



## Meeting Minutes

February 16, 2015– 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  
Karen Sampson..... Office Manager  
Chris Serres.....Financial Director

Others present: Toby Davis, Carroll & Blackman Consulting  
Engineers, Inc.; Larry Hunter, Provost Umphrey Law Firm

*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

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Robert Viator, Board President, called the meeting to order at 5:30 P.M., with a quorum present.

### INVOCATION & PLEDGE OF ALLEGIANCE

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

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### MEETING AGENDA

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The Board made a presentation to Donna Myers, an employee with 40 years of service to the District. Mr. Viator stated that Ms Myers had been a dependable, trustworthy and reliable service to the District. Mr. Blackman stated that the District

has relied on her experience and knowledge gained in her long tenure. Mr. Beard complimented her drive and willingness to do whatever it takes to do her job. Mr. Viator presented Ms Myers with a commemorative service plaque and Mr. Blackman presented a monetary gift from the District.

1. Citizen comments.

No citizens in attendance.

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. Davis presented the report. He gave a status report on Contract B, stating the contractor's are ending their punch list and will hopefully be ready for a final inspection on that project. Mr. Davis went on to give a status update on Contract C, accompanied by a progress map of the construction area. The Contractor is hopeful to start the pavement replacement in the coming week. Mr. Blackman stated that the District has hired a retired TxDOT inspector to oversee this portion of the Contract and he will be on hand to make sure the finished pavement will meet TxDOT requirements. Mr. Viator asked if there were any further questions.

Mr. Viator asked for a motion.

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

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

Invoice No. 21361 for Project B – Cloverleaf & Tigerlake Lift Stations/Force Mains Project in the amount of \$1,315.00; Invoice 21360 Contract C – Sanitary Sewer Collection System Rehabilitation in the amount of \$13,074.00, for a TOTAL of **\$14,389.00**

Mr. Viator read the agenda item.

Mr. Blackman recommended payment.

Mr. Viator asked for a motion.

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

Invoice No. 21361 for Project B – Cloverleaf & Tigerlake Lift Stations/Force Mains Project in the amount of \$1,315.00; Invoice 21360 Contract C – Sanitary Sewer Collection System Rehabilitation in the amount of \$13,074.00, for a TOTAL of **\$14,389.00**, as presented. Motion carried. See attachments.

4. Consideration of and possible action regarding Allco, Ltd., Payment Request #25 for Contract B - Cloverleaf & Tigerlake Lift Stations/Force Mains Project in the amount of \$145,784.08, to reduce the retainage held by the District from 5% to 2%.

Mr. Viator read the agenda item

Mr. Davis presented this Pay Request. The Contractor asked for this reduction in retainage. Mr. Davis stated that he did not see a big risk granting the reduction. Mr.

Blackman recommended that the Board approve this request. Mr. Blackman stated that TWDB had given verbal approval regarding this request.

Mr. Viator asked for a motion.

A motion was made by Mr. Beard and seconded by Mr. Inzer to approve Allco, Ltd., Payment Request #25 for Contract B - Cloverleaf & Tigerlake Lift Stations/Force Mains Project in the amount of \$145,784.08, to reduce the retainage held by the District from 5% to 2%. Motion carried. See attachment.

5. Consideration of and possible action regarding T. Construction LLC., Payment Request #17 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract C – Sanitary Sewer Rehabilitation Project in the amount of \$147,387.78.

Mr. Viator read the agenda item.

Mr. Davis presented this Pay Request. Mr. Davis pointed out the items that were being invoiced for this month's Pay Request. Mr. Blackman recommended payment be approved. Mr. Haney asked a question regarding the Change Order associated with this project. Mr. Davis updated the Board on the meeting with TxDOT regarding the proposed repaving and possible widening of HWY 105 South. The outcome of those conversations concluded that TxDOT the repaving project is in progress, but has not started yet. The TxDOT widening project is not on the 4 year plan calendar of TxDOT. If the widening project does happen in later years, the District may have to move our lines out of that TxDOT construction pavement zone. The engineers are coordinating with TxDOT to go forward with the South Main street sewer line rehab project.

Mr. Viator asked for a motion.

A motion was made by Mr. Groves and seconded by Mr. Haney to approve T. Construction LLC., Payment Request #17 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract C – Sanitary Sewer Rehabilitation Project in the amount of \$147,387.78

6. Consideration of and possible action regarding approval/amendments to the minutes of the January 19, 2014 regular meeting.

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 approve the minutes of the January 19, 2014 regular meeting, as presented. Motion carried.

7. Board Members comments.

Mr. Viator polled the Directors, Mr. Groves and Mr. Haney had no comments. Mr. Beard asked for a quick status update on the ozone generator for the Cloverleaf Lift Station. Mr. Beard asked about the sound curtain that was considered for the inside of the privacy fence. Mr. Blackman stated that the District will hold off on installing the panels to make sure there was a need to continue in that direction. Mr. Blackman is focused on having the ozone generator installed before the summer heat intensifies the smell. The generator will run during daylight hours. Mr. Inzer had no comments.

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

Mr. Viator read the agenda item

Mr. Blackman updated the ongoing topics: BP/Restore Act funding is still ongoing, Mr. Blackman feels that we may still realize some funds in the future; Disposition of unspent bond funds is ongoing. Mr. Blackman and Mr. LeJune met with Mr. Davis and Mr. Scogin of Carroll and Blackman, Inc. to discuss the amount of 2" cast iron water lines in the older part of the system. The District has in the past replaced parts of these water lines, but the mapping of these repairs is not satisfactory. This has put the burden of updating the current water system to Mr. LeJune and Mr. Carpenter. They have been working on identifying where the newer lines and taps are located and updating our maps and our GIS system. This is the first step in deciding on a comprehensive scope of work. The District will have to prioritize the projects to be funded with these unspent bond funds; the final disposition of the Overhead Storage Tank located at the administrative office site is still on hold; The GIS system is reaching completion with a staff training session to commence on Thursday February 19, 2015; The Billing rate study is still being evaluated internally; regarding the billing classification for Mobile Home Parks we now have a legal opinion letter from our legal counsel Larry Hunter. His findings are that our current billing of Mobile Home Parks can stay in place, as is; regarding the Collection of Sewer – Only delinquent accounts, Mr. Blackman is happy to report that so far the District has been able to resolve 5 of the first 11 problem accounts. We are meeting with 4 others, with resolution in site and we have 2 who have not responded to our letters. Mr. Blackman went on to inform the Board of possible hardship cases, where the owner of the property is unable to pay the flat rate plus the \$12. Mr. Blackman wanted to inform the Board so they could be thinking of alternatives if need be. Mr. Blackman is in favor of putting the 2 cases encountered so far toward the end of our list to be considered at a later date. Mr. Blackman informed the Board that in the future the District may want to consider a different approach to billing sewer only properties. Currently the billing is based on a usage of 10,000 gallons, which may be too small for some residents and too large for others. Mr. Viator asked that Mr. Blackman research the issue and bring it back to the Board for consideration. Mr. Blackman wanted the Board to be aware of these persons with financial hardship. The Board agreed to put those residents at the end of our list, for now. Mr. Blackman addressed the topic of the Bank Depository. Mr. Viator addressed the Board, stating that he was the one that had broached the subject, but after visiting with Mr. Blackman and Ms. Serres, they assured him that the District is very happy with the current bank, First Financial. Ms. Serres has polled other entities and found others using them were also very pleased with the service. With the interest rates so low, there would be no incentive to change banks. First Financial waives all fees and charges to the District. Ms. Serres will contact Mr. Joe Love of First Financial to discuss the renewal of the current Bank Depository Agreement. The Board agreed to stay with the current arrangement, if First Financial will continue the same agreement for the next 3 years. Mr. Blackman stated that the District would have more information on that subject at a later meeting. Mr. Blackman had a few new items to touch on. The new due date has a few of our residents to be agitated.

Ms. Serres presented the financial reports. Mr. Blackman informed the Board that he and Ms. Serres will be doing research on restructuring some of the accounts, in order

to get our largest bank accounts into Money Market accounts, to maximize our interest earnings.

Mr. LeJune presented the Field Report and the LPSS report. Mr. Viator complimented the service crew that is currently servicing the LPSS units.

Mr. Viator asked for a motion.

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

9. 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. Beard to approve payment of the District's monthly bills, as presented. Motion carried. See attachment.

10. Consideration of and possible action regarding seeking proposals for conducting the District's 2014-2015 fiscal year audit.

Mr. Viator read the agenda item

Mr. Viator asked all the Board members if they wanted to change auditors. The Board had no Mr. Blackman presented this item. He informed the Board that Ms. Serres had done some inquires of other entities, several of them have been with the same auditor for many years. Mr. Beard stated that he would recommend staying with our current auditor until our current Bond Issue ends. The Board was in agreement with Mr. Beard's opinion and decided to have this issue on an agenda next year at this time.

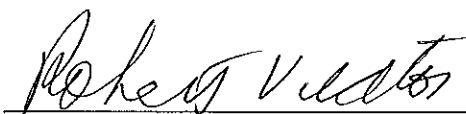
Mr. Viator asked for a motion.

A motion was made by Mr. Inzer and seconded by Mr. Groves to approve continuing with the current auditors, Chuck E. Reed and Associates, until the Bond Issue projects are completed. Motion carried.

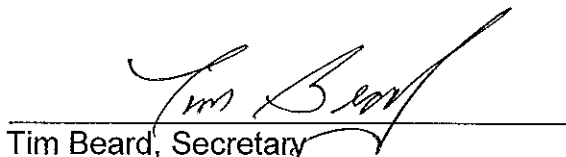
11. Adjournment.

Mr. Viator asked for a motion.

A motion was made by Mr. Inzer and seconded by Mr. Beard to adjourn the meeting. Motion carried. The meeting adjourned at 6:45 P.M.



Robert Viator, President



Tim Beard, Secretary