

MINUTES OF THE WILLACY COUNTY DRAINAGE DISTRICT NO. 1

On August 26, 2020, the Board of Directors of Willacy County Drainage District No. 1 met at the District's office in Lyford, Texas after having given notice thereof as provided by law, with the following person's present, to-wit:

Daniel Vassberg, President
Melvin Gay, Secretary
Charles Chappell, Director
B. R. Dossett, Attorney
Paul Greenhill, Manager

Terry Galle, Vice President
Thomas Zdansky, Director
Dan Klostermann, Director

Absent: Glenn Wilde, Director

Daniel Vassberg, President called meeting to order at 10:30 a.m. and presided.

Audience: None

1. Minutes. The motion was made by Terry Galle and seconded by Thomas Zdansky to approve the minutes of the August 12, 2020 meeting. Following a discussion, the motion unanimously carried.
2. Public Hearing on Proposed 2020 Tax Rate. President Vassberg opened the public hearing on the 2020 Proposed Tax Rate. It was noted that the Notice of the Public hearing was published in the August 19, 2020 edition of the Raymondville Chronicle and on the District's website. No one appeared. It was noted that the proposed budget requires the tax rate for calendar year 2020 be \$0.25 per \$100 valuation. The motion was made by Terry Galle and seconded by Thomas Zdansky to close the public hearing. Following a discussion, the motion unanimously carried, and President Vassberg declared the public hearing closed.
3. Budget for Fiscal Year beginning January 1, 2021. The budget proposed at the August 12, 2020 meeting was presented. The motion was made by Thomas Zdansky and seconded by Dan Klostermann, that the following Budget for the fiscal year beginning January 1, 2021 and ending December 31, 2021 be adopted:

Revenues:

Tax Revenues	\$ 656,261
Interest – Bank	\$ 10,147
Penalty & Interest	\$ 16,548
Machine Hire	\$ 8,494
Administrative	\$ 32,195
Miscellaneous	\$ 2,602

Total \$ 726,247

Expenditures:

Engineering Fees	\$ 4,000
Building Maintenance	\$ 2,500
Salaries	\$ 320,000
Election Expense	\$ 350
Accounting	\$ 5,500

Legal	\$ 12,500
Insurance	\$ 80,000
Tax Collection	\$ 20,000
Appraisal District	\$ 25,000
Telephone	\$ 4,000
Operating Supplies	\$ 70,000
Travel Meals	\$ 2,500
Payroll Taxes	\$ 26,000
Equipment Maintenance	\$ 25,000
Utilities	\$ 4,500
Ditch Maintenance	\$ 50,000
Professional Dues	\$ 1,000
Advertising	\$ 450
Office Supplies	\$ 9,000
Computer – IT & GIS	\$ 10,000
Uniforms	
Miscellaneous	\$ 5,000
Postage	\$ 450
Retirement Fund	\$ 8,500
Capital Expenditures	\$ 8,000
Infrastructure Repair & Replacement	\$ 31,997
	<u>\$726,247</u>

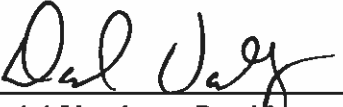
It was noted that \$8,000.00 is dedicated for Capital Expenditures, and \$31,997.00 is dedicated for infrastructure Repair and Replacement. Following a discussion, the motion unanimously carried.

4. 2020 Tax Rate. The motion was made by Dan Klosterman and seconded by Charles Chappell that **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WILLACY COUNTY DRAINAGE DISTRICT NO. 1** that a tax rate of \$0.25 per \$100 valuation is adopted for calendar year 2020. Following a discussion, the motion unanimously carried.
5. Dedication of funds to Capital Expenditures and Infrastructure Repair and Replacement. Discussed under agenda item 3.
6. Santa Monica Pumping Plant. The mechanic determined that the east engine was throwing oil because the valves were out of adjustment. Had the problem not been corrected, a hole would have been burned in one or more of the pistons. The valves of both engines have been adjusted. However, when the east engine was started after the valve adjustment, the pump would not engage. All other causes having been eliminated, on August 25, 2020, International Machine Shop pulled the pump, which required a crane, whereupon two problems were discovered. First, when Balch Machine Company rebuilt the pump in 2009, the wrong type of bolts were installed where the halves of the housing for the impeller bolts together—stainless steel bolts were specified but regular steel bolts were installed. The bolts rusted and broke allowing the halves of the housing to separate and the impeller to wedge against the housing. Second, the part of the grease feed tube for the lower bearing that is below the water level had rusted completely away, depriving the lower bearing of lubrication (the tube carries grease from a zerk near the gearbox to the lower bearing). The District had paid extra for the exterior and interior of the pump to be coated with a protective sealer (which may be why Balch used substandard bolts and tubing). For reasons not yet determined, the coating failed where the halves of the impeller housing are bolted together and obviously on the tubing. International Machine Shop took the pump to its shop for


disassembly, internal inspection, and repair. Both pumps having been rebuilt at the same time, it is very likely that substandard bolts and tubing were used on the west pump, also. The bolts and tubing on the west pump can be inspected and replaced without having to remove the pump. However, if the tubing has rusted away, the west pump will have to be removed and disassembled to determine what damage the lack of lubrication did to the lower bearing. There is no recourse against Balch Machine Company. It failed about two years ago.

7. Other Business. None

The meeting adjourned at 11:45 a.m.



Daniel Vassberg, President



Melvin Gay, Secretary