

**MINUTES OF VIDEOCONFERENCE MEETING NO. 2400  
COMMISSIONERS OF  
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**

Place: 3400 Hwy 73  
Port Arthur, Texas

Date: August 1, 2023

Present: Commissioners  
Richard Beaumont  
Matthew Vincent  
Albert Moses, Jr.  
James Gamble, Sr.  
Lester Champagne (Via Zoom)

Phil Kelley, General Manager  
Glenn Steele, Attorney for the District

Visitors: Toby Davis, DD7  
Barron Cook, DD7  
Kirby Johnson, DD7  
Dean Depew, DD7  
Brady Girouard, DD7  
Garrett Boudoin (Via Zoom)  
Kim Carroll, Texan Engineering & Consulting, LLC (Via Zoom)

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. 2399

The Minutes of Meeting No. 2399 was approved as read.

Consider Resolution Adopting Written Investment Policy

Resolution No. 503 Adopting Written Investment Policy was presented to the Board for consideration. Mr. Phil Kelley stated this is an annual routine formality and the proposed Investment Policy is the same as approved for the last several years. Commissioner Vincent moved to approve Resolution No. 503 Adopting Written

Investment Policy. Commissioner Moses seconded the motion. The motion carried. A copy of Resolution No. 503 is attached to and made part of these minutes.

Consider Change Order on Project for Improvements To Blocks Bayou Ditch Phase 1

Mr. Phil Kelley stated that this request for a change order is to rectify the total contract amounts of the item quantities that were adjusted in the field during construction. Mr. Kim Carroll stated that the additions were .34 acres to Curlex green erosion control matting and seeding and 276.36 cubic yards to structural rock backfill. The deductions were 161.57 square yards of concrete channel liner, 1 each of wingwalls, 1500 square yards of sodding for erosion control, 907.84 tons of cement stabilized sand, remove and replace 80 liner foot of chain link fencing, remove, and replace 290 liner feet of existing wooden privacy fencing, 15 linear feet of 30" culvert extension and 15 linear feet of 24" culvert extension. The total cost adjustment is -\$61,806.10. The new contract amount is \$1,739,873.90. Commissioner Moses moved to approve the Change Order for the Construction of Improvements to Blocks Bayou Ditch Phase 1. Commissioner Gamble seconded the motion. The motion carried.

Consider Final Payment to Rebel Contractors, Inc. for Improvements to Blocks Bayou Ditch Phase 1

A recommendation letter to approve the Final Pay Request to Rebel Contractors, Inc. was received from Texan Engineering and Consulting, LLC for improvements to Blocks Bayou Ditch Phase 1 in the amount of One Hundred Eighty-Nine Thousand Three Hundred Five and 18/100 (\$189,305.18) Dollars. Mr. Kim Carroll stated this payment is for the removal and replacement of chain link and wooden privacy fencing. It has been verified that the Contractor has completed all the work in this contract and has executed all the required final paperwork. The requested payment amount for work completed is

\$17,020.00, and it is recommended that the 10% retainage in the amount of \$172,285.18 be released. Commissioner Vincent moved to approve the Final Pay Request to Rebel Contractors, Inc. for improvements to Blocks Bayou Ditch Phase 1 in the amount of One Hundred Eighty-Nine Thousand Three Hundred Five and 18/100 (\$189,305.18) Dollars. Commissioner Gamble seconded the motion. The motion carried.

Consider Memorandum of Understanding with Industrial Safety Training Council for Emergency Shelter

Mr. Kelley stated that the District has an Interlocal Agreement with Jefferson County to use the airport for emergency shelter; however, the terminal that has been utilized in the past is undergoing renovations. Mr. Allen Sims has secured an area in the Industrial Safety Training Council building located on Highway 69. The Memorandum of Understanding with the Industrial Safety Training Council states that if power is lost the District will pay its portion of the cost of the fuel for their generator and that the facility will be clean upon departure. Commissioner Moses moved to approve the District enter into the Memorandum of Understanding with Industrial Safety Training Council. Commissioner Gamble seconded the motion. The motion carried.

Consider Additional Surplus Property for Sale

Mr. Kelley requested the declaration of and approval to sell additional surplus property. A list of miscellaneous items was submitted as follows:

Qty	Item	V.I.N.# / Serial #	Unit #
1	4-71 Detroit Diesel Engine	Serial # 4A 150 580 (RC 403 0N)	
1	Waukesha Diesel Engine with Twin Disc and Oil Filter Assembly	Model # L5100DU Serial # 172688	(Unit #5)
1	Waukesha Diesel Engine with Twin Disc and Oil Filter Assembly	Model # L5100DU Serial # 172687	(Unit # 6)

Mr. Kelley stated that these two engines were pulled from pump station 19 and replaced with new diesel engines. Commissioner Vincent moved to declare the subject property as surplus and to be sold. Commissioner Gamble seconded the motion. The motion carried.

#### Preliminary Budget Discussion

Mr. Sims stated he is waiting on the District's tax worksheet to calculate the anticipated tax revenue for the 23/24 budget year. The current taxable value is \$14,285,910,655. Which is an increase of 1.22 billion from last year. Due to the increased cost of fuel and general inflation of all products and services, an evaluation of multiple tax scenarios will be presented to the Board for consideration. A 3% wage increase is being considered. A list of special projects is being compiled which includes continuing the Blocks Bayou Project, the grant projects, budgeting for Star Lake settlement, and adding an equipment shed in the yard. The District needs to purchase a few trucks, a backhoe, and a skid steer. Mr. Kelley stated that the TWCA Risk Management Fund that insures the District's property recently sent an appraiser out to update the values of the properties and evaluate the new pump station and office. This increased the District's property insurance by approximately \$300,000. The District has not had a tax increase in the last two years. The District may need to consider a slight tax increase for the upcoming year to cover the increased costs.

#### Sabine Pass to Galveston Bay Project Summary

Mr. Brady Girouard stated that design, work-in-kind, and relocation efforts continue on all contracts. There have been no substantial changes since the last commissioners' meeting. To date, there is no resolution to the HTRW issues. Mr. Barron Cook stated

that the bid for PAV03A should be awarded on August 27, 2023. The project will provide fronting protection for the old Alligator, Lakeside and Rodair Gully pump stations. Mr. Girouard stated that USACE met with Mr. Dean Depew and his crew to address their concerns regarding being able to pump storm water during construction. USACE assured the District that it would not be an issue. Mr. Sims stated that he received an email from USACE stating that they are planning to set up an open house meeting with the public for September 27, 2023, at the Bob Bowers Civic Center.

#### Manager Reports

Mr. Depew stated that the installation of the two new motors at Pump Station 19 is complete.

#### Executive Session – Pursuant to Section 551.071 of the Texas Government Code, Regarding Potential Litigation; and Pursuant to Section 551.072 of the Texas Government Code, Regarding Property Acquisition

At 2:22 p.m., the Commissioners entered an Executive Session regarding potential litigation and property acquisitions.

At 2:59 p.m., the meeting returned to its regular session.

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

Commissioner Vincent motioned to terminate Grant Administration Services Contracts with Tidal Basin Government Consulting LLC and award the contracts to Jeffrey S. Ward & Associates (“JSWA”) for the A-3-A Detention HGMP Project and the Rodair Gully Detention HMGP Project. Commissioner Gamble seconded the motion. The motion carried.

Commissioner Gamble motioned to authorize District's management to negotiate property acquisitions associated with Rodair Gully and the Sabine Pass to Galveston Bay Projects. Commissioner Vincent seconded the motion. The motion carried.

Checks & Purchase Orders  
Maintenance Fund

Ck. No. 22668 – 4 Horn Industrial  
\$6,016.24 – Equipment Rental – Administration Building, Rodair Gully, Lateral 6

Ck. No. 22669 – Advanced Staffing  
\$22,348.20 – Summer Help Labor, 6/19 – 7/23/23

Ck. No. 22670 – Buna Electric Motor Services, Inc.  
\$120.00 – 2<sup>nd</sup> Quarter Storage of Electric Motor PS 10

Ck. No. 22671 – Dan Delich Consulting  
\$1,500.00 – Legislative Consulting Fee

Ck. No. 22672 – Dannenbaum Engineering Corp.  
\$7,887.04 – Groves Detention HMGP Project

Ck. No. 22673 – Duck's Dragline Service, Inc.  
\$5,760.00 – LS250X4 Trackhoe Rental – Rodair Gully Lateral 6

Ck. No. 22674 – Enterprise Products Operating LLC  
\$40,077.34 – Fence Relocate – Rehab Discharge Pipe PS 3

Ck. No. 22675 – FILMR, LLC  
36.00 – Social Media Posts

Ck. No. 22676 – Function 4, LLC  
\$167.07 – Copy Charge – Leased Copier

Ck. No. 22677 – Groves Equipment Rental Co., Inc.  
\$2,700.00 – 15 Ton Terrain Crane Rental 7/17 – 8/16/23

Ck. No. 22678 – HERC Rental Corporation  
\$3,005.85 – Dump Truck Rental 6/26 – 7/24/23

Ck. No. 22679 – James Gamble, Sr.  
\$270.00 – Health Insurance Payment

Ck. No. 22680 – Kansas City Southern Railway Company  
\$1,000.00 – Right of Entry Permit – Application No. 23-15187

Ck. No. 22681 – KT Trucking & Cattle Co.  
\$2,025.00 – Transport Truck Rental (5) Moves

Ck. No. 22682 – Nerbert Frelow  
\$4,800.00 – Dump Truck Rental – Rodair Gully Lateral 6

Ck. No. 22683 – Ray Russo  
\$3,404.06 – Legislative Consulting Fees

Ck. No. 22684 – Texan Engineering & Consulting LLC  
\$15,372.50 – General Services, Blocks Bayou & Lateral B-4-B

Ck. No. 22685 – TWCA Risk Management Fund  
\$13,290.00 – GL & Comm Property Insurance Amendment

Ck. No. 22686 – Wave Solutions LLC  
\$105,757.00 – Administrative Building Camera, Access Control, Data Server, Networking Equipment & Phone System

Ck. No. 22687 – Dannenbaum Engineering Corp.  
\$7,013.71 – Sabine Pass to Galveston Bay Project

Ck. No. 22688 – Elite Card Payment Center  
\$3,068.02 – Meetings, Education, Administration Building & Office Supplies

Ck. No. 22689 – DISA, Inc.  
\$50.00 – Pre-Employment Drug Screens

Ck. No. 22690 – Mazzanti & Associates, LLC  
\$2,500.00 – Legislative Consulting Fees

Ck. No. 22691 – Electrical Specialties, Inc.  
\$45.00 – Administrative Building Monthly Alarm System Monitoring

Ck. No. 22692 – TWCA Risk Management Fund  
\$5,623.00 – Worker's Compensation Contribution July 2023

Ck. No. 22720 – Duck's Dragline Service, Inc.  
\$6,930.00 – LS250X4 Trackhoe Rental 7/14 – 7/28/23

Ck. No. 22722 – Wave Solutions, LLC  
\$3,864.00 – Monthly IT Services for August 2023

Ck. No. 22723 – Ron Lewis & Associates  
\$3,500.00 – Legislative Consulting Fees

Maintenance Note Account

Ck. No. 1079 – Rebel Contractors  
\$189,305.18 – Improvements to Blocks Bayou Ditch Phase 1

General Land Office (GLO) Fund

Ck. No. 5044 – LJA Surveying, Inc.  
\$4,123.50 – S2G Work in King, PAV02

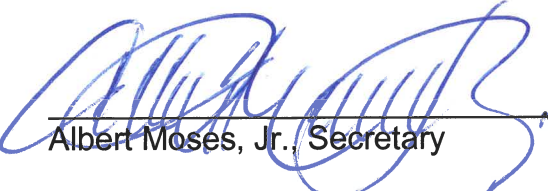
Ck. No. 5045 – Texan Engineering  
\$3,205.13 – Sabine Pass to Galveston Bay Project

Commissioner Vincent moved that the checks from the Maintenance, Maintenance Note, and General Land Office Funds 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 3:02 p.m., Commissioner Vincent moved that the meeting be adjourned. Commissioner Moses seconded the motion. The motion carried.

  
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Richard Beaumont, Chairman

  
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Albert Moses, Jr., Secretary



**JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7  
RESOLUTION NO. 503  
ADOPTING WRITTEN INVESTMENT POLICY**

STATE OF TEXAS

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COUNTY OF JEFFERSON

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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 attached written instrument.

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 investment policy attached hereto; therefore, 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 1<sup>st</sup> day of August, 2023, upon

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

Given under my hand this 1<sup>st</sup> day of August 2023.

  
Secretary  
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7

**JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**  
**INVESTMENT POLICY**

The funds of each account of the Jefferson County Drainage District No. 7 (the "District") are to be invested in Certificates of Deposits or an interest bearing Money Market Account with the District's depository to match maturity with the cash needs of the District. All District funds shall be collateralized by U.S. Government Bonds/Treasury Notes or U.S. Agency Mortgage Backed Securities (Fannie Maes and/or Freddie Macs). Additionally, in the event the interest rate paid on Certificates of Deposit or the interest bearing Money Market Account falls below the interest rate paid on demand deposits, the Investment Officer/Officers are authorized to allow excess funds to remain on demand. As directed by the Board of Commissioners of the District, this investment policy conforms to the policy of Jefferson County Drainage District No. 7.

This investment policy is in compliance with the Texas Government Code, Title 10, Section 2256.023.