

BOARD OF DIRECTORS
MINUTES OF
REGULAR MEETING

Regular Meeting Minutes

April 15, 2019 – 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

In accordance with Section 551.042 of the Texas Government Code, this agenda has been posted in the lobby and on the front door of the Orange County Water Control & Improvement District No. 1 Administrative office for the time required by law. The President requests that all cell phones and pagers be turned off or set to vibrate.

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 MEETING TO ORDER

President Viator called the meeting to order at 5:30 p.m.

ANNOUNCE THE PRESENCE OF A QUORUM

President Viator announced the presence of a quorum with all members present.

STAFF PRESENT

Norman Blackman, General Manager, David LeJune, Operations Manager, Chris Serres, Finance Director, and Larry Hunter, Attorney.

OTHERS PRESENT

Mark McLiney of SAMCO Capital and Ernest Bayard were also present.

INVOCATION AND PLEDGES

Secretary Beard gave the invocation and Vice President Inzer led in the pledges.

MEETING MINUTES

1. Citizen comments.

There were no citizen comments.

2. Consideration and possible action regarding LJA Engineering, Inc. Monthly Status Report concerning ongoing District projects.

City of Vidor – Sanitary Sewer Line Replacement Project – CDBG Project No. 7217480
– Period thru April 10, 2019

The construction is in progress. Eight (8) service line connections have been replaced from March 14th thru April 10th. A total of 26 houses have been completed.

6560C – Surplus Funds Water System Improvements Project (Contract No. 1 – Cast Iron Water Line Replacement and Contract No. 2 – Water Well Sites Improvements)

Contract No. 1:

This project has been completed.

Contract No. 2:

This project has been completed.

6560D – Surplus Funds Sanitary Sewer System Improvements Project (Contract No. 4 – Sanitary Sewer Lift Station Rehabilitation Project)

No work was completed during this period.

6560E – Surplus Funds Water and Sewer Service Extensions Project (Contract No. 3 – Water and Sewer Service Extensions Project)

No work was completed during this period.

A motion was made by Director Haney and seconded by Secretary Beard to approve LJA Engineering Inc.'s monthly status report.

3. Consideration and possible action regarding approval/amendments for the minutes of the March 18, 2019 Regular Board Meeting.

A motion was made by Secretary Beard and seconded by Vice President Inzer to approve the minutes as presented. All Voted Aye.

4. Board Member comments.

There were no Board Member comments.

5. Consideration and approval of an order by the Board of Directors of the Orange County Water Control and Improvement District No. 1 authorizing the issuance of "Orange County Water Control and Improvement District No. 1 Unlimited Tax Refunding Bonds, Series 2019"; levying an annual ad valorem tax for the payment of the bonds; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the bonds, including the approval and distribution of an official statement pertaining thereto; authorizing the execution of a paying agent/registrar agreement, an escrow and trust agreement, and an official bid form; complying with the letter of representations on file with the depository trust company; authorizing the execution of any necessary engagement agreements with the District's financial advisors and/or bond counsel; and providing an effective date.

Mark McLiney, Financial Advisor, met with the Board in February projecting savings of \$600,000.00 and a goal to keep the tax rate at the present rate for approximately 3 years. Mr. McLiney reported that the savings were nearly double to the anticipated savings reported in February.

He then reported that the Bond Insurance Cost came in at approximately 1/4 of what was projected due to the District's upgraded rating from negative to stable. Mr. McLiney commended District's management citing that the removal of the negative rating was directly related to management of the District. He then added that another aspect of the savings is that the Bond insurance came in around \$21,000.00 versus \$100,000.00 that was originally projected due to the negative rating. The District will now realize a net savings of \$1,176,000.00 and will be able to keep the Tax Rate at approximately \$.41 for the next 6 years.

A motion was made by Director Groves and seconded by Director Haney to approve an Order by the Board of Directors of the Orange County Water Control and Improvement District No. 1 authorizing the issuance of "Orange County Water Control and Improvement District No. 1 Unlimited Tax Refunding Bonds, Series 2019". All Voted Aye.

6. Consideration and possible action regarding adopting Local Option Property Exemptions for the 2019 Tax Year.

A motion was made by Vice President Inzer and seconded by Director Haney to adopt Local Option Property Exemptions for the 2019 Tax Year giving a \$5000 Disabled Exemption and a \$10,000 65 or Older Exemption. All Voted Aye.

7. Consideration and possible action approving Resolution No. 03-2019 adopting the Long-Term Water Conservation Plan and Drought Contingency Plan for Orange County Water Control & Improvement District No. 1.

A motion was made by Secretary Beard and seconded by Director Haney to adopt the Drought Contingency and Water Conservation Plan. All voted Aye.

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

Norman Blackman presented the Monthly Manager's Report as follows:

On-Going Topics

- District Entrance Drive Repaving - Chris contacted our paving contractor, Norman Highway Constructors and learned that the paving superintendent is back at work and will look at scheduling the repaving work soon.
- Update on Sale of 4.51 Ac. at Former Brookhollow WWTP - I have reviewed the files we have on that tract and determined that we have at least one 6" waterline and our access road that would require relocation in order to utilize the tract as a storm water detention basin. My rough calculations using distances from aerial photos indicate that about one acre will be lost in the existing drainage ditch area and an additional quarter acre for a relocated entrance road for a remainder of about 3.3 acres out of the 4.51 acres for building the detention pond. I have had one meeting with the two builder partners to discuss the tract.
- City of Vidor 2017-2018 Block Grant - Project is under construction, but progress is slow. We need to speed it up I think.
- Budget Development - Chris and I have begun working on evaluating the 2018-2019 budget performance, developing the proposed 2019-2020 budget, and gathering data to evaluate a possible need for a rate increase. We need to schedule a Budget Committee Meeting, and I recommend a Budget Workshop Meeting as well, very early in May. Our May Board meeting will be on May 20th.

Chris Serres presented the monthly financial report as follows:

The billing for the month of March, we billed \$101,822.11 for water and \$106,905.13 for sewer which is still slightly below our projection. That has just been the norm for the fiscal year.

Regarding all District bank accounts, all accounts are balanced. There is money in all the accounts.

The next report is the Special Projects Account; the balance in the account is \$44,295.18. This is the account we have paid for the Grant. We had revenues which included the monthly transfer, reimbursement of over match from the City of Vidor and interest earned totaling \$16,334.61. The expenditures for the month were for LJA Engineering – DWSRF-Sewer Restoration Project in the amount of \$1,688.87.

The next account is the Water/Sewer Major Maintenance. We had expenditures of \$53,098.71 for plugging Well #6 and the purchase of a new truck coming from that account. It had the monthly transfer, interest earned and TML claim payment going in for a total of \$98,220.22, bringing the account balance to \$130,214.13.

Budget Comparison Report for the month of March reveals revenues of \$318,307.24 collected/billed. The expenditures were \$350,464.32. The revenues exceeded the expenditures by \$32,157.08 for the month.

Interest earned for the month of February is \$15,235.59.

David LeJune, Operations Manager, presented the Field Report as follows:

We pumped 29,644,000 gallons from the wells and accounted for 26,421,840 gallons. The percentage unaccounted for was 10.87%. We treated 37,975,000 gallons of wastewater. We performed a total of 264 water jobs and 86 sewer jobs for a total of 350 jobs. We had 34 LPSS service calls for the month.

A motion was made by Director Groves and seconded by Secretary Beard to approve the Manager's Monthly Status Report and Financials. All Voted Aye.

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

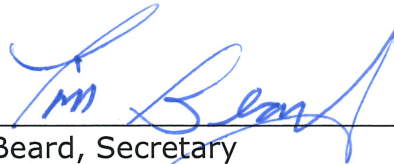
A motion was made by Secretary Beard and seconded by Director Groves to approve payment of the monthly bills. All Voted Aye.

10. Adjournment.

A motion was made by Vice President Inzer and seconded by Director Haney to adjourn the meeting at 6:55 p.m. All Voted Aye.



Robert L. Viator, Sr., President



Tim Beard, Secretary

