



Meeting Minutes

April 20, 2015– 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

Others present: Toby Davis and Jeff Scogin, Carroll & Blackman
Consulting Engineers, Inc.; Larry Hunter, Provost Umphrey Law
Firm; Shelly Pickering, Owner of Loving Start, LLC

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, President of the Board, called the meeting to order at 5:30 p.m., with a quorum present.

INVOCATION & PLEDGE OF ALLEGIANCE

Mr. Beard offered the invocation and Mr. Inzer led the pledges.

MEETING AGENDA

1. Citizen comments.

No citizen's comments.

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

Mr. Viator read the agenda item.

Mr. Scogin presented the report. Mr. Scogin presented a progress map regarding 2511' of sewer main installed by the contractors. The contractors started the S Main Street sewer line that was added to the original contract. The contractors have engaged APAC to do the road repairs on Main Street.

Mr. Viator asked for a motion.

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

Motion carried. See attachment.

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

Invoice No. 21506 Contract C – Sanitary Sewer Collection System Rehabilitation in the amount of \$4,358.00; Invoice No. 21507 Project 6200E - Rehabilitation of additional sewer lines to Contract C – Sanitary Sewer Collection System Rehabilitation in the amount of \$4,959.87; Invoice No. 21508 for Project 6200D - FM 105 Water Line Replacement in the amount of \$ 1,154.00; Invoice No. 21509 for Project 6282 - General Services regarding TWDB budget modifications in the amount of \$895.00; Invoice No. 21517 for Project 1017-14 - GIS and Database systems in the amount of \$2,150.00. Invoice No. 21540 for Project 6560B - Bond Project Scoping in the amount of \$7,454.50. This is a TOTAL of **\$20,971.37**.

Mr. Viator read the agenda item.

Mr. Viator asked for a motion.

A motion was made by Mr. Haney and seconded by Mr. Groves to approve Carroll and Blackman, Inc., monthly invoices for District projects as listed:

Invoice No. 21506 Contract C – Sanitary Sewer Collection System Rehabilitation in the amount of \$4,358.00; Invoice No. 21507 Project 6200E - Rehabilitation of additional sewer lines to Contract C – Sanitary Sewer Collection System Rehabilitation in the amount of \$4,959.87; Invoice No. 21508 for Project 6200D - FM 105 Water Line Replacement in the amount of \$ 1,154.00; Invoice No. 21509 for Project 6282 - General Services regarding TWDB budget modifications in the amount of \$895.00; Invoice No. 21517 for Project 1017-14 - GIS and Database systems in the amount of \$2,150.00. Invoice No. 21540 for Project 6560B - Bond Project Scoping in the amount of \$7,454.50. This is a TOTAL of **\$20,971.37**, as presented. Motion carried. See attachment.

4. Consideration of and possible action regarding T. Construction LLC., Payment Request No. 19 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract C – Sanitary Sewer Rehabilitation Project in the amount of **\$146,363.15**.

Mr. Viator read the agenda item.

Mr. Viator asked for a motion.

A motion was made by Mr. Inzer and Mr. Haney to approve T. Construction LLC., Payment Request No. 19 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract C – Sanitary Sewer Rehabilitation Project in the amount of \$146,363.15. Motion carried.

Upon further discussion of the road repair the Mr. Viator asked for an amendment to the motion.

A motion was made by Mr. Inzer and seconded by Mr. Haney to amend the original motion to reflect **withholding \$15,000 from the original requested amount of \$146,363.15 until the road repair is completed on N Tannahill to the District's satisfaction. This motion approves payment of \$131,363.15 to T. Construction LLC. Motion carried. See attachment.**

5. Consideration of and possible action regarding setting a date and time for a Workshop Meeting to discuss potential Supplemental Bond issue funded water and wastewater projects to be accomplished with surplus bond funds.

Mr. Viator read the agenda item.

The Board had a long discussion regarding the Workshop. Discussion revolved around the Proposed Water and Sewer Projects and the estimated costs of the listed projects. The Board had numerous opinions and questions that will be addressed at the Workshop.

Mr. Viator asked for a motion.

A motion was made by Mr. Beard and seconded by Mr. Beard to set the Workshop for May 6, 2015 at 5:30 P.M. Motion carried.

6. Consideration of and possible action regarding setting a date and time for a Budget Committee meeting and/or Budget Workshop to review preliminary budget development for the fiscal year July 1, 2015 to June 30, 2016.

Mr. Viator read the agenda item.

Mr. Viator asked for a motion.

A motion was made by Mr. Beard and seconded by Mr. Haney to set the Budget Committee meeting for April 29, 2015 at 10:00 A.M. Motion carried.

7. Consideration of and possible action regarding approval/amendments to the minutes of the March 16, 2015 regular board meeting.

Mr. Viator read the agenda item.

Mr. Viator asked for a motion.

A motion was made by Mr. Haney and seconded by Mr. Groves to approve the minutes of the March 16, 2015 regular board meeting, as presented. Motion carried.

8. Board Members comments.

Mr. Haney commented that we need to speed up our meetings.

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

Mr. Viator read the agenda item.

Mr. Blackman presented the monthly status regarding on-going topics. In regards to the subject of the BP/Restore Act funding : This subject is still moving forward slowly, but is gaining momentum. There was a public awareness activity today, the 20th of April, to educate the public of the importance of securing monies from the BP ACT, and the possibility of adding sanitary sewer to parts of Vidor that are not served currently. We are partners in the Chenier Plain advocacy group. This group consists of entities representing Southeast Texas and Southwest Louisiana. The Chenier Plain is a wetlands area that spans most of Louisiana's coast and the coast of Southeast Texas. This area plays an integral part in protecting the coast against storm surge, and providing for the wetlands wildlife. Disposition of unspent bond funds: this subject has been visited in Agenda Item #5. Collection of sewer only delinquent accounts: These are virtually complete and now have to be monitored to make sure the payments are being kept current. Billing rate studies: This subject is low on the radar as of now. Staff Hiring: We have tried to hire new field personnel, but have not been successful. We are backing up and regrouping. David has hired one field hand and we will be looking for more. Budget Comparison report: This will be viewed at the Budget meeting. Mr. Hunter asked if Lamar Institute of Technology (LIT) may have some courses that would be beneficial to our field personnel. Mr. Blackman stated that he was not aware of anything that is offered, but it would be worth checking into. Mr. Blackman informed the Board of 2 TCEQ violations that had been levied against the District. The first violation is for failure to submit the required number of bacteriological samples for coliform monitoring in the water system in January 2015. The other letter is regarding a water test that TCEQ collects and tests quarterly. One of these samples exceeded the Maximum Contaminant Level (MCL) for total trihalomethanes. Both these violations require an explanation letter be sent to the citizens of Orange County Water Control & Improvement District No. 1. Mr. Hunter suggested that the Board have Mr. Garza, of the Vidorian, interview Norman in order to write an article explaining the letters and to inform the public of the unusual circumstances that led to the violations.

Chris Serres presented the financial reports

Mr. LeJune presented the field and LPSS reports

Mr. Viator asked for a motion.

A motion was made by Mr. Haney and seconded by Mr. Groves to approve the General Manager's monthly status and financial report, as presented. Motion carried. See attachment.

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

Mr. Viator read the agenda item.

Mr. Viator asked for a motion.

A motion was made by Mr. Haney and seconded by Mr. Groves to approve the District's monthly bills, as presented. See attachment.

11. Consideration and possible action regarding adopting local option property exemptions for the 2015 Tax Year.

Mr. Viator read the agenda item.

The Board discussed the exemption and concluded to adopt our historic exemptions.

Mr. Blackman, reported to the Board that many tax payers ask the question of why the District does not offer a Homestead Exemption for all home owners. If we offer further exemptions it will shift the burden of the taxes. The District would have to increase the tax rate to cover the amount of bond payments owed by the District. The Board was of the opinion to continue with our normal exemptions.

Mr. Viator asked for a motion.

A motion was made by Mr. Beard and seconded by Mr. Haney to approve adopting local option property exemptions of \$10,000 for citizens over 65 years of age and over; and a \$5,000 for Disabled citizens for the 2015 Tax Year, as presented. Motion carried. See attachment.

12. Consideration of and possible action regarding setting a process and schedule for soliciting and evaluating medical insurance proposals for the policy period beginning December 1, 2015.

Mr. Viator read the agenda item.

Mr. Blackman reported to the Board that he is planning to have the Insurance Broker, Ian Garret with Beaty Insurance of Orange, Texas, attend the meeting on August 18, 2015. Mr. Viator asked that the insurance committee be informed earlier this year of the proposed rate changes. Mr. Blackman recommended that after receiving the numbers from Beaty Insurance, we would schedule an insurance committee meeting to compare the proposals. At that time we will put this issue on the October or November meeting agenda

Mr. Viator asked for a motion.

A motion was made by Mr. Beard and seconded by Mr. Inzer to approve that after receiving the numbers from Beaty Insurance, we would schedule an insurance committee meeting to compare the proposals. At that time we will put this issue on the October or November meeting agenda. Motion carried.

13. Consideration of and possible action regarding possible revisions to the District's Billing Rate Policy relating to adjustments to be made to customer invoices for water leaks.

Mr. Viator read the agenda item.

Ms. Pickering addressed the Board regarding a water leak at her business, Loving Start Day Care located at 2335 Hwy 12, Vidor, TX. Ms. Pickering explained that she had been contacted by the District to inform her that she had a water leak of over 200,000 gallons. She had the toilets replaced, thinking that was her problem. When we read her meter the second time on April 1, 2015, we called her again to inform her of the large amount of water that had been used at her property. Mr. Viator told Ms. Pickering the Board would discuss the issue and get back with her. The Board continued to discuss the issue and decided to put the agenda item on the workshop agenda.

Mr. Viator asked for a motion.

A motion was made by Mr. Beard and seconded by Mr. Haney to table this item for discussion at the work shop. Motion carried.

14. Consideration of and possible action regarding potential updates and changes to the District's Automatic Meter Reading system.

Mr. Viator read the agenda item.

Mr. Blackman informed the Board that the District has approximately 3000 electric meters and approximately 1500 analog meters in the ground. The District began installing the electric meters in 2005. These meters contain batteries with a lifespan of approximately 10 years. This being said we now have original electric meters that are not producing readings for our laptop meter reading equipment to pick up. This means the meter reader now has to manually read the electric meters that are dying, which in turn slows down the meter reading procedure. To the District this means we still have analog meters to change and now we have to budget to replace electric meters, also. This means approximately 10% of the current electric meters will stop working each year. This will cost the District approximately \$100,000 to continue replacing the meters that go out. The District has not completed the installation of the analog meters. Mr. Blackman informed the Board of the new technology that utilizes cell phone towers. This involves purchasing a newer type meter than we are currently installing. If the District is going to complete the installation of electric read meters, it may be to our best interest to start installing this type meter, so that in the future we can migrate to the new technology as we install enough of these meters to make it worth our investing in the newer software. This type of

Mr. Viator asked for a motion.

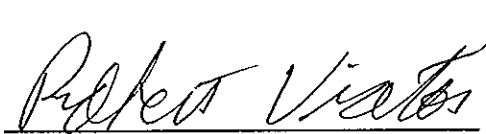
A motion was made by Mr. Haney and seconded by Mr. Groves to table this item for discussion at the work shop. Motion carried.

15. Adjournment.

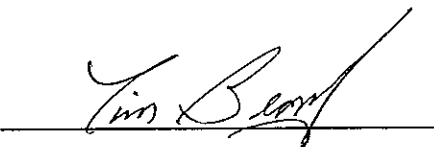
Mr. Viator read the agenda item.

Mr. Viator asked for a motion.

A motion was made by Mr. Inzer and seconded by Mr. Beard to adjourn the meeting. Meeting adjourned at 8:22 P.M. Motion carried.



Robert Viator, President



Tim Beard, Secretary