

MINUTES OF A REGULAR MEETING  
OF  
TRINITY BAY CONSERVATION DISTRICT  
Wednesday, August 10, 2022  
9:00 O'clock A.M.

THE STATE OF TEXAS  
COUNTY OF CHAMBERS

The Board of Directors of Trinity Bay Conservation District met at the offices of the District in Stowell, Texas on Friday, July 13, 2022, with the following Directors present:

Scott Kahla	President
Greg Turner	Vice-President
Lester Hankamer, Jr.	Secretary
Richard Nicely	Director
Victor Caraway	Director

Also present were Jerry Shadden, Danny Pringle, Mike Will, Crystal Threadgill, District Employees; Kate Leverett of Germer, District Counsel; Also present were Terry Brown of Texas Association of Counties, Brad Moon, Gloria Roemer, Hazel Meaux and Sharisa Nelson of the Seabreeze Beacon, and Wade Thibodeaux of The Hometown Press.

**Agenda Item 1:**

President Kahla called the Meeting to order at 9:00 a.m.

**Agenda Item 2:**

The meeting opened with a prayer by General Manager Jerry Shadden, who then led the Pledge of Allegiance to the American and Texas flags.

General Manager Shadden read a letter from Ms. Susan LeBlanc, thanking Amos Roy and George Broussard for the amazing work they did repairing the collapsed bulkhead on a drainage culvert that crosses her property and goes under FM 563. Also read a Thank you letter from Tommy Gilbert for supporting his family through the loss of Cory Gilbert.

**Agenda Item 3:**

Public Comment:

There were no Public Comments.

**Agenda Item 4:**

Minutes:

President Kahla – Mr. Shadden – Do you want to talk about the Special Meeting.

General Manager Shadden – We had a Special Meeting and no one else was here. In the Special Meeting was the County contacted us and they had some Grant money out there and they wanted us to consider doing a Tropical Storm Imelda Grant for the Mayhaw ditch lining, like we brick lined the ditch through town. So, it was \$1,000,000.00 Grant. By the time we pay the Engineering and Grant Administration it was \$750,000.00. And Trinity Bay Board agreed to do a matching \$10,000.00.

Secretary Hankamer, made a Motion to Approve the Regular Meeting Minutes held Tuesday, June 14, 2022 and Wednesday, July 13, 2022 and a Special Meeting Minutes held Friday, July 22, 2022. The motion was seconded by Director Nicely and it passed by unanimous vote.

**Agenda Item 5:**

Financial Reports:

General Manager Jerry Shadden presented the Financial Reports for July 2022. Director Nicely made a motion to approve the Financial Reports for July 2022. The motion was seconded by Director Caraway and it passed by a unanimous vote.

**Agenda Item 6:**

Tax Reports:

Jerry Shadden presented the July 2022 Tax Reports for Chambers and Jefferson Counties. Director Caraway made a motion to approve the July 2022 Tax Report. The motion was seconded by Secretary Hankamer and it passed unanimously.

**Agenda Item 7:**

Accounts Payable:

General Manager Jerry Shadden presented the July 2022 Accounts Payable. Director Hankamer made a motion to approve the July 2022 Accounts Payable and Director Caraway seconded the motion and it passed by a unanimous vote.

**Agenda Item 8:**

Joint Election:

District Counsel, Kate Leverett – The County approved the General Election agreement. Any entity that is going to have a November 8<sup>th</sup> election they sent this election agreement to for the entity to approve. Basically, what that means is the County conducts our election we just submit the information as to who is going to be on the ballot to them. But they handle the machines, making sure the information is properly put into the machines and that they comply with the election laws. So, this is the best way to do this.

Director Turner made a motion to consider entering into a Joint Election Agreement with Chambers County for the November 8, 2022, Election for Precinct 1 and Precinct 3. Secretary Hankamer seconded the motion and it passed unanimously

**Agenda Item 9:**

Replacing Concrete Pipe:

General Manager Shadden - I put a map up here and this is off Hebert Road there are 2 crossings on Sand Gully. In the pictures you saw earlier, we had the Komatsu on there cleaning Sand Gully. So as we go down the ditch there is 60" underneath Hebert Road, so as we were cleaning the ditch, we ran across this, that these pipes are too small and they are full of mud they are old concrete jars, so it is impeding the flow. So, the best thing to do is to take the old concrete jars out and increase the size to 60". I want to say Bills is 100' wide and Spencer's is like 60 and they both agreed to downsize them some. Our cost in the past is when we increase the size of the pipes, we would pay for them. We are going with 60" plastic. We took bids from Seabreeze and Core and Main out of Beaumont. Core and Main was cheaper. We contacted Seabreeze and they agreed to match their price and they are local, so we are going to use them.

Vice-President Turner – I have one question, are we comparing apples to apples? Because there are different grades of plastic pipes.

General Manager Shadden – Yes sir, David got bids on them.

Vice-President Turner – You got the specs?

General Manager Shadden – Yes sir.

Vice-President Turner – Alright, that is all I wanted to know, because I do know there is different grades of plastic pipe.

General Manager Shadden – You are correct.

President Kahla – How much of this does the landowner absorb.

General Manger Shadden – Normally if he wants a pipe or asks for something else extra, then he pays for it and we put it in. But like this, if we go down the ditch and we find that your 60" up here and your 30" down here and this 30" is holding up the drainage for everybody, these pipes benefit everybody in the whole area, so usually when we upsize it like that we pay for it. And we have the money to do it.

Director Caraway – What is the cost?

General Manager Shadden – It is right at \$10,000.00. Excuse me, correction \$13,500.00. He's got 2 10" and 4 60 x 20' long. Otherwise, if it not long enough you have to put some bulkhead's on the end because you start losing the dirt, so it needs to be wide enough.

Director Hankamer – What is the size that they have in there right now?

General Manager Shadden – 48's. So, we are upsizing them to 60's. And there are 60's underneath Hebert Road where it goes back down through there. And then we built Spencer a bridge just past that with FEMA money.

Vice-President Turner made a motion to Consider possible Action and replacing two 48" undersized concrete pipe crossings with 60" plastic on Sand Gully off Hebert Road on Bill Whites and Ronald Spencer's property. Director Hankamer seconded the motion and it passed unanimously

**Drainage Report:**

Danny Pringle presented the drainage report on various areas of the District:

Fecon #0189- Working on Oyster Bayou – south of Lone Star Canal.

Long Reach 60' – Working on Oyster Bayou – Moved to the south side of Highway 65, behind the Fecon cutting trees and removing wood chips.

Fecon 30' – Working on the west fork of Double Bayou West of Highway 562.

Long Reach 50' - Working on west fork of Double Bayou behind the Fecon cutting trees and removing wood chips.

D-6 Dozer – Working on west fork of Double Bayou assisting the Fecon and leveling the soil.

D-3 Dozer – Spreading the soil on Double Bayou from Belton to Highway 562 and then Moved to the Shop

Cat 329 #0144- Working on ditch VIII-H 1 B south of Chase Road.

Cat 329 #0148 – Working on ditch III-J A west of Hamilton Lateral Road – North of 1663.

Cat 308 – Replaced a pipe headwall – Ditch I-G East of Highway 563 – north of I10 and removed debris out of Lee Gully and a ditch off Meneley Road

Komatsu Grinder – Working on Sand Gully, east of Highway 124, north of Hebert Road

Komatsu Mower – Cut Whites Bayou from Hankamer Loop Road to FM 1663

Spray Crew – Mowing ditches with the tractor and have been spraying with the ground rig. For the month of July, the Spray Crew has sprayed 15 miles of ditches and used 3700 gallons of mix spray. For the month of August, the Spray Crew has sprayed 5.2 Miles of Ditch and used 2000 Gallons of Spray mix.

President Kahla – Thank you, Danny.

**Utilities Report:**

Mike Will reported on Water and Wastewater.

1. Updated on the new Hankamer WWTP. Construction Schedule:

<u>Activity</u>	<u>End Date</u>
Deliver Welded Tanks	October 30 <sup>th</sup>
Unload and Set Tanks	November 5 <sup>th</sup>
Install Piping	November 11 <sup>th</sup>
Deliver Clarifier Tank	November 8 <sup>th</sup>
Construct Clarifier Foundation	November 13 <sup>th</sup>
Construct Clarifier	December 4 <sup>th</sup>
Install Clarifier Equipment	December 18 <sup>th</sup>
Fill and Testing of Equipment	January 8 <sup>th</sup>

2. We have started the process of renewing permits for the Oak Island and Smith Point Wastewater treatment plants; the current permits expire on August of 2023.
3. We are in the process of collecting lead and copper samples on the Winnie Side.
4. The project to install the new filtered water lift station pumps at the Winnie Water Treatment Plant has been completed.

Water and Sewer Installations:

- 11- Water Meters
- 1 – Relocated water meter
- 1 - Terminated one water service due to meter tampering
- 1 - Fire Hydrant
- 0 - Sewer gravity taps
- 2 - Sewer grinder stations
- 1 - Sewer duplex stations
- 284” of sewer discharge line
- 2,040’ Sewer line extensions

President Kahla – Thank you, Mike.

Director Hankamer moved to Adjourn, and Director Nicely seconded. The motion carried and the meeting adjourned at 9:34 A.M. by President Kahla.

## V. BUDGET WORKSHOP

### Agenda Item 1:

President Kahla called the Budget Workshop to order at 9:43 A.M.

### Agenda Item 2:

Texas Association of Counties (TAC) Health & Employee Benefits Pool

General Manager Shadden – I have invited T. Ross Brown, Administrator over our insurance. I have heard lots of comments, that our insurance has been changed and so forth and could I do anything to help with the costs of the deductibles for the employees. I will turn it over to Mr. Brown, and he will tell you what he put together for us.

T. Ross Brown – At the direction of the Board last year, we made some changes to reduce the costs a little bit. But that of course reflects in what the employees pay out of pocket. So, what I have done is put together a simple spreadsheet to show what the improvements are in the benefits. *(On the Power Point Presentation)* The one in the middle is your current and renewal plan, this will increase benefits to your folks, reduce the deductible, reduce the out of pocket, reduce the deductible back to \$1,000.00, which is what we had before, reduce the office visit co-pays, currently it is \$40.00 primary care co-pay and \$50.00 for a specialist, the new plan would reduce it to \$30.00 for either one of those. Your out of pocket will go from \$4,150.00 to \$3000.00 and it also eliminates the pharmacy deductible that we had previously, which was an additional \$250.00 that was paid before any of the prescription drugs were paid. This plan is with the Texas Association of Counties. This is an association non-profit plan run by TAC, it does not pay premium taxes because it is exempt, also if there is any surplus in the plan that they don't need for financial purposes, they distribute that to the participants in the program. We were able to get into this group, it has about 58,000 employees with TAC and about 2/3 of the counties in the State are on this plan and we were able to join as a non-profit entity. They allow a few of the public entities like Water Districts to join.

General Manager Shadden – About 3 years ago, we had our own private insurance and then we switch to TAC and we saved roughly \$300,000.00 a year by joining the County and District, it is BlueCross and BlueShield and they have been pretty good.

For comparison, last year it was budgeted \$400,000.00 on the drainage side, and my year end projection was that we were not going to spend as much so \$375,000.00 is my projection as to what it is going to cost us at the end of the year. Next year it is going to cost us \$410,000.00 so on the drainage side we are going up \$10,000.00 for better coverage.

On the Water and Sewer side it was budget at \$417,000.00 and my year end projection is \$362,000.00 this year and next year it is going to cost us \$416,000.00 with a 15% increase and a better plan and will raise it \$1,000.00 on the water side. So, we are getting a much better plan for \$1,000.00.

### Agenda Item 3:

General Insurance with Arthur J. Gallagher Risk Management

General Manager Shadden – This is the insurance that covers our trucks, building and equipment. Our umbrella has a \$3,000,000.00 umbrella over the whole place. It used to be Aquasurance and Arthur J. Gallagher bought them out. They specialize in Water Districts and have done us a very good job. They only problem is the last time they assessment of what things are worth was done in 2019. So, with Mike Wills help we are having to go back and say like our water plant was worth \$5,000,000.00 5 years ago and today it is worth \$20,000,000.00. So, by law you must go back and update the values every year, so you do not get \$3,000,000.00 on a \$20,000,000.00 facility. To do all of that we have to get the engineer involved and we have not had time to get all the numbers back in. Last year insurance cost us about \$210,000.00 and it will be roughly somewhere around there this year. I budgeted \$210,000.00 for next year they just did not have time to get all the numbers and assessments together. We are going to table this for next meeting. It must be approved by September 30, 2022.

### Agenda Item 4:

Discuss the preliminary 2022-2023 Budget

General Manager Shadden – Last meeting I gave you each a copy of the Proposed Budget, so you have had a little while to look at it. When I put it together, I did not have the certified tax rolls and things like that, so I estimated the best I could at the time. I have since received numbers and updated the Budget, and the numbers that I am basing this off of is 10 months and you only have 2 months left in the year, so it is pretty close. I have also added in the \$5.00 increase that has not gone into effect yet, we are waiting on the signed minutes from the last meeting to move forward on that. Salaries were roughly \$1,420,000.00 in Drainage last year and I project that we are going to spend \$1,300,000.00 this year and I asked for a 5% increase for the employees and so I budgeted \$1,420,000.00 same as it was last year. I added a 5% increase for them and a 15% increase for medical insurance which was already

explained. There is a comparison at the end to show you what all the differences are from what salaries where last year to this year, overtime from last year to this year, temporaries and vehicles. All the line items should have the current costs and the costs of what I feel like it is going to be next year.

On the Water side, our bond and everything else all stayed the same \$981,300.00 a year. By the time I put everything together in Water, there really was not much money left over. We are going to bring in \$6,372,000.00 and my projections far as water sales, water and sewer sales and everything else that we do, our computer systems in the plant were put in when they built the plant in 2011 and they are to where we can't get parts for them any longer. Mike has some friends in other Water Plants that he has worked with that have given us spare parts. So, I put in \$87,700.00 in there to upgrade the computers at both plants.

We are paying \$850.00 a tap to have someone come in and do large taps for us. I am requesting to buy a large tap machine it will do up to 12". When I first got here we might do one tap a year, and now we are doing 15 to 20 so it should pay for itself. Any money left over we will use to replace trucks. Other than that, it is self-explanatory.

If you look at the end of the budget, I put a graph in there, this is actually 10 years (2011 – 2022) and if you take a look at it this is your capital improvement expenses, like buying equipment and doing projects and things like that. The highest there is when we were building all the bridges for FEMA. I just wanted to kind of show you that your sundry account, you can barley see it there, that is paying the high dollar lawyer, engineering fees and stuff like that. So, this is line by line over the past 10 years, as you can see most things have not gone up that much.

Director Hankamer moved to Adjourn, and Director Caraway seconded. The motion carried and the meeting adjourned at 10:31 A.M. by President Kahla.

## **VI. CONVENE REGULAR MEETING**

President Kahla reconvened the Regular Meeting to order at 10:31 A.M.

### **Agenda Item 1:**

Discuss and take-action, if necessary, on Texas Association of Counties (TAC) Health & Employee Benefits Pool

Director Nicely made a motion to approve renewing the Texas Association of Counties (TAC) Health & Employee Benefits Pool. Director Tuner seconded the motion and it passed unanimously

### **Agenda Item 2:**

Consideration and possible action renewing General Insurance with Arthur J. Gallagher Risk Management

TABLED at this time.

### **Agenda Item3:**

Review and consider accepting the preliminary 2022-2023 Fiscal Budget

Director Hankamer made a motion to accept the preliminary 2022-2023 Fiscal Budget. Vice-President Tuner seconded the motion and it passed unanimously

### **Agenda Item 4:**

Review and consider Resolution 22-09 adopting the Certified Tax Roll for Chambers County

Director Hankamer made a motion to accept Resolution 22-09 adopting the Certified Tax Roll for Chambers County. Director Caraway seconded the motion and it passed unanimously

### **Agenda Item 5:**

Review and consider Resolution 22-10 adopting the Certified Tax Roll for Jefferson County

Director Caraway made a motion to accept Resolution 22-10 adopting the Certified Tax Roll for Jefferson County. Director Nicely seconded the motion and it passed unanimously

### **Agenda Item6:**

Review and consider reducing the 2022-2023 preliminary Tax Rate from 0.396770 to 0.364467/\$100.00

Director Caraway made a motion to reduce the 2022-2023 preliminary Tax Roll from 0.396770 to 0.364467/\$100.00. Director Nicely seconded the motion and it passed unanimously.

### **Agenda Item7:**

Set a date for a Public Hearing on the proposed 2022-2023 Tax Rate

Director Hankamer made a motion to set a Public Hearing on the proposed 2022-2023 Tax Rate for August 31, 2022 at 9:00 a.m. Director Nicely seconded the motion and it passed unanimously

**Agenda Item8:**

Review and consider adopting rates for the 2022-2023 Texas County and District Retirement System Plan (TCDRS)

Vice-President Turner made a motion to adopt the rates for the 2022-2023 Texas County and District Retirement System Plan (TCDRS). Director Hankamer seconded the motion and it passed unanimously.

**VII. EXECUTIVE SESSION**

GOVERNMENT CODE 551, SUBCHAPTER D

SECTION 551.071 - CONSULTATION WITH DISTRICT'S ATTORNEY REGARDING POSSIBLE LITIGATION

SECTION 551.072 - DELIBERATION ABOUT REAL PROPERTY

SECTION 551.074 - MATTERS OF PERSONNEL

SECTION 551.075 - CONFERENCE WITH EMPLOYEE

SECTION 551.076 - TO DELIBERATE THE DEPLOYMENT OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL OR DEVICES

If, during the course of the meeting covered by this Notice, the Board should determine that a closed or executive session of the Board should be held or is required in relation to any agenda item included in this Notice, then such closed or executive meeting or session, as authorized by the Texas Open Meetings Act, will be held by the Board at the date, hour, and place given in this Notice concerning any and all subjects for any and all purposes permitted by §551.071-551.084 of the Texas Government Code and the Texas Open Meetings Act, including, but not limited to, §551.071—for the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law.

**VIII. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION.**

No Action taken in Session.

**IX. RETIREMENT LUNCHING**

Recessed at 10:47 a.m. for Luncheon.

**X. ADJOURN.**

Meeting Adjourned at 1:00 p.m.

READ AND APPROVED:

  
Scott Kahla, President

Attest

  
Les Hankamer, Secretary

Date: 9-14-22