

DIAMONDHEAD WATER SUPPLY CORPORATION 28717 Waikiki Lane, Montgomery, TX 77356

Monthly Meeting Minutes: May 13th, 2024

Board Members:

- Jeffrey Hughes, President: Present
- Charlie Michalak, VP: Absent
- Carol Fine, Treasurer: Present
- Dean Kisseberth, Director: Present
- Eddie Hudson, Director: Present
- Ray Leon, Director: Present
- Cami McSween, Secretary: Present

Guests: Becky Radcliff

Sign-in sheet available.

The meeting commenced at 7:07 pm in the clubhouse. The previous meeting was held on April 8th, 2024.

Agenda:

- **Welcome and Call to Order**
The meeting was called to order by President Jeffrey Hughes. Quorum was established.
- **President's Monthly Notes**
Read and discussed. Motioned for acceptance by Carol Fine and seconded by Dean Kisseberth. Key notes: 1) Plan for second meeting with Weisinger for well questions. 2) Plan for meeting with Hays for board questions and capital improvements. 3) Future meeting with Phillip Givens for Texas PUC rate study on May 23rd at 3pm. Hays report reviewed.
- **Review of April 2024 Meeting Minutes**
The monthly minutes were motioned for acceptance by Dean Kisseberth and seconded by Eddie Hudson.
- **Review of April 2024 Treasurer Report**
The treasurer report was motioned for acceptance by Eddie Hudson and seconded by Dean Kisseberth.

- **Business:**

- **Water Well #2 (Drilled 8/1990):** Weisinger came onsite to inspect and place bids for #2 well. Four bids received. **Bid 1:** Rehab only/ no equipment. **Bid 2:** Full rehab including equipment but cannot replace damaged casing. **Bid 3:** Replacement well. 450', 150 GPM, 100' SWL (static water level). **Bid 4:** Replacement well 450', 150 GPM, 100' SWL to increase pipe width from present 6" descending to 4" to upgrade 6" all the way down. This significantly increases GPM rate. An additional bid was given during Weisinger power point presentation on April 8th. **Bid 5:** Gravel Packed Well: an additional \$50,000 (decreases sediment and increases stabilization).

- 1) Discussion on Wells to date: The 2019 replacement of Well #1 demonstrated minimal sediment and good stabilization. Therefore, the gravel packed well may not be necessary. Of note, casing failures frequently cause a well to be replaced and the casing condition is unknown until a well is taken apart. Well #2 is 34 years old with black steel TNC casing material. We anticipated that well #2 would fail prior to Well #1. Well #1 is smaller and cannot fully service our residents during peak water usage months. The Water Board has established a priority to replace #2 Well prior to lift station repair and sewer line scope/repairs. The proposed new well for Well #2 aims for a 200 GPM flow using 6-inch piping. The materials will include a welded steel casing and a threaded screen. Construction permits will take 2-3 months. Turnkey pricing estimates are approximately \$150K for NDW and \$200K for GPW. We plan to meet with Weisinger in Willis to discuss materials, timing, and emergency planning. Ray discussed obtaining bids from three other companies that have completed local wells. Ray listed well companies and the wells completed. As per regulation, the board will seek bids in the Conroe paper for one week for any work costing over \$10,000, evaluating them based on price and quality of work. The approval process, including TCEQ's allowance for a new well, takes 3-6 months. The well will be replaced during low water season.
 - 2) Ray brought to the board's attention that there is a discrepancy in Weisinger paperwork regarding Well #1 and Well #2 depth from their past records. Jeffrey to investigate. As per regulation, the board will seek bids in the Conroe paper for one week for any work costing over \$10,000, evaluating them based on price and quality of work. The approval process, including TCEQ's allowance for a new well, takes 3-6 months. The well will be replaced during the low water use season.
- **SJRA:** Jeffrey and Ray attended SJRA April 22nd rate change meeting. Rate talks were postponed until the May meeting. It is not known if rates will increase or decrease with the new director. We were overcharged during drought in 2023 and since received a \$5,255.50 credited to Diamondhead WSC.

- **Texas PUC Rate Study:** February 2024, we received approval to conduct an independent rate study with consultant Phillip Givens. This consultant is paid for by the Texas PUC. He has requested multiple records. All required records obtained during March 11th water board meeting pending Hays query on each number of meter sizes. Meter sizes obtained and compiled by Hays. Information emailed and received by Phillip Givens on March 13, 2024. On May 2nd, the board met with Phillip Givens via video conference, where he presented his rate study. The board found the report contained incorrect rate data and meter counts. The board corrected the rate schedule with Phillip during the meeting, pending his reformatting. We will inspect and determine each meter by address, then return the meter information to Phillip Givens. Once he adjusts his study, we will reconvene.
- **Texas Copper/ Lead Database:** Nearly complete. We still need email addresses for the gated area. Ray will obtain these emails to finish the database. We will create folders in Excel for the three area groups in Diamondhead WSC.
- **TRWA Annual Water Conference:** TWBD (Texas Water Developmental Board) received 1 billion dollars in Fall 2023 under Sb-28. We will inquire about grants/ loans. **WSCs must now appoint a PIO (public information officer). Required 1 hour training under Texas Attorney General Website. Diamondhead WSC will need to set up a website by next year.**
- **Phosphate Drum Violation:** TCEQ gave us a violation for our PO4 tank storage and required us to hire an engineer. Bleyl engineering recommended we install a double wall chemical tank as our most cost-effective solution. We received a letter from TCEQ confirming approval of double walled chemical tank for PO4 storage. Hays purchased and installed this new barrel. **Hays/ Bleyl contacted TCEQ regarding resolution of violation. This is completed and TCEQ has been notified.**
- **Lift Station Pump Failures:** Ongoing monitoring efforts and increasing pump failures caused from debris. In November, an email was sent to residents to educate them on debris causing lift pump failures. Research reports widespread problems for many cities across the US. Ray provided a demonstration and presentation at our annual Water Board meeting and at the POA annual meeting. Carol audited financial data for the last 6 months to inform residents of the cost of flushing debris (to include flushable wipes). Carol added a memo to the water bill to notify residents of pump failures d/t flushable wipes and debris. Ray suggested brochures via email that will attract attention. South lift station is most impacted. Further discussion regarding other pump/ equipment measures that could be taken. **Interim period demonstrates no further pump failures. Discussion regarding further emails or to wait until a problem arrives.**
- **Six Month Study of Costs/ Repairs:** Extensive summary conducted and presented by Ray Leon regarding costs and repairs. \$20,000 spent on pump repair/ failure. Julie Boyette created catchy flyers to further inform residents of problems created from flushable wipes and debris in toilets. Discussion to evaluate pumps for size, consider grinders,

evaluate thermal overload protection. Jeffrey to set up a meeting with Phillip at Hays for full evaluation and discussion with board members. Ray conducted an additional month-long study with over \$7,000 in repairs. We will continue to monitor the situation. Notably, since the last educational intervention, no further pump failures have occurred.

- **TCEQ Copper/Lead Compliance:** All residents of Diamondhead WSC whose homes were built prior to July 1988 have received an email or mail survey to ascertain if any updates have been completed to lines from the meter to the house. Cami to complete copper/lead database then will meet to double check with a group of board members. We will then take the database to Hayes. Update: database is near completion. Due October 2024.
- **Hays meter surveillance:** Discussed the possibility of a trigger letter mid-month from Hays to help residents check for home water leak. Question for Hays: Could this be monitored with new meters? Discussion that this is already done monthly. Further surveillance may cause an increase in costs.
- **Emergency Plan Development:** Discussion for questions to Weisinger and Hays regarding emergency plan in case of an unexpected Well #1 failure while replacing Well #2.
- **Money Market Account:** Present high interest-bearing money market account is nearing 6-month completion. The board will renew as there is no penalty for early withdrawal.
- **Hays Utility Bill:** (The **November 2023** Hays utility bill was reviewed and approved with a question regarding one repair from Charlie as to whether costs for line repair occurred under concrete? Inquiry pending.) March 2024 Hays utility bill included in evaluation summary. We further discussed placing a notice of billing rights during extreme weather events on Hays bill memo (for renters). Tabled until Hays meeting.

Voting: No voting was conducted during this meeting.

Opened for Public Comments

1. Becky Radcliff commented that there will not be any taxation consequences from receiving overcharge reimbursement from SJRA.

Operations Update:

- Pumped VS Billed: 97.41%
- GPM #1: 60, GPM #2: **141 (Monitoring Well #2 for decrease).**
- Daily Booster PSI: 60 averages.
- Chlorine Levels: Normal at 1.55 ppm.

- All 3 Lift Station: Normal throughout month.
- Lone Star Groundwater: 12.25% annual

Next Meeting: Scheduled for 7:00pm on June 10th, 2024 at Diamondhead Clubhouse.

Adjournment: The meeting adjourned at 7:58 pm on May 13th, 2024, after a motion to accept by Ray Leon and seconded by Carol Fine.