

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
TRINITY BAY CONSERVATION DISTRICT**

A regular meeting of the Board of Directors of the Trinity Bay Conservation District (“District”) was called at 5:00 p.m. on the 4th day of January 2021, at the Trinity Bay Conservation District (“TBCD” or “Department”) located at 2500 SH 124 Stowell, Texas 77661 pursuant to notice duly posted according to law.

This meeting was held in person and via videoconference as provided for in Texas Government Code 551.127 as modified by the May 12, 2020 Proclamation by Governor Abbott in which the Governor acted to maintain government transparency and continued government operations while reducing face-to-face contact for government open meetings. In addition, members of the public were able to participate and address the Directors during the videoconference meeting and a recording of the meeting was made and is available to the public.

The roll was called of the Directors, to-wit:

<b>Directors</b>	<b>Position</b>
Mr. Jeffrey Jenkins	President
Mr. Gregg Turner	Vice-President
Mr. Tommy Gilbert	Secretary
Mr. Scott Kahla	Director
Mr. Mark Mitchell	Director

All said members were present, thus constituting a quorum. In addition to the above-named Directors, the following persons were also present:

<b>Attendee</b>	<b>Position</b>
Mr. James Gibson	General Manger
Mr. David Hoyt	Superintendent
Mrs. Barbara Sigut	Human Resources and Accounts Payable
Mr. Mike Will	Plant Operations Supervisor
Mr. Danny Pringle	Assistant Drainage Supervisor
Mr. Hubert Oxford	General Counsel
Ms. Gloria Roemer	Seabreeze Beacon
Ms. Sharisa Nelson	Seabreeze Beacon
Mr. Wade Thibodeaux	Hometown Press
Mr. Bobby Way	Citizen
Mr. Donnie Self	Citizen
Mr. Richie Devillier	Citizen

President Jenkins called the meeting to order at 5:00 p.m. and asked the General Manager to lead the meeting in Prayer and the Pledge of Allegiance and Pledge to the State Flag of Texas.

4. **Discuss and take-action, if necessary, on addressing nepotism issues among Board members and staff, specifically, whether Section 573.062 of the Texas Government Code (“continued employment exception”) is being applied correctly and if not, to advise of the penalties set forth in Section 573.081, 573.083 and 573.084 of the Texas Government Code.**

President Jenkins introduced the agenda item by providing an e-mail he received by the District Attorney in response to his concerns about violations of the State of Texas’s Nepotism laws by himself and Director Gilbert. (See **Exhibit “A”**). Thereafter, an intense exchange occurred between Attorney Oxford and Directors Gilbert and Turner. During this exchange, at 5:29 p.m. President Jenkins called the Board into Executive Session to discuss Personnel Matters pursuant to Section 551.074 of the Texas Government Code. The Board returned from Executive Session at 6:19 p.m. to take-action.

Following the Executive Session, a motion was made by Director Kahla to give the General Manager authority to engage outside counsel to provide a second opinion to the legal opinion issued by Attorney Oxford and to reconsider this agenda item during the February 2021 Regular Meeting. This motion was seconded by Director Mitchell and unanimously approved by all the Directors.

### **3. Public Comment**

President Jenkins then called on the Public to make a Public Comment. The first to make a public comment was Ms. Gloria Roemer with the Seabreeze Beacon. Mrs. Roemer asked the Board to not overturn their prior decision to install GPS devices on the vehicles and to install the time clocks as previously approved. She also asked the Board not terminate Attorney Oxford.

Thereafter, Mr. Wade Thibodeaux spoke and asked the Board to begin scheduling meetings on set times and dates. He also asked the Board to adopt public comment policy but to make it reasonable. Lastly, Mr. Thibodeaux asked the Board to consider adding an agenda item to the end of the meeting that allowed the press to clarify facts or statements made during the meeting.

Lastly, Mr. Donny Self gave an extensive public comment. A copy is attached as **Exhibit “B”**.

### **5. Discuss approval of minutes for the following:**

- a. November 12, 2020 Regular Meeting; and
- b. November 19, 2020 Special Meeting.

The Board was then asked to review and approve the minutes of the November 12, 2020 Regular Meeting; and the November 19, 2020 Special Meeting. Following a review of the minutes, no changes were requested.

Therefore, a motion was made by Director Gilbert to approve the minutes for the November 12, 2020 Regular Meeting; and the November 19, 2020 Special Meeting. This motion was seconded by Director Turner with the unanimous consent of all the Board members.

**6. Discuss and take-action on the District's Financial Reports; District's Accounts Payable; Tax Reports.**

Since Mrs. Jenkins was not in attendance at the meeting and previously submitted the financials for November on December 9, 2020, the Board was given a brief update on the current balances in the various District accounts with the understanding that a more detailed review of the financials would take place at the upcoming January 13<sup>th</sup>, 2021 Regular Meeting. For purposes of this meeting, the Board was asked to only approve the accounts payable at the meeting.

Therefore, a motion was made by Director Gilbert to approve the accounts payable for November and December 2020. This motion was seconded by Director Mitchell with the unanimous consent of all the Board members.

**7. Receive General Manager's report.**

The General Manager then gave a brief report. Among the topics reported, Mr. Gibson stated that the TCEQ has been the District and performed an assessment. They also toured the facilities and the District received good grades. Moreover, the auditors nearly complete, and he expects that the audit will be presented at the February 2021 Regular Meeting. In addition, he and staff have been working on a developer policy and a process for the developers to apply for permits from the County and then apply for permits from the District.

**8. Appoint Committees and receive reports from the following Committees:**

- Audit/Finance Committee;
- Personnel Committee; and
- Operations Committee

No action was taken since the elections of officers has not taken place.

**9. Discuss and take-action, if necessary, on giving the General Manager authority to execute amended Entre Computer agreement.**

The General Manager presented a revised agreement with Entre. (*See Exhibit "C"*). Per Mr. Gibson the proposed amendment to the initial Entre Agreement changes the District from unlimited onsite service to unlimited remote service. Per the proposed amendment to the Agreement, the initial contracted amount was for \$3,352.49 per month and proposed reduced rate was \$2,874.99 per month or \$477.44 per month savings. He asked for authority to enter into the agreement subject to review by the Attorney. He advised that he wanted to get this amendment signed and then go out for request for proposals for new service providers. Attorney Oxford asked

the General Manager if the District had been paying the contracted rate up to this point and he confirmed that the District has paid the contracted rate up this point. Attorney Oxford then suggested that the General Manager negotiate with Entre to receive a credit for the difference between the original rate and the amended rate back to June 2020.

Therefore, a motion was made by Director Gilbert to give the General Manager authority to authorize him to sign the amendment to the Entre Computer agreement subject to the approval by Attorney Oxford. This motion was seconded by Director Kahla and unanimously approved by all the Board members.

**10. Discuss and take-action, if necessary, on adopting a 2021 Investment Policy.**

Attorney Oxford presented the 2021 Investment Policy and explained that it needed to be renewed annually. (*See Exhibit "D"*). He then explained the reasoning for the policy to the new Board members by stating it placed certain collateral requirements on the District's depository bank and designated investment officers who needed to go through annual training.

Afterwards, a motion was made by Director Turner to adopt the 2021 Investment Policy. This motion was seconded by Director Kahla and unanimously approved by all the Board members.

**11. Discuss and take-action, if necessary, on adopting a Holiday Schedule.**

The General Manager presented a Holiday Schedule for 2021 and asked the Board to approve it. (*See Exhibit "E"*).

Following some questions about the schedule, a motion was made by Director Mitchell to adopt the proposed holiday schedule submitted by staff. This motion was seconded by Director Gilbert and unanimously approved by all the Board members.

**12. Discuss and take-action, if necessary, on adopting 2021 Board Meeting Schedule**

Likewise, the staff presented the Board with a proposed 2021 Board Meeting Schedule. (*See Exhibit "F"*). The Board reviewed and discussed setting the meetings on a recurring schedule but ultimately concurred with the proposed schedule.

Thus, a motion was made by Director Kahla to adopt the proposed Meeting Schedule for 2021. This motion was seconded by Director Mitchell and unanimously approved by all the Board members.

**13. Discuss and take-action, if necessary, on revoking the General Manager's decision to implement time clocks.**

The General Manager requested that the Board's prior decisions to implement time clocks be left alone as the issue has already been discussed and decided up.

Directors Mitchell, Kahla, and Jenkins agreed. Thus, a motion was made by Director Mitchell to keep timeclocks. This motion was seconded by Director Kahla and unanimously approved except by Directors Gilbert and Turner abstained.

**14. Discuss and take-action, if necessary, on revoking the General Manager's decision to implement the installation of GPS monitoring systems in District vehicles.**

The General Manager asked the Board to not revoke its prior decision to install the GPS devices on the vehicles. Per the General Manager, he was given the authority to make the decisions and he firmly believed that the use of the GPS devices will assist with making the District more efficient and protect the District in accident investigations.

Following some discussion on the agenda item, a motion was made by Director Kahla keep the Board's prior decision to authorize the General Manager to install GPS devices. This motion was seconded by Director Mitchell and unanimously approved except by Directors Gilbert and Turner abstained.

**15. Discuss and take-action, if necessary, on offering early retirement packages to eligible employees.**

The General Manager asked the Board to table this agenda item so staff could do some research on proposals, the law, reasonable offers, and criteria for eligible employees.

The Board agreed and a motion was made by Director Gilbert to table the agenda item. This motion was seconded by Director Turner with the unanimous consent of all the Board members.

**16. Discuss and take-action, if necessary, on accepting General Manager's Amended and Restated Employment Agreement.**

The Board was then asked to consider Agenda Item 16, to accept the General Manager's Amended and Restated Employment Agreement. (*See Exhibit "G"*). Attorney Oxford then reviewed the proposed agreement and explained to the Board various aspects of the Agreement that were new, including but not limited to, the new provision that sets forth incentives for the General Manager to accomplish as consideration for renewing the Amended and Restated Employment Agreement. The Board and the General Manager then discussed this provision and clarified the terms of the Agreement.

Upon completion of the discussion, a motion was made by Director Gilbert to the Amended and Restated Employment Agreement with the General Manager. This motion was seconded by Director Mitchell with the unanimous consent of all the Board members.

**17. Discuss and take-action, if necessary, on adopting and implementing attendance of meeting restrictions and restrictions to public comments pursuant to Governor Greg Abbott’s March 6, 2020 Emergency Order that suspends Tex. Gov’t Code 551.007(b).**

The Board discussed the need for rules relating to public comments and audience participation during the Board meeting on various agenda items. They all agreed, with the support of most the public present at the meeting, that the District needed to adopt a policy that limited the time the public could make a public comment and to establish a time during the discussion of an agenda item for the public to comment. After some discussion, Attorney Oxford advised that he prepared a policy for another client and informed the Board he would submit that policy to staff for changes consistent with the discussion.

At the conclusion of the discussion, Director Gilbert made a motion to table this agenda item until the February Regular Meeting. This motion was seconded by Director Mitchell with the unanimous consent of all the Board members.

**18. Discuss and take-action, if necessary, on appointing officers.**

President Jenkins asked the Board to consider making appointments. The Board then made the following nominations:

<b>President</b>	Motion: Director Mitchell made a motion to appoint Director Kahla as President Second: Motion was seconded by Director Turner
<b>Vice-President</b>	Motion: Director Kahla made a motion to appoint Director Mitchell as Vice-President. Second: Motion was seconded by Director Turner
<b>Secretary</b>	Motion: Director Turner made a motion to appoint Director Gilbert as Treasurer. Second: Motion was seconded by Director Mitchell

Once the nominations were complete, Director Kahla made a motion accept the nominations. This motion was seconded by Director Gilbert with the unanimous consent of all the Board members. The new officers were congratulated and immediately assumed office.

**19. Discuss and take-action, if necessary, on terminating Benckenstein & Oxford's attorney agreement.**

Newly elected President Kahla called on the Board to take-action on Agenda Item 19. Prior to much discussion, Director Jenkins made a motion to keep Benckenstein & Oxford, LLP as the District's Attorney. Before anyone could second the motion, Director Turner intervened and made a motion to terminate Benckenstein & Oxford, LLP. Thereafter, a motion was made by Director Gilbert to support Director Turner's motion. Still without any discussion, Director Jenkins voted against Director Turner's motion and then voted to retain the firm. Likewise, Director Mitchell voted the same as Director Jenkins as did Director Kahla. Consequently, Director Turner's motion failed for lack of a majority and Benckenstein & Oxford, LLP was retained.<sup>1</sup>

**20. Discuss and take-action, if necessary, to go out for Request for Proposals for legal counsel.**

No action was taken.

**C. WATER AND WASTEWATER**

**21. Discuss and take-action, if necessary, on accepting the Section 1 and Section 3 Cypress Point water and sewer system.**

Staff advised the Board that they have reviewed the proposed plans for Section 1 and Section 3 of the Cypress Point water and sewer system and after a review of the plans, the staff requested that the Board give accept staff's recommendation to approve the water and sewer system.

Director Gilbert then made a motion to accept staff's recommendation to accepting the Section 1 and Section 3 Cypress Point water and sewer system plans and specifications. This motion was seconded by Director Turner and unanimously approved by all the Directors.

**22. Discuss and receive input on amending the following policies:**

- a. Amend Resolution 7.01 Payment- Disconnects for non-payment, increase fee from \$25.00 to \$50.00.
- b. Remove Resolution 7.07 Section (D) 02-08, Revised March 21, 2002 Rate Procedures-Vacation Meters.
- c. Damaging District property

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<sup>1</sup> If questions exist about the outcome of this agenda item, a copy of the discussion can be found at: <https://youtu.be/ZcbsTcNl7ew>.

- (1) Meter tampering - Cutting off meter lock 1st offense charge \$100.00, for second offense charge \$250.00 and contact Chambers County Sheriff's Department.
- (2) Damage to District Equipment - Bill customer for the labor cost to replace the damaged equipment and for the cost of materials.
- d. Amend Resolution 7.09 Water and Sewer connection charges:
  - (1) Increase 5/8" water taps fees from \$1,000.00 to \$1,250.00
  - (2) Increase 1" water taps fees from \$1,250.00 to \$1,500.00
  - (3) Increase 1 1/2" water taps fees from \$2,400.00 to \$ 2,600.00
  - (4) Increase 2" water taps fees from \$3,800.00 to \$4,000.00
  - (5) Increase 4" gravity sewer taps fees from \$1,000.00 to \$1,250.00
  - (6) Increase sewer grinder station installation fees from 3,200.00 to 3,500.00
  - (7) Add Resolution-Residential LPSS (sewer grinder station) tap fee \$1,250.00
  - (8) Add Resolution - LPSS easement filling fee with Chambers County - \$50.00
- e. Amend Resolution 7.08 Water and Sewer Rates (Res. 01-18) Late Charge Increase late fees from 1 1/2% to 10%.
- f. Amend Resolution 7.14 Water and Sewer Rates:
  - (1) Increase Minimum Service charge for call outs during working hours wherein the District Representative finds the problem to be the Customer's responsibility from \$25.00 to \$50.00.
  - (2) Increase Minimum Service charge for any call placed after posted working hours wherein the District Representative finds the problem to be the Customer's responsibility from \$50.00 to \$75.00.
- g. Amend Resolution 1.18-Revise to include bulk water sales for the first 500 gallons \$20.00 and increase the \$100.00 non-refundable deposit to \$300.00 on cage meters.

The General Manager clarified that the purpose of this agenda item was to give the Board and public information on the need to raise the fees, not rates, and the impact it would have on current and future customers. Mr. Gibson then called on Mr. Mike Will, supervisor over the water and sewer facilities to provide more detail. Mr. Will explained that the purpose of the proposed rate increases were to get the District's fees for the services in the agenda item more aligned with other Districts and to help cover the cost of the services provided. He then provided the Board with a summary of research and his recommendations. (*See Exhibit "H"*). Mr. Will clarified that if there was a current customer, the fee increases will have no effect on any residents who are not late in paying their bills or who do not damage their meters. After reviewing each recommendation, the Board was asked to take the recommendation into consideration and if they had any questions to call Mr. Gibson or Mr. Will.

Mr. Gibson then requested that if there were no questions or concerns prior to the February 2021 Regular Meeting, he would like to request that this rate increase request be put on the agenda for that meeting. The Board agreed and took no action.



**D. DRAINAGE**

**23. Discuss and take-action, if necessary, on accepting temporary drainage easements for work in the Mayhaw watershed.**

Mr. Gibson referred this agenda item to Mr. Danny Pringle. According to Mr. Pringle, the District needs some temporary easements from six (6) or seven (7) landowners on the north side of the Crawford Reservoir to clean the drain ditch to help drain the Mayhaw Watershed. The Board then asked questions about the location and received clarification of the location of the easements requested.

At the end of the discussion, Director Gilbert made a motion to authorize staff to negotiate and execute temporary easements in order to clean the drain ditch in the Mayhaw Watershed north of the Crawford Reservoir. This motion was seconded by Director Mitchell and unanimously approved by all the Directors.

**24. Discuss and take-action, if necessary, on removal of temporary crossing placed after Hurricane Ike.**

Staff then asked the Board for authority to remove the temporary crossing placed on various properties in the southern part of the District after Hurricane Ike. Since then, the Bridges have been built to replace the crossing. According to staff, these crossings are impeding drainage.

The Board concurred with the recommendation and a motion was made by Director Gilbert to authorize staff to remove the temporary crossings. This motion was seconded by Director Turner and unanimously approved by all the Directors.

**E. STAFF REPORTS**

**25. Drainage Reports; and**

**26. Water and Sewer Utility Reports**

Given the length of the meeting, the Board was referred to the staff reports and asked to review. (See **Exhibit "I"**). If, after a review of the reports, there were any questions, the Board members were asked to call and discuss with staff.

There being no further business, President Kayla informed the Directors that the next regularly scheduled meeting was on January 13, 2021 at 9:00 a.m. He then asked if there was anything else to discuss. There being none, he called for a motion to adjourn the meeting at 8:29 p.m. Director Gilbert then made motion to adjourn. This motion was seconded by Director Mitchell with the unanimous consent of all the Directors present.



Scott Kahla, President

Date: 1-27-21

# **Exhibit “A”**

## Hubert Oxford IV

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**Subject:** FW: Potential Nepotism Issues at TBCD

----- Forwarded Message -----

**From:** Cheryl Lieck <[clieck@chamberstx.gov](mailto:clieck@chamberstx.gov)>  
**To:** Jeff Jenkins <[jtj2558@yahoo.com](mailto:jtj2558@yahoo.com)>  
**Sent:** Monday, December 21, 2020, 01:11:04 PM CST  
**Subject:** RE: Potential Nepotism Issues at TBCD

Jeff: In my opinion, and if it were me, I would not be on the Board if I had a family member employed with TBCD. One has to weigh the cost/benefit. Is being on the Board more important than being a paid employee?

I really do not think it makes any difference that you were elected to the Board well after your wife was an employee.

Additionally, the only relief I could possibly see for Cory is for he and his father to both resign, then Cory could be rehired afterwards if that is what the Director and Board want to do. If he is a valued employee I am sure that you all don't want to lose him permanently.

I'm just being honest with you and telling you what I would do. And, to be perfectly frank, if the lawyer employed by TBCD is giving advice, I would damn sure listen to it.

Good luck with everything.

Cheryl

**From:** Jeff Jenkins <[jtj2558@yahoo.com](mailto:jtj2558@yahoo.com)>  
**Sent:** Thursday, December 17, 2020 9:55 AM  
**To:** Cheryl Lieck <[clieck@chamberstx.gov](mailto:clieck@chamberstx.gov)>  
**Subject:** Fw: Potential Nepotism Issues at TBCD

Cheryl,

Thank you for talking to me on the phone. As you know, I am writing as a Board member of the Trinity Bay Conservation District Board and as the subject of a Freedom of Information Act (FOIA) request regarding my marriage of forty years to Sheri Jenkins, who has been continuously employed by the District since 2000. (See attached FOIA request). Upon receiving the FOIA request, the District's attorney conducted an investigation into the potential nepotism violations and issued the detailed opinion below.

In short, the issue is whether the Continuous Employment Exception set forth in Section 573.062 of the Government Code is applicable to my situation with Sheri and Tommy Gilbert's and his son since the son who was rehired by the District after Tommy was appointed to the Board. And if the exception isn't applicable, whether the entire Board would be in violation of Section 573.083 of Government Code since we received notice of a violation and there has been one paycheck issued to the employees? My reading of section 573.083 and JC-0184 lead me to believe the entire Board could be in violation of the nepotism laws if Cory Gilbert continues to receive paychecks after we were put on notice of a potential problem.

In addition to the original FOIA, request, I have also attach to this e-mail a number of documents provided with the opinion. Two of these attachments are timelines for each situation supported by the employment records and Board minutes.

Given these concerns, especially, the routine upcoming payments to Cory Gilbert and its legal implications on the entire Board, I respectfully request that you please provide me with guidance on any violations at your earliest convenience. If you have any questions, please do not hesitate to contact me. I can be reached at 409-673-6858.

Sincerely,

Jeffrey Jenkins  
409-673-6858

lick links or open attachments unless you recognize the sender**AND** know the content is safe.

# **Exhibit “B”**

## Hubert Oxford IV

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**Subject:** 2021.1.4 Self Public Comment

Thank you for giving me the opportunity to make a public comment. I am sorry to see that this Board is proposing to go down the same path as other governmental entities who wish to use the Governor's emergency order to manipulate and water down the public's right to give an opinion. Ironically, the Governor's orders were issued in March 2020 and TBCD is just deciding that there is an emergency sufficient to impede the public's right to comment.

Secondly, I appreciate the Board's follow up on an issue I raised at the last meeting. Nepotism. The Texas Government Code is very clear that if a Board member is in violation of the nepotism laws it requires any Board member in violation of the laws to be removed. Moreover, if notice is given of a violation of the code, the other Board members may be held liable for official misconduct if they authorize the payment of the employee who forms the basis of any nepotism violation. If there is any violation of the code, it will probably be ignored by this Board because this board has a history of not caring about and even ignoring laws or rules that apply to them. Rather than citing endless codes and statutes, I'll let agenda item 4 handle that. But, know this, we know the law and the facts at issue and urge any Board violation of the nepotism laws to do the right thing and step down immediately.

This Board and certain Board members have had a long history of disregarding conflicts and enriching themselves ahead of the interest of the residents. Please recall, a large landowner who is going to directly benefit from the new sewer plant that he insisted on having owns land that is going skyrocket once the new sewer plant is finished. When the conflict was raised, it was ignored, probably likely what you will do with any nepotism violations. Good thing the nepotism issues are something that will be investigated by the District Attorney.

To make matters worse, it has recently been discovered that one of your Board members, who was the subject of a FOIA request regarding nepotism and who benefitted by the Sewer plant also sits on the agricultural advisory committee for the appraisal district. Is this legal or ethical? How can someone sit on a committee that affects the agricultural tax status of community members and the taxes they pay and then also sit on a District Board that imposes taxes?

A land owner who also sits on that board, has benefitted in the sum of over a million dollars in projects by the TBCD, many of which were voted on, although some appear to be just given by the former GM. Including road/driveway work and other favors. This land owner is also known to contact board members on behalf of the former GM.

A complaint is currently being filed with the state bar for Germer, for their involvement in billing tax dollars for personal use as well as other questionable activities they were involved in or possibly knowledgeable of

that have been documented. I would also ask that as representatives of the tax payers this board take the necessary action to file official charges against all parties involved in the misuse and abuse tax dollars to include Germer, the former GM, and any board member aware of such activity who fail or refuse to seek due process for the people they represent. An ethics complaint has also been filed for willfully lying to the board and public saying TBCD does not fall under the PUC. Their CCN number with the PUC is 10997 and Lisa Fuentes is the contact person. There is also the issue with pre approved contracts which was committed by the former GM, known about by the former legal counsel, and would insist that communication about these contracts occurred between a select few board members which would mean possible quorums, and definite polling of board members, all of which is unethical and illegal.

As per your founding documents, your last few elections have not been done per said documents, and the GM and Lawyer possibly gave false information and because of that the legality of those elections and their results should be in question. The documents have been sent to the county clerk, and the issues, a copy of the documents, and a request to review have been sent to the secretary of state for the state of Tx Mrs Ruth R. Hughes.

At the last meeting, possibly the one before in conservation, it was said that just parking the trucks is saving around \$3000 dollars a month or about \$36,000 a year. I would have to believe that the trackers are also playing a part in that as well, creating a heightened sense of accountability. If that's accurate it proves considerable abuse existed, and it would show that the trackers aren't costing anything but rather saving money. They are paid for in less than 3 months of the year and saving money the rest of the year. They were also already paid for with tax dollars I might add, and they are already installed. It makes absolutely zero sense to want to remove those trackers or turn them off unless you are trying to enable wrong doing, allow abuse of company resources, and a waste of finances which 40% of this board has a reviewable record of doing just that, they obviously have no intentions of being fiscally responsible. The trackers were voted on and passed unanimously, and since that same 40% have been trying to reverse it? This should also help reduce your insurance costs which is another savings that should be taken advantage of. Or is it tied to insurance maybe?. Could this be another issue practicing nepotism? Maybe due to certain circumstances an employee cannot afford their own insurance and needs a company vehicle and company insurance and trackers hinder that use. Lots of questions, and there is not a single reasonable or responsible answer for wanting to remove them. Especially without a cost benefit analysis and honest reporting on those savings to the people who's money was used to purchase them.

Times clocks have already been bought, again another waste of money if they are removed . If it was your money on the line you would have time clocks, the fact it's the publics, they



couldn't give a single damn about it. The irony that the mastermind behind throwing all this out, thinks the company is flush, yet has no clue where millions are, cannot read a budget, understand basic math, and could care less about anyone he actually represents. I swear he believes he was elected by the employees and not the voting men and women in the community who are customers and tax payers.

I finally got a response as to what the logic was behind firing the lawyer. Supposedly its cost. First it was my understanding when he was hired the board was told it was going to take six months to look into the issues plaguing TBCD including finances, and questionable actions within the company and work to solve them. Honestly you can't afford not to have him. Lies, fraud, illegal activity, waste, failing to meet bond covenants, and lord knows what else and he has had to sift through .... It would take some really stupid people not to see the issues, and not to see the work that has been done in a short time to try and resolve it, so lets call this what I honestly think this is.... And if given an accurate timeline most would draw a similar conclusion. Retaliation, a couple of vindictive board members, throwing a hissy because some people were told no or don't have the power they believe they should. So because the lawyer won't help circumvent the law or turn a blind eye to possible ethics violations the response is another childish act with a vote that is obviously pre determined. Don't think its possible, there are several videos where board members in childish fashion got up and stormed out in a tantrum because they didn't get their way. Things aren't going the way they want now so the answer to make up a ridiculous excuse, collude, and fire the guy towing the line and find someone like the old firm who would happily color outside the lines. No real surprise they have spent years defending and even trying to protect illegal actions at the expense of the people.

Whoever comes up with this nonsense once against shows this board has no ethics, no integrity and no intention of actually doing what it was put in place to do which leads me to the next point....

We're broke, made tons of horrible decisions, let an egotistical narcissist almost bankrupt us because he wanted to pretend to be a construction tycoon, over paid him, have defended abuse of company resources, defended theft, refused to cut positions that are not needed, and still refuse to push for fiscal responsibility. So why not propose an agenda full of throwing money away and wasting it while offering no solutions for your own part in this which is pretty much 100%. Then for an added bonus try to project your failings onto the lawyer and the public so they can bare the sole brunt for your mismanagement, your actions, your fiscal irresponsibility, and your failure to hold anyone including yourselves accountable.

For years you have abused and wasted our tax dollars, stealing for pet projects and lord knows what else, now that you can't pilfer tax dollars you want to screw over the public. 14

months ago I watched people pile in this room to tell their stories and beg for help. The response of this board was kick them in the gut and vote in a two dollar increase and if they tried to say anything you allowed a fill in lawyer to verbally attack them, them being the people you are supposed to represent you know "THEM". Of course they would love to see that lawyer replace the current one, not because shes good, in fact she took part in the theft of tax dollars, but because she will turn a blind eye to their questionable behavior and actions.

Here we are today 14 months later with people suffering from COVID, people struggling, At Christmas time none the less and a board that is only a month old's first real action, is to raise the rates on everything possible. Do you have a PUC survey for your rates? This combined with the idea of locking the people out because you do not like them exercising their right to address you, is ridiculous, and any member of this board who supports these increases or violating peoples Open meetings rights because its easier to serve yourself and your friends when nobody can point it out is pathetic, its cowardice, and its something I would expect from two members of this board.

Until you show that you have cut cost within, and not the lawyer that has worked around the clock to identify the issues, you have zero right and insufficient reason to increase the cost for the public due to your horrible management, policies, and lack of basic financial understanding. You have not filed a single charge against the previous GM for theft of not only tax dollars but by falsifying his resume for financial gain through deceit. After he was removed in the initial turnover and review, there were a number questionable reports for fuel and credit card use, you had a billing clerk commit a felony and falsify minutes , and not a single action has been taken to hold any of those guilty of those actions accountable, yet you want to pass the buck on to the people, and in turn do all you can to silence them. You should have the testicular fortitude if you are going to sit on this board or call yourself the GM to look the people you represent in the eyes and actually listen to their concerns instead of controlling the way they present them if you cannot silence them all together.

Two board members have repeatedly demonstrated they could care less about the people, one member has a long history of voting for the people. Now what about the rest of you? If you support any of this non-sense then you are exactly who many people thought you were. If you ran for the right reason, if you ran because you actually care about the people that are in the districts you represent then show it, think for your-self, and do what is right for the community, not the interests of a couple of board members who in my time have never given a single damn about this community or the people in it.

So I ask the two the new members, to stand with the constituents they represent.

Keep the clocks

keep the trackerskeep the lawyer

No new rates and Do Not allow the public you represent to be silenced, or locked out or by a couple of apathetic representatives.

# **Exhibit “C”**

# Trinity Bay Conservation District

## Addendum to Managed Services Agreement

### Section 1: Addendum Terms

This addendum will change the coverage model of the managed services contract from full managed to remote only contract, described by agreement number **FMS TRINITY BAY-01**. In addition, Entre will migrate Trinity Bay Conservation District's emails back to Microsoft to be managed by a Trinity Bay staff member. All terms and conditions previously defined in the original contract will remain in effect through the end of the 36-month term which began in January 2020.

### Section 2: Additions to the Managed Service Agreement

The original contract executed on October 29<sup>th</sup>, 2019 and fully implemented in January of 2020, will be amended as follows:

#### Current Coverage:

Number of contracted devices/users when original agreement was signed: **14**  
Contract Support Type: **Unlimited Support On-Site or Remote**

#### New Coverage:

Number of contracted devices/users when original agreement was signed: **14**  
Contract Support Type: **Unlimited Remote Support Only**  
**On-Site Support: \$85.00/Hour**

#### Email Management:

Entre will migrate Trinity Bay's email accounts back to Microsoft to be managed by a staff member of Trinity Bay Conservation District. Entre can assist with this aspect of email management if Trinity Bay Conservation District will keep an Entre Admin email account in place for management purposes.

### Section 3: Adjustment to Monthly Fees

The requested changes in this addendum, will affect your monthly fees due to Entre. The current fees associated with the original contract are: **\$3,352.49 per month**. This addendum will bring the total monthly billing to **\$2,874.99 per month** through the remaining term of the original contract. All equipment referenced in the original contract will remain in place and will remain the property of Entre.

### Section 4: Acceptance

The undersigned, for value received and hereafter valued, hereby unconditionally guarantee(s) to Entre, a Texas corporation, full payment of all sums due and owing, pursuant to the terms indicated.

IN WITNESS WHEREOF, the parties hereto have caused this Service Agreement to be signed by their duly authorized representatives as of the date set forth below.

Accepted by:

\_\_\_\_\_  
Authorized Signature for Client

\_\_\_\_\_  
Printed Name/Title Here

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Signature for Entre

\_\_\_\_\_  
Printed Name/Title Here

\_\_\_\_\_  
Date

# **Exhibit “D”**

**RESOLUTION 21-07**

**ADOPTING INVESTMENT POLICY, STRATEGIES,  
GUIDELINES AND MANAGEMENT PRACTICES FOR  
TRINITY BAY CONSERVATION DISTRICT**

STATE OF TEXAS                   §  
  §  
COUNTY OF CHAMBERS       §

WHEREAS, Trinity Bay Conservation District (“District”) is a political subdivision of the State of Texas, created pursuant to Chapter 282, Acts of the 51st Legislature of Texas, Regular session, 1949 (Article 8280-135, Vernon’s Texas Civil Statutes);

WHEREAS, Section 2256.005 of the Texas Government Code, (the “Public Funds Investment Act”), requires a water district to adopt an investment policy and investment strategies for each of the funds under its control; and

WHEREAS, the Board of Directors of District desires to adopt an investment policy, strategies, guidelines and management practices for the District;

NOW, THEREFORE, IT IS RESOLVED BY THE BOARD OF DISTRICT THAT THE FOLLOWING INVESTMENT POLICY, STRATEGIES, GUIDELINES AND MANAGEMENT PRACTICES ARE ADOPTED:

**ARTICLE I.  
DEFINITIONS**

- 1.01 Board. “Board” means the Board of Trinity Bay Conservation District.
- 1.02 Director. “Director” means a person elected to serve on the Board of the District.
- 1.03 District. The term “District” means Trinity Bay Conservation District.
- 1.04 Investment Officer. “Investment Officer” means a person designated by the Board to handle District investments.

**ARTICLE II.  
INVESTMENT POLICY**

2.01 Purpose. This investment policy (“Investment Policy”) is adopted in order to comply with the Public Funds Investment Act and to set forth: the general policies governing investment of District funds; the specific investment strategies applicable to each particular fund of the District; the guidelines for investment of District funds, including the types of investments authorized for District funds; and the investment management policies of the District.

2.02 Scope. This Investment Policy applies to all transactions involving the investment of assets of the District.

2.03 Policy. It is the policy of the District to invest and manage all available funds in compliance with all applicable legal requirements, including state and federal law, the guidelines stated in this Investment Policy, the District's Investment Strategy set forth in Article III, and in accordance with the restrictions in any District bond resolutions, including covenants with respect to the arbitrage regulations under the U.S. Internal Revenue Code. The District's investment portfolio will be planned and managed to take advantage of investment interest as a source of income from all operating and capital funds. All investments will be made with a primary emphasis on safety of principal and liquidity, while also addressing investment diversification, yield and maturity, and the quality and capability of investment management. Notwithstanding the foregoing, investment of District funds is limited to the types of investments set forth in Section 4.02.

2.04 Standard of Care. District investments will be made with the exercise of judgment and care, under circumstances then prevailing, that persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The District will seek to ensure that all persons involved in the investment process act responsibly and in accordance with the following investment objectives, in order of priority: 1) preservation and safety of principal; 2) liquidity; and 3) yield.

2.05 Representations and Authorized Instruments. Purchases and sales of District investments will only be initiated by an Investment Officer who is designated by resolution of the Board. The Board may, by resolution, authorize the Investment Officer to invest and reinvest funds of the District in accordance with this Investment Policy and the Investment Strategy. District funds will be invested only in those types of investments authorized under District bond resolutions, the Texas Public Funds Investment Act, as amended, the Texas Health & Safety Code and other applicable state law.

2.06 Collateralization. Funds held at a bank or trust company that are not invested, at a minimum, must be collateralized by collateral securities set forth in the Texas Public Funds Collateral Act (Texas Government Code, Chapter 2257), as amended, to the extent not covered by the Federal Deposit Insurance Corporation (FDIC), the Federal Savings and Loan Insurance Corporation (FSLIC), or their successors. The total market value of the collateral securing uninsured deposits maintained by the District will at all times be not less than 110% of the amount of such insured deposits.

2.07 Review. Compliance of District investments with this Investment Policy will be regularly monitored. This Investment Policy and investment performance and security will be reviewed and evaluated at least annually by the Board, or more frequently upon the request of any Director.

2.08 Transparency: Moreover, upon request by any Director or member of the public, the Investment Officer is authorized to transmit and/or convey any and all financial records,



reports, or investment, subject to the restrictions of Chapter 552 of the Texas Government Code, without prior approval.

ARTICLE III.  
INVESTMENT STRATEGY

3.01 Purpose. The purpose of this Article is to provide an investment strategy for each fund or group of funds under the District's control.

3.02 Investment Objectives Applicable to All Funds. The District's overall objectives with regard to the District's group of funds, which is comprised of the funds set forth in Section 3.03(A)-(C), are as follows, in order of priority:

- A. Suitability: The District will give priority to understanding the suitability of each investment to the financial requirements of the District.
- B. Safety of capital: The primary objective of the District is to ensure the preservation and safety of principal.
- C. Liquidity: The District will maintain sufficient liquidity to ensure adequate and timely availability of funds necessary to pay obligations as they become due.
- D. Marketability: The District will strive to ensure the marketability of the investment.
- E. Diversification: The District will seek to ensure diversity in its investment portfolio.
- F. Yield: The District will seek to optimize return on investments within the constraints of safety and liquidity.

3.03 Investment Objectives Applicable to Individual Funds. In addition to the overall objectives set forth in Section 3.02, the following particularized objectives apply to each of the District's individual funds:

- A. Operating Fund. The particularized investment objectives for the operating fund are: preserving the safety of the principal; ensuring the funds are available as needed to pay the District's monthly operating expenses, as estimated by the annual operating budget adopted by the Board; and, ensuring that the investments can be readily liquidated in the event there are unexpected additional costs. A fund balance equal to 1 month of expenses must be kept extremely liquid for normal uses. Any balance in excess of 1 month of expenses will be kept in investments that may be liquidated easily if the need arises, but in no case may any investment mature later than 12 months after the date of purchase, unless the Board authorizes an investment with a longer maturity.
- B. Debt Service Fund. The particularized investment objectives for the debt service fund are: the safety of the principal; ensuring that funds are available as necessary to meet the debt service needs of the District; ensuring compliance with District's bond resolutions and, subject to compliance with the objectives set forth in Section 3.02

and the policies set forth in 2.03 and the satisfaction of the requirements of all bond resolutions, obtaining the maximum yield. Investments for this account will be structured to match debt service needs. When safety of principal and liquidity to match debt service are assured, yield may be considered. For funds needed for the District's next debt service payment, the investment must mature no later than 15 days prior to the date the debt service payment is due. For funds in reserve, the investment must mature no later than 12 months after the date of purchase. Because of the large amount of District funds that may exist in this account, diversification of investments will be considered.

- C. Capital Projects and Purchases Fund. The particularized investment objectives of the capital projects and purchases fund are: preserving the safety of the principal; ensuring that funds are available as needed to meet the construction needs of the District; and obtaining the maximum yield on investments. Investments of funds needed for planned capital projects or purchases with a known commencement or purchase date must mature no later than 15 days prior to the date the funds will be needed to pay for the project or purchase, as determined by the Board. Investments of funds that are not designated for specific projects or purchases must mature no later than 12 months after the date of purchase, unless the Board authorized an investment with a longer maturity.

ARTICLE IV.  
INVESTMENT GUIDELINES

4.01 Purpose. The purpose of this Article is to set forth the types of authorized investments in which the District's funds may be invested and the manner in which certain investments may be made ("Authorized Investment").

4.02 Authorized Investments.

- A. The District may invest its funds only in the Authorized Investments set forth in and subject to the limitations imposed by the following sections of the Public Funds Investment Act:
1. Government Code Section 2256.009: Obligations of, or Guaranteed by, Governmental Entities. Subject to the limitations set forth in Section 2256.009, Government Code, the District is authorized to invest funds in obligations of, or guaranteed by, the United States or one of its agencies or instrumentalities or obligations of, or guaranteed by, other governmental entities.
  2. Government Code Section 2256.010: Certificates of Deposit and Share Certificates. Subject to the limitations set forth in Section 2256.010, Government Code, the District is authorized to invest its funds in certificates of deposit or share certificates that are: issued by a depository institution domiciled in Texas; guaranteed or insured by the FDIC or the National Credit Union Share Insurance Fund or its successor; and secured in a manner authorized under Section 2256.010, Government Code. Principal and accrued interest may not exceed

FDIC limits or the collateral pledged as security for the District's investments as set forth in Section 4.04.

3. Government Code Section 2256.016: Investment Pools. Subject to the limitations set forth in Section 2256.016, Government Code, the District is authorized to invest its funds through an eligible investment pool, including the TexPool investment pool, operated by the State of Texas, if the governing Board by resolution authorizes investment in the particular pool. The maximum dollar-weighted maturity for TexPool based on the stated maturity date for the portfolio may not exceed 60 days.

- B. If the Investment Officers of the District (if not the treasurer) attend and successfully complete the training requirements under Section 2256.008, Government Code, the District may invest its funds in additional investments, subject to authorization and limitations set forth in Section 2256, Government Code.

4.03 Manner of Solicitation of Certificates of Deposit. As authorized by Section 2256.005(c), Government Code, bids for certificates of deposit may be solicited orally, in writing, electronically, or in any combination of those methods.

4.04 Security of Funds/Collateral Policy.

- A. It is the policy of the District that all funds must be insured by the FDIC or FSLIC or the collateral pledged to the extent of the fair market value of any amount not insured. The District recognizes that FDIC insurance is only available up to a maximum of \$250,000 (including accrued interest) for Interest and Sinking Fund deposits and a maximum of \$250,000 (including accrued interest) for all other deposits. The amount of funds on deposit, other than Interest and Sinking Fund deposits, at any one Texas financial institution (including branch banks located within the same county) will be totaled to determine the maximum amount of insurance coverage. Interest and Sinking Fund deposits will be totaled separately.
- B. To the extent District funds are not insured by the FDIC or FSLIC, they must be secured in the manner provided by law for the security of funds by Chapter 2257 of the Government Code (the Public Funds Collateral Act). There must be pledged as collateral for such funds, to the extent of the market value of the funds, any of the following securities: (1) government securities or obligations issued by the State of Texas, its agencies or political subdivisions, and approved by the Attorney General of Texas payable from taxes or revenues, approved by the Investment Committee, hereinafter defined; or (2) direct obligations of the United States backed by the full faith and credit of the government; or (3) any other obligations or securities authorized to be collateral securing the funds of emergency services district under the laws of the State of Texas that are approved by the Investment Committee.
- C. A bank or trust company holding uninvested District funds must provide a summary of the funds held and the collateral securities pledged against the funds to the District on a monthly basis.

4.05 Loss of Ratings and Liquidation. An investment under Section 4.02 that requires a minimum rating does not qualify as an Authorized Investment during the period that the investment does not have the minimum rating. Upon loss of a minimum rating, the Investment Officer must take all prudent measures that are consistent with this Resolution to liquidate an investment that does not have a minimum rating.

4.06 Delivery vs. Payment. It will be the Policy of the District that all Treasury Bills, Notes and Bonds and Government Agencies' securities shall be purchased using the "Delivery vs. Payment" (DVP) method through the Federal Reserve System. By so doing, District funds are not released until the District has received, through the Federal Reserve wire, the securities purchased.

ARTICLE V.  
INVESTMENT MANAGEMENT PRACTICES

5.01 Designation of Investment Officer. The District's Treasurer will serve as Investment Officers for the District. The Board may authorize an Investment Officer to deposit, withdraw, invest, transfer, and manage the District's funds in accordance with these Investment Policies and applicable law.

5.02 Investment Training. Subject to the District's compliance with the investment criteria set forth in Section 775.043 of the Texas Health and Safety Code, the District's Investment Officers are exempt from taking the mandated investment training set forth in the Public Funds Investment Act. For investments not contemplated in Section 775.043, before the District invests funds in any investment other than an Authorized Investment, the District's Investment Officer will be required to attend training, in compliance with the Public Funds Investment Act, from an independent source approved by the Board that includes at least 10 hours of instruction relating to the Investment Officer's responsibilities within 12 months after taking office or assuming duties, and, thereafter, not less than once in a two year period that begins on the first day of the District' fiscal year.

5.03 Monitoring and Internal Reporting. The Investment Officers must regularly monitor the performance of the District's Investments, including market price and ratings. Not less than quarterly, the Investment Officers shall prepare and submit to the Board a written report of all investment transactions for the preceding quarter, signed by each Investment Officer. The report must:

- A. Describe in detail the investment position of the District;
- B. Contain a summary statement of each pooled fund group that states the beginning and ending market value for the quarter and the fully accrued interest;
- C. State the book value and market value of each separately invested asset at the beginning and end of the quarter by the type of asset and fund type invested;
- D. State the maturity date of each separately invested asset that has a maturity date;

- E. State the account or fund or pooled group fund for which each individual investment was acquired;
- F. State the compliance of the investment portfolio as it relates to the Investment Strategies and Public Funds Investment Act; and
- G. Indicate any changes in ratings of the District's investments.

5.04 Compliance Audit. The District, in conjunction with its annual financial audit, will perform a compliance audit of management controls on investments and adherence to this Resolution.

5.05 Disclosure of Investment Policy.

- A. The Investment Officer will provide a copy of this Resolution to any person seeking to sell the District an Authorized Investment. The registered principal of the business organization must execute a written acknowledgment in the form set forth in Exhibit "A" and "B", to the effect that he has received and thoroughly reviewed the Investment Policy of the District and acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of the investment transactions conducted between the District and the organization. The Investment Officer may not buy any securities from a person who has not delivered to the District a written acknowledgment in the form set forth in Exhibit "A" & "B".
- B. The Investment Officer must execute a written statement in the form set forth in Exhibit "B" to the effect that the Investment Officer has reviewed this Investment Policy and has implemented procedures and controls to comply with the Investment Policy.

PASSED AND APPROVED this 9<sup>th</sup> day of December 2020.

**TRINITY BAY CONSERVATION  
DISTRICT**

\_\_\_\_\_  
Jeff Jenkins, President

**ATTEST:**

\_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_

**EXHIBIT "A"**

**REGISTERED PRINCIPAL'S  
CERTIFICATION OF RECEIPT  
AND  
REVIEW OF INVESTMENT POLICY**

**THE STATE OF TEXAS**

**COUNTY OF CHAMBERS**

I, the undersigned, James Gibson, General Manager and registered principal of Trinity Bay Conservation District ("District") (entity), do hereby certify that I have been presented a copy of the Resolution Adopting Investment Policy, Strategies, Guidelines and Management Practices for District (the "Investment Policy"). I have thoroughly reviewed the Investment Policy and acknowledge that District (entity) has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted by the District that are not authorized by the District's Investment Policy.

WITNESS MY HAND THIS 16th day of December 2020

\_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT "B"**

**INVESTMENT OFFICER'S  
CERTIFICATION OF RECEIPT  
AND  
REVIEW OF INVESTMENT POLICY**

**THE STATE OF TEXAS**

**COUNTY OF CHAMBERS**

I, the undersigned, James Gibson, General Manager, designated investment Officer of Trinity Bay Conservation District ("District"), do hereby certify that I have been presented a copy of the Resolution Adopting Investment Policy, Strategies, Guidelines and Management Practices for District 1 (the "Investment Policy"). I have thoroughly reviewed the Investment Policy and acknowledge that District as implemented procedures and controls to comply with the Investment Policy.

WITNESS MY HAND THIS 16<sup>th</sup> day of December 2020

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT "B"**

**INVESTMENT OFFICER'S  
CERTIFICATION OF RECEIPT  
AND  
REVIEW OF INVESTMENT POLICY**

**THE STATE OF TEXAS**

**COUNTY OF CHAMBERS**

I, the undersigned, Sheri Jenkins designated investment Officer of Trinity Bay Conservation District ("District"), do hereby certify that I have been presented a copy of the Resolution Adopting Investment Policy, Strategies, Guidelines and Management Practices for District 1 (the "Investment Policy"). I have thoroughly reviewed the Investment Policy and acknowledge that District as implemented procedures and controls to comply with the Investment Policy.

WITNESS MY HAND THIS 16<sup>th</sup> day of December 2020

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**CERTIFICATE FOR RESOLUTION**

**THE STATE OF TEXAS**           §  
  §  
**COUNTY OF CHAMBERS**       §

The undersigned officer of the Board of Directors Trinity Bay Conservation District hereby certifies as follows:

1. The Board of the District convened in a regular meeting on the 16<sup>th</sup> day of December 2020, at the regular designated meeting place, and the roll was called of the duly constituted officers and members of the District, to wit:

Jeff Jenkins,	President
Gregg Turner,	Vice-President
Tommy Gilbert,	Secretary
Mark Mitchell,	Director
Scott Kahla,	Director

and all of said persons were present, except Director(s) \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting:

**RESOLUTION ADOPTING INVESTMENT POLICY, STRATEGIES,  
GUIDELINES AND MANAGEMENT PRACTICES FOR  
TRINITY BAY CONSERVATION DISTRICT**

was introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution Adopting Budget (“Resolution”) be adopted, and, after due discussion, the motion prevailed and carried unanimously.

2. A true, full and correct copy of the Resolution adopted at the meeting described in the above paragraph is attached to this certificate; the Resolution has been duly recorded in the Director’s minutes of the meeting; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting and that the Resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; the meeting was open to the public as required by law; and public notice of the time, place and subject of the meeting was given as required by Chapter 551 of the Government Code.

SIGNED AND SEALED the 16<sup>th</sup> day of December 2020.

(SEAL)

\_\_\_\_\_  
\_\_\_\_\_, Board of Directors

**THE STATE OF TEXAS**           §  
  §  
**COUNTY OF CHAMBERS**       §

This instrument was acknowledged before me on this 16<sup>th</sup> day of December 2020, by \_\_\_\_\_, \_\_\_\_\_ of the Board of Directors of Trinity Bay Conservation, on behalf of said District.

\_\_\_\_\_  
Notary Public Signature

(seal)

# **Exhibit “E”**



# **Exhibit “F”**



TRINITY BAY CONSERVATION  
DISTRICT BOARD MEETINGS  
2021

January	13	Wednesday	January Meeting
February	10	Wednesday	February Meeting
March	10 or 17	Wednesday	March Meeting
April	14	Wednesday	April Meeting
May	12 or 19	Wednesday	May Meeting
June	16	Wednesday	June Meeting
July	14	Wednesday	July Meeting
August	11	Wednesday	August Meeting
September	15	Wednesday	September Meeting
October	13	Wednesday	October Meeting
November	10 or 17	Thursday	November Meeting
December	15	Wednesday	December Meeting

# **Exhibit “G”**

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT FOR  
GENERAL MANAGER**

This agreement ("Agreement") is made and entered into this the 16th day of December 2020, by and between the Trinity Bay Conservation District, hereafter called the "District" or "Employer", a political entity of the State of Texas, and Mr. James Gibson, hereafter called "Employee" both of whom understand as follows:

**WITNESSETH**

**WHEREAS**, Employer desired to employ the services of said James Gibson for six (6) months as General Manager for the Trinity Bay Conservation District as unanimously approved by the Board Members present at the December 16, 2020 Regular Meeting of the District;

**WHEREAS**, since the General Manager's employment, the Board recognizes that there are multiple pending matters initiated under the leadership of the General Manager and it would be in the best interest of the District to continue its relationship with the General Manager for a period of six (6) additional months from December 28, 2020 to allow the General Manager to complete these matters;

**WHEREAS**, it is the desire of the Board of Directors, hereinafter called "Board", to renew the Employment Agreement between the District and the General Manager and set certain the conditions of employment and terms of employment of said Employee.

**NOW THEREFORE**, in consideration of the mutual covenants herein contained, the parties agree as follows:

**Section 1. Duties**

Employer employs James Gibson as the General Manager of the Trinity Bay Conservation District to perform the functions and duties of the General Manager of the District and to perform other legally permissible and proper duties and functions as the Board shall from time to time assign.

The duties and responsibilities of the General Manager include all the authority set forth in Sections 49.054, 49.056, 49.057, and 49.151 of the Texas Water Code and more specifically stated as follows:

1. The General Manager has full authority to manage and operate the affairs of the District subject only to orders of the Board;
2. To employ all persons necessary for the proper handling of the business and operation of the District and to determine the compensation to be paid all employees other than the General Manager;
3. To execute a document or documents on behalf of the District if authorized by the Board;
4. To certify as to the authenticity of any record of the District, including but not limited to all proceedings relating to bonds, contracts, or indebtedness of the District; and



5. Sign disbursements subject to the District's policies and procedures.

In addition, it is the statutory responsibilities set forth above, it is the responsibility of the General Manager to:

1. Prepares the annual budget and submits it to the Board of Directors;
2. Administers the budget after adoption;
3. Manages the engineering and construction projects by providing project cost tracking and payment approval;
4. Administers and submits reports on financial and administrative activities to the Board of Directors;
5. Advises Board on financial condition and future needs of the District;
6. Executes District policies as determined by the Board as long as it is not illegal and does not violate any regulations or laws of any governing body;
7. Practices safe work habits by following District safety policies and reporting any safety hazards and/or violations; and
8. Acts as liaison with other government agencies, organizations, and the public.

## **Section 2. Term**

A. The term of this Agreement continues from the Effective Date of employment of the Employee and ends June 28, 2020 (the "Initial Contract Period").

B. This Agreement shall continue for an additional six (6) month period if Notice to Terminate the Agreement is not received by either Party thirty (30) days before the expiration of the initial Term of Agreement (the "Extended Contract Period"). During the Extended Contract Period, the terms of the extension shall remain the same as the Initial Contract Period unless the Parties mutually agreed otherwise.

In determining whether to enter into the Extended Contract Period and any requested changes to the terms of the Agreement, the Board shall consider the General Manager's performance during the Initial Contract Period, including but not limited to the following measurables:

1. Improved safety record;
2. Compliance with the budget at the end of the Initial Contract Period;
3. Reduced cost of operations for Drainage and Water & Sewer Department;
4. Reduced time to install new water and sewer services;
5. Provide recommendations for amendments to Personnel Policies;
6. Implementation and execution of Board Policies; and
7. Ability to work in a productive manner with the Board of Directors in shaping District Policy and Goals;

If the General Manager demonstrates sufficient improvements to the majority of the measurables set forth above, the Board of Directors agrees that these improvements shall be given great weight at the time of any decision to enter into the Extended Contract Period.

C. After the Extended Contract Period, the Agreement shall terminate unless the District's Board of Directors gives notice thirty (30) days before the expiration of the Extended Contract Period of their intent to continue the Agreement on a month to month (the "Month to Month Contract Period"). If the Parties agree to utilize the Month to Month Contract Period provision of this Agreement, the same terms as Agreement shall remain the same as the Extended Contract Period, unless mutually agreed to otherwise, and either party may terminate the Agreement without penalties after giving fifteen (15) days' notice.

D. The contract of employment may be terminated upon the occurrence of the following events: (a) expiration of this Agreement or non-renewal of this Agreement; (b) mutual agreement of the Parties; (c) the death of Employee; (d) for just cause based upon the non-performance of duties by the Employee; or (e) indictment and subsequent conviction of any illegal act involving personal gain or moral turpitude.

### **Section 3. Termination and Severance Pay**

A. Notwithstanding Subsection 2(B), in the event Employee is terminated during the Initial Contract Period or the Extended Contract Period, other than by death or just cause, by the Board during such time that Employee is willing and able to perform his duties under this Agreement, then in that event, Employer agrees to pay Employee the compensation and benefits package at the time of the termination for six (6) months in a lump sum payment within 30 days of separation. In the event employee is terminated because of just cause, death, or indictment and subsequent conviction of any illegal act involving personal gain or moral turpitude, whether or not such illegal act was in the course and scope of his employment, then, in that event, Employer shall have no obligation to pay any severance pay as provided in this Section 3 of this Agreement.

B. In the event the Agreement is mutually terminated before the expiration of Employee's term of employment, then Employee shall give Employer thirty (30) days' notice in advance, unless Employer otherwise agrees. Upon mutual termination and separation, Employee is entitled only to payment of accrued and unused vacation benefits for the current year of the term of the Agreement.

### **Section 4. Compensation**

A. Employer agrees to pay Employee for his services rendered pursuant hereto to a base salary of \$70,000.00 during the Initial Contract Period payable in installments at the same time as other employees of the Employer are paid.

### **Section 5. Other Benefits**

Except as otherwise provided herein, all provisions of all rules, regulations, or policies of the Employer relating to fringe benefits and working conditions as they now exist or hereafter may be amended, also shall apply to Employee as they would to all other employees of the Employer, in addition to said benefits enumerated specifically for the benefit of Employee.

## **Section 6. Hours of Work and Time Off**

It is recognized that Employee must devote a great deal of time outside of normal office hours to do business of the Employer, and to that end, Employee will be allowed to take time off as he shall deem appropriate during said normal working hours to the extent that it shall not interfere with Employee fulfilling duties and obligations of his position.

## **Section 7. Automobile and Communication Expense**

It is recognized that Employee's duties require that he utilize a vehicle for transportation in the discharge of his duties and responsibilities. Additionally, it is recognized that the requirements of the position and the needs of the District dictate a certain amount of out-of-town travel. Consequently, Employer shall provide Employee with the following:

1. Employer shall provide Employee with a monthly car allowance of \$800.00 for use of his personal car in the pursuit of District business. Employee will not be reimbursed any additional mileage expense for travel within the Trinity Bay Conservation District. The Employee shall be reimbursed for out of District travel at the most current IRS approved rate per mile. Employee agrees to provide a safe, reliable, and appropriate vehicle during his term of employment.
2. District shall pay Employee \$100.00 to be used for a mobile cellular telephone to facilitate the conduct District business at all times.

## **Section 8. Bonding**

Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

## **Section 9. Indemnification**

To the fullest extent permitted by law, Employer shall defend, save harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether meritorious, groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties, and shall obtain and keep in full force and effect liability insurance or risk pool coverage, including errors and omissions coverage on a "per occurrence" basis, in sufficient amounts to assure accomplishment of such hold harmless and indemnification; provided that this Section shall not be construed as creating any right, cause of action or claim of waiver or estoppel for or on behalf of any third party, nor shall it be construed as a waiver or modification of the availability of the defense of governmental immunity or any other legal defense available to either Employer or the Employee as to any third party.

Employer will compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon. This indemnification shall extend beyond and survive the termination of employment and the expiration of this Agreement.

**Section 10. Disability**

If Employee is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, or mental incapacity, for a period of two (2) successive weeks beyond any accrued sick leave, Employer shall have the option to terminate this Agreement.

**Section 11. Arbitration**

Any dispute under this contract shall be required to be resolved by binding arbitration of the parties hereto. Each party shall select one arbitrator and both arbitrators shall select a third. The arbitration shall be governed by the rules of the American Arbitration Association then in force and effect.

**Section 12. General Provisions**

1. The text herein shall constitute the entire Agreement between the two parties.
2. This Agreement shall become effective and approval execution by the President of the Board of the Trinity Bay Conservation District and executed by the Employee.
3. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid, or unenforceable, the remainder of this Agreement, or portion thereof, shall not be affected and shall remain in full force and effect.
4. This Agreement shall be interpreted by the laws of the State of Texas and shall be brought before the appropriate court of competent jurisdiction in Chambers County, Texas.
5. This Agreement constitutes the complete understanding between the parties, unless amended by a subsequent written instrument signed by the Employer and Employee.

**IN WITNESS THEREOF**, the Trinity Bay Conservation District has caused this Agreement to be signed and executed on its behalf by its Board and the Employee, both in duplicate, the day and year first above.

\_\_\_\_\_  
 Jeff J. Jenkins,  
 President of the Board  
 Trinity Bay Conservation District

\_\_\_\_\_  
 James Gibson,  
 General Manager  
 Trinity Bay Conservation District

ATTEST:

\_\_\_\_\_  
 Mr. \_\_\_\_\_,  
 \_\_\_\_\_

# **Exhibit “H”**

1. The following is a list of resolutions and policies that we are asking the Board to consider amending or implementing:

a. Amend Resolution 7.01 Payment- Disconnects for non-payment, increase fee from \$25.00 to \$50.00.

b. Remove Resolution 7.07 Section (D) 02-08, Revised March 21, 2002 Rate Procedures - Vacation Meters.

c. Damaging District property

(1) Meter tampering - Cutting off meter lock 1<sup>st</sup> offense charge \$100.00, for second offense charge \$250.00 and contact Chambers County Sheriff's Department.

(2) Damage to District Equipment – Bill the customer for the labor cost to replace the damaged equipment and for the cost of materials.

d. Amend Resolution 7.09 Water and Sewer connection charges:

(1) Increase 5/8" water taps fees from \$1,000.00 to \$1,250.00

(2) Increase 1" water taps fees from \$1,250.00 to \$1,500.00

(3) Increase 1 1/2" water taps fees from \$2,400.00 to \$ 2,600.00

(4) Increase 2" water taps fees from \$3,800.00 to \$4,000.00

(5) Increase 4" gravity sewer taps fees from \$1,000.00 to \$1,250.00

(6) Increase sewer grinder station installation fees from 3,200.00 to 3,500.00

(7) Add Resolution – Residential LPSS (sewer grinder station) tap fee \$1,250.00

(8) Add Resolution - LPSS easement filling fee with Chambers County - \$50.00

e. Amend Resolution 7.08 Water and Sewer Rates (Res. 01-18) Late Charge

Increase late fees from 1 1/2% to 10%.

f. Amend Resolution 7.14 Water and Sewer Rates:

(1) Increase Minimum Service charge for callouts during working hours wherein the District Representative finds the problem to be the Customer's responsibility from \$25.00 to \$50.00.

(2) Increase Minimum Service charge for any call placed after posted working hours wherein the District Representative finds the problem to be the Customer's responsibility from \$50.00 to \$75.00.

Amend Resolution 1.18

(1) Revise to include bulk water sales for the first 500 gallons \$20.00 and increase the \$100.00 nonrefundable deposit to \$300.00 on cage meters.

These fee increases would bring us in line with other local entities. The last time these resolutions were amended was August 17, 2006.

## Proposed Fee Increase

In order for the Utility Department to sustain itself management is looking into every aspect of the department, including fees that are currently being charged versus cost. These proposed fee increases are a result of that study. The attached chart shows what other local entities charge in comparison to TBCD'S current fees. As you can see the majority of TBCD's rates are below other local entities.

If you are a current residential water and/or sewer customer these rate increases will not affect you unless:

- a. You are delinquent on your monthly bill.
- b. You damage District property.

1. Amend disconnects fees for non- payment, the current fee is \$25.00. The proposed fee is \$50.00. This proposed increase will cover the cost of a serviceman making two trips. The first one to lock out the meter and the second one to unlock it. In some cases, a serviceman may drive 50 miles round trip.
2. Remove vacation meters: Currently any customer can have their account put on vacation for \$10.00 per month as long as there is no usage. Accounts will need to be active or closed out.
3. Damaging District Property:
  - a. Meter Tampering - This proposal is to bill customers that cut off our locks (theft of services). First offense \$100.00, second offense \$250.00 and contact Chambers County Sherriff Department.
  - b. Damage to District Equipment – Bill customers for labor and materials, at cost, to repair damage to District property. Example: If a homeowner drives over the LPSS (low pressure sanitary sewer) system on their property and damages the basin.
4. Amend new water and sewer connections fees:
  - Increase 5/8" water taps fees from \$1,000.00 to \$1,250.00
  - Increase 1" water taps fees from \$1,250.00 to \$1,500.00
  - Increase 1 1/2" water taps fees from \$2,400.00 to \$ 2,600.00
  - Increase 2" water taps fees from \$3,800.00 to \$4,000.00
  - Increase 4" gravity sewer taps fees from \$1,000.00 to \$1,250.00
  - Increase sewer grinder station fees from 3,200.00 to 3,500.00
  - Add Resolution – Residential LPSS tap fee \$1,250.00
  - Add Resolution – LPSS easement filling fee with Chambers County \$50.00

5. Amend water bill late fees:

- a. This proposal would increase late fee charges from 1 ½% to 10%. Currently if you receive a late fee on a \$60.00 water bill you would pay \$0.90 cents. With the proposed increase the charge would be \$6.00. This increase would bring us in line with other local entities.

6. Increase minimum service charges for callouts:

This is a fee billed to a customer who has sewer issues a couple times a month that are caused by their negligence. Before a customer receives this service charge, they have been notified by our servicemen and by a letter from our office. For example, flushing wipes down their toilet. These wipes will cause the LPSS pump to malfunction or sewer taps to get blocked. We are continuously sending out servicemen and crews to unblock sewer taps, pulling LPSS pumps that are stopped up or replacing pumps. This is a financial burden on the District that is caused by customer neglect.

- a. Currently the rate is \$25.00 for a service charge during working hours and after hours. The proposed increase is \$50.00 during work hours and \$75.00 for after hours.

7. Amend bulk water sales fees:

Bulk water sales are metered by cage meters. A "cage meter" consist of a 2" water meter, 2" backflow preventor, assorted fittings, valves and a lockable aluminum cage. Bulk water is sold to contractors that need large volumes of water for construction projects such as the I10 widening project. These cage meters attach to fire hydrants. This proposed rate increase will help cover the maintenance on these expensive cage meters.

- a. Currently the minimum rate for the first 500 gallons is \$9.00, the proposed rate is \$20.00.
- b. Currently the non-refundable deposit for bulk meters is \$100.00 the proposed rate is \$300.00.

The fees we currently charge for line items 1, 3, 4, 6 and 7 **do not cover the cost**. Therefore, a portion of **every** monthly water/sewer bill have to supplement those costs, this is not sustainable.



Current Fee Comparison

Entities	5/8" meter Tap Fee	1" Meter Tap Fee	1 1/2" Meter Tap Fee	2" Meter Tap Fee	4" Gravity Tap Fee	LPSS Inst. & Tap fee	CSI	Road Bore	*Work Hours Call Out	*After Hours Call Out	Late Fees	Disconnects & Reconnect Fee
TBCD	\$1,000	\$1,250	\$2,400	\$3,800	\$1,000	\$3,200	N/C	N/C	\$25.00	\$50.00	1.5%	\$25.00
Bolivar Peninsula S.U.D.	\$1,225	\$1,700	\$2,175	\$3,125	N/A	N/A	\$35.00	\$500.00	\$35.00	\$75.00	\$5.00 or 15%	\$75.00
City of Anahuac	\$1,000 Plus Matl. and Labor Est. Cost	\$1,500 Plus Matl. and Labor	\$2,000 Plus Matl. and Labor	\$2,500 Plus Matl. and Labor	\$1,000 Plus Matl. and Labor	N/A	N/C	N/C	N/C	N/C	10%	\$45.00
West Jefferson County MWD	\$1,200	\$1,500	Cost + 15%	Cost + 15%	N/A	\$5,500	\$15.00	N/C	\$100.00	\$100.00	\$6.00	\$25.00
Meeker MWD	\$2,050	\$2,750	\$3,600	\$4,750	N/A	N/A	\$100.00	N/A	N/A	N/A	\$6.00	\$70.00
Lumberton MUD	\$1,250	\$1,380	Cost + 10%	Cost + 10%	\$1,250	\$4,750	Included in Plumbing Inspection	Over 28' Cost + 10%	N/A	N/A	\$10.00	\$40.00

Work hours call out (Monday – Thursday 7:00 am- 5:30 pm) is the rate that is charged to a customer that has damaged or abused District property.

After hours call out (calls received after regular business hours) is the hourly rate that is charged to a customer that has damaged or abused District property.

N/A – Not available

N/C – No charge

## Material Cost Increase

The Consumer Price Index (CPI) is a measure of the average change overtime.

Since 2007 the CPI has increased over 25%

### 1. How is the CPI used?

The CPI affects nearly all Americans because of the many ways it is used. Some examples of how it is used follow:

- *As an economic indicator.* The CPI is the most widely used measure of inflation and is sometimes viewed as an indicator of the effectiveness of government economic policy. It provides information about price changes in the Nation's economy to government, business, labor, and private citizens and is used by them as a guide to making economic decisions.

### 2. What goods and services does the CPI cover?

The CPI represents all goods and services purchased for consumption. Bureau of Labor Statistics has classified all expenditure items into more than 200 categories, arranged into eight major groups (**food and beverages, housing, apparel, transportation, medical care, recreation, education and communication, and other goods and services**). Included within these major groups are various government-charged user fees, such as water and sewerage charges, auto registration fees, and vehicle tolls.

Since 2007 - LPSS (Grinder Stations) systems cost have increased 20%

Since 2015 - Brass fitting cost have increased 25%

Since January 2020 - PVC pipe cost has increased 50%

# **Exhibit “I”**

## DRAINAGE REPORT

January 4, 2021

### LONG REACH 60'

- 1) Working on the Robinson Lake levee project

### NEW FECON

- 2) Moved to the shop for repairs – Waiting on parts

### FECON 30'

- 1) Working on Ditch VIII-E – South of Hamilton Road

### CAT 329 # 0144

- 1) We cleaned up a section of Spring Branch Ditch at Spights Loop Road – Requested by Chambers County Parks Department
- 2) Moved to Miether Ditch – Hankamer Loop – Remove debris and a washed out Pipe crossing

### CAT 329 # 0148

- 1) Finished up on Rush Ditch – East of 1410 – Built a headwall and removed a bridge
- 2) Moved to the Winnie sewer plant

### LONG REACH 50'

- 1) Working on Spring Branch Ditch – West of Hwy 61

### D-6 DOZER

- 1) Working on the Robinson Lake levee project with the Long Reach 60'

### D-3 DOZER

- 1) Finished up on Rush Ditch – Backfilled a pipe crossing and removed a bridge
- 2) Moved back to Ditch VIII-E – South of Hamilton Road – Assisting the Fecon 30'

### CAT 308

- 1) We removed Willow trees from the Winnie Wetland Plant
- 2) Cleaned a ditch along the West property line of the sewer plant

### DRAINAGE CREW

- 1) Working with the haul truck to move equipment – tie down and flag traffic
- 2) Working on the pipe and headwall project on Rush Ditch

### SPRAY CREW

- 1) Cleaned up spray equipment
- 2) Assist Drainage Crew on projects

Monthly Report for  
Water Treatment Plants and Wastewater Treatment Plants

January 4, 2021

1. On December 15<sup>th</sup> we met LJA Engineering to go over the final design of the new Hankamer WWTP. There were a couple of small changes we made. These revisions will be completed by next week. We are also waiting on the County to approve the contract documents which should be done in the next couple of weeks also. If these are completed by the end of the year, this project will go out for bids the first or second week of January.
2. We are researching companies that can manage our Backflow Prevention Program. These companies would send out notices to customers and testers annually notifying them that testing is due on their backflow prevention assembly. One of the two companies we are researching charges approximately \$500.00 per year, the other does not charge anything. Both companies do have a fee that is charged to the tester when they enter testing data into the system. This cost is approximately \$12.50 per assembly tested. By using one of these companies it would help keep us in compliance with the TCEQ.
3. On December 16<sup>th</sup> and 17<sup>th</sup> the water plant operators and I met with Mr. Gary Smith, from the TCEQ, regarding the Financial Managerial and Technical Assistance (FMT) program; he is a specialist in the programs that Mr. Oxford signed TBCD up for. The FMT program is designed to help utility departments that request technical assistance. The technical assistance we were signed up for was water loss, turbidity issues, disinfection issues and water treatment optimization. We went over months of data, test results and test procedures for both water plants, we also furnished him with a copy of the water audit that was recently completed. At the end of the second day and after going through the information we furnished Mr. Smith, he said that he could not find any deficiencies with either water plant.