

**MINUTES OF VIDEOCONFERENCE MEETING NO. 2434
COMMISSIONERS OF
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**

Place: 3400 Highway 73
Port Arthur, Texas

Date: January 7, 2025

Present: Commissioners
Richard Beaumont
Lester Champagne
Albert Moses, Jr.
Matthew Vincent
James Gamble, Sr.
Allen Sims, General Manager
Glenn Steele, Attorney for District

Visitors: Toby Davis, DD7
Brady Girouard, DD7
Garrett Boudoin, DD7
Barron Cook, DD7
Kirby Johnson, DD7
Ike Mills, Mills Consulting

The meeting was called to order at 2:00 p.m. by Chairman Beaumont after ascertaining that the Notice of Meeting had been posted in accordance with the law. Commissioner Moses gave the invocation.

Minutes of Meeting No. 2433

The Minutes of Meeting No. 2433 were approved as read.

Consider Approval of Shortlist of Respondents to be Invited to Submit Proposals for Phase 2 of the Design-Build Contract for Supervisory Control and Data Acquisition (Scada) System RFQ / RFP No. 2024-010

Request for Qualifications were opened at the previous meeting. The recommendation of Respondents to be invited to submit proposals was tabled until today. A committee comprised of District staff scored each of the responding firm's qualifications

according to grant requirements. There are no monetary values associated with the request for qualifications. A summary of the scoring results are as follows:

Prime Controls.....	93.75%
Hargrove.....	87.50%
Epic / W-Industries.....	76.25%

Mr. Kirby Johnson submitted a recommendation letter stating that there were no informalities identified in any of the submitted packets. All respondents demonstrated sufficient prior work experience, financial resources, and staffing. The Selection Committee recommends that all three respondents be invited to submit proposals. Commissioner Gamble moved to adopt the District's recommendation to invite all three respondents to submit proposals. Commissioner Moses seconded the motion. The motion carried.

Consider Award of Bid for Discharge Pipe Support Replacement for W. Port Arthur Road Pump Station (Pump Station #3) Contract No. 2024-003

Mr. Kirby Johnson stated that the proposals for the for the Discharge Pipe Support Replacement for W. Port Arthur Road Pump Station (Pump Station #3) were opened at the board meeting held on December 17, 2024. The responding companies were Elite Contractors, M & C Oilfield, and Triangle Civil Services. All bidders complied with the bid requirements. References were checked. A recommendation letter was submitted by Mr. Johnson recommending the low bidder, Elite Contractors and Equipment LTD be awarded the bid in the amount of Two Hundred Eighty-Three Thousand and 00/100 (\$283,000.00) Dollars with 60 working days. Commissioner Champagne moved to award the Discharge Pipe Support Replacement for W. Port Arthur Road Pump Station (Pump Station #3) to Elite Contractor and Equipment, LTD for the amount of Two Hundred Eighty-Three

Thousand and 00/100 (\$283,000.00) Dollars. Commissioner Vincent seconded the motion. The motion carried.

Consider Resolution Authorizing Signing of Checks, Etc.

Resolution No. 531 Authorizing Signing of Checks, Etc. was submitted to the Board for consideration. Mr. Allen Sims stated with the staff changes due to the retirement of Mr. Phil Kelley and Mrs. Diane Smith, a Resolution needs to be approved replacing them with Kyla Dean as a signatory on the District's bank accounts, with the exception of the payroll account. Mr. Allen Sims further stated he wants to add Toby Davis as a signatory on all bank accounts, including the payroll account. Commissioner Vincent moved to approve Resolution No. 531 Authorizing Signing of Checks, Etc. Commissioner Gamble seconded the motion. The motion carried. A copy of Resolution No. 531 is attached hereto and made a part of these minutes.

Consider Resolution Adopting Revised Written Investment Policy

Resolution No. 532 Adopting Revised Written Investment Policy was submitted to the Board for consideration. The previous resolution named the Investment Officer as Mr. Allen Sims, Assistant Manager, and Assistant Investment Officer as Mrs. Alex Thibodeaux, District Accountant. As of December 1, 2024, Mr. Sims was promoted the District's Manager position which required the District Investment Policy to be revised from Assistant Manager to Manager. Commissioner Moses moved to approve Resolution No. 532 Adopting the Revised Written Investment Policy. Commissioner Champagne seconded the motion. The motion carried. A copy of Resolution No. 532 is attached hereto and made a part of these minutes.

Sabine Pass to Galveston Bay Summary

Mr. Sims stated that due to the holidays there is not a lot to report since the last Board Meeting. The District directly requested Sabine Pass to Galveston Bay Project funding from the Texas House and Senate. It is unclear how the Texas Legislature will distribute the funds. The funding could be added to the GLO budget or distributed through another manner. Mr. Sims stated that he was advised that the Texas Legislature is adding \$230 million to the state budget for the Sabine Pass to Galveston Bay Project funding. This will give the District funds to satisfy its 35% cost share for the project. Commissioner Vincent asked if the Gulf Coast Protection District (GCPD) had named a new manager. Mr. Sims stated not at this time, but it will likely be a topic at tomorrow's GCPD meeting. Mr. Sims stated that he, the GCPD Lawyers and the Orange County Drainage District Attorney are considering making a request to be part of the hiring process since they work closely with the general manager.

Manager Reports

The District received a letter from Charles E. Reed & Associates, who is the company that is performing the District's annual audit. The letter sets forth the company's responsibilities under the generally accepted auditing standards and the planned scope and timing of the audit. No action is required on this matter. The auditing standards simply require the District to note receipt of the letter by the Board of Commissioners.

An all-hands meeting was held January 3rd. The meeting was a general discussion. The office staff was introduced to the field employees. Mr. Sims told the employees what his expectations were of them and also what they could expect from him as a Manager.

Executive Session - Consider and Take Action, if any, on Items Discussed in Executive Session

No Executive Session was held.

Checks and Purchase Orders

Maintenance Fund

Ck. No. 25685 – Albert Moses, Jr.
\$529.00 – Health Insurance Payment

Ck. No. 25686 – Ammco Solutions, LLC
\$4,592.59 – Clean out under Pump Station #3

Ck. No. 25687 – Brady Girouard
\$300.00 – Reimbursement for Bee Removal at OCI Project Site

Ck. No. 25688 – Buna Electric Motor Services, Inc.
\$54.80 – Pump Station #10, Unit 2, 4th Quarter Motor Storage

Ck. No. 25689 – Cintas Corp.
\$138.39 – Traffic Mat & Hand Sanitizer Service – Admin Building

Ck. No. 25690 – Dan Delich Consulting
\$3,500.00 – Legislative Consulting Service

Ck. No. 25691 – Duck’s Dragline Service, Inc.
\$22,720.00 – Trackhoe Work

Ck. No. 25692 – Electrical Specialties, Inc.
\$45.00 – Monthly Alarm Monitoring

Ck. No. 25693 – Function 4, LLC
\$1,461.00 – Plotter Equipment Repairs

Ck. No. 25694 – Gabriel, Roeder, Smith & Company
\$9,418.50 – GASB 75 Valuation

Ck. No. 25695 – GP Evans Contractors
\$12,775.82 – Seasonal Mowing Services

Ck. No. 25696 – Groves Equipment Rental Co., Inc.
\$2,700.00 – 15 Ton Crane Rental

Ck. No. 25697 – James Gamble, Sr.
\$270.00 – Health Insurance Payment

Ck. No. 25698 – Lawco
\$35,880.00 – OCI Project Site Cleanup

Ck. No. 25699 – M & S Unlimited Services, LLC
\$3,275.00 – CH Crane Inspections, Equipment Transportation

Ck. No. 25700 – Mazzanti & Associates, LLC
\$2,500.00 – Legislative Consulting Services

Ck. No. 25701 – Nerbert Frelow
\$3,800.00 – Dump Truck Services

Ck. No. 25702 – Ray Russo
\$4,821.90 – Legislative Consulting Services

Ck. No. 25703 – Ron Lewis & Associates, LLC
\$3,500.00 – Legislative Consulting Services

Ck. No. 25704 – Ruddy & Morris
\$287.65 – Fab Shop Air Conditioner Service

Ck. No. 25705 – Sam & Tash Services, Inc.
\$1,569.62 – Administration Building Janitorial Services

Ck. No. 25706 – Select Civil Services, LLC
\$9,840.00 – Clay Excavation & Loading

Ck. No. 25707 – Texan Engineering
\$11,825.00 – Engineering Services – General & Blocks Bayou

Ck. No. 25708 – Toby Davis
\$50.00 – Professional Engineer License Renewal

Ck. No. 25709 – Tx Department of Agriculture
\$75.00 – Bryant James Pesticide License Renewal

Ck. No. 25710 – United State Postal Service
\$500.00 – Postage for Postage Meter

Ck. No. 25711 – Waukesha-Pearce Industries, Inc.
\$9,198.00 – Dozer Rental

Ck. No. 25712 – Wave Solutions, LLC

\$5,215.50 – Monthly Software & IT Services

Ck. No. 25713 – Wells Fargo

\$948.64 – Computer Software, Meeting Expenses, Meals

Ck. No. 25716 – Crown Weather Services

\$1,100.00 – 25 User – 1 Year Subscription

Ck. No. 25717 – Gannett Fleming, Inc.

\$5,382.33 – Sabine Pass to Galveston Bay Project – Project Management

Ck. No. 25718 – Glenn H. Steele, Jr. PLLC

\$5,500.00 – December 2024 Legal Services & January 2025 Retainer

Ck. No. 25719 – Richard Beaumont

\$137.55 – Health Insurance Payment

Commissioner Moses moved that the checks from the Maintenance Fund Account be approved for payment. Commissioner Gamble seconded the motion. The motion carried.

Chairman Beaumont asked if there was any other business to come before the Board. There was none.

At 2:21 p.m., Commissioner Champagne moved that the meeting be adjourned. Commissioner Gamble seconded the motion. The motion carried.



Albert Moses, Jr., Secretary



Richard Beaumont, Chairman

RESOLUTION NO. 531
AUTHORIZING SIGNING OF CHECKS, ETC.

STATE OF TEXAS §
 §
COUNTY OF JEFFERSON §

WHEREAS, changes in personnel of Jefferson County Drainage District No. 7 require that revisions be made in those persons authorized to sign checks, drafts, orders, and other instruments for the payment of money deposited in Stellar Bank (the "Bank"), the designated depository for funds of Jefferson County Drainage District No. 7.

IT IS THEREFORE RESOLVED BY JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7:

That checks, drafts, orders or other instruments disbursing moneys of Jefferson County Drainage District No. 7 in its Maintenance and Operating Fund, Account No. 21993026, its Insurance Administration Fund, Account No. 21992801, its Debt Service Fund, Account No. 21992983, its 2014 Maintenance Note Proceeds Fund, Account No. 21992991, and its GLO Fund, Account No. 21993009, be signed by the following authorized officers:

At least three (3) of the Commissioners of Jefferson County Drainage District No. 7 consisting of:

- Richard D. Beaumont
- Lester Champagne
- James Gamble, Sr.
- Albert Moses, Jr.
- Matthew E. Vincent

And one of the following:

Allen D. Sims, the Manager or
Toby Davis, the District Engineer or
Kyla Dean, the Office Supervisor

BE IT FURTHER RESOLVED, that the signatures required on checks drawn by Jefferson County Drainage District No. 7 on its Payroll Fund, Account No. 21993041 shall contain the signature of Allen Sims, the Manager, or Toby Davis, the District Engineer.

AND BE IT FURTHER RESOLVED that signature cards be furnished the Bank on said accounts by the authorized officials so designated herein and that the Bank be authorized to receive and make payment on such checks, drafts, orders or other instruments drawn on said accounts if drawn in accordance with the above directions, and if they contain the signatures of the duly authorized officials, whether manual or facsimile, or both.

This resolution shall continue in force until written notice to the contrary is duly served on the Bank.

AND BE IT FURTHER RESOLVED that all prior instructions for signing of checks, drafts, orders or other instruments drawn on said accounts be superseded by the instructions herein contained, to be effective on or after the date of receipt and filing of this Resolution by the Bank.

I, Albert Moses, Jr., Secretary of the Board of Commissioners of Jefferson County Drainage District No. 7, do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Commissioners of Jefferson County Drainage District No. 7, at their meeting No. 2434 held on the 7th day of January, 2025,

upon motion made by Commissioner Vincent and seconded by
Commissioner Gamble and adopted unanimously by said Board, a
quorum being present.

Given under my hand this 7th day of January 2025.


Secretary
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7

**JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7
RESOLUTION NO. 532
ADOPTING REVISED WRITTEN INVESTMENT POLICY**

STATE OF TEXAS	*
	*
COUNTY OF JEFFERSON	*

WHEREAS, under the Public Funds Investment Act (Sec. 2256.001 *et seq*, Texas Government Code, hereinafter the “Act”), the District is required to adopt by resolution a written investment policy meeting the criteria of the Act; and

WHEREAS, the District has reviewed the investment policy and investment strategies set forth in the written instrument attached hereto and incorporated herein by reference (“Investment Policy”).

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7:

THAT it is in the best interest and of direct benefit to the District to adopt the Revised Investment Policy attached hereto; and, after reviewing same as required by law, it is hereby adopted.

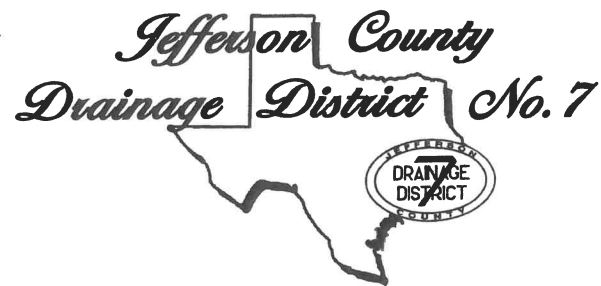
That the Manager be, and hereby is, authorized to take any and all action and is authorized to execute any and all instruments, documents, or filings in connection with the accomplishment of the transactions outlined in this resolution and to certify the adoption of such resolutions to such parties which such Manager deems necessary or appropriate.

I, Albert J. Moses, Jr., Secretary of the Board of Commissioners of Jefferson County Drainage District No. 7, do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Commissioners of Jefferson County Drainage

District No. 7, at their meeting held on the 7th day of January 2025, upon motion made by Commissioner Moses and seconded by Commissioner Champagne and adopted unanimously by said Board, a quorum being present.

Given under my hand this 7th day of January 2025.


Secretary
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7



**JEFFERSON COUNTY
DRAINAGE DISTRICT NO. 7**

INVESTMENT POLICY AND PROCEDURES

For Fiscal Year

2025

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1.0 INVESTMENT STRATEGY

1.01 The funds of Jefferson County Drainage District No. 7 (the "DISTRICT") are as follows:

Maintenance Fund	Mutual Assurance Claims
Tax Collections Account	Admin Account
HMGP Account	Debt Service Account
2014 Maintenance Note Proceeds	GLO Account
Payroll Account	Capital Fund

The funds of the DISTRICT, that are invested, are invested by matching maturity of investments with cash needs. Investments are made with the intention of holding to maturity, but with the ability to liquidate should funds be needed at any time. This strategy is achieved by utilizing highly liquid, short-term, Certificates of Deposit, Treasury Bills and obligations of the United States or its agencies and instrumentalities, with a stated final maturity of three years or less.

2.0 INVESTMENT SCOPE

2.01 Legal Authority to Invest

TEXAS GOVERNMENT CODE ANN., sec. 2256.003 et seq. (Vernon 1995) authorizes the Board of Commissioners to invest DISTRICT funds.

2.02 DISTRICT Investment Portfolio Structure

This investment policy applies to all financial assets of all funds of the DISTRICT at the present time and any funds to be created in the future and any other funds held in custody by the DISTRICT unless expressly prohibited by law or unless it is in contravention of any depository contract between the DISTRICT and any depository bank.

2.03 Applicability of Policy

This policy governs the investment of all financial assets of all funds of the DISTRICT and are managed in compliance with this policy and all applicable state and federal laws.

3.0 INVESTMENT OBJECTIVES AND PRIORITIES

3.01 General Statement

This policy serves to satisfy the statutory requirements of the TEXAS GOVERNMENT CODE, ANN., Title 10, Section 2256, Public Funds Investment Act, to define and adopt a formal investment policy.

3.02 Safety of Principal

The primary objective of the DISTRICT is to ensure the safety of principal in all funds and to avoid speculative investing.

3.03 Maintenance of Adequate Liquidity

The secondary objective of the DISTRICT is to strive to maintain adequate liquidity, through scheduled maturity of investments, to cover the cash needs of the DISTRICT consistent with the objectives of this policy.

3.04 Marketability

Investments with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement. Historical market "spreads" between the bid and offer prices of a particular security-type of less than a quarter of a percentage point will define an efficient secondary market.

3.05 Desired Diversification

It will be the policy of the DISTRICT to diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of investments. Investments of the DISTRICT shall always be selected that provide for stability of income and reasonable liquidity.

3.06 Rate of Return on Investments

It will be the objective of the DISTRICT to earn the maximum rate of return allowed on its investments within the policies imposed by its safety and liquidity objectives and state and federal law governing investment of public funds.

3.07 Maturity

Portfolio maturities will be structured to achieve the highest return of interest consistent with liquidity requirements of the DISTRICT'S cash needs. No investment shall have a legal stated maturity of more than thirty-six (36) months.

3.08 Quality and Capability of Investment Manager

It is the DISTRICT'S policy to require the DISTRICT's Investment Officers to attend periodic training in investment courses and seminars offered by independent professional organizations and associations in order to ensure the quality and capability of the DISTRICT's Investment Officers in making investment decisions, in compliance with Sec. 2256.008 of the Public Funds Investment Act.

In compliance with Sec. 49.1571 of the Texas Water Code, the periodic training required is as follows: Within the first year of assuming the role of Investment Officer or Assistant Investment Officer, said person or persons must attend a training session of at least 6 hours relating to investment responsibilities under Chapter 2256, Government Code. At least 4 hours of additional training should be obtained within each 2-year period after the first year.

4.0 INVESTMENT RESPONSIBILITY AND CONTROL

4.01 Delegation of Investment Authority

In accordance with Sec. 2256.005 of the Public Funds Investment Act, the Investment Officer and Assistant Investment Officer, under the direction of Jefferson County Drainage District No. 7 Board of Commissioners and the Manager may invest DISTRICT funds that are not immediately required to pay obligations of the DISTRICT. The Manager will approve each individual investment purchase. The Manager and the District Accountant, are hereby appointed as Investment Officer and Assistant Investment Officer, respectively, shall develop and maintain written administrative procedures for the operation of the investment program, consistent with this investment policy.

4.02 Investment Advisory Committee

The Investment Advisory Committee reviews investment policies and procedures, investment strategies, and investment performance. Members of the DISTRICT's Committee should be composed of the Manager, Accountant, the District's Legal Counsel, and the Vice President of the District's Board of Commissioners, and any other Commissioner of the District's Board of Commissioners wishing to serve on this committee. A Chairman will be elected by the Committee, and meetings will be called no less than annually and as needed.

4.03 Fiduciary, Prudence, and Ethical Standards

The DISTRICT adopts the prudent fiduciary rule as applied in the then prevailing circumstances when managing the DISTRICT's portfolios within the applicable legal and policy constraints. The prudent-person rule is restated as follows:

"Investments must be made with the judgment and care, under prevailing circumstances, which persons of prudence, discretion, and intelligence would exercise in the management of their own affairs for investment, not for speculation, considering the probable safety of their capital as well as the probable income to be derived."

4.04 Conflicts of Interest

Investment Officers shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Investment Officers shall disclose any personal business relationships with business organizations approved to conduct investment transactions with the DISTRICT. They shall also disclose any specific individuals who seek to sell investments to the DISTRICT and are related to the Investment Officer within the second degree by affinity or consanguinity, as determined under Chapter 573. Disclosure shall be filed with the Texas Ethics Commission and to the DISTRICT's Board of Commissioners.

4.05 Liability of Investment Officer

In accordance with Sec. 113.005, Texas Local Government Code, the DISTRICT's Investment Officers are not responsible for any loss of the DISTRICT funds through the failure or negligence of a depository. This section does not release the Investment Officers from responsibility for a loss resulting from the official misconduct or negligence of the Investment Officers including a misappropriation of the funds, or from responsibility for funds until a depository is selected, and the funds are deposited.

4.06 Accounting and Audit Control

The Investment Officers will establish liaison with the DISTRICT'S outside auditors in preparing investment forms to assist the outside auditors for accounting and auditing control.

4.07 Subject to Audit

It is the policy of the DISTRICT'S Board of Commissioners, at a minimum, to have an annual audit of all DISTRICT funds by an independent auditing firm. The DISTRICT'S investment procedures shall be subject to the annual audit and any special audits as required.

5.0 INVESTMENT REPORTING

5.01 Monthly Reporting

In accordance with Texas Government Code, Title 10, Sec. 2256.023, the DISTRICT's Investment Officers will report in writing monthly to the DISTRICT's Board of Commissioners. The report shall include a detailed listing of all purchases, sales and payments, and a description of each security held.

5.02 Quarterly Reporting

In accordance with Texas Government Code, Title 10, Sec. 2256.023, the DISTRICT's Investment Officers will report quarterly the portfolio statistics, listing the type and description of investment in detail, the broker/dealer used for purchase, the yield to maturity, the stated maturity date, and the previous and current market value.

6.0 INVESTMENT INSTITUTIONS

6.01 Depository Bank

Fully collateralized Time Deposits, Certificates of Deposit, and interest-bearing checking accounts shall be placed at a DISTRICT depository bank under a depository contract executed by the DISTRICT's Board of Commissioners and in compliance with V.C.T.A., Texas Local Government Code, Chapters 116 and 117.

6.02 Broker/Dealers

The DISTRICT's Investment Officers shall invest DISTRICT funds through the Federal Reserve Bank book entry system, consistent with federal and state law and the current Bank Depository contract. Purchases shall be made with the following:

- 6.0201 U. S. Government Securities Dealers maintaining a National Association of Securities Dealers Series 7 license, with knowledge of institutional investing recommended by the DISTRICT, and approved by the DISTRICT's Board of Commissioners. Dealers must comply with Section 6.03 of this Investment Policy to be selected.
- 6.0202 The Capital Markets Division of the Depository Bank.
- 6.0203 Investment Pools meeting the standards of Section 2256.016 of the Texas Public Funds Investment Act.

Dealers must comply with Section 6.03 of this Investment Policy to be selected.

6.03 Approval of Broker/Dealer

The Investment Officers shall review the applications of the broker/dealer/financial institutions for compliance with this policy and recommends institutions for approval as provided in Section 6.02 of the policy. To be recommended for approval, a broker/dealer/financial institution must demonstrate possession of the following criteria:

- 6.0301 Institutional investment experience.
- 6.0302 Good references from public fund investment officers.
- 6.0303 Adequate capitalization per the Capital Adequacy Guidelines for Government Securities Dealers published by the New York Federal Reserve Bank.
- 6.0304 An understanding of this Investment Policies and Procedures Manual.
- 6.0305 Regulation by the Securities and Exchange Commission ("SEC").
- 6.0306 Membership in good standing in the National Association of Securities Dealers, Inc., and
- 6.0307 Valid licensure from the State of Texas.

7.0 INVESTMENT INSTRUMENTS

The DISTRICT's Investment Officers shall use any or all of the following authorized investment instruments consistent with governing law and this policy:

7.01 Bank Investments

- 7.0101 Fully collateralized Time Deposits.
- 7.0102 Fully collateralized Certificates of Deposit.
- 7.0103 Fully collateralized interest-bearing checking accounts.
- 7.0104 Fully collateralized sweep accounts.

7.02 Direct Investments

- 7.0201 United States Treasury Securities.
- 7.0202 Obligations of the United States or its agencies and instrumentalities.
- 7.0203 Excluded in the direct investment are derivative securities including but not limited to Collateralized Mortgage Obligations.
- 7.0204 Investment Pools meeting the standards of Section 2256.016 of the Texas Public Funds Investment Act.

7.03 Overnight Investments

8.0 INVESTMENT PROCEDURES

8.01 Confirmation of Trade

A confirmation of trade will be provided by the broker/dealer to the DISTRICT's Investment Officers for every purchase of an investment security. This trade ticket and confirmation will become a part of the file that is maintained on every investment security.

8.02 Delivery Versus Payment

It will be the policy of the DISTRICT that all Treasury, and Government Agencies' securities shall be purchased using the "delivery vs. payment" (DVP) method through the Federal Reserve System. By so doing, DISTRICT funds are not released until the DISTRICT has received, through the Federal Reserve wire, the securities purchased.

8.03 Safekeeping Institution

All purchased securities shall be held in safekeeping by the DISTRICT, or a DISTRICT account in a third-party financial institution, or with a Federal Reserve Bank.

All pledged securities by the depository bank shall be held in safekeeping by the DISTRICT, or a DISTRICT account in a third-party financial institution, or with a Federal Reserve Bank.

8.04 Rating Changes

Not less than quarterly, the Investment Officers will monitor the credit rating for each held investment that has a Public Fund Investment Act required minimum rating. Any Authorized Investment that requires a minimum rating does not qualify during the period the investment does not have the minimum rating. Prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating. The DISTRICT is not required to liquidate investments that were authorized investments at the time of purchase.

9.0 COLLATERAL AND SAFEKEEPING

9.01 Collateral or Insurance

The DISTRICT's Investment Officers shall ensure that all DISTRICT funds are fully collateralized or insured consistent with federal and state law and the current depository contract in one or more of the following manners:

- 9.0101 FDIC insurance coverage.
- 9.0102 United States Government Bonds, Notes, and Bills.
- 9.0103 Securities of federally sponsored U. S. Agencies and instrumentalities of the United States Government. No Collateralized Mortgage Obligations are acceptable.
- 9.0104 Letters of Credit issued by the Federal Home Loan Bank of Dallas

9.02 Safekeeping

Securities pledged as collateral shall be deposited in trust with the Federal Reserve Bank or another disinterested third-party bank under an appropriate legal contract. The amount of such securities pledged shall be determined by their market value.

9.03 Collateral Reporting

The one of the DISTRICT's Investment Officers shall report to the DISTRICT's Board of Commissioners his or her valuation of all collateral compared to all DISTRICT deposits on a monthly basis. Collateral deficiencies should be identified and immediately corrected through additional collateral deposited or reductions in the volume of deposited funds.

10.0 INVESTMENT POLICY REVIEW AND AMENDMENT

10.01 Review Procedures

The DISTRICT's Board of Commissioners shall review its investment policy and investment strategies not less than annually.

10.02 Changes to the Investment Policy

The DISTRICT's Investment Officers along with the corresponding Investment Advisory Committee must review the DISTRICT's Investment Policy not less than annually and recommend any changes to the DISTRICT's Board of Commissioners.

11.0 EXHIBITS AND APPENDICES

- 11.01 Appendix A: Govt. Code, Title 10, Chapter 2256
The Public Funds Investment Act
- 11.02 Appendix B: Govt. Code, Title 10, Chapter 2257
The Public Funds Collateral Act.
- 11.03 Exhibit 1: Broker/Dealer Certification
- 11.04 Exhibit 2: Approved List of Broker/Dealers
- 11.05 Exhibit 3: Approving Order: Jefferson County Drainage District No 7

CERTIFICATION

I hereby certify that I have personally read and understand the investment policies and policies of Jefferson County Drainage District No. 7 and have implemented reasonable procedures and controls designed to fulfill those objectives and conditions. Transactions between this firm and Jefferson County Drainage District No. 7 will be directed towards precluding imprudent investment activities and protecting the District from credit risk.

All the sales personnel of this firm dealing with Jefferson County Drainage District No. 7's account have been informed and will be routinely informed of the District's investment horizons, limitations, strategy, and risk constraints, whenever we are so informed.

This firm pledges due diligence in informing the District of foreseeable risks associated with financial transactions connected to this firm.

(Firm)

(Registered Principal)

(Name)

(Title)

(Registration or Dealer Number)

(Signature)

(Date)

APPROVED LIST OF BROKER/DEALERS

WELLS FARGO BANK, N.A.
6250 Delaware Street
Beaumont, Texas 77706


WELLS FARGO SECURITIES
1445 Ross Ave.
Suite 420
Dallas, Texas 75202

STELLAR BANKCORP, INC.
55 Interstate 10 N
Beaumont, Texas 77707

**ORDER APPROVING
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7
INVESTMENT POLICY AND PROCEDURES**

Upon motion made by Albert Moses, Jr., seconded by Lester Champagne, and unanimously adopted, the preceding policies and procedures be, and the same are hereby, **APPROVED, RECEIVED, and ORDERED** filed:

ORDERED this 7th day of January 2025.



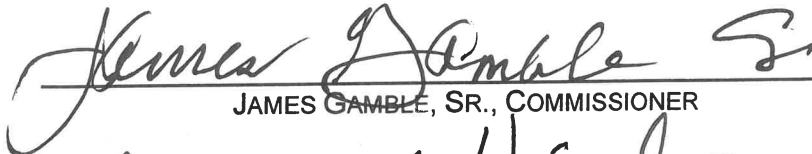
RICHARD BEAUMONT, CHAIRMAN



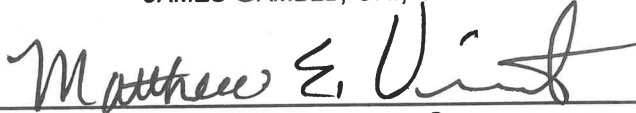
LESTER CHAMPAGNE, VICE CHAIRMAN



ALBERT MOSES, JR., SECRETARY

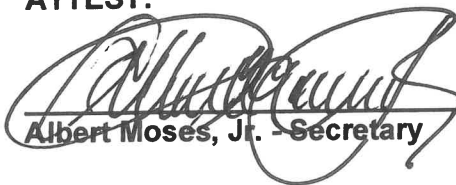


JAMES GAMBLE, SR., COMMISSIONER



MATTHEW E. VINCENT, COMMISSIONER

ATTEST:


Albert Moses, Jr. - Secretary

ADD APPENDIX A & B HERE



VISITOR SIGN-IN SHEET
MEETING NO. 2434
Tuesday, January 7, 2025

	Name	Email Address	Telephone Number	Public Comment	
1	MILLS CONSULTING Igalious Ike Mills	igaliouvs.mills@gmail.com	(409) 543-1411	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
2				Yes <input type="checkbox"/>	No <input type="checkbox"/>
3				Yes <input type="checkbox"/>	No <input type="checkbox"/>
4				Yes <input type="checkbox"/>	No <input type="checkbox"/>
5				Yes <input type="checkbox"/>	No <input type="checkbox"/>
6				Yes <input type="checkbox"/>	No <input type="checkbox"/>
7				Yes <input type="checkbox"/>	No <input type="checkbox"/>
8				Yes <input type="checkbox"/>	No <input type="checkbox"/>
9				Yes <input type="checkbox"/>	No <input type="checkbox"/>
10				Yes <input type="checkbox"/>	No <input type="checkbox"/>
11				Yes <input type="checkbox"/>	No <input type="checkbox"/>
12				Yes <input type="checkbox"/>	No <input type="checkbox"/>
13				Yes <input type="checkbox"/>	No <input type="checkbox"/>
14				Yes <input type="checkbox"/>	No <input type="checkbox"/>
15				Yes <input type="checkbox"/>	No <input type="checkbox"/>