



Amended Meeting Minutes

April 15, 2013– 5:30 pm

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

Robert ViatorPresident
Billy Perkins-absent Vice-President
Tim Beard-absent Secretary
Percy Foreman Director
Frank Inzer Director

Norman Blackman General Manager
David LeJune Operations Manager

Orange County Water Control Staff Present:

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

Others present: Larry Hunter, Provost Umphrey Law Firm; Phillip Hotzen and Jeff Scogin, Carroll & Blackman Consulting Engineers, Inc.; Calvin Prosen, Arceneaux & Gates Consulting Engineers, Inc.; George Garza, Vidor Vidorian;

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

President Robert Viator announced a quorum and called the April 15, 2013 Regular Board Meeting to order at 5:35 p.m.

INVOCATION & PLEDGE OF ALLEGIANCE

The invocation was led by Director Frank Inzer with the Pledges being led by Director Percy Foreman.

MEETING AGENDA

1. Citizen comments.

President Viator called for any citizen comments.

There being no comments, President Viator then suggested that the Board move to Item #5 on the agenda and work through the agenda from Item #5 through Item #16 returning to Items #2, 3, and 4 which are strictly routine District items. The purpose for this request was to not detain those persons who have business with the Board any longer than necessary. There being no objections, President Viator then called for Carroll and Blackman's monthly status report concerning ongoing District projects.

2. Consideration of approval/amendments to the minutes of the March 18, 2013 regular meeting.

Mr. Viator read the item and called for a motion.

A motion was made by Frank Inzer and seconded by Percy Foreman to approve the minutes. All voted aye.

3. Consideration of General Manager's monthly status and financial report.

Mr. Viator read the motion.

Mr. Blackman presented his new status report that is in the meeting book. Mr. Blackman explained that the District is intent on addressing our sewer only past due accounts. The Board is interested in pursuing this problem. Mr. Hunter cited different scenarios that might impact disconnecting customer's sewers. There was discussion of allowing the customer to pay an extra amount on their monthly bills, to satisfy the old debt. The Board discussion went on to address the pros and cons of writing off a portion of the bad debt. Mr. Foreman asked if the Revenue Note payment of \$8 on each service would be in the amount written off of back sewer debt. He questioned the legality of this due to the bonding language. Mr. Hunter stated that this was a good question and he would research the legal ramifications with bond counsel. The Board was of the opinion that they needed to have a workshop on this subject, after Mr. Hunter and Mr. Blackman gather the information needed to make a decision on how to proceed.

Mr. Blackman informed the Board that some TCEQ employees informally visited the new wastewater. TCEQ were very impressed with the progress, and appreciated the tour. Mr. Hunter asked if the U.S. Attorney would be invited for a tour, Mr. Blackman encouraged him to schedule a tour, and let him know. Mr. Blackman informed the Board they were welcome anytime to tour the new plant. Mr. Blackman spoke with them about the budget process and the need of a budget committee. Mr. Hunter stated anyone could volunteer and be appointed at the next meeting.

Ms. Serres presented the financial reports, the Board had no questions.

Mr. LeJune presented the field and LPSS reports. The Board questioned the water treated at the plant. The heavy rains contribute to that number. The District's I & I problem is also a huge problem in large flows to the treatment plant.

Mr. Viator called for a motion.

A motion was made by Percy Foreman and seconded by Frank Inzer to approve the General Manager's monthly status and financial report as presented by Norman Blackman, Chris Serres and David LeJune.

4. Consideration of payment of the District's monthly bills.

Mr. Viator read the item and called for a motion.

A motion was made by and seconded by to approve the payment of District's monthly bills, as presented. All voted aye.

5. Consideration of Carroll & Blackman, Inc.'s Monthly Status Report concerning ongoing District projects.

Phillip Hotzen of Carroll & Blackman, Inc. presented pictures of the construction progress on Contract A - Wastewater Treatment Plant Project outlining the progress to the Board as depicted in each picture. (Progress pictures are attached).

Mr. Hotzen also presented pictures of the construction progress for part of Contract B – Cloverleaf Lift Station. He identified sections of the lift station that are currently under construction and briefed the Board on the progress. (Progress pictures are attached).

Mr. Hotzen then stated that if the Board had no questions regarding the progress pictures for Contract A and Contract B, he would then turn the floor over to Jeff Scogin also of Carroll & Blackman, Inc. to further discuss the progress of Contract B – Cloverleaf/Tiger Lake Lift Stations/Force Mains and Contract C – Sanitary Sewer Collection System Rehabilitation.

Several of the Directors inquired as to when was a feasible expectation to see the wastewater treatment plant operational.

Norman Blackman, General Manager, responded that a dry inspection is scheduled for May 6, 2013 with Aero – Mod, Inc. and that once Aero – Mod, Inc. has given their approval, the process of filling the tanks will begin. Mr. Blackman went on to explain that the tanks will be filled with clean water that has been treated at the other plants. Once everything looks like it is working correctly, they will introduce mixed liquor from Cloverleaf & Tiger Lake to seed the new plant. This will be a biological seeding. When testing shows we have good biological action, the raw influent will be switched to the new plant. Mr. Blackman assured the Board they would be informed before the first drop of water goes into the new plant. Mr. Viator asked about how the centrifuge would be moved to the new plant. He was questioning what timeframe we would have before we would need to dewater at the new plant. Mr. Blackman explained that we would process all existing sludge and the volume we have in the new digesters, we could possibly go for a month before needing to dewater. At this time Jeff Scogin took over to report on Contract B and C. Mr. Scogin have been working on the North section, the progress map indicates that the contractors installed 3389 foot of sewer force mains. The contractors have also been working on Ferndale and Pine Streets. Construction of the Cloverleaf Lift station is in progress. The collection system rehab, Contract C, plans and contract documents have been finalized, and, have been sent to the Texas Water Development Board for the review process. Mr. Blackman informed the Board that the District is to meet with TXDOT regarding the asphalt on Main Street. The asphalt is a very specific and expensive type of material. TXDOT, the District and the City of Vidor have met to discuss the best way to repair the surface, after cutting to install sewer taps to Main Street businesses.

Mr. Viator called for any further questions; he then called for a motion.

A motion was made by Frank Inzer and seconded by Percy Foreman to approve the report, as presented. All voted aye. See attachment.

6. Consideration of approval of Carroll and Blackman, Inc., monthly invoices for District projects as listed:

Invoice #19836 for Project #6450 OCWC Well Site #4 GST in the amount of \$966.00; Invoice #19817 for Project #6282 – General Services in the amount of \$187.50; Invoice #19837 for Contract A – Wastewater Treatment Plant in the amount of \$4,514.00; Invoice #19838 for Contract B – Cloverleaf and Tiger Lake Lift Station/Force Main in the amount of \$18,740.00; Invoice #19839 – Contract C – Sanitary Sewer Collection System Rehabilitation in the amount of \$25,000.00; for a Grand Total of \$49407.50.

Mr. Viator read the agenda item and asked Mr. Blackman if the work had been completed and if he recommended payment of invoice. Mr. Blackman assured the Board the work was done and recommended payment. Mr. Viator then called for a motion.

A motion was made by Percy Foreman and seconded by Frank Inzer to approve the invoices as presented in the amount of \$49,407.50. All voted aye. See attachment.

7. Consideration of request for payment on Estimate #29 from Allco, Ltd., in the amount of \$69,912.60 for Construction Contract TWDB No. 72129-SRF-3358-02 – Wastewater Treatment Plant.

Mr. Viator read the item.

Phillip Hotzen presented the invoice and recommended payment of said invoice. Mr. Viator called for a motion.

A motion was made by Percy Foreman and seconded by Frank Inzer to approve the invoice as presented in the amount of \$69,912.60. All voted aye.

8. Consideration of request for payment on Estimate #6 from Allco, Ltd., in the amount of \$225,525.46 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract B - Cloverleaf & Tiger Lake Lift Stations and Force Mains.

Mr. Viator read the item and Jeff Scogin presented the invoice.

Mr. Viator called for a motion.

A motion was made by Frank Inzer and seconded by Percy Foreman to approve the invoice as presented in the amount of \$225,525.46. All voted aye.

9. Consideration of request for payment on Estimate #6 from Placo, Ltd., in the amount of \$22,531.86 for Water Well #4 – Ground Storage Tank Rehabilitation Project.

Mr. Viator read the item. Mr. Hotzen presented the invoice.

Mr. Viator called for a motion.

A motion was made by Percy Foreman and seconded by Frank Inzer to approve the invoice as presented in the amount of \$22,531.86. All voted aye.

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

Calvin Prosen presented pictures of the ongoing water well project. Mr. Prosen informed the Board that all the plans and specs for Contract 5, water line extensions Phase II, have been submitted to TCEQ. There has been no word on approval, as of yet. The logged results from our prior test well and the new production well, were almost identical. Mr. Blackman stated that is what you want to see in these logs. Mr. Prosen stated that construction on the foundation of the Elevated Water Storage Tank will start shortly.

Mr. Viator called for a motion

A motion was made by Percy Foreman and seconded by Frank Inzer to approve the report as presented by Calvin Prosen. All voted aye.

11. Consideration of Arceneaux & Gates Consulting Engineers, Inc. monthly invoices: Invoice #13841 in the amount of \$27,190.00 and Invoice #13840 in the amount of \$1,475.00 for Water Well #7 Project for a total of \$28,665.00.

Mr. Viator read the item.

Mr. Viator asked if Mr. Blackman recommended payment of the invoices, Mr. Blackman answered yes he did.

A motion was made by Percy Foreman and seconded by Frank Inzer to approve the invoice as presented in the amount of \$28,665.00. All voted aye.

12. Consideration of approval of Change Order No. 2 to add one line item for piping modifications requested by the District at the tie-in by Well No. 5 and to reconcile the actual installed quantities compared to the estimated quantities on the base bid for a total contract price reduction of \$37,706.10.

Mr. Viator read the item.

Mr. Viator called for a motion.

A motion was made by Frank Inzer and seconded by Percy Foreman to approve the Change order for a price reduction of \$37,706.10 as presented. All voted aye.

13. Consideration of request for payment of Estimate No. 7 for Contract No. 4 - Water Line Extensions (FM 1132/Hwy105) - in the amount of \$14,834.11 to Placo, Ltd.

Mr. Viator read the item.

Mr. Prosen stated that this invoice completes the contract. Mr. Prosen spoke with TXDOT and the contractor is required to "mop" the ditches, this means to smooth the ditches flow line to flow line. After the contractor completes this, the contract is complete.

Mr. Viator called for a motion.

A motion was made by Percy Foreman and seconded by Frank Inzer to approve the invoice in the amount of \$14,834.11. All voted aye.

- 14. Consideration of acceptance of the Certificate of Completion for Contract No. 4 – Water Line Extensions (FM1132/Hwy105) and to approve request for payment of Estimate No. 8, final payment for Contract No. 4 - Water Line Extensions (FM 1132/Hwy105) - in the amount of \$92,586.09 to Placo, Ltd., representing the release of retainage on the project, and to set the date for release of the retainage payment.

Mr. Viator read the item and called for a motion.

A motion was made by Frank Inzer and seconded by Percy Foreman to table the Certificate of Completion for Contract No. 4 in the amount of \$92,586.09 to a later meeting. All voted aye.

- 15. Consideration of approval of a Facilities Agreement with CenterPoint Energy to provide a natural gas service line extension to the new Wastewater Treatment Plant and payment of a service charge of \$68,783.50 for such service line extension, and authorizing the President and Secretary of the Board of Directors to execute such written agreement on behalf of the Water District.

Mr. Viator read the item.

Mr. Blackman stated that CenterPoint Energy requires that the agreement be signed and payment made, before they will install the gas line.

A motion was made by Percy Foreman and seconded by Frank Inzer to approve the agreement and payment to CenterPoint Energy in the amount of \$68,783.50. All voted aye

- 16. Consideration of approval of Easement from City of Vidor for utility service line for Conn Park.

Mr. Viator read the item.

Mr. Blackman explained that the Easement will benefit the City and the District.

Mr. Viator called for a motion.

A motion was made by Percy Foreman and seconded by Frank Inzer to approve the Easement with the City of Vidor for utility service for Conn Park. All voted aye.

- 17. Adjournment



Robert Viator, President



Tim Beard, Secretary