



Meeting Minutes

May 20, 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 Secretary
Percy Foreman Director
Frank Inzer Director

Norman Blackman General Manager
David LeJune Operations Manager

Orange County Water Control Staff Present:

Karen SampsonOffice Manager
Chris SerresFinancial Director

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

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

Announce the presence of a Quorum.

Robert Viator called the meeting to order at 5:30 p.m., with a quorum present.

INVOCATION & PLEDGE OF ALLEGIANCE

Frank Inzer offered the invocation and Percy Foreman led the pledges.

Mr. Viator stated that the agenda was very long, if everyone could move their items along as quickly as possible.

MEETING AGENDA

1. Citizen comments.
No citizen comments.
2. Consideration of Carroll & Blackman, Inc.'s Monthly Status Report concerning ongoing District projects.

Mr. Viator read the agenda item.

Mr. Davis presented the current pictures of the Wastewater Treatment Plant construction. No questions by the Board. Mr. Scogin presented pictures and drawings of current progress on Contracts B & C. Mr. Scogin informed the Board that TWDB indicated that no Bond money could be allocated to repaving Main Street, after our cuts and manholes have been installed. TXDOT is of the opinion that the District should contribute to the repaving. The estimated amount of the District's share would be \$430,000.00. District engineers have estimated there will be upwards of 70 patches, and TXDOT view is this would be unsightly and unacceptable. Their view is the street is uniform and smooth and should be in the same condition after construction. Mr. Blackman suggested a possible meeting with the engineers for TXDOT for a definitive answer. Mr. Blackman also stated the District engineers may want to separate out the Main Street portion of the project to let it out for bid, so construction can begin.

Motion by Mr. Inzer and seconded by Mr. Foreman to accept Carroll & Blackman's status report, as presented. All voted aye.

See attachments.

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

Invoice #19945 for Project #6450 OCWC Well Site #4 GST in the amount of \$1,311.00; Invoice #19946 for Project #6282 – General Services in the amount of \$125.00; Invoice # 19915 for Contract A – Wastewater Treatment Plant in the amount of \$9,028.00; Invoice #19916 for Contract B – Cloverleaf and Tiger Lake Lift Station/Force Main in the amount of \$22,920.00; Invoice #19917 – Contract C – Sanitary Sewer Collection System Rehabilitation in the amount of \$10,000.00; for a Grand Total of **\$43,384.00**.

Mr. Viator read the agenda item.

Mr. Blackman recommended payment. Mr. Viator called for a motion.

A motion was made by Mr. Beard and seconded by Mr. Inzer to approve payment of Carroll & Blackman invoices, as presented. All voted aye. See attachments.

4. Consideration and possible action on request for payment on Estimate 30A from Allco, Ltd., in the amount of \$263,403.01 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract A Wastewater Treatment Plant.

Mr. Viator read the agenda item.

Toby presented this invoice and Mr. Blackman recommended payment.

A motion was made by Mr. Foreman and seconded by Mr. Inzer. All voted aye. See attachments.

5. Consideration and possible action on request for payment on Estimate #30B from Allco, Ltd., in the amount of \$643,868.63 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract A Wastewater Treatment Plant.

Mr. Viator read the agenda item.

A motion was made by Mr. Beard to table this item for a later agenda, and was seconded by Mr. Inzer. All vote aye. See attachments.

6. Consideration and possible action on Change Order #8 for the Wastewater Treatment Plant, in the amount of \$33,886.00.

Mr. Viator read the agenda item.

A motion was made by Mr. Inzer and seconded by Mr. Foreman to approve Change Order #8 in the amount of \$33,886.00. All voted aye.

7. Consideration of request for payment on Estimate #7 from Allco, Ltd., in the amount of \$535,446.24 for Construction Contract TWDB No. 72129-SRF-3358-02 – Contract B - Cloverleaf & Tiger Lake Lift Stations and Force Mains.

Mr. Viator read the agenda item.

A motion was made by Mr. Foreman and seconded by Mr. Inzer to approve payment of Estimate #7, as presented. All vote aye. See attachments.

8. Consideration and possible action on Change Order #1 for the Cloverleaf and Tiger Lake Lift Stations and Force Mains, in the amount of \$1,572.00.

Mr. Viator read the agenda item.

A motion was made by Mr. Foreman and seconded by Mr. Inzer to approve Change Order #1, as presented. All vote aye. See attachments.

9. Consideration and possible action on Change Order #1 (final) for the Construction Contract Water Well #4 Ground Storage Tank Project, in the amount of -\$8,334.18

Mr. Viator read the agenda item.

Motion by Mr. Inzer and seconded by Mr. Foreman to approve Change Order No 1 (final), as presented. All vote aye. See attachments.

10. Consideration and possible action on Construction Certificate of Completion for the Construction Contract Water Well #4 Ground Storage Tank Project.

Mr. Viator read the agenda item.

A motion was made by Mr. Beard and seconded by Mr. Foreman to approve the Construction Certificate of Completion for the Construction Contract Water Well #4 Ground Storage Tank Project as presented. All vote aye. See attachments.

11. Consideration and possible action on request for payment on Estimate #7 (final) and release of retainage for the Construction Contract from Placo, Ltd., in the amount of \$25,504.98, for Water Well #4 – Ground Storage Tank Rehabilitation Project.

Mr. Viator read the agenda item.

A motion was made by Mr. Foreman and seconded by Mr. Beard to approve payment of Estimate #7 and release of retainage as presented. All voted aye. See attachment

12. Consideration of 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 pictures of the projects.

Mr. Prosen informed the Board that the contractor built a road into the Elevated Tank site that is over and above what was required in the contract. The contractors will be in next week on this site.

Mr. Prosen informed the Board that the test pump will be 36 hours in length.

The contractor will have to insure the water goes in the right direction after pumping.

TCEQ is still reviewing the plans for Water line extension on Hwy 12.

Motion by Mr. Inzer and seconded by Mr. Foreman to approve Arceneaux & Gates Consulting Engineers status report as presented. All vote aye. See attachments.

13. Consideration and possible action of Arceneaux & Gates Consulting Engineers, Inc. monthly invoices: Invoice #13879 in the amount of \$23,620.00 for Water Well #7 Project.

Mr. Viator read the agenda item.

A motion was made by Mr. Foreman and seconded by Mr. Inzer to approve Arceneaux & Gates Consulting Engineers monthly invoices as presented. All vote aye. See attachments.

14. Consideration and possible action on request for payment of Estimate No 1 for Contract No. 2 - Water Well #7 in the amount of \$334,464.89 to T.Johnson Industries, Inc.

Mr. Viator read the agenda item.

Mr. Inzer asked Mr. Prosen when the well drillers would be complete at the Well site. When the driller finishes the test pumping he will be moving off the site. The results of the test will go to the geologist for guidance on the pump size needed for the well.

A motion was made by Mr. Inzer and seconded by Mr. Beard to approve payment of Estimate #1 as presented. All vote aye. See attachments.

15. Consideration and possible action on request for payment of Estimate No 1 for Contract No. 3 – 500,000 gallon Elevated Storage Tank in the amount of \$68,670.00 to Landmark Structures I, LP.

Mr. Viator read the agenda item.

Motion by Mr. Inzer and seconded by Mr. Foreman to approve payment of Estimate #1 as presented. All vote aye. See attachments.

16. 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 agenda item.

Mr. Prosen presented the item. The Board discussed the status of the ditches and seeding of the ditches. Mr. Prosen stated that TXDOT had approved the construction. Placo is being held responsible to maintain the erosion control barriers, until the grass takes root. The Board discussed withholding a portion of the retainage, until the ditches are considered complete.

A motion was made by Mr. Beard to withhold \$30,000.00 of the requested \$92,586.09, and seconded by Mr. Inzer. All vote aye. The payment to Placo will be \$62,586.09. See attachments.

17. Consideration of approval/amendments to the minutes of the April 15, 2013 regular meeting.

Mr. Viator read the agenda item.

A motion was made by Mr. Foreman and seconded by Mr. Inzer to approve the minutes of the April 15, 2013 regular meeting, as presented. All voted aye. See attachment.

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

Mr. Viator read the agenda item.

Mr. Blackman thanked George Garza, of the Vidorian, for the great article regarding the Wastewater Treatment Plant. He has been very interested and very good to the District with his news items.

Mr. Blackman asked Mr. Foreman if he had any further information on the citizens on Kenwood, regarding their annexation wishes. Mr. Foreman suggested Mr. Blackman call Jamie Lear to get his latest thoughts on the problem.

Mr. Blackman quickly went through his other items. The District provided a water tap for the City of Vidor at Conn Park. Mr. Viator stated that the Chamber of Commerce had a great turnout supporting the Bar B Q Festival.

Mr. Blackman reported that the Orange County Appraisal District had shared their newest Aerial Photography software with the District along with some instructions. This software allows the District the ability to print aerial, oblique and vertical angles and gauge measurements of photographed items.

Sewer only accounts are still on the District's to do list.

Chris took over the presentation with the financial reports. She reported that the utility billing is down for the monthly and annual billing. The 2012-2013 budget is still on track and looking good.

A motion was made by Mr. Beard and seconded by Mr. Inzer to accept the monthly General Manager's report as presented. All vote aye. See attachments.

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

Mr. Viator read the agenda item.

A motion was made by Mr. Foreman and seconded by Mr. Inzer to pay the District's monthly bills as presented. All vote aye. See attachments.

20. Consideration of Charles E. Reed & Associates, P.C. Initial Communication with Governance Letter.

Mr. Viator read the agenda item.

A motion was made by Mr. Inzer and seconded by Mr. Beard to approve Charles E. Reed & Associates, P.C. Initial Communication with Governance Letter as presented. All vote aye. See attachments.

21. Consideration of approval of the 2013-2014 operating budget.

Mr. Viator read the agenda item.

Mr. Blackman presented the budget to the Board. Mr. Viator and Mr. Inzer served on the budget committee.

Mr. Beard wanted to recognize a lot of good work by the budget committee.

Mr. Viator complimented Mr. Blackman and Ms Serres on the great job done on the budget this year. Mr. Viator went on to state "This is the best broken down and self explained budget we've ever had, it really is.

A motion was made by Mr. Beard and seconded by Mr. Foreman to approve the 2013-2014 operating budget as presented. All vote aye. See attachments.

22. Consideration of local option residence homestead exemption for the tax year 2013.
Mr. Viator read the agenda item.

The Board discussed the historical exemptions given by the District. These exemptions are \$10,000 off the property value for citizens over 65 years of age, and \$5000 off the property value for disabled citizens. The District's effective tax rate is calculated taking these exemptions into considerations.

A motion was made by Mr. Beard and seconded by Mr. Inzer to approve exemptions of \$10,000 off the property value for citizens over 65 years of age, and \$5000 off the property value for disabled citizens, as the District has historically given. All vote aye. See attachments.

23. Consideration of a proposal to sell the Tax Trust Property located at 3595 Railroad, Vidor, Texas, Tax account # 012075-000070.

Mr. Viator read the agenda item.

A motion was made by Mr. Inzer and seconded by Mr. Beard to approve the sale of the Tax Trust Property located at 3595 Railroad, Vidor, Texas, Tax account #012075-000070 as presented. All vote aye. See attachments.

24. Consideration and possible action regarding the approval of an "Agreement for participation regarding City of Pine Forest Texas Community Development Block Grant Program 2011-2012 Grant Fund".

Mr. Viator read the agenda item.

The Grant has 15 LPSS systems to be put in on Nagel Street. Eight of these homes do not have water with the District. Seven of the homes have water with the District. The Eight homes without water service will have to have taps made and be on District water service before they can have the LPSS units set. Mr. Blackman suggested to the Grant administrator and the engineer on the project, that they might want to entertain the thought of taking one of the LPSS systems out of the project, in order to fund the eight water taps necessary, to make the project feasible. The water taps will cost \$5,600. The City of Pine Forest has asked the District to contribute these taps to the project. In the original meeting with the City of Pine Forest the Board stated that the District would not be contributing. Mr. Blackman recommended the Board contribute the eight water taps for the grant recipients not currently on District water, at no cost to the Project.

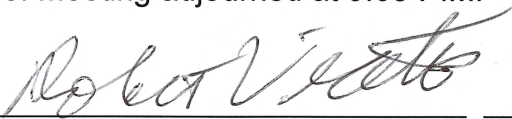
A motion was made by Mr. Inzer and seconded by Mr. Beard to approve the participation agreement. All vote aye. See attachments.

25. **EXECUTIVE SESSION:** Discussion of personnel matters in closed session, as provided under Section 551.074 of the Texas Government Code.

Motion by Mr. Inzer and seconded by Mr. Beard to reconvene meeting into open session at 9:07 P.M. All voted aye.

26. Adjournment

Motion by Mr. Inzer and seconded by Mr. Foreman to adjourn the meeting. All voted aye. Meeting adjourned at 9:08 P.M.



Robert Viator, President



Tim Beard, Secretary