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**MINUTES**  
of the May 13, 2021  
Regular Board of Directors Meeting

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**Directors Present:** Dixon McNair, President; Jo Ann Friemel, Treasurer; Bobby Gilmore, Secretary; Chester Johnson, Director  
**Directors Absent:** Seth Gunn, Vice President  
**Others Present:** Bradley Loehr, Engineer; Lori Steffek, Office Manager

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The meeting was called to order by Mr. Dixon McNair, President, at 4:02 p.m. on May 13, 2021, at the Fayette County WCID - Monument Hill District Office located at 100 Country Club Drive in La Grange, Texas.

Agenda Item #1 Public Comments: No members of the public were present, and no comments were received.

Agenda Item #2 Approval of Minutes from March 31, 2021 Special Board of Directors meeting: The Minutes from the March 31, 2021 special Board of Directors meeting were presented for approval.

Mr. Chester Johnson made a motion, seconded by Mrs. Jo Ann Friemel, to approve the Minutes of the March 31, 2021 special Board of Directors meeting as presented. The motion passed unanimously with four Directors being present and voting.

Agenda Item #3 Treasurer's Reports and approval of bills: Mrs. Friemel reminded the Board that since the April 8, 2021 regular meeting was cancelled, she would be presenting the treasurer's reports for two months (March and April).

The March Operating Fund available beginning of the month balance was \$329,933.63. Property tax revenue for the month was \$1,335.28. Total cash receipts for the month were \$32,829.57. Total expenses for the month of March were \$50,340.72, leaving the District with a total combined end of the month operating fund bank balance of \$312,422.48.

Mrs. Friemel reviewed Operating Fund disbursements, for March 12 – April 8, 2021, pending approval for a total of \$32,072.51. Unusual expenses include payment to Mike's Plumb Perfect for blocked sewer line excavation and replacement on Oak Ct (\$4,079.11); payment to Boswell & Reyes for inspections conducted at WP1 and WP2 for the GST/PT project (\$4,245); payment to Deen's Construction for water repairs and a new sewer tap at Bluff Manor Apts. (\$2,070).

Mr. Chester Johnson made a motion, seconded by Mr. Bobby Gilmore, to approve the March 2021 Operating Fund Treasurer's Report, and to pay the Operating Fund disbursements as presented for a total of \$32,072.51. The motion passed unanimously with four Directors being present and voting.

Mrs. Friemel reviewed the March 2021 Construction Fund Report with the Board. The beginning of the month combined balance was \$485,887.84. Total interest earned was \$8.61 which reflects interest earned at both NBT & TexPool. There were no disbursements for the month of March. The Construction Fund end of the month combined balance was \$485,896.45. There were no pending disbursements for the period March 12 – April 8, 2021.

Mr. Chester Johnson made a motion, seconded by Mr. Bobby Gilmore, to approve the March 2021 Construction Fund Treasurer's Report with no disbursements pending approval for the period March 12 – April 8, 2021. The motion passed unanimously with four Directors being present and voting.

Mrs. Friemel reviewed the March Debt Service Fund Report. The beginning of the month balance was \$160,074.07. The District received \$1,882.37 in property tax revenue (including penalties and interest) and \$11.44 in interest income from the RTSB MM account. Total expenditures for the month were \$53,493.75 which reflects both a principal and interest payment on the 2017 Series bonds, as well as a bond administration charge. The RTSB Money Market Debt Service Fund end of the month balance was \$35,438.51. The RTSB Certificate of Deposit end of the month balance was \$73,035.62. The combined end of the month balances for the money market account and the certificate of deposit was \$108,474.13. There were no disbursements pending approval for the period March 12 – April 8, 2021.

Mr. Chester Johnson made a motion, seconded by Mr. Bobby Gilmore, to approve the March 2021 Debt Service Fund Report with no disbursements presented for approval for the period March 12 – April 8, 2021. The motion passed unanimously with four Directors being present and voting.

The April Operating Fund available beginning of the month balance was \$312,422.48. Property tax revenue for the month was \$1,405.35. Total cash receipts for the month were \$186,322.33 which includes the \$150,000 loan proceeds from Government Capital Corporation for the GST/PT projects at both WP1 and WP2. Total expenses for the month of April were \$154,110.32, leaving the District with a total combined end of the month operating fund bank balance of \$344,634.49.

Mrs. Friemel reviewed Operating Fund disbursements, for April 9 – May 13, 2021, pending approval for a total of \$161,068.52. Unusual expenses for the month include partial payment to CFG Industries for the WP1/WP2 GST/PT projects (\$114,300); payment to FWSC for March's bulk water purchased (\$4,884.48) and for April's bulk water (\$8,294.84); payment to Aqua Beverage Company for water provided to customers during Winter Storm Uri (\$3,210); payment to Kamstrup for the renewal of the automatic meter reading software license (\$799.75); BEFCO Engineering for March (\$2,925) and April's (\$1,462.50) engineering on the WP1/WP2 GST/PT project; payment to Boswell & Reyes for inspections associated with the GST/PT projects at both water plants (\$1,805); Deen's Construction for repairs made to WP2's GST outlet and inlet piping at the tank (\$2,314.32).

Mr. Chester Johnson made a motion, seconded by Mr. Bobby Gilmore, to approve the April 2021 Operating Fund Treasurer's Report, and to pay the Operating Fund disbursements as presented for a total of \$161,068.52. The motion passed unanimously with four Directors being present and voting.

Mrs. Friemel reviewed the April 2021 Construction Fund Report with the Board. The beginning of the month combined balance was \$485,896.45. Total interest earned was \$1.11 which reflects interest earned at NBT only. There were no disbursements for the month of April. The Construction Fund end of the month combined balance was \$485,897.56.

Construction Fund disbursements pending approval, in the amount of \$1,357.38, for the period April 9 – May 13, 2021 include payment to BEFCO for time spent on the Tiemann easement (\$480) and payment to Deen's Construction for the installation of a tapping saddle for the corrosion control system (\$877.38).

Mr. Chester Johnson made a motion, seconded by Mr. Bobby Gilmore, to approve the April 2021 Construction Fund Treasurer's Report and to pay the Construction Fund disbursements as presented, for the period April 9 – May 13, 2021, for a total of \$1,357.38. The motion passed unanimously with four Directors being present and voting.

Mrs. Friemel reviewed the April Debt Service Fund Report. The beginning of the month balance was \$108,474.13. The District received \$2,096.75 in property tax revenue (including penalties and interest) and \$439.49 in interest income from RTSB MM account and four months of interest on the RTSB Debt Service CD. The RTSB Money Market Debt Service Fund end of the month balance was \$37,541.27. The RTSB Certificate of Deposit end of the

month balance was \$73,469.10. The combined end of the month balances for the money market account and the certificate of deposit was \$111,010.37. There were no disbursements pending approval for the period April 9 – May 13, 2021.

Mr. Chester Johnson made a motion, seconded by Mr. Bobby Gilmore, to approve the April 2021 Debt Service Fund Report with no disbursements presented. The motion passed unanimously with four Directors being present and voting.

Agenda Item #4 President's Report: Mr. McNair reported that he would be unable to attend the June and July board of director's meetings due to being out of town. It was determined that either Mr. Gunn or Mrs. Friemel would preside over the meetings in Mr. McNair's absence.

Agenda Item #5 Operations Report: Mrs. Steffek reported the following during the Operations Report:

1. Water Plant 1 & Water Plant 2: Update will be provided under Engineer's Report.
2. TCEQ –
  - a. Orthophosphate System update will be provided under Engineer's Report.
  - b. In accordance with TCEQ regulations, FWSC was provided copies of all the District's laboratory results for 2020 in order for them to prepare their annual CCR (Consumer Confidence Report).
  - c. Certification of Delivery of lab results to FWSC was sent to TCEQ via certified mail/return receipt.
  - d. Completed the PWS survey on the Impacts from Winter Storm Uri on May 10<sup>th</sup>.
  - e.
3. FWSC – Total cost of water purchased through April 2021 is \$20,040.11:
  - a. March water purchased: 1.527 M gallons; cost \$4,884.48.
  - b. April water purchased: 2.592 M gallons; cost \$8,294.84.
4. Tiemann Easement – Mrs. Steffek reported that Ms. Lisa Patterson delivered the incredible news that the District does in fact hold a "blanket easement", covering more than 40 acres of the Tiemann's property where the District's main sewer line connects to the River Lift Station. Currently waiting on Ms. Patterson to complete composition of a letter to the Tiemann's advising them of this blanket easement before moving forward with the project.
5. Lead & Copper Sampling – The District will not be required to conduct lead and copper sampling this summer due to being placed on a (3) year sampling schedule by TCEQ. However, the addition of the corrosion control system to the District's water treatment process will automatically trigger (2) lead and copper sampling requirements. It's anticipated that they will occur in the Spring and Summer of 2022, per Vanessa Chapa at Inframark.
6. Water & Sewer Rate Increase – only two inquiries have been received from customers concerning the amount of the water / waste water rate increase.
7. Government Capital: The loan was funded on April 9<sup>th</sup>. The District received, via wire transfer to the NBT Operating Fund account, \$150,000. First payment will be due on April 9, 2022 in the amount of \$32,696.13.
8. Cybersecurity Training – All directors and office personnel completed cybersecurity training for 2021 and the annual cybersecurity training report was filed with the Texas Department of Information Technology on May 13, 2021.
9. TML Health – Ms. Steffek will be attending the 2021 Annual Member Group meeting via webinar on May 18<sup>th</sup>.
10. TRWA/EPA Training – Ms. Steffek will be virtually attending the following webinars, also on May 18<sup>th</sup>:
  - a. America's Water Infrastructure Act – 2-hr training course covering the new requirements as well as those that were revised from the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (The Bioterrorism Act). This is the most comprehensive revision of the Safe Drinking Water Act since the amendments of 1996.
  - b. 2021 EPA PWS Board & Operator Training – 2-hr training course for Board members, Managers and PWS Operators on state specific priority topics including National Primary Drinking Water Regulations (NPDWR) critical compliance and Source Water protection issues that will enhance system compliance with current and upcoming rules and regulations of the Safe Drinking Water Act.

Agenda Item #6 Engineer's Report: Mr. Bradley Loehr discussed the following items:

1. Sanitary Sewer Improvement Project/Tiemann Easement – Mr. Loehr reported that the discovery of the District’s blanket easement on the Tiemann’s property will enable him to put the contracts together for the sanitary sewer improvement project. He will have a better update on completion time for the contracts at the June meeting, but anticipates it won’t be until sometime in August.
2. Water Plant #1 Emergency GST/PT rehab –
  - a. At the request of Ms. Patterson, Mr. Loehr completed a report on the circumstances leading up to the emergency situation at Water Plant #1, how it was rectified, and the costs incurred. Ms. Patterson will use this report to notify TCEQ of the District’s emergency procurement of services for the rehabilitation of the GST/PT at Water Plant #1.
  - b. CFG Industries, Inc. has completed work at Water Plant #2. Currently waiting on the closing of hatches and for the tanks to be super-chlorinated at both water plants.
  - c. Chem-Equip is scheduled to come out on May 17<sup>th</sup> to PM the chlorine system and replace chlorine sight-glasses broken during Winter Storm Uri in February.
  - d. Purify will be out on Tuesday, May 18<sup>th</sup> to complete installation of the District’s new orthophosphate system for corrosion control.
  - e. Electric Motor Service has been working on replumbing all the new connections to both pressure tanks at both water plants, insulating exposed lines; inspecting both tank mixers, super-chlorinating them and then reinstalling them into both GST’s.

Agenda Item #7 Consider and take appropriate action on needed repairs, etc.

- 7(a) 306 Country Club Drive – replace non-working FWSC/District interconnect valve will incur approximately ½ day labor (\$460) plus materials.
- 7(b) 306 Country Club Drive – investigate how FWSC interconnect piping connects to District will incur approximately ½ day labor (\$460).
- 7(c) 409 Oak Bend Drive – replace 2” by-pass valve in vault on corner of Country Club Dr. and Oak Bend Dr. should take no more than 2 days labor (\$1,840).
- 7(d) Spur 92 – install new isolation valve to replace one covered in concrete at Bluff Manor Apts. will take 4-6 hours to install (\$460 -\$690).

The board discussed the urgency of each of the above repairs and determined, with Mr. Loehr’s input, that the most critical of the repairs was the new isolation valve near Bluff Manor Apts. This valve will allow the Spur 92 interconnect to feed solely to the nursing home and The View (by default).

Mr. Chester Johnson made a motion, seconded by Mr. Bobby Gilmore, to have Mr. David Deen determine the best location for the new valve and to proceed with its installation; once completed, Mr. Deen is to replace the 2” bypass valve at the corner of Country Club Dr. and Oak Bend Dr. The motion passed unanimously with four directors being present and voting.

Agenda Item #8 Consider and take appropriate action on adopting amended FY 2020-2021 Operations/Maintenance & Capital Improvements Budget:

Mrs. Steffek presented the proposed amended FY 2019-2020 Operations/Maintenance and Capital Improvements Budget for consideration. She reported combined revenues were increasing from a budgeted total of \$435,417 to an actual \$463,202.52. The proposed budget amendments for normal operation disbursements were being changed from the budgeted total of \$348,417 to \$340,110; the water system non-bond related capital improvements budget was being amended from \$82,000 to \$10,800 and sewer system non-bond related capital improvements were being amended from \$5,000 to \$16,300. The Bond Capital Improvements budget was being amended from a combined total of \$495,000 to \$11,000. Mrs. Steffek recited all the budget amendments which included increased water and waste-water revenues, expenditures for normal operations, as well as funds spent on capital improvements (engineering expenses on the WP1/WP2 GST/PT project, bulk water purchased from FWSC while both water plants have been off-line, the purchase and installation of a new 7.50 HP pump at the River Lift Station), and bond improvements related to the TCEQ mandated corrosion control study for Well #4, engineering, purchase and installation of the mandated corrosion control system at WP1.

Mr. Chester Johnson made a motion, seconded by Mr. Bobby Gilmore, to adopt the proposed Amended FY 2020-2021 Operating/Capital Improvements Budget as presented. The original, signed AMENDED FY 2020-2021

Operating/Capital Improvements Budget is to be attached to the Minutes of this meeting as part of the District's permanent records. The motion passed unanimously with four Directors being present and voting.

Agenda Item #9 Consider and take appropriate action on reviewing and renewing District's Investment Policy: Mrs. Steffek informed the Board that she and Mrs. Friemel had reviewed the District's Investment Policy dated March 14, 2013 and no changes were needed to be made to the policy at this time; however, it is required that the policy be reviewed every year and the board pass a resolution to re-adopt the existing policy, if no changes are made.

Mr. Chester Jonhson made a motion, seconded by Mr. Bobby Gilmore, to re-adopt the District's existing Investment Policy, dated March 14, 2013, with no changes, and to sign the Resolution Reviewing, Amending & Supplementing Investment Policy. The motion passed unanimously with four Directors being present and voting.

Agenda Item #10 Consider and take appropriate action on renewing Debt Service CD at RTSB: Mrs. Friemel reported that the Round Top State Bank Debt Service CD matured on May 10, 2021 and the District has 10 days in which it can renew or cash-out the CD. Mrs. Friemel contacted Round Top State Bank, Fayette Savings, NBT and Prosperity Bank to get the current interest rates. The rates were fairly comparable, with Fayette Savings offering an additional 0.05%, on an 18-month term, over Round Top State Bank, who is currently offering .70% on a 14-month term. It was her recommendation that the board stay with Round Top State Bank, with an interest rate of 0.70% and the 14-month term, since this CD is made up of funds that will eventually need to be used to make bond payments and the shorter term made the most sense.

Mrs. Jo Ann Friemel made a motion, seconded by Mr. Chester Johnson, to renew the CD at Round Top State Bank with a 0.70% interest rate and 14-month term. The motion passed unanimously with four directors present and voting.

Agenda Item #11 Consider and take appropriate action on reimbursing Samuel Gunn for leak investigation expenses (leak found in District's main water line): Mrs. Steffek informed the Board that Mr. Samuel Gunn had spent \$1000, since moving into his home last fall, on investigating the reason why his back yard, side yard and the south east side of his front yard were super saturated. He has paid to have plumbers come out, irrigation system completely tested and his swimming pool leak tested. After exhausting all possibilities, on his side of the meter, for the source of the water standing in his yard, he asked if the District could please investigate for any possible leaks on its side of the meter. Deen's Construction found multiple leaks in Mr. Gunn's service line to the meter and replaced said service line. While his yard has dried out significantly, there is still a little water standing in his pool equipment house. Mrs. Steffek has asked to give it a little more time to see if it will dry up completely or if, perhaps, there may still be another undiscovered leak in the District's main line. Mr. Gunn has requested that the Board consider his request for reimbursement of the costs incurred in investigating a leak that was on the District's side.

Mrs. Jo Ann Friemel made a motion, seconded by Mr. Chester Johnson, to reimbursement Mr. Gunn for the full amount of \$1000, supported by receipts provided to the District by Mr. Gunn. The motion passed unanimously with four directors present and voting.

Agenda Item #12 Consider and take appropriate action on matters related to the rehab of the WP1 Ground Storage Tank and Pressure Tank and WP2 Pressure Tank: No business to be discussed at this time.

Agenda Item #13 Consider and take appropriate action on matters related to the Series 2017 Bond projects and all other associated projects: No business to be discussed at this time.

Agenda Item #14 Consider and take appropriate action on items to be placed on the next agenda: Items were identified and placed on the agenda for the next regular Board of Directors meeting scheduled to be held on June 10, 2021 at 4 p.m. at the Fayette County WCID - Monument Hill District office located at 100 Country Club Drive, La Grange, Texas.

There being no further business to come before the Board, Mr. Chester Johnson made a motion, seconded by Mrs. Jo Ann Friemel, to adjourn the meeting. The motion passed unanimously with four Directors being present and voting.

The meeting was adjourned at 5:15 p.m.



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Mr. Bobby Gilmore  
Secretary



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Mrs. Jo Ann Friemel  
Treasurer (due to President McNair's absence)

**Fayette County WCID, Monument Hill**  
**Amended FY 2020/2021 Operating/Capital Improvements Budget**  
**Amended May 13, 2021**

	FY 20/21 Budget	FY 20/21 Budget as Amended
<b>Operation And Maintenance</b>		
<b>Receipts:</b>		
4100 Water	202,000.00	213,752.01
4200 Sewer	168,000.00	180,895.48
4300 MHPOA (clerical Services)	13,200.00	13,200.00
4320 Maintenance Property Tax	51,967.00	54,388.81
5391 Interest on Temporary Investments	250.00	966.22
<b>Total Budgeted Receipts:</b>	<b>435,417.00</b>	<b>463,202.52</b>
<b>Disbursements:</b>		
<b>Water Expenses</b>		
6100 Bulk Water Purchased	3,500.00	7,800.00
6134 Contract Labor Water	24,000.00	22,000.00
6135 Maint & Repair Water	30,000.00	27,150.00
6136 Meter Installation Water	-	-
6137 Meter Reading	-	-
6141 Electric Utility Water	21,000.00	22,600.00
6142 Chemicals Water	6,000.00	4,600.00
6143 Small Tools	120.00	-
6144 Repair Materials Water	12,000.00	13,510.00
6145 Meter Expense	1,000.00	2,500.00
6151 Telephone Water	2,500.00	2,100.00
6175 Inspection Expense Water	1,500.00	1,500.00
<b>Sewer Expenses</b>		
6201 Sewage Treatment	95,000.00	98,500.00
6234 Contract Labor Sewer	12,000.00	11,000.00
6235 Maint & Repair Sewer	10,000.00	18,700.00
6252 Electric Utility Sewer	2,600.00	2,800.00
6242 Chemicals Sewer	-	-
6244 Repair Materials Sewer	7,500.00	2,800.00
6251 Telephone Sewer	1,800.00	1,800.00
<b>General Expenses</b>		
1317 Furniture & Fixtures	-	1,200.00
6310 Director's Fees	7,000.00	4,700.00
6311 Salaries & Wages	45,475.00	45,500.00
6313 Group Ins. Premiums	8,700.00	8,400.00
6314 Employers Tax Expense	4,000.00	4,100.00
6315 Workers Comp Premium	250.00	200.00
6320 Legal Fees	2,500.00	750.00
6321 Audit	6,500.00	6,500.00
6322 Engineering Fees	10,000.00	4,700.00
6324 Laboratory Expense	3,500.00	2,200.00
6325 Election Expense	1,500.00	-
6326 Permit Fees (Annual)	650.00	700.00
6330 Appraisal District Fees	3,400.00	3,100.00
6332 Service Acct Collection (ACH)	200.00	200.00
6334 Contract/Temp Labor	1,000.00	-
6335 Maintenance & Repairs Bldg	1,300.00	1,000.00
6338 Legal Notices	1,800.00	400.00
6340 Printing & Office Supplies	3,000.00	3,500.00
6350 Postage	3,000.00	2,000.00
6351 Office Phone/Internet	2,000.00	1,800.00
6353 Insurance & Bond Premiums	6,000.00	6,000.00
6354 Travel & Per Diem	2,000.00	100.00
6358 Rent-Office & Storage	-	-
6362 Dues & Subscriptions	2,122.00	3,000.00
7362 Interest on Notes	-	-
7395 Miscellaneous Expense	2,000.00	700.00
3917 Payments on Notes	-	-
<b>Total Budgeted Disbursements</b>	<b>\$ 348,417.00</b>	<b>\$ 340,110.00</b>
<b>Capital Improvements</b>		
Water System Capital Improvements	82,000.00	10,800.00
Sewer System Capital Improvements	5,000.00	16,300.00
	<b>\$ 87,000.00</b>	<b>\$ 27,100.00</b>
Water System - Bond Capital Improvements	0.00	6,950.00
Sewer System - Bond Capital Improvements	495,000.00	4,050.00
	<b>\$ 495,000.00</b>	<b>\$ 11,000.00</b>

This amended budget was adopted during a regular Board of Directors meeting, by action of the Board of Directors, on May 13, 2021.

Date 5.13.21 Directors Signature 

Fayette County WCID - Monument Hill  
 FY 2020/2021 Capital Improvements Budget Detail  
 AMENDED May 13, 2021

	FY 20/21 Budgeted	FY 20/21 As Amended	FY 20/21 Bond CIP Budgeted	FY 20/21 Bond CIP As Amended
<b>DRINKING WATER SYSTEM</b>				
<b>Source &amp; Production</b>				
Well 3 - 1991			\$0	\$6,950
Well 4 - 2017				
Maintenance - Water Plant facilities				
Booster Pumps (maintenance one in next 5 yr)				
SCADA System				
Radio System / Omni-Site				
<b>Distribution</b>				
Pressure Tank - Painting (2 PT + 1 wk purchase water)	\$10,000	\$0		
Ground Storage Tank - Cleaning (ea. 4 yrs from FY16)				
Ground Storage Tank - Painting (3-5 yr from FY16)	\$62,000	\$10,800		
Tank mixer / TTHM pilot study				
Aerator Rework				
VFDs - Well #3 / WP 1 & 2				
Fire Hydrant - (70+) Repair & replacement				
Meters (All new 2013, begin replacements 2024-28)				
AMR software phases out Jan 2017				
Water lines	\$10,000	\$0		
<b>SUBTOTAL</b>	<b>\$82,000</b>	<b>\$10,800</b>	<b>\$0</b>	<b>\$6,950</b>
<b>WASTEWATER SYSTEM</b>				
Sewer System Evaluation / Smoke Testing				
Sewer System Updates / Manhole repairs (80-90 total)			\$320,000	\$4,050
PVC Sewer collection lines / Bluff Manor line relocation	\$0			
<b>Lift Stations</b>				
Johnson L/S. Rebuilt '85. 2 pumps replaced 2013. OK				
River L/S. Rebuilt 80-82. Pumps old. OK				
Small L/S - New subdivision. NEW				
Rebuild one pump motor per year, estimated	\$5,000	\$16,300	\$175,000	\$0
Generator				
<b>SUBTOTAL</b>	<b>\$5,000</b>	<b>\$16,300</b>	<b>\$495,000</b>	<b>\$4,050</b>
<b>TOTAL</b>	<b>\$87,000</b>	<b>\$27,100</b>	<b>\$495,000</b>	<b>\$11,000</b>

This amended capital improvements budget adopted by action of the Board of Directors on May 13, 2021.

Date 5.13.21 Directors Signature 