

MINUTES OF A REGULAR MEETING
OF
TRINITY BAY CONSERVATION DISTRICT
Wednesday, February 11, 2026
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, February 11, 2026, with the following Directors present:

Victor Caraway	President
Richard Nicely	Vice President
Lester Hankamer	Secretary
Annette Rayburn	Director
Justin Woody	Director

Also present were Jerry Shadden, Crystal Threadgill, Amos Roy and Manuel Mendoza Jr., District Employees; Anna Seale of Germer PLLC, District Counsel, Gloria Way of the Seabreeze Beacon, Celeste Denora of the Vindicator/Anahuac Progress, Cody Croley, of GFT, Inc. Engineering and Rodney Kahla - Chambers County Constable, Precinct 1.

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

Gloria Way, Seabreeze Beacon – I am Gloria Way, I am the Publisher and Managing Editor of the Seabreeze Beacon here in Winnie. Two things I want to say, and I wish I were here last week because I wanted to give kudos to David, he retired and I hope this gets back to him. Every single time in the years that he worked here, if I had a question and I called him, he responded, he called me back with no hesitation and told me what was going on, I really appreciate that so much. Hopefully, will be the same with you two there. I would appreciate it so much.

The other thing that I wanted to ask you about, it has been, as you know people come to me and tell me things about Trinity Bay, issues and stuff. This has been mentioned to me quite a bit and it came up last night at a forum that I was at. It has to do with workorders and jobs not being done in a timely manner. This one person came to me and said we are waiting to get water to our barn in Hankamer and people have been telling me that it takes forever, is that true? I said, that seems to be the way that it is. Seven years ago, before most of you were here, we did a poll as to the customers that use Trinity Bay, would rather have a 5-day work week as opposed to a 4-day and overwhelmingly it was a 5 day. I am asking the Board to reconsider going back to a 5-day, because we are getting so much growth in this area. There are so many workorder, there are so many jobs and y'all are getting bogged down with a 4-day and I know that the way the calendar falls sometimes you have 4-day weekends and stuff like that. This is putting everything behind and people that are honest good working tax paying people do not want to have to wait months to have a water line installed. We understand that the work orders get stacked up but there needs to be some sort of process in there where it is either putting the crews on 5-6 days a week or 50-60 hours, whatever it is. I know everybody likes overtime; everyone is always looking to work overtime for something. But it is an issue that I hope that you as a Board will address soon. Thank you.

Agenda Item 4:

MINUTES OF A REGULAR MEETING

Vice President Nicely made a Motion to approve the Minutes of a Regular Meeting held February 11, 2026. The motion was seconded by Secretary Hankamer, and it passed by unanimous vote.

Agenda Item 5:

FINANCIAL REPORTS

Secretary Hankamer made a Motion to approve the Financial Reports for January 31, 2025. The motion was seconded by Vice President Nicely, and it passed by unanimous vote.

Agenda Item 6:

TAX REPORTS

Vice President Nicely made a Motion to approve the Tax Reports for January 31, 2025. The motion was seconded by Director Woody and 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 Vice President Nicely, and it passed by unanimous vote.

Agenda Item 8:
AMENDING 2026 HOLIDAY SCHEDULE

Crystal Threadgill – The New Year Holiday for 2027 will fall on a weekend therefore we are asking the Board to approve the Holiday being on Thursday, December 31, 2026. This will give us 13 Holidays this year and 11 next year instead of the normal 12 Holidays.

Secretary Hankamer made a Motion to approve amending the 2026 Holiday Schedule to add Thursday, December 31, 2026 as New Year's Day. The motion was seconded by Vice President Nicely and it passed by unanimous vote.

Agenda Item 9:
AMENDING THE 2026 BOARD MEETING SCHEDULE

Crystal Threadgill, District Employee – We are asking the Board to move the December Board meeting to December 22, 2026 at 10:00 a.m. now instead of waiting until December to move it as we always do for the purpose of the Safety Luncheon.

Director Woody made a Motion to approve amending the 2026 Board meeting schedule to change December's Board meeting to December 22, 2026 at 10:00 a.m. The motion was seconded by Vice President Nicely, and it passed by unanimous vote.

Agenda Item 10:
JBS TO COMPLETE WATER AUDIT ON WESTSIDE WATER SYSTEM

General Manager Shadden – About 5 years ago, we started the comprehensive report and did not complete it. They went all the way through our computer system and looked at everything that we had to make sure that everything is working like it is supposed to. Things like, if they have a 1" meter, they are paying for a 1" meter or if they do not need a 1" meter, we should reduce it down to a 5/8", so they looked at the whole comprehensive thing. Here is a graph up on the screen that shows that our annual percentage production in sales on the Winnie side and on the Anahuac side. Right now you can see, this kind of goes back to Gloria's question, you can see here where the graph goes up, the blue line is water loss, how much we produced by how much we sold, and these are water leaks. As our system gets older, we have added another water crew last year, the problem is we are having so many leaks we are out there trying to repair leaks much less do the other work. We have not been doing work for other people as far as construction. We have mainly been working on leaks and installations that we need to do. We went over that this morning, we are putting the Sheriff's meter in this week (inaudible – talking over each other). You can see where it come apart and we are back to where we are accounting for 80% on the Winnie side, so we have a 20% loss of water on the Winnie side. If you look at the west side, it came back together a little bit but we are still losing over 40%, which is way too much. We were at the point in the study last time where we were going to put meters in going north, meters going south, split off Smith Point and start narrowing down the areas so we can find out where all the water loss is. We are at that point now, so I have asked JBS to come in back in and do another proposal to take it from where we stopped. We feel like the meters that we have added have helped some as far as, the money is steady now. If you look back, we would make \$400,000.00 this month and then make \$700,000.00 the next month, it was all over the place. Now we getting to where we are about \$680,000.00 - \$700,000.00, so I can see it in the billing that is has stabilized with the electronic read meters. We will ask Jim to come in and do this again. This will be the 3rd time he has been at Trinity Bay; he did in 2008 and 2020.

Secretary Hankamer – This \$62,500.00 is to do the whole thing, it will complete it?

General Manager Shadden – All of the Westside.

President Caraway – Are you going to add more flow meters in?

General Manager Shadden – Jim would like us to put 12" meter in, a 12" going North toward Wallisville/Hankamer, and a 12" going south towards Oak Island/Smith Point and we will look at that. And then, probably go down and put another meter where it splits off coming out of Oak Island going to Smith Point, and so now we have isolated the different areas and can continue isolating. I did this in Beaumont, where we isolate a subdivision and put a master meter in and read everything inside to see, because sometimes you might have an 8" line blown out in a catch basin, you never know. That is where this large leak in Winnie was, it was over by the sewer plant and it was going into the sewer system and someone walking their dog down the road heard it and called us and this is how we found out. You can see Winnie has come back together so it is not as big of a deal as what we have going on in the West side.

President Caraway – How much money are we going to spend on meters and that sort of thing?

General Manager Shadden – At this time, a 12" meter is pretty expensive; I think you are looking at about \$15,000.00 each and they will be an auto-read. According to his analysis if you do a breakdown,

real losses, leakage and everything, it is approximately \$330,000.00 a year is what we are losing in leakage. That is the 2 zones together.

Director Woody – Yes, it says \$275,000.00 for the west side alone, so a \$15,000.00 meter is reasonable.

General Manager Shadden – Yes sir.

Secretary Hankamer – If you get 15% of your loss back it will pay for that.

General Manager Shadden – Like I said, we started this in 2020 and just never completed it. Fitz and Water Development Board also looks at our water loss and they will come in and say hey your water loss is too high, so here is our audit and we are 1 step ahead of it.

President Caraway – I do not have an issue doing it, but the realistic cost instead of \$62,500.00 is going to be \$100,000.00 - \$120,000.00 once we buy meters.

General Manager Shadden – There is a couple ways you could do that, you can dig it up and put an ultrasonic meter on the outside but it would be better if we put a permanent meter in there and it is auto read, you can see it from the office. So, if all of a sudden they call me and say hey we are losing water in the tower, and everyone is out looking for leaks and a few hours later it comes back up again, you do not know where the water went. We can look at it.

President Caraway – This will help with that as well?

General Manager Shadden – Yes. It will be able to tell us which way it is going.

Vice-President Nicely – These 12” meters, are they on the shelf somewhere?

General Manager Shadden – We would have to purchase them from somewhere.

Vice-President Nicely – Understood. But this gentleman is going to do the survey and he will say, I would like to see a meter over here before we can complete it, how long will it take us to get that 12” meter? I know the guys won’t take long to put it in, but is that 12” meter sitting on someone’s shelf somewhere?

General Manager Shadden – David looked for me at one time, but I can’t answer that.

Manuel Mendoza, Jr. – We are several weeks out.

General Manager Shadden – We wait 6 weeks on the 2” meters sometimes.

Manuel Mendoza, Jr. – We ordered 6” meters and it took several weeks.

Vice-President Nicely – When we see this thing coming, we should be pro-active, so we are not slowing this man down.

General Manager Shadden – Yes.

President Caraway – Exactly.

General Manager Shadden – This is why I moved \$180,000.00 to the construction fund; this is where that money will be spent.

President Caraway – We should probably go ahead and install those meters before they start this.

General Manager Shadden – Manual and I talked about that yesterday, about about putting a bypass on them as well, that way if for some reason we need to take a meter out and replace it in the future, we could do so without interruption in service.

Secretary Hankamer – You can also go ahead and install the piping so when you get the meter in, you throw it in and you’re done.

General Manager Shadden – We had gotten to the point to where we were turning off sections at night the last time they were here. He already has all our billing information and everything in his computer.

Director Woody – You already have this budgeted in?

General Manager Shadden – Yes sir.

Director Woody – Is there a way to approve this and the meters at the same time?

General Manager Shadden – Yes, you can. Go ahead and purchase the meters for the project.

Secretary Hankamer – We will just have to find out for sure what the cost is.

General Manager Shadden – Yes. I will text it or email it to you once we have it. I just do not know right off the top of my head, but I believe it is somewhere about \$15,000.00 each.

Director Woody made a Motion to procure JBS to complete a Water Audit on the westside water system at a cost of \$62,500.00 and authorize Jerry to purchase the 12" water meters at a reasonable cost to get the project going. The motion was seconded by Secretary Hankamer, and it passed by unanimous vote.

Agenda Item 11:

PRECURRING PLUMMER & ASSOCIATES TO CONTINUE SEWER SYSTEM STUDY ON WESTSIDE ANAHUAC AND OAK ISLAND

General Manager Shadden – I do not have the cost on this, so we can table it for the meeting. What I was trying to do was, they did everything around highway for us and look to see what size lines we had for the capacity. When we first started this, we were going all the way to Smith Point to look at the line sizes, etc. It was taking so long to do it that we just finished up by the highway. I would like for them to take off where they stopped at the highway and go all the way down to at least Anahuac to where we are going into their sewer plant and Oak Island. We met with them about 2 weeks ago and asked them for a proposal, I just have not received it yet.

I met with the County yesterday, with the Judge and Mr. Gore. We brought in all our grant writers and engineers and brought everybody together and talked about getting grants and the things we had gotten in the past and what we can do for the future. These are the things that must be done ahead of time, that they are shelf written. When these grants come along that Trinity Bay has the study done, this is what we need and we can prove it whether it is on the water and sewer side or also we have 10 water sheds. The only water shed that we have done is Spindletop. There is grant money out there to get the other 9 watershed studies done. That round is coming our right now, so I sent that to Traylor and Associates this morning. That is what we are trying to do is be proactive and get these things on the shelf to say what we need for the future and here are the studies backing it up. This way when they are handing out money, we are ready for them.

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Agenda Item 12:

PRECURING GFT INC. ENGINEERING FOR DRAINAGE SERVICES

General Manager Shadden – Cody is with us today. He was with LJA Engineering and he is now with GFT and he is the one that was doing all of our drainage services. We will continue with LJA to finish the bridges that they have started for us. In fact, we have a meeting with TXDot next week. Talking with our grant writers yesterday, the County feels like they have found the money to pay for the bridges. This is part of what Cody has been working on for us. Cody knows all our system and the other grants that we have out there with Jeff Ward and Associates some of Spindletop and some on Mayhaw. With the Boards approval we would like to bring Cody on and let him continue to do our drainage work for us and we will finish out with what we need to do with LJA. Right now, with LJA, our water side is still with them and the people that we work with are still there, so we will still be using LJA for that. We have used Plummer and several others in the past, we procure different people at different times. Cody would you like to say something about your new company.

Cody Croley of GFT, Inc. – I would first like to give you my background in case you are not familiar with me. I have been doing work for the district for over 25 years. Started doing the collection system and treatment plan for the original treatment plant in Hankamer, worked on the Winnie wetlands, and the Smith Point treatment collection system. Mostly I have been doing drainage work. We have done 2 Spindletop studies for y'all, one about 25 years ago and then the most recent. We also did a Turtle Bayou drainage study and that is about 20 years old and probably not relevant anymore. So, I have done a lot of work for the district over the years, mostly drainage. GFT is a company, you may be more familiar with them, they were called Gannon Fleming, then changed their name to DEC, they have been doing work for Chambers County for many years. They were purchased by Gannett Fleming and then Gannett Fleming merged with a company called Trans-Systems and then they rebranded to just GFT. It is a very large firm, LJA is about 3,000 employees and I think GFT is about 4 or 5,000. GFT has been doing work in Southeast Texas for Jefferson County Drainage District 7, Orange County drainage District but they have never had a local office or local representation. That is what they hired me for. They want me to start with the Beaumont area and staff up and try to handle all the clients that are in this area so they do not have to try to do everything from the Houston office. That is my task, but to still service my existing clients. I do not feel that there is anyone else that knows your drainage system as well as I do after years of working with Allen Sims and Carol at LJA. I would very much appreciate it if you would give me this opportunity to keep working with the District.

General Manager Shadden – He is also doing it for the County. He was at the meeting yesterday so this puts us all together pulling us in the same direction.

Cody Crowley, GFT, Inc. – GFT as Gannon Fleming now DEC has worked for Chambers County for over 20 years.

Vice President Nicely – At Chambers County do you know, Brad something?

Cody Crowley, GFT, Inc. – Brad Wilbur, the Flood Plain Administrator?

Vice President Nicely – That's him.

Cody Crowley, GFT, Inc. – Yes, I think Manuel went to school with him.

Manuel Mendoza, Jr. – Yes, he is a good friend of mine.

Vice President Nicely – He sent out to Chambers County with him signing it, a letter to I imagine everybody in the County, that if you had a problem with your house flooding, come see me and I can tell you why it happened. You know anything about that?

Cody Crowley, GFT, Inc. – No, I do not know anything about the letter or what he is referring to, but he is the Flood Plain Administrator. I do not know, but I can ask him and can look into that for you.

Vice President Nicely – I am going to give him a call, and I want to go meet him so he can tell me why my house flooded twice. I want to hear his explanation. According to the letter he can give me ideas on how to mitigate that issue in my area, such as raising my property.

Cody Crowley, GFT, Inc. – I am assuming it is part of his role as the Flood Plain Administrator to inform people about flood insurance and all that stuff that goes along with that role in making sure the County is compliant. But I do not anything specifically about what he sent out.

Vice President Nicely – I want him to say one thing, who is actually responsible.

Vice President Nicely made a Motion to approve precuring GFT Inc. Engineering for drainage services. The motion was seconded by Director Woody, and it passed by unanimous vote.

Agenda Item 13:

REPLACING FLOCCULATOR PADDLES AT THE ANAHUAC WATER PLANT FOR \$57,750.00

General Manager Shadden – We have replaced them before. The ones at the Winnie Plant we have replaced twice. Actually, Amos is an expert at it. We have replaced the ones in Anahuac once before. The polymer eats them up after about 10-15 years. It is one shaft and you have two flocculators in there. What happens is, your raw water comes in, you inject polymer into it and these are big paddles in there that are turning it mixes the water coagulates the dirt and the dirt falls out and the clean water goes on to be treated. These have rusted out and it is a 10-15-year maintenance item that needs to be done. I do not believe we have been written up for it, but they are in bad shape. We just changed the ones in the Winnie water plant a year ago. This will be a regular maintenance item for the operation of the water plant in Anahuac.

Director Woody - So this is on top of the money we have already spent there to get it back up and running?

General Manager Shadden – No, this is the water plant.

Secretary Hankamer made a Motion to approve replacing the flocculator paddles at the Anahuac water plant at a cost of \$57,750.00 for parts. The motion was seconded by Director Woody, and it passed by unanimous vote.

President Caraway – The only thing I want to say is that this is why we created that construction account and had to increase rates 2 ½ years ago. That is what is helping us to be able to do things like this.

Agenda Item 14:

BOND SALE

General Manager Shadden – The TCEQ has approved our bond sale. The paperwork is going to the Executive Director for him to sign it. As soon as the Executive Director and the TCEQ sign it, then Mr. Gilley will go out and sale bonds. We are looking at 30-60 days for him to sale. He will look at Texas Water Development Board and outside. When we built this building, it was cheaper to sell the bonds on our own outside than it was to go through the Water Development Board. We had a better deal; we had a class A rating. It is moving, we have been approved and so we are moving through the process.

NO ACTION NEEDED.

Agenda Item 15:

RENEWING GENERAL MANAGERS'S CONTRACT FOR 2 YEARS

General Manager Shadden – I signed a 2-year contract with Trinity Bay and it was up for renewal in the middle of January. I put it on here for renewal, not asking for a raise or anything. If you would like for me to stay another 2 years, I would like to stay and have Manuel and Amos all trained up and ready to go.

Director Hankamer – Looking though it, the only thing that I saw was if you look on page 3, it sways twenty-five days, but it has 24 in the numerical parenthesis.

General Manager Shadden – Yes sir. What happened was when I did this contract in 2011, it had how many days when I left Beaumont, so Crystal brought that to my attention and she changed, is this the new one?

Crystal Threadgill – Yes, but he is saying the words are incorrect. We will change that.

Director Hankamer – Same thing on the personal sick leave.

Crystal Threadgill – Yes, we will change that.

General Manager Shadden – I have one more day than the Trinity Bay employees did and she took 3 days away from me and she made it match the Trinity Bay employees here by the handbook.

Director Rayburn – Is there usually not a matrix of, for job performance, goals and procedures that needs to be met?

General Manager Shadden – That is up to the Board. In fact, it is in the contract that says 6 months ahead of time that the Board should evaluate me and tell me what they think I should do or shouldn't do. It is in there to be done, but the Board has never done it to be honest with you. If you want to do that, if you want to tell me where you think I can do better, then we can do that.

Director Rayburn – Gloria brought up a few issues.

General Manager Shadden – Yes, she did.

Director Rayburn – You have had 20+ years to work on these issues.

General Manager Shadden – I tried to explain some of the things that we did. We have added another crew and different things to try to address that kind of stuff. David's position will not be replaced, these two are doing that. We probably in October can add another crew. The work is there.

Director Rayburn – The leaks that we know about getting fixed in a much timelier manner, Belton Lane 14 months, are we still working on that one.

General Manager Shadden – Yes ma'am, we have the pipe out there and we have started on the job to get it done.

Secretary Hankamer made a Motion to approve renewing the General Managers contract for 2 years. The motion was seconded by Vice President Nicely and it passed on a vote of 4 for and 1 against. President Caraway, Vice President Nicely, Secretary Hankamer and Director Woody voted for the motion and Director Rayburn opposed the motion.

Agenda Item 16:

RENEWING COMPUTER TECHNOLOGY SERVICES WITH ENTRE BUSINESS TECHNOLOGY
\$24,735.67.

General Manager Shadden – Our server was replaced about 8 years ago and it is out of date. We are having trouble with even signing on to it. With AVR and the new neptune meters the server is so old that they can not talk to each other. We have a contract with Entre to replace our stuff every so often. They replace our computers every three years to make sure they are up and going like they are supposed to. This is to replace the server and all of our computers that are out of date.

Vice President Nicely – These computers are they in the office?

General Manager Shadden – Yes, it is just like this computer right here, the ones on employee's desk, the ones at the water plants. They take care of our stuff. Then we also have our own server room in the back that has all of our backup information stored on the cloud. If we have a hurricane or something, the ladies have laptops to where they can do payroll, pay bills and anything else that needs to be done from a hotel room in Dallas.

Secretary Hankamer – There is local backup, a cloud-based backup?

General Manager Shadden – Yes.

President Caraway – We have a monthly contract with them?

General Manager Shadden – Yes, we also have a monthly maintenance contract so if anybody has a problem, all we do is call them. A lot of the times, they can take over remotely, but if not, they will come to the office.

Director Woody – Is this a buy-out on the bottom of the contract.

General Manager Shadden – That is for financing, I put the money in the budget to do it this year because I knew it was coming, so I have the money to just go ahead and do, but we can make monthly payments if that is what you want.

Secretary Hankamer – And the service is \$3,400.00 to \$3,500.00 a month?

General Manager Shadden – Yes. We are paying that right now and it actually just went down \$20.00 a month from last year.

Director Woody made a Motion to approve renewing computer technology services with Entre Business Technology for \$24,735.67. The motion was seconded by Secretary Hankamer, and it passed by unanimous vote.

II. DRAINAGE REPORT:

Amos Roy reported on Drainage.

UPPER END OF RUSH DITCH:

This is the upper area of Rush ditch. We are utilizing three pieces of equipment to not only clean the vegetation but to also reset the shelf for future maintenance needs. The crew is nearing the LNVA canal still heading South.

RUSH DITCH @ SPINDLETOP:

We are using the dragline to remove the sandbars and repair the bank erosion.

DOUBLE BAYOU TRIBUTARY:

The cutter head for the machine had a bearing go out. It is in the shop for repairs. Work will continue once the cutter head is repaired.

DITCH AT POSKEY ROAD:

I had a customer request this section of ditch to be cleaned. It had been sprayed but there were dead trees that needed to be removed from the watershed. We utilized our new PC 130 excavator to take care of the issue.

SPINDLETOP AT I10 AND DEVILLIER ROAD:

Since our CAT long reach machine went down, I moved one of our Komatsu long reach machines in to finish the job.

RETRO FITTING OF OUR VIBRATORY HAMMER:

Last week Jim Englehart from HMC came out to our shop to install our vibratory hammer to our new Komatsu PC 290 excavator. It took him two days to install all of the components and tie in hydraulics for the hammer.

III. UTILITY REPORT:

Manuel Mendoza, Jr., Water Superintendent - reported on Water and Sewer.

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.

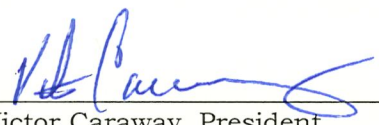
VI. BOARD MEMBER REPORTS:

VII. ADJOURN.

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


Meeting Adjourned at **9:59 a.m.**

READ AND APPROVED:



Victor Caraway, President

Attest



Les Hankamer, Secretary
Justin Woody, Director

Date: 2/11/26

