



Meeting Minutes

July 21, 2014– 5:30 pm

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

Robert ViatorPresident
Frank Inzer..... Vice-President
Tim Beard Secretary
Trey Haney Director
Guy Groves Director

Norman Blackman General Manager
David LeJune Operations Manager

Karen Sampson..... Office Manager
Chris Serres..... Financial Director

Others present: Larry Hunter, Provost Umphrey Law Firm; Toby Davis & Jeff Scogin, Carroll & Blackman Consulting Engineers, Inc.; Calvin Prosen Arceneaux & Gates Consulting Engineers, Inc.

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 TO ORDER

Robert Viator, Board President, called the meeting to order with a quorum present.

INVOCATION & PLEDGE OF ALLEGIANCE

Invocation was offered by Mr. Beard and the pledges were led by Mr. Groves.

MEETING AGENDA

1. Citizen comments.

There were no citizens present. Mr. Viator recognized Ms. Darlene Jackson, retired General Manager, and Billy Perkins, past Board member. Ms. Jackson and Mr. Perkins were honored with a round of applause from the Board and audience.

2. Consideration and possible action regarding of Carroll & Blackman, Inc.'s Monthly Status Report concerning ongoing District projects.

Mr. Viator read the agenda item.

Reports regarding Projects A, B & C were presented by Jeff Scogin. The contractors are still completing punch list items on Project A. On Project B the contractors are completing the work on Craig St Lift Station. Mr. Scogin went on to report on Contract C, Sewer Rehab Project, last month the contractors laid 9005' of 8" pipe, 205' of 12" pipe and 384' of 15" pipe. Mr. Scogin presented progress maps to illustrate the lines completed. Mr. Viator asked if the contractors had problems at Pine St and West Davis Loop, Mr. Scogin stated he did not hear of any problems. The bulk of the rehab project is Main Street. This will be the most intrusive part of the project, as far as citizens being inconvenienced. Mr. Viator asked about Green Forest Sub-Division, Mr. Scogin stated it was complete according to the original plans. There may be some lines the District may want to add to the scope of work after some of the PVC pipes that were not replaced have been TV'd. Mr. Blackman stated that there still seems to be some money left over on this project.

Mr. Viator stated he would entertain a motion, if there were no more questions.

A motion was made by Mr. Beard and seconded by Mr. Inzer to approve Carroll & Blackman, Inc.'s Monthly Status Report concerning ongoing District projects, as presented. Motion carried. See attachments.

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

Invoice No. 20916 Contract C – Sanitary Sewer Collection System Rehabilitation in the amount of \$26,148.00; Invoice No. 20917 for Bond Project Scoping, in the amount of \$5,742.00; Invoice No. 20904 for GIS & Database Systems, in the amount of \$974.00; Invoice No. 20903 for Oaklane Wastewater Treatment Plant Permit Renewal, in the amount of \$540.00. This is a Grand Total of **\$33,404.00**

Mr. Viator read the agenda item.

Mr. Scogin presented the invoices. Mr. Blackman recommended payment.

Mr. Viator stated he would entertain a motion, if there were no more questions.

A motion was made by Mr. Beard and seconded by Mr. Inzer to approve the Carroll and Blackman, Inc., monthly invoices for District projects in the amount of \$33,404.00. Motion carried. See attachments.

4. Consideration of and possible action regarding request for payment on Estimate No. 21 from Allco, Ltd., in the amount of \$227,256.56 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract B - Cloverleaf & Tiger Lake Lift Stations and Force Mains. This invoice reflects a reduction in retainage from 10% to 5%.

Mr. Viator read the agenda item.

Mr. Scogin presented the invoice. Mr. Scogin pointed out that the invoice reflects reducing the retainage from 10% to 5%. Mr. Blackman explained the reasoning to justify the reduction. Mr. Viator instructed that from this point forward that the engineers show the retainage separate from the monthly invoice. The Board discussed if reducing the retainage would be in the District's best interest. The Board asked if anything of any consequence was left incomplete on the contract, Mr. Blackman stated that everything is virtually complete. The demolition of Cloverleaf Wastewater Treatment Plant is the largest the portion of the project that is incomplete. Mr. Viator instructed the engineers to submit two individual invoices the next time there is a retainage reduction request. Mr. Blackman recommended payment.

Mr. Viator stated he would entertain a motion, if there were no more questions.

A motion was made by Mr. Haney and seconded by Mr. Groves to approve the payment on Estimate No. 21 from Allco, Ltd., in the amount of \$227,256.56, the monthly invoice is in the amount of \$27,219.66 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract B - Cloverleaf & Tiger Lake Lift Stations and Force Mains, and a 5% reduction in retainage in the amount of \$200,036.90, as presented. See attachments

5. Consideration of and possible action regarding request for payment on Estimate No. 10 from T. Construction LLC., in the amount of \$361,625.70 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract C – Sanitary Sewer Rehabilitation Project.

Mr. Viator read the agenda item.

Mr. Scogin presented the invoice.

Mr. Viator stated he would entertain a motion, if there were no more questions.

A motion was made by Mr. Beard and seconded by Mr. Inzer to approve the request for payment on Estimate No. 10 from T. Construction LLC., in the amount of \$361,625.70 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract C – Sanitary Sewer Rehabilitation Project, as presented. Motion carried.

6. Consideration of and possible action regarding Arceneaux & Gates Consulting Engineers, Inc. Monthly Status Report on Water Well, Elevated Tank, and Transmission Lines Projects.

Mr. Viator read the agenda item.

Mr. Prosen presented the report and progress pictures. The ground storage tank at Well #7 is still leaking. After a meeting on July 18th, the District, engineers, and the contractors met with a Geotech engineer, who will investigate and make a recommendation on a solution to the problem. The tank is down and therefore the water well is not in production.

The Elevated Tank project is completed. Mr. Prosen has provided the close out documents for this project on a later agenda item.

The water line extension is virtually complete, with the cleanup and seeding continuing.

The Board viewed the pictures of the progress at both the well site and the overhead tank site.

Mr. Viator stated he would entertain a motion, if there were no more questions.

A motion was made by Mr. Groves and seconded by Mr. Haney to approve the Arceneaux & Gates Consulting Engineers, Inc. Monthly Status Report on Water Well, Elevated Tank, and Transmission Lines Projects, as presented. Motion carried.

7. Consideration and possible action regarding Arceneaux & Gates Consulting Engineers, Inc. monthly invoices: Invoice No. 14345 in the amount of \$500.00 for Water Well No. 7 Project. Mr. Viator read the agenda item.
Mr. Viator stated he would entertain a motion, if there were no more questions.
A motion was made by Mr. Inzer and seconded by Mr. Beard to approve the Arceneaux & Gates Consulting Engineers, Inc. monthly invoices: Invoice No. 14345 in the amount of \$500.00 for Water Well No. 7 Project, as presented. Motion carried.
8. Consideration and possible action regarding request for payment of Estimate No. 12 & FINAL for Contract No. 3 – 500,000 gallon Elevated Storage Tank in the amount of \$73,224.95 to Landmark Structures LLP.
Mr. Viator read the agenda item.
Mr. Prosen presented the invoice requesting the final payment for this project. Mr. Prosen stated that the tank has been in operation since March 28, 2014.
Mr. Viator stated he would entertain a motion, if there were no more questions.
A motion was made by Mr. Beard and seconded by Mr. Groves to approve the request for payment of Estimate No. 12 & FINAL for Contract No. 3 – 500,000 gallon Elevated Storage Tank in the amount of \$73,224.95 to Landmark Structures LLP, contingent on verifying the sub-contractor and his supplier have been paid. Motion carried
9. Consideration and possible action regarding request for payment of Estimate No. 9 for Contract No. 5 - Water Line Extension (FM 1132/Hwy 12) in the amount of \$11,381.10 for McInnis Construction.
Mr. Viator read the agenda item.
Mr. Prosen presented this invoice. The contractor is virtually complete with the scope of work on the original contract. There will be a change order to include the bore under Hwy 12 for the 8" water line on the south side of Hwy 12. There will be a final reconciliation change order for the original contract.
Mr. Viator stated he would entertain a motion, if there were no more questions.
A motion was made by Mr. Haney and seconded by Mr. Groves to approve the request for payment of Estimate No. 9 for Contract No. 5 - Water Line Extension (FM 1132/Hwy 12) in the amount of \$11,381.10 for McInnis Construction, as presented. Motion carried.
10. Consideration and possible action regarding requesting a reduction in retainage from 10% to 5%, this reduction would amount to the \$25,944.91 reflected in Estimate No. 10 for Contract No. 5 - Water Line Extension (FM 1132/Hwy 12) for McInnis Construction.
Mr. Viator read the agenda item.
Mr. Prosen presented the invoice and was praised, by Mr. Viator for submitting two invoices reflecting the monthly invoice and the request for reduction in retainage.
Mr. Viator stated he would entertain a motion, if there were no more questions.
A motion was made by Mr. Beard and seconded by Mr. Groves to approve the request for a reduction in retainage from 10% to 5%, this reduction would amount to the \$25,944.91 reflected in Estimate No. 10 for Contract No. 5 - Water Line Extension (FM 1132/Hwy 12) for McInnis Construction, as presented. Motion carried.

11. Consideration and possible action regarding approval/amendments to the minutes of the June 17, 2014 regular meeting.

Mr. Viator read the agenda item.

Mr. Viator stated he would entertain a motion, if there were no more questions.

A motion was made by Mr. Beard and seconded by Mr. Haney to approve the minutes of the June 17, 2014 regular meeting, as presented. Motion carried.

12. Board Members comments.

Mr. Viator read the agenda item.

Mr. Inzer asked about the manhole cover that came off on South DeWitt Street, Mr. LeJune stated that he was not completely sure what had taken the cover off, if the flood water had floated it, or if the sewer manhole had at one time been full of water and blew it off. At the time that he arrived on the scene the water in the manhole was several feet from the top.

Mr. Viator polled the Board members regarding keeping the Board Members comment item on future agendas, the Board unanimously agreed to keep it in place.

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

Mr. Viator read the agenda item.

Mr. Blackman presented his General Manager's report. The report addressed some of the ongoing subjects on his manager's report. Mr. Blackman stated that he had been ill since the last meeting, and did not make much progress on many of the projects. Nothing new to report on the BP/Restore Act, Mr. Blackman stated he gets update emails from the administrators of the fund, but nothing has been funded as of yet. There is nothing to report on the Disposition of unspent bond funds. The GIS project is ongoing and Rick Masters will have a lot more to show the District at a meeting on July 7, 2014. Mr. Hunter stated the District still needs to update the District map, he will try to have it ready to release to the Appraisal District within the next 2 weeks. The water line for Jeff Moore is in progress.

Pop's Place has closed their restaurant, due to the high cost of extending water and sewer service to the restaurant location. Mr. Blackman addressed the sewer only accounts ongoing issue. Mr. Hunter presented to the Board a draft regarding the sewer only resolution. Mr. Hunter asked the Board to review the resolution so he can make any changes that are necessary. Mr. Hunter explained the wording on the resolution. Mr. Haney asked a question regarding customers that do not respond to the letter sent outlining the steps needed to avoid disconnection of their sewer service. He asked how long after the customer is disconnected will they have to reconnect to the District's sewer service. There are no set rules regarding that situation at this time. The Board discussed implementing a new sewer disconnect/connect fee. The feelings of the Board is that it will take at least half a day to disconnect each a location, so the fee should be set according to the amount of work associated with the disconnection. The Board discussed if the customer should be given a limited amount of time to arrange reconnection of their sewer service.

Mr. Viator stated he would entertain a motion, if there were no more questions. When the policy is approved we will ask Mr. Garza, of the Vidorian, to put some information pertaining

to the disconnections. Mr. Blackman updated the Board regarding Boomtown RV Park paying in district rates as opposed to out of District rates. Mr. Blackman informed the Board that he had met with Terry Stanley and advised him of the options available to him. Mr. Blackman is optimistic that Mr. Stanley would be petitioning his land into the District.

Mr. Blackman updated the Board regarding the Ground Storage Tank at the Well #7 well site. The contractors can take out parts of the floor to repair the foundation for the tank. The design for this tank is standard for the industry. Mr. Blackman suspects the foundation soil will be the culprit. Mr. Inzer stated that he felt like there should be a strict procedure followed to make sure the longevity of the tank is not affected. Mr. Blackman stated that any future tanks should be welded and set on concrete slabs.

Ms. Serres presented the monthly financial reports and Mr. LeJune presented the monthly LPSS and the Field reports. Mr. Blackman informed the Board that 10 million gallons of wastewater was treated at the Wastewater Treatment Plant on Friday the 18th, this is a historic high amount. The Treatment Plant handled all the flow without any problems.

A motion was made by Mr. Inzer and seconded by Mr. Beard to approve the District Manager's monthly status and financial, as presented by Mr. Blackman, Ms. Serres and Mr. LeJune. Motion carried.

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

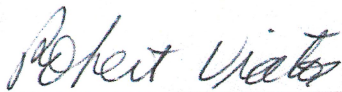
Mr. Viator read the agenda item.

Mr. Viator stated he would entertain a motion, if there were no more questions.

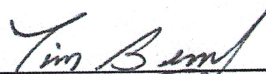
A motion was made by Mr. Beard and seconded by Mr. Inzer to approve the payment of the District's monthly bills, as presented. Motion carried.

15. Adjournment.

A motion was made by Mr. Beard and seconded by Mr. Haney to adjourn the meeting. Motion carried. Meeting adjourned at 8:20 P.M.



Robert Viator, President



Tim Beard, Secretary