

MINUTES OF A REGULAR MEETING
OF
TRINITY BAY CONSERVATION DISTRICT
Wednesday, November 13, 2024
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 Wednesday, November 13, 2024, with the following Directors present:

Victor Caraway	President
Lester Hankamer	Secretary
Rick Nicely	Director
Annette Rayburn	Director

Also present were Jerry Shadden, Crystal Threadgill, David Hoyt and Amos Roy, District Employees; Kate Leverett of Germer PLLC, District Counsel, Susan LeBlanc from Representative Terri Leo-Wilson's office and Jim Smith with JBS Water, Inc.

Agenda Item 1:

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

Agenda Item 2:

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

Agenda Item 3:

PUBLIC COMMENT

NONE.

Agenda Item 4:

APPROVE MINUTES

Secretary Hankamer, made a Motion to approve Minutes of a Regular Meeting held October 9, 2024. The motion was seconded by Director Rayburn and it passed by unanimous vote.

Agenda Item 5:

FINANCIAL REPORTS

Director Nicely, made a Motion to approve the Financial Reports for October 31, 2024. The motion was seconded by Director Rayburn and it passed by unanimous vote.

Agenda Item 6:

TAX REPORTS

Secretary Hankamer, made a Motion to approve the Tax Reports for October 31, 2024. The motion was seconded by Director Nicely and it passed by unanimous vote.

Agenda Item 7:

ACCOUNTS PAYABLE

Secretary Hankamer, made a Motion to approve Accounts Payable. The motion was seconded by Director Nicely and it passed by unanimous vote.

Agenda Item 8:

PRECURING JBS WATER, INC.

General Manager Shadden – This is Jim Smith with JBS to discuss completing the water distribution and meter management audit that was started 2 or so years ago. I am asking the Board with his presentation to finish the meter audit and study.

Presentation presented by Jim Smith, JBS Water, Inc.

Secretary Hankamer – Do we have the money in the Budget to do this?

General Manager Shadden – We have the money to do it, but I really didn't break it down to a Budget item line.

Secretary Hankamer – But you allowed for it.

General Manager Shadden – Yes sir.

President Caraway – Was is the cost?

General Manager Shadden - \$59,500.00 and we could pick up \$350,000.00 a year.

Director Nicely - I do not have a problem with this whatsoever, but district meters are, I am curious about those. We are going to talk about the individual homeowners' meters, but these district meters, are we looking at 6", 8", 12" lines?

David Hoyt, Operations Coordinator - Yes it could be 6" and 8". 6" would probably get us through anything that we have to do because these meters are going to from what I understand be put in on a temporary basis. We are going to put them in and read them...

General Manager Shadden - I want to say he is asking us to put them in on a permanent basis.

President Caraway - Yes, I think so too.

General Manager Shadden - Let's say for instance when you are leaving the West Water Plant and you have a 12. It would be a permanent meter to where, by the time you get everything automated you can look at this meter online versus what you are doing over here to what you are selling out of it. It is all right there and that is what he will do. For instance, one of the motels over there, he will look at it at five years and see that hey look we are losing 20,30, 40% on the meter that is going into the motel and that is where our loss is in Winnie. So, that is why he looks at not only the leaks but also our billing program and all the meters.

President Caraway - How expensive are those 6" and 8" meters?

General Manager Shadden - They are pretty expensive when you start getting in to 12's. Like the ones leaving the plant are probably a 12 going toward Wallisville and then you have... you have a 12 going east.....

President Caraway - This is therapy (laughter).

General Manager Shadden - Yes, it is. Going towards Smith Point. At least it will put you in the right direction.

Secretary Hankamer - As to which way is the loss.

General Manager Shadden - Yes.

President Caraway - I guess I am just trying to figure out about how much money we are going to spend.

General Manager - I think it is about \$16,000.00 per meter.

David Hoyt, Operations Coordinator - At least \$10,000.00 or \$12,000.00 by the time you put in everything that goes with it. (*inaudible - speaking over*) put that meter in right there by the water plant and then you have Oak Island, Smith Point and the whole area covered with that one meter right there.

President Caraway - And I am sure he will want to put more in.

General Manager Shadden - Yes.

President Caraway - That way you can narrow it down to where those leaks are at.

David Hoyt, Operations Coordinator - Yes.

General Manager Shadden - We have 2 miles underground in the water shed.

President Caraway - That is what scares me the most.

Director Nicely - I like the idea of this individual doing the study and the idea of the district meters. But I think we need to look at that going into the budget next year and give him an opportunity to do his work and maybe give us a report or a preliminary report so when we do our budget.

General Manager Shadden - He was actually doing it monthly if I am not mistaken, because he was giving us a list saying you have a leak here, you have a leak here, check this meter here, you need to do this and you need to do that. Like he said there was a lot of work involved in it.

Director Nicely - I like the idea too that we have the construction fund so if he finds an area that is suspicious, we can throw in a district meter right there at that location.

General Manager Shadden - I put \$2,000,000.00 in capital lines and improvements, so we have quite a bit of money for that kind of stuff.

Secretary Hankamer - Well he has a cap of \$59,500.000 not to exceed.

General Manager Shadden - Most of his stuff is inside (*inaudible - speaking over*) and he specializes in spread sheets and almost like a forensic audit type deal.

Director Nicely – And most of those new electronic meters are going in on the west side, new construction.

General Manager Shadden – And I think we are doing all of Smith Point?

David Hoyt, Operations Coordinator - We haven't started that yet. I was going to get into this at the end on the Water reports. I started 3 weeks ago. I tried to let Mike finish his stuff out the way he wanted it. To me the only way this place is going to get any relief is to get these automated readers in. As of today, they have put in 52 in the last 3 weeks. They also put in 25-30 this last weekend, but that will be for next month's report.

What I am doing is having these guys go out in their worst areas first, the ones that takes them so long read or are the hardest to read or they flood or whatever. My goal is to put in 200 a month.

Secretary Hankamer, made a Motion to approve procuring JBS Water, Inc. to complete the water distribution and meter management audit. The motion was seconded by Director Nicely and it passed by unanimous vote.

Agenda Item 9:

SPLITTING ENGINEERING FEE WITH COUNTY FOR MAYHAW BAYOU ARTICULATED BLOCK CONTRACT

General Manager Shadden – This is right over here behind the park, we brick lined Mayhaw all the way up through there. The County came to me and said they have money and they need a project, what can you do and we need it by tomorrow. So, I put a project together for them and the thought was since we already had environmental done on Mayhaw Bayou, where we had to go in a leave ponds for the frogs, etc., that we would be a continuation of the same permitting. Then the Core of Engineers came back and decided that they want a full-blown study permit. The engineer did not anticipate that, so it will cost \$47,000.00 and we have talked to the County about slitting that fee. We get the benefit of our ditch being lined and they are the ones that obtained the grant. I looked at it and said well if we are going to do that, what would it be to go all the way to Buccaneer and it was like \$84,000.00 to do the whole thing and I have nothing in the pipeline, no grants to put in to do the brick lining. At this time, I do not see any purpose in doing anymore and spending the extra money to go all the way to Buccaneer. So, we are looking at splitting this with the County and it is still under environmental review at the Court.

Secretary Hankamer – So our part would be half of the \$47,000.00?

General Manager Shadden – Yes, half of the \$47,000.00.

President Caraway – And we get a million dollars' worth of block work done.

Director Nicely, made a Motion to approve splitting the \$47,000.00 engineering fee with the County for Mayhaw Bayou articulated block contract. The Corp of Engineers requires a detailed environmental permit that was not initially anticipated. The motion was seconded by Secretary Hankamer and it passed by unanimous vote.

Agenda Item 10:

ANNUAL SERVICE FEE AWARDS LUNCHEON

General Manager Shadden – We actually did a retirement party at Tony's last week for the guys and I thought it was very nice, but this is our Annual Safety Awards dinner. We usually cook steaks and have a nice meal and give the employees a \$200.00 gift card. I have budgeted for this and ask that the Board approve it.

Director Nicely, made a Motion to approve the Annual Service Awards, Retirement Service and safety awards luncheon for employees on December 23, 2024. The motion was seconded by Director Rayburn and it passed by unanimous vote.

Agenda Item 11:

ACCEPTING LOW BID FOR ROAD MATERIAL FOR WINNIE/STOWELL WETLANDS

General Manager Shadden – The bid that we looked at was around \$80,000.00. We had 2 companies that bid and it ended up being about \$65,000.00. This enough rock to be able to go everywhere we take samples. This is to get the road back to all weather so they can drive thru there to get the samples. They take samples just about every day.

President Caraway – This also on our list of things that need to get done.

Director Nicely, made a Motion to approve accepting low bid for road materials for Winnie/Stowell Wetlands. The motion was seconded by Secretary Hankamer and it passed by unanimous vote.

Agenda Item 12:

PURCHASE OF 500 ELECTRONIC READ METERS

General Manager Shadden – At this time we still have roughly 300 meters left from the original 1000 that were purchased. This is just approving this so when he needs more meters, we just go ahead and buy them. So, this is almost like a blanket to where when he needs the meters, he can just go get them.

Secretary Hankamer, made a Motion to approve the purchase of 500 electronic read meters at a cost of \$161,000.00. The motion was seconded by Director Nicely and it passed by unanimous vote.

Agenda Item 13:

PAYMENT FOR INCINERATOR ON HWY 65 AS CONDEMED PROPERTY FOR RESALE

General Manager Shadden – They sold this property and it is tax money for us. Anahuac, Trinity Bay and the County will be receiving the proceeds from the bid someone placed to buy this. They still own the mineral rights top where if there is any CO2, which is supposed to be going in out there, our part of that could be \$20,000.00. So, we are asking to let Judge Silva sign the papers for the CO2 lease on behalf of all of us.

Director Rayburn, made a Motion to approve accepting payment for the Incinerator on Highway 65 as condemned property for resale and give Judge Sylvia authority to sign documents for CO2 lease. The motion was seconded by Director Nicely and it passed by unanimous vote.

Agenda Item 14:

INTER-LOCAL AGREEMENT WITH LNVA FOR EMERGENCY POTABALE WATER INTERCONNECT

General Manager Shadden – During the last storm, the water plant flooded. We did an interconnect where we served water to the beach for a month or so. Between Nathan Brandimarte and Kate, we got together and put an interlocal agreement together, that way there are no if's ands or but's, and everything is legal. We pay the going rate, there is no discount. If we need water from them, they supply us and they need water from us we can supply them.

Secretary Hankamer, made a Motion to approve entering into an inter-local agreement with LNVA for Emergency Potable Water Interconnect. The motion was seconded by Director Rayburn and it passed by unanimous vote.

Agenda Item 15:

SCALLON CONTROLS INC. – UPGRADE WEST WATER PLANT PLC AND SOFTWARE

General Manager Shadden – This was on Mike's list of things that needed to be done. We have upgraded the water plant in Winnie. What it is, is PLC, slicks is what they call them, were put in in the 2000's and they are completely out of date to where we cannot service them anymore. Nome di an upgrade on their stuff and gave us a few old ones, so we have been able to keep running.

President Caraway – Will we be puling this out of the construction fund?

General Manager Shadden – We may have enough money in the operating funds. I put \$2,000,000.00 in the utilities, lines and plants.

President Caraway – I know it doesn't really matter, it is all just one big pot of money, but so everyone knows we are making progress with our rate increase. This is one of the things and the rock we just approved, is what we are using the money for.

General Manager Shadden – The other thing that we have is the water tank on the other side, is going to cost us about \$1,000,000.00 to 1,500,000.00, and we also have the 20" water line, might as well get it while we are here, the 20" water line is complete for the design, permits to get it done. I am waiting until after the holidays to bid it. People get mad at you if they have to stay here and bid jobs versus going deer hunting. Diane and I put it together to go out for bid the 1st of January. This is where that money is going into that construction fund. The estimated price is \$400,000.00 and we have about \$680,000.00 in the account now. This will pay for the 20" water line. After that is paid, hopefully we start making up more money to possibly finance that tank for 3 years.

President Caraway – The construction fund continues to grow anyone that looks at that, I want to make sure they understand that we are actually doing things.

Secretary Hankamer, made a Motion to approve accepting Scallon Controls Inc.'s proposal to upgrade the West Water Plant PLC and software at a cost of \$87,041.00. The motion was seconded by Director Nicely and it passed by unanimous vote.

Agenda Item 16:

SHARING COST AND LABOR TO REPLACE 72" X 220' DRAINAGE PIPE WITH CLCND

General Manager Shadden – There is a drainpipe underneath there now and it has collapsed. It was put in in 2011, and it was corrugated pipe. Right now, corrugated pipe is \$84,000.00. We looked at fiberglass hobos and it is \$120,000.00 and then we looked at HDPE plastic to put underneath there and it was \$290,000.00. Talking with David and Amos, we are thinking we are going to propose to them to change it back out with galvanized or aluminized pipe at \$30,000.00 and what will happen is we will wrap it in stabilized material and concrete, that way it will not rust out again.

Secretary Hankamer, made a Motion to approve sharing the cost and labor to replace a 72" x 220' drainage pipe under CLCND Canal at Highway 65 and 61. The motion was seconded by Director Nicely and it passed by unanimous vote.

Agenda Item 17:

EMERGENCY FUEL STATION INSTALLED FOR DIESEL AND GASOLINE

General Manager Shadden – WE have talked about this for years. When I say emergency fuel stations, I am talking about hurricane's and freezes. It will get us fuel onsite and diesel fuel onsite. It would be a 10,000-gallon tank where we could buy a truckload at a time and it would be cheaper. We could fill out diesel tanks that are in the back of our trucks, but the main thing is when a hurricane comes, we have 5 large generators and that is 500 gallons of fuel a day at least. This will give us the ability to have it on site for when we need it.

Secretary Hankamer, made a Motion to approve installing an emergency fuel station for diesel and gasoline, not to exceed \$122,000.00. The motion was seconded by Director Rayburn and it passed by unanimous vote.

Agenda Item 18:

RESOLUTION 24-11 – PUBLIC FUNDS INVESTMENT POLICY

Kate Leverett, Germer PLLC – The Public Funds Investment Act requires you to do an Annual review. Generally, they do an annual review but unless there are changes it doesn't come back to the Board it stays basically the same. This year there were some changes to the Public Funds Investment Act but they were minor, so this is just updating your policy so it is in compliance and I am asking for you all to approve it.

Secretary Hankamer – So there was a change in what is mandated?

Kate Leverett, Germer PLLC – Correct. Chapter 2256 of the Public Funds Investment Act is how you have to invest your funds. You have your Depository and they are the ones investing it. The Depository likes a copy to show that you all have it on file. They are very familiar with how your funds are going to be invested. So you just have to have it on file to show you are in compliance.

Director Nicely, made a Motion to approve Resolution 24-11 updating the Public Funds Investment Policy. The motion was seconded by Director Rayburn and it passed by unanimous vote.

II. DRAINAGE REPORT:

Amos Roy reported on Drainage.

RUSH DITCH SOUTH OF IH10:

This is the location at which we are using the Dragline, Komatsu dozer, and Komatsu fecon. The dragline is finishing up on the West side of the ditch and the Komatsu dozer and Komatsu fecon are working on the East side of the ditch preparing it for the dragline to come through. The dragline finished this section on 10-30-24. On 11-05-24 we moved the dragline to Bado Equipment in Houston, Texas for chassis and track repairs to be done. We used a long reach machine to take care of the pipeline are close to IH-10.

DOUBLE BAYOU TRIBUTARY:

This is where the Komatsu mower and the Cat Fecon machines are working.

SPINDLETOP SOUTH OF FM 1663:

The Komastu grinder is working this section of the bayou.

RUSH DITCH NORTH OF IH-10:

The Cat 24 long reach ad the Cat D3 dozer are working together at this location. They are on the West side of the ditch heading upstream.

WINNIE DITCH BRIDGE:

This is the location where our bridge crew has been constructing a wooden bridge. The crew finished the project on 10-23-24.

GORDY MARSH TRIBUTARY:

Bridge rebuild location for Mr. Hargraves. Started on 10-23-24 and finished on 11-13-24.

SPRAY CREWS:

The spray crews are and will continue to spray weather permitting up until the first frost.

Whenever they are not spraying, they assist with other projects such as fence, pipe, or gate repairs and installs.

TWIN BRIDGE:

The operator is removing the debris caught by the bridge piling. This bridge is just North of IH-10 on Rush Ditch.

I. UTILITIES REPORT:

David Hoyt I apologize, I do not have a Board Report this time but I will have one next meeting.

Just to let you all know, Mike's experience was in the plants, I do not have that experience mine is all in maintenance and heavy construction. I do have some things in mind that I am fixing to change. I have already started some of it. Skeeter Harmon is retiring at the end of January, and when he retires, I am going to put a 4th crew on in hopes that we have 3 normal crews and 1 construction crew. My goal is to shorten the time it takes to get these people new service. I have changed a few things with the meter readers to try to give them some help in putting these meters in. Something is going to have to happen to get anybody relief. They stay stressed out, the girls in the office stay stressed out so that is what we are trying to accommodate right now. I have a few things I am going through on trial and error. When I was over this last I used a workhorse system, where they filled a work order on every job they did and it lets me know what they did, how long they were out there and if something else needs to happen. I will take my board report off of those so you can see what is going on. I will have some pictures for you of what they are doing. I am open for suggestions if you have anything you want me to look into. I want to change some things and see how things work.

IV. 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.

V. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION.

None.

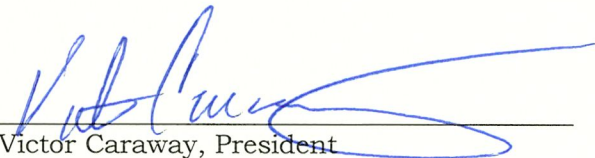
VI. BOARD MEMBER REPORTS:

VII. ADJOURN.

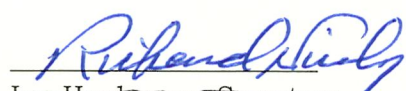
Director Nicely made a Motion to Adjourn. The motion was seconded by Secretary Hankamer and it passed by unanimous vote.

Meeting Adjourned at 10:06 a.m.

READ AND APPROVED:


Victor Caraway, President

Attest


~~Les Hankamer, Secretary~~
Rick Nicely, Director

Date: 12-23-24