
MINUTES
of the June 14, 2018
Regular Board of Directors Meeting

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| Directors Present: | Dixon McNair, President; Bobby Gilmore, Secretary; James Benes, Treasurer; Chester Johnson, Director |
| Directors Absent: | Seth Gunn, Vice President |
| Others Present: | Bradley Loehr Engineer; Lori Steffek, Office Manager; |

The meeting was called to order by Mr. Dixon McNair, President, at 4:00 p.m. on June 14, 2018, at the Fayette County WCID - Monument Hill District Office located at 100 Country Club Drive in La Grange, Texas.

The Minutes from the May 10, 2018 regular Board of Directors meeting were presented for approval.

Mr. Chester Johnson made a motion, seconded by Mr. James Benes, to approve the Minutes of the May 10, 2018 regular Board of Directors meeting as presented. The motion passed unanimously with four Directors being present and voting.

Mr. Benes reviewed the May 2018 Operating Fund Treasurer's Report with the Board. Available beginning of the month balance was \$145,813.41. Total cash receipts for the month were \$25,610.95. Total expenses for the month of May were \$34,472.99, leaving the District with a total combined end of the month operating fund bank balance of \$137,204.40. Unusual expenses for the month included payment to Electric Motor Service for the rebuilding of one of the River Lift Station's pumps at a cost of \$7,637.06.

Mr. Benes reviewed Operating Fund disbursements pending approval for a total of \$39,391.23. Extraordinary expenses for May include payment to Deen's Construction for water and sewer repairs in the amount of \$2,328; payment to Secure Vision of America for the Kamstrup additional water meters and installation in the amount of \$2,319.30, and payment to Blue Tex Insulation for replacing the insulation around the line going from the aerator to the ground storage tank at WP1.

Mr. Chester Johnson made a motion, seconded by Mr. James Benes, to approve the May 2018 Operating Fund Treasurer's Report, and to pay the Operating Fund disbursements as presented for a total of \$39,391.23. The motion passed unanimously with four Directors being present and voting.

Mr. Benes reviewed the May 2018 Construction Fund Report with the Board. The beginning of the month combined balance was \$702,265.45. Total interest earned was \$968.99. Total bond related capital improvements for the month amounted to \$5,332.50 which represents partial payment for the videoing of sewer lines performed by National Works, and engineering performed by BEFCO. The combined end of the month balance was \$697,901.94.

Mr. Benes reviewed the pending Construction Fund disbursements for \$93,100.87. Disbursements include final payment and retainage to Holly Water Wells in the amount of \$87,363.87; payment to Secure Vision of America for (2) master meter modules to be used in conjunction with the Aquavox Scout SCADA system; payment to Deen's Construction for manhole excavating and repair in the amount of \$3,685.00 and for the installation of a flush valve on Spur 92 for TTHM samples in the amount of \$1,540.00.

Mr. Chester Johnson made a motion, seconded by Mr. Bobby Gilmore, to approve the May 2018 Construction Fund Treasurer's Report and to pay the Construction Fund disbursements as presented for a total of \$93,100.87. The motion passed unanimously with four Directors being present and voting.

Mr. Benes reviewed the May 2018 Debt Service Fund Report with the Board. The beginning of the month balance was \$102,412.39. The District received \$39.15 in interest income during the month. The debt service fund end of the month balance was \$102,451.54. No disbursements were made, or pending, from the debt service fund during the month of May.

Mr. Chester Johnson made a motion, seconded by Mr. Bobby Gilmore, to approve the May 2018 Debt Service Fund Report as presented with no disbursements made or pending. The motion passed unanimously with four Directors being present and voting.

Mr. Dixon McNair, in his President's Report, reviewed the following:

1. Sanitary Sewer –
 - a. Manhole excavation update:
 - i. 204 Rolling Hill (Janecka) – manhole was excavated, materials ordered to raise the height of the manhole. While trying to remove the lid, Deen's Construction noticed that part of the manhole directly below the lid was starting to crumble. They ceased working and consulted Bradley. The needed parts were ordered on June 8th and will be installed as soon as they arrive.
 - ii. 115 Rolling Hill (Toensing) – manhole was excavated, concrete driveway was repaired and a new flange/riser/lid were installed.
 - iii. Lookout Dr (Corker) – manhole was excavated, materials ordered and installed to raise the manhole. During the excavation, the Corker's sprinkler line was damaged. The District will reimburse the Corker's for the repairs needed to their sprinkler system.
 - b. With the above manhole repairs having been completed, National Works can now return to clean out sewer lines on Lookout and Rolling Hill (Toensing and Krhovjak), then video the sections of line on Lookout (Corker) and Rolling Hill (Toensing) that they were unable to complete.
2. Valley View Dr –
 - a. We haven't received an estimate back from Deen Construction on the replacement of the entire length of 2" line from 316 Valley View to 501 Rolling Hill.
 - b. The previously installed flush valve at 398 Valley View was removed and replaced with a 2" PVC pipe with a shut off valve near the bottom. This will allow for regular / automatic flushing and for TCEQ's samples to be taken.
3. Bluff Manor Apts –
 - a. Deen's Construction installed a ¾" flush valve, prior to the fire hydrant on Spur 92, which enables us to have a dedicated TCEQ sampling location.
4. Water Plant #1 –
 - a. The insulating of the riser to the aerator took place on May 11th and looks great.
 - b. Met with Nathan Hess on June 12th to discuss the erosion taking place along the back edge and behind the back fence of the plant, grading down the entrance at Well #3 so that the gates can swing inward, removing (5) trees at WP1 and filling in below the concrete overflow pad for the discharge line for the ground storage tank at WP1.
5. Hydrants – there are several throughout the District that are in need of repair. Bradley Loehr has provided two possible contacts for these repairs. Lori will be working on getting additional information from them on costs and availability.

Mrs. Steffek reported the following during the Operations Report:

1. Kampstrup Water Meter Trial –
 - a. Additional (4) $\frac{3}{4}$ x $\frac{5}{8}$ and (2) 1" meters were installed on June 11th. Two meters will need to be installed by Deen's Construction as they are complicated and involved
 - b. Meters were read on May 25th and no failed reads were experienced.
 - c. Requesting approval to purchase additional (10) $\frac{3}{4}$ x $\frac{5}{8}$ and (1) 1" meters
 - d. Still very pleased with the system, its simplicity and ease of function
2. TCEQ –
 - a. 2Q2018 TTHM sample results were received on June 11th and we failed both locations:
 - i. 101 mg/L at 398 Valley View Dr (DBP2-01)
 - ii. 105 mg/L at 231 Spur 92 (DBP2-02)
 - iii. Current LRAA's are not yet available on the Drinking Water Watch website but expect to receive a violation which has a public notice requirement.
 - b. Public Notice for the DLQOR violation received for 1Q2018 was mailed out and published on the website on May 31st. Certificate of Delivery verifying that the public notice requirement was fulfilled was mailed to TCEQ on May 31st via certified mail.
 - c. The District's annual Consumer Confidence Report (CCR) was uploaded to the website, and the URL for the report was sent out on the water bills, on May 30th. The required Certificate of Delivery was mailed to TCEQ on May 31st via certified mail.
3. Audit –
 - a. Medack & Oltmann conducted their audit on June 7th
 - b. Audited financials for FYE March 31, 2018 will be presented at the July 12th regular board meeting
4. TML IRP Insurance Claim for Hurricane Harvey damages –
 - a. Payment of \$32,147.13 was received on June 12th
 - b. Payment of \$8,724.70, for bulk water purchased from FWSC, is being processed and should be received within the next week, at which time the claim will be paid in full.
5. Water Well #4
 - a. Final payment was mailed to Holly Water Wells on June 5th
 - b. Total cost for the drilling of Well #4, including all bond related expenses, was \$433,020.56
6. Director's Election November 6, 2018 –
 - a. The Board will call and order the election at tonight's meeting
 - b. Terri Hefner, Fayette County Elections Administrator, has sent an updated contract for the handling of the election and is currently waiting on the County Attorney, Harold Streicher, for a price.
 - c. Important Election dates –
 - i. Deadline to post notice of general election: June 21st
 - ii. First day to accept application for a place on the general election ballot: July 21st Last day to accept applications for a place on the general election ballot: August 20th
 - iii. Last day to file a declaration of write in candidacy: August 24th
 - iv. First day to cancel the election: August 24th after 5 p.m.
7. Past Due Accounts –
 - a. Harvey Wenske (402 Buckeye Trail) is currently \$677.49 past due. He made a payment of \$320.78, via check, on June 7th. He received a certified letter from the District with a detailed payment plan and appears to be making an effort to get caught up.
 - b. Shane Drosche (214 Richard Rd) is \$414.97 past due. They have not made a payment since April 5th.
 - c. Darrin Tousek (211 Richard Rd) is \$299.74 past due and haven't made a payment since 12/17/2017. The house is vacant and for sale. Wayne Kocian went to lock the meter on June 13th but reported that there is no way to lock this meter.
8. Vacation – will not be going on vacation during July as reported last month. Instead, will be taking off on Friday's during the summer.

In his Engineer's Report, Mr. Bradley Loehr discussed the following items:

1. Water Well #4 – Insulating of the Well took place on May 10th. At the request of the District, Blue Tex Insulation Company charged an additional \$1,250 to insulate the line from the aerator to the ground storage tank, and to insulate a line under the hydro tank. This additional \$1,250 was approved at the board meeting.
2. Sanitary Sewer Evaluation & Study –
 - a. Mr. David Deen was able to pot hole behind the Koenig's property. Based on his findings, he believes replacement of the Tiemann line would cost approximately somewhere between \$60-\$80,000. Anything over \$75,000 would need to be sent out for bids and require additional engineering costs.
 - b. The 450 foot section of line directly below the Pace's on Country Club Ct would cost approximately \$30,000 to replace or slip-line.
 - c. Video Results:
 - i. There is a crack in the truss pipe near the Corker's on Lookout Drive
 - ii. From the cul-de-sac on Lookout Drive (Corker) to the upper manhole on Rolling Hill Drive near 202 Rolling Hill Drive (Kewley) – there are 4-5 sections of line, some truss, some PVC and some clay pipe. The PVC pipe sections appear to be alright. If it's clay pipe, it's cracked with roots and the truss pipe is also cracked.
 - iii. The 150 foot section of line from 202 Rolling Hill Drive (Janecka) to 204 Rolling Hill Drive (Kewley) has cracks and roots.
 - iv. The section of line from 115 Rolling Hill Drive (Toensing) to 118 Rolling Hill Drive (TPWD Manager's home) has 13 cracks and 5 root balls.
 - v. The section of line from Rolling Hill Drive to Valley View Drive to Country Club Drive and back to Oak Bend Drive – There are (4) 45 degree turns in the sewer lines surrounding 503 Rolling Hill Drive (Griggs). The PVC pipes appears to be in good condition but there are points of vertical inflection noted.
 - vi. There is a manhole located underneath the driveway at 503 Rolling Hill Drive (Griggs). There are clay joints that have pulled a part, there is dirt in the line and at the 67 ft marker, there is a section of collapsed pipe. This line serves 4 houses on the east side of Valley View Drive.
 - vii. The section of line from 503 Rolling Hill Drive (Griggs) going upward toward Buckeye Trail is made of clay pipe and has 6 noted cracks.
 - d. Mr. Loehr suggested getting pricing together and making a master list of what needs to be done, associated costs and then prioritize what's most important. Sewer lines still needing to be video surveyed are located at 204 Lookout Drive (Corker), 502 Rolling Hill Drive (Krhovjak) and from 115 Rolling Hill Drive (Toensing) to the manhole located at 207 Park Drive (Coronado).
3. SCADA / Radio / Omni-Site –
 - a. Radio to Radio System (WP1 to Well #3) – Zapata Electric will begin work the week of June 18th and will take several weeks of back and forth to compete.
 - b. A meeting occurred on May 22nd between Electric Motor Service, Macaulay Controls, BEFCO and District personnel to review project scope and to conduct plant site inspections. Mr. Loehr has received the scope of work from Glenn Goode with Macaulay Controls and will review for changes to the original scope and/or recommendations for additional materials. Mr. Loehr will forward to the District his review notes. There is a six week lead time once all the needed materials are ordered.

Mrs. Steffek presented to the Board for approval the Order of Election for the upcoming November 6, 2018 election of three directors for the Fayette County WCID-Monument Hill Board of Directors. Three District directors, Mr. Bobby Gilmore, Mr. Seth Gunn and Mr. Chester Johnson, all have terms of office that will be expiring in November 2018. All Directors will be seeking re-election.

Mr. James Benes made a motion, seconded by Mr. Bobby Gilmore, to Order the Election, for three District directors, to be held in conjunction with the Fayette County General Election on November 6, 2018. The motion passed unanimously with four directors being present and voting.

Mrs. Steffek presented to the Board for approval the Notice of General Election, of three District directors. The Notice of General Election is used to “call” the election and specifies precinct voting locations, the deadline for receiving applications for ballot by mail and the address of the Fayette County Elections Administrator. Mrs. Steffek informed the Board that the Notice would be filed with the County Clerk’s office before its required deadline of October 21, 2018.

Mr. James Benes made a motion, seconded by Mr. Chester Johnson, to “call” for the election of three District Directors, to be handled in conjunction with the Fayette County General Election on November 6, 2018. The motion passed unanimously with four directors being present and voting.

Mrs. Steffek informed the Board that she would need to post at the District Office, no later than June 21, 2018, the Notice of Deadline to File Application for a Place on the General Ballot. The notice will state that the first day to file for a place on the November 6, 2018 General Election Ballot is July 21, 2018 and the last day to file is August 20, 2018.

Mrs. Steffek requested approval to purchase from Secure Vision of America (10) spare ¾” x 5/8” and (1) spare 1” Kamstrup water meters for inventory purposes. She reported that at this time there would be no charges for installation of the meters since these were going to be used as spare parts inventory. Mrs. Steffek informed the Board that the District would receive a discount of \$10 per ¾” meter if purchased in groups of (10) or more. Total cost for the (11) meters would be \$ 2,168.10.

Mr. James Benes made a motion, seconded by Mr. Chester Johnson to purchase (10) ¾” x 5/8” Kamstrup water meter and (1) 1” Kampstrup water meters at a total cost of \$2,168.10. The motion passed unanimously with four Directors being present and voting.

There was no business to be discussed under Agenda Item 10 “Consider and take appropriate action on matters related to the Series 2017 Bond projects and all other associated projects”.

Items were identified and placed on the agenda for the next regular Board of Directors meeting scheduled to be held on June 14, 2018 at 4 p.m. at the Fayette County WCID - Monument Hill District office located at 100 Country Club Drive, La Grange, Texas.

There being no further business to come before the Board, Mr. James Benes made a motion, seconded by Mr. Chester Johnson, to adjourn the meeting. The motion passed unanimously with four directors being present and voting.

The meeting was adjourned at 5:18 p.m.

Mr. Bobby Gilmore
Secretary

Mr. Dixon McNair
President