. Serres reminded the Board of Directors of the Employee Holiday Luncheons:

Thanksgiving – Thursday, November 17, 2022 at the Community Center from 12 p.m.- 2p.m.

Christmas – Thursday, December 15, 2022 at the Benoit's Louis Hall Event Center from 12p.m.- 2p.m.

- Mrs. Serres informed the Board of Directors that the next Board Meeting will be moved to December 12, 2022 @ 5:30 p.m. due to the Christmas Holiday.
- David LeJune, Operations Manager presented the Field Report stating that 31,288,000 gallons of water was pumped into the systems with 10.02% being unaccounted. There was 25,029,000 gallons of wastewater was treated at the plant. There were 304 water jobs and 56 sewer jobs; a combined total of 360 work orders were completed during the month of October 2022.
- Mrs. Serres gave an overview of the financials for the month of October 2022 starting with the Monthly Billing Re-cap; Billings are down \$6,423.80 when compared to last month's billing. Revenues came in at \$53,035 more than expenditures. Revenues for the month were \$454,948; Expenditures for the month were \$401,913. She then gave an overview of line items of expenditures. Bank statements on all accounts are balanced with a combined total of \$8,837,458.56. With an Interest Rate of 2.000000% for the current month; Interest earned for the month of October 2022 was \$13,998.05.

A motion was made by Director Kelly Brewer and seconded by Vice President Tim Beard to approve the General Manager's monthly status and financial report as presented. All voted Aye.

11. Consideration and possible action regarding approval/amendments of the minutes of the September 19, 2022, Regular Board Meeting and the October 17, 2022, Regular Board Meeting.

A motion was made by Secretary Trey Haney and seconded by Vice President Tim Beard to approve the amended September 19, 2022, Regular Board Meeting minutes and the October 17, 2022, Regular Board Meeting minutes as it is written. All voted Aye.

12. Consideration and possible action to approve the 2022 Current Tax Roll in the amount of \$2,100,299.50 for the Orange County Water Control & Improvement District No. 1 as certified and submitted by Karen Fisher, Orange County Tax Assessor/Collector.

A motion was made by Secretary Trey Haney and seconded by Director Troy Taylor to approve the 2022 Current Tax Roll in the amount of \$2,100,299.50 for the Orange County Water Control & Improvement District No. 1 as certified and submitted by Karen Fisher, Orange County Tax Assessor/Collector. All voted Aye.

13. Consideration and possible action to approve the 2022 Delinquent Tax Roll in the amount of \$519,975.99 for the Orange County Water Control & Improvement District No. 1 as certified and submitted by Karen Fisher, Orange County Tax Assessor/Collector.

A motion was made by Director Troy Taylor and seconded by Secretary Trey Haney to approve the 2022 Delinquent Tax Roll in the amount of \$519,975.99 for the Orange County Water Control & Improvement District No. 1 as certified and submitted by Karen Fisher, Orange County Tax Assessor/Collector.

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

A motion was made by Vice President Tim Beard and seconded by Secretary Trey Haney to approve the payment of the District's monthly bills. All voted Aye.

16. Board Member comments.

Director Kelly Brewer- Mr. Brewer requested that the Board of Directors go on a Site Tour to all the Lift Stations and Water Well sites. Mrs. Serres stated that the Board of Directors can get with David LeJune, Operations Manager and Rayford Ackley, Chief Plant Operator to set an appointment to tour the sites.

Director Troy Taylor- Mr. Taylor inquired on the money set aside for infrastructure. Mrs. Serres directed the Board of Directors to the Budget Comparison Report on the Yearly Budget in Contingency, Special Projects, Water & Sewer Major Maintenance and Water Well accounts. Mrs. Serres reminded the Board that the District was transferring funds in those accounts but the Board of Directors instructed Mrs. Serres to only transfer funds into the Contingency account until it builds back up. Mrs. Serres stated that the District has a Reimbursement Policy and some of the Surplus Funds can be put back into the Contingency account for reimbursement. Mr. Taylor inquired on expanding the District on Hwy 1132 and connecting with other Districts such as Mauriceville. Mrs. Leverette stated that a vote would be required or an involuntary annexation which would be quite a process. She then stated that TCEQ does not allow connecting to other Districts due to permits, permit level requirements as well as a discharge permit. Joining Districts can breach their own permits. Mrs. Leverette stated that the District is self-sufficient and does not need to join another District; it may not have the capacity. Mrs. Leverette stated that after a natural disaster such as a hurricane, there has been a time

when a rural water system had to connect to a city to provide to their customers. Mrs. Leverette stated that the District has an Emergency Plan Act in place.


Vice President Tim Beard- Mr. Beard inquired on a project from two years ago of a developer wanting to buy property from the District in the Brookhollow area. Mrs. Serres stated that the District never heard back.

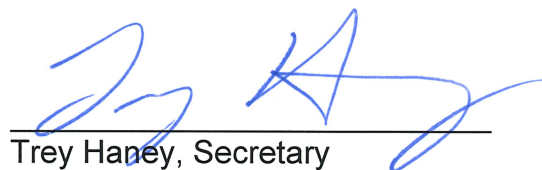
President Frank Inzer- Mr. Inzer stated that he is glad to see progress on the Sewer Only Accounts. Mr. Inzer stated he would like to encourage the Board of Directors to keep in mind the Bore Saver product that Mr. Brewer previously suggested. The day will come that the District will need to wash and clean out a water well screen. If an issue of needing a screen cleaned comes about in the future, the District could use it and its cost effective.

Attorney Kate Leverette- Mrs. Leverette stated that she will do memo of an overview of the process on Annexation for the Board of Directors.

17. Adjournment.

A motion was made by Secretary Trey Haney and seconded by Vice President Tim Beard to adjourn the meeting at 8:21 p.m. All voted Aye.

  
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Frank Inzer, President

  
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Trey Haney, Secretary

