

MINUTES OF VIDEOCONFERENCE MEETING NO. 2448
COMMISSIONERS OF
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7

Place: 3400 Highway 73
Port Arthur, Texas

Date: August 5, 2025

Present: Commissioners
Richard Beaumont Allen Sims, General Manager
Lester Champagne (Via Zoom) Wil Thorne, Attorney for District
Matthew Vincent

Absent: Albert Moses, Jr.

Visitors: Toby Davis, DD7
Terry Wade, DD7
Brady Girouard, DD7
Kirby Johnson, DD7
Garrett Boudoin, DD7
Rene Jackson, DD7
Brian McZeal, DD7
Keith Zotzky, Arceneaux Wilson and Cole
Deli Cole, Crescent Bayou LLC
Dauren Karabayev, Crescent Bayou LLC
Patrick Conners, Kroll Site Selection and Incentives Advisory Group

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 Vincent gave the invocation.

Minutes of Meeting No. 2447

The Minutes of Meeting No. 2447 were approved as read.

Consider Resolution Authorizing Tax Abatement with Crescent Bayou LLC

Resolution No. 537 Authorizing Tax Abatement Agreement with Crescent Bayou LLC was presented to the Board for consideration. Mr. Allen Sims invited the representatives from Kroll Site Selection and Incentives Advisory Group and Chevron Corporation to introduce themselves. Mr. Patrick Connors of Kroll Site Selection introduced himself, followed by Ms. Deli Cole and Mr. Dauren Karabayev, representing Chevron Corporation. Ms. Cole stated that Project Labrador is an industrial-scale facility focused on production, conversion, transportation, storage, and export of low-carbon hydrogen and ammonia. These products are used mainly for coal fired power plants. The estimated cost of the project is \$5 billion. The facility will be located off Hwy 73 near Alligator Pump Station. Commissioner Vincent moved to approve Resolution No. 537 Authorizing the Tax Abatement Agreement with Crescent Bayou LLC. Commissioner Gamble seconded the motion. The motion carried. A copy of Resolution No. 537 is attached hereto and made a part of these minutes.

Receive, Open and Read the Names of the Responding Firms to Request for Qualifications for Auditing Services

Mr. Allen Sims stated that the District advertised for Request for Qualifications for Auditing Services. There is no monetary value associated with the request for qualifications. Mr. Sims proceeded to receive, open, and read the names of the firms responding to the Request for Qualifications for Auditing Services. They are as follows:

Charles E. Reed & Associates, P.C.

Mitchell T. Fontenote CPA, Inc.

Pullans & Cohen, P.C.

Wathan, DeShong & Juncker, LLP

A committee will score each of the responding firm's qualifications according to District requirements and will return a recommendation for award to the Board for consideration. Commissioner Vincent motioned to table the decision pending the committee's recommendation. Commissioner Gamble seconded the motion. The motion carried.

Consider Pay Request No. 2 to Norman Highway Constructors, Inc. for Improvements to Blocks Bayou Ditch Phase II Project

Mr. Garrett Boudoin presented Pay Request No. 2 to Norman Highway Constructors, Inc. for Improvements to the Blocks Bayou Ditch Phase II Project for approval. Mr. Garrett Boudoin submitted the invoice for Norman Highway Constructors, Inc. for mobilization, traffic control (barricades and signs), portable changeable message boards with addition of concrete traffic barriers for public safety, removal of existing concrete lining, placement of concrete lining, removal of old structures, excavation, installation of box culverts, installation of cast in place section of box culverts, placement of cement stabilized sand, installation of 48" concrete pipe, installation of 36" HDPE, installation of 18" HDPE, placement of 48" x 48" catch basin, removal of existing pipeline protection slab, trenching protection, and stormwater permit compliance. The contractor has completed 29% of the work using 32% of the contract time. The request has been reviewed, and it is recommended that the Board approve Pay Request No. 2 in the amount of Three Hundred Sixty-Nine Thousand Four Hundred Seventy-One and 11/100 (\$369,471.11) Dollars. Commissioner Gamble moved to approve the Pay Request No. 2 from Norman Highway Constructors, Inc. for Improvements to the Blocks Bayou Ditch Phase II Project in the amount of Three Hundred Sixty-Nine Thousand Four Hundred Seventy-One and 11/100 (\$369,471.11) Dollars. Commissioner Vincent seconded the motion. The motion carried.

Consider Pay Request No. 2 to Epic Engineering (W-Industries) for Supervisory Control and Data Acquisition (SCADA) System

Mr. Kirby Johnson presented Pay Request No. 2 from Epic Engineering (W-Industries) for the Supervisory Control and Data Acquisition (SCADA) System for approval. The invoice from Epic Engineering (W-Industries) submitted for payment is for the 50% completion milestone of the PS #16 electrical re-wire in the amount of Two Hundred Seventy-Nine Thousand Seven Hundred Seventy-Five and 00/100 (\$279,775.00) Dollars. Commissioner Gamble moved to approve Pay Request No. 2 from Epic Engineering (W-Industries) for the design/build of the Supervisory Control and Data Acquisition (SCADA) System Project in the amount of Two Hundred Seventy-Nine Thousand Seven Hundred Seventy-Five and 00/100 (\$279,775.00) Dollars. Commissioner Vincent seconded the motion. The motion carried.

Consider Approval of Certificate of Completion and Affidavit of Warranty for the Sanitary Sewer Line Relocation at the Port Acres Wastewater Treatment Plant

Mr. Keith Zotzky with Arceneaux, Wilson & Cole submitted the Certificate of Construction Completion relating to the Sanitary Sewer Line Relocation at the Port Acres Wastewater Treatment Plant. Mr. Kirby Johnson stated that all work has been completed in accordance with the plans and specifications. Triangle Civil Services has acknowledged that they are responsible for repairing, replacing, and making good any faulty workmanship and/or materials discovered in the work within a period of 12 months from the date of completion of the project. Commissioner Vincent motioned to approve the Certificate of Construction Completion and affidavit of warranty relating to the Sanitary Sewer Line Relocation at the Port Acres Wastewater Treatment Plant. Commissioner Gamble seconded the motion. The motion carried.

Consider Final Payment (Release of Retainage) to Triangle Civil Services for the Sanitary Sewer Line Relocation at the Port Acres Wastewater Treatment Plant

Mr. Keith Zotzky with Arceneaux, Wilson & Cole presented the Final Pay Request from Triangle Civil Services for approval. Mr. Zotzky submitted an invoice from Triangle Civil Services for the Sanitary Sewer Line Relocation at the Port Acres Wastewater Treatment Plant in the amount of One Hundred Forty-Six Thousand Eight Hundred Twenty-One and 50/100 (\$146,821.50) Dollars. Commissioner Gamble moved to approve the Final Pay Request from Triangle Civil Services for the Sanitary Sewer Line Relocation at the Port Acres Wastewater Treatment Plant in the amount of One Hundred Forty-Six Thousand Eight Hundred Twenty-One and 50/100 (\$146,821.50) Dollars. Commissioner Vincent seconded the motion. The motion carried.

Consider Order of Election

Mr. Allen Sims submitted the form of the Order of Election and requested the Board approve the form and call the election. Commissioner Vincent moved to approve the Order of Election. Commissioner Gamble seconded the motion. The motion carried.

Sabine Pass to Galveston Bay Summary

Mr. Allen Sims stated that he and Mr. Toby Davis attended a meeting in Washington, DC with Mr. Eddie Belk, Director of Civil Works. The meeting with Major General Jason Kelly fell through. Mr. Ryan Fisher replaced Mr. Belk last week upon his retirement. Upon arrival, Mr. Davis and I were advised that Mr. Fisher and Major General Kelly were called away to deal with an emergency issue. A meeting was held with Mr. Belk and some of his staff. They assured us that the Port Arthur project was safe. We are attempting to get another meeting with Major General Kelly and Mr. Fisher. We are encouraging them to come to Port Arthur as it would serve us well if they could see the

project in person. The Sabine Pass to Galveston Bay Project is the largest Corps project in the United States currently. Colonel Blackmon who is over the Galveston Division of the Corps has been replaced by Colonel Dake. The goal is to get Contract 3C, which spans from Woodward to the Port of Port Arthur in construction in the next 6 to 9 months.

Manager Reports

Mr. Wil Thorne is here in place of Nathan Brandimate. Mr. Thorne is senior counsel at Brandimate Law and has experience in municipalities and water districts.

Mr. Sims reported that he has received the necessary tax rate information from the tax office to begin preparing next year's budget. He noted that the Board will need to vote on the proposed tax rate and review the preliminary budget at the next meeting. Mr. Sims distributed worksheets outlining the previous year's adopted tax rate, which included a 0% tax increase and resulted in a \$1.9 million reduction in revenue. Should the Board approve a 0% tax increase for the upcoming year the District will lose \$1.275 million in revenue. The worksheets presented five different scenarios for the Board to consider regarding next year's tax rate. While grants are an excellent way to leverage government funding, the District must be prepared to cover its required match for each project. Several grant-funded projects will enter the construction phase within the next year, requiring the District to meet these matching obligations.

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

No Executive Session was held.

Permits

Centana Intrastate Pipeline LLC submitted a permit for a 20" Natural Gas Pipeline Crossing at Main C. The permit fee is \$550.00. Mr. Garrett Boudoin recommended

approval subject to the special conditions contained within the permit. Commissioner Vincent moved to approve the permit requested by Centana Intrastate Pipeline LLC as recommended by Mr. Boudoin. Commissioner Gamble seconded the motion. The motion carried.

Motiva Enterprises LLC submitted a permit for (3) DIPS 42-DR 11-HDPE Underground Crossings of Main Outfall Canal and Main D Re-Route. The permit fee is \$770.00. Mr. Garrett Boudoin recommended approval subject to the special conditions contained within the permit. Commissioner Gamble moved to approve the permit requested by Motiva Enterprises LLC as recommended by Mr. Boudoin. Commissioner Vincent seconded the motion. The motion carried.

MBLH Properties Ltd. submitted a permit for a proposed Cast-in-Place Concrete Roadway "Ramp" crossing the Hurricane Flood Protection Levee at grade near HFPL Sta. 357+00. The permit fee is \$550.00. Mr. Garrett Boudoin recommended approval subject to the special conditions contained within the permit. Commissioner Gamble moved to approve the permit requested by MBLH Properties Ltd. as recommended by Mr. Boudoin. Commissioner Vincent seconded the motion. The motion carried.

Checks and Purchase Orders

Maintenance Fund

Ck. No. 26843 – Freese and Nichols, Inc.

\$15,132.93 – Shreveport Pump Station Engineering

Ck. No. 26844 – LJA Engineering, Inc.

\$52,299.00 – Engineering Services for Halbouty Detention Pond

Ck. No. 26845 – Albert Moses, Jr.

\$529.00 – Health Insurance Payment

Ck. No. 26846 – Angel Lady Services, LLC

\$96.36 – Traffic Mat & Hand Sanitizer Service – Admin Building

Ck. No. 26783 – U.S. Department of Treasury – Coast

\$233.32 – Medicare Reimbursement

Ck. No. 26784 – Duck's Dragline Service, Inc.

\$15,300.00 – Shredding Trees Along Levee

Ck. No. 26785 – FMW, P.C.

\$2,300.00 – Accounting Services – June 2025

Ck. No. 26786 – Freese and Nichols, Inc.

\$19,909.13 – Shreveport Pump Station Engineering

Ck. No. 26787 – Gannett Fleming, Inc.

\$17,525.17 – Sabine Pass to Galveston Bay Project – Project Management & Land Acquisitions

Ck. No. 26788 – GFL Plant Services, LP

\$4,743.10 – Rollbox & Holding Tank Rental

Ck. No. 26789 – Kyla Dean

\$279.26 – TWA Travel Reimbursement

Ck. No. 26790 – LAWCO

\$38,920.00 – OCI Site Earthwork

Ck. No. 26791 – LJA Engineering, Inc.

\$19,870.50 – Halbouty Detention Pond

Ck. No. 26792 – LJA Environmental LLC

\$960.00 – Sabine Pass to Galveston Bay Project – Work in Kind – PAV05 Phase II

Ck. No. 26793 – LJA Surveying, Inc.

\$6,850.00 – Sabine Pass to Galveston Bay Project and Blocks Bayou Surveying

Ck. No. 26794 – M & S Unlimited Services, LLC

\$450.00 – Transport 15 Ton Crane

Ck. No. 26795 – National Tank & Equipment

\$5,446.90 – Vac Assisted Pump Rental

Ck. No. 26796 – Ritter Forest Products Nederland

\$525.00 – Pump Station 7 Mat Rental

Ck. No. 26797 – Sam & Tash Services, Inc.
\$45,407.64 – Seasonal Mowing Services

Ck. No. 26847 – Arceneaux Wilson & Cole LLC
\$3,750.00 – Sabine Pass to Galveston Bay Project PAV03C Relocations

Ck. No. 26848 – Blue Cross Blue Shield of Texas
\$188.37 – Health Insurance Payment

Ck. No. 26849 – Caddo Land Management LLC
\$11,340.73 – Sabine Pass to Galveston Bay Project PAV03C Work in Kind

Ck. No. 26850 – Capitol Law Group PLLC
\$5,000.00 – Legislative Consulting Services

Ck. No. 26851 – Cintas Corp
\$138.39 – Traffic Mat & Hand Sanitizer Service – Administrative Building

Ck. No. 26852 – Circle R Controls LLC
\$2,300.00 – Pump Station 6 Automatic Transfer Switch Repairs

Ck. No. 26853 – Dan Delich Consulting
\$3,500.00 – Legislative Consulting Services

Ck. No. 26854 – Disa Global Solutions, Inc. Frelow
\$120.00 – New Employee Drug Testing

Ck. No. 26855 – Duck's Dragline Service, Inc.
\$35,950.00 – Cutting Trees Along Levee & OCI Sitework

Ck. No. 26856 – Electrical Specialties Inc.
\$45.00 – Monthly Alarm System Monitoring

Ck. No. 26857 – Function 4 LLC
\$242.40 – Copier Overage Charge

Ck. No. 26858 – Gannett Fleming, Inc.
\$2,850.00 – Sabine Pass to Galveston Bay Project Management

Ck. No. 26859 – GFL Plant Services LP
\$478.08 – Swap Pump Station 5 Rollbox

Ck. No. 26860 – Gregory Bostwick
\$500.00 – Weather Services - July 2025

Ck. No. 26861 – Groves Equipment Rental Co., Inc.
\$2,700.00 – 15 Ton Crane Rental

Ck. No. 26862 – James Gamble, Sr.
\$270.00 – Health Insurance Payment

Ck. No. 26863 – Jefferson County, Texas
\$46,331.34 – Crane Bayou Pump Station

Ck. No. 26864 – Jeffrey S. Ward & Associates, Inc.
\$5,000.00 – Grant Administration Services – FMA 2021

Ck. No. 26865 – LAWCO
\$39,300.00 – OCI Site Work

Ck. No. 26866 – LJA Engineering, Inc.
\$311,726.59 – Engineering Services, Various Projects

Ck. No. 26867 – LJA Environmental
\$15,767.32 – Sabine Pass to Galveston Bay Project PAV05A, PAV03A, PAV05
Environmental Services

Ck. No. 26868 – M & S Unlimited Services LLC
\$450.00 – Transport 15 Ton Crane

Ck. No. 26869 – Mazzanti & Associates LLC
\$3,973.76 – Legislative Consulting Services

Ck. No. 26870 – National Tank & Equipment LLC
\$550.00 – Pump Station 7 Unit 4 Vac Assisted Pump Rental

Ck. No. 26871 – National Waterways Conference, Inc.
\$2,397.00 – National Waterways Conference Registration

Ck. No. 26872 – Nerbert Frelow
\$2,850.00 – Dump Truck Services

Ck. No. 26873 – Port Arthur News
\$357.64 – Advertisement for Auditor RFQ

Ck. No. 26874 – Ray Russo
\$12,704.39 – Legislative Consulting Services

Ck. No. 26875 – Richard Beaumont
\$142.33 – Health Insurance Payment

Ck. No. 26876 – Richards, Rodriguez & Skeith LLP

\$5,010.00 – Legal Services – Star Lake

Ck. No. 26877 – Sam & Tash Services, Inc.

\$1,569.62 – Janitorial Services for Administration Building

Ck. No. 26878 – FNBO

\$616.04 – Fees, Supplies and Meeting Expenses

Ck. No. 26879 – Sunbelt Rentals

\$245.00 – Ditch-Witch Rental

Ck. No. 26880 – Texan Engineering & Consulting LLC

\$12,040.00 – Engineering Services – General & Blocks Bayou

Ck. No. 26881 – Texas Water Association

4,565.00 – Membership Renewal

Ck. No. 26882 – Texas Workforce Commission

\$591.00 – M. Getwood Unemployment Claim

Ck. No. 26883 – The Brandimarte Law Firm, PLLC

\$20,056.31 – Legal Services July 2025

Ck. No. 26884 – Thorpe Plant Services, Inc.

\$6,725.26 – Pump Stations 1 & 7 Scaffold Rental

Ck. No. 26885 – Toby Davis

\$2,529.99 – USACE Meeting Reimbursement

Ck. No. 26886 – Tower Medical Center of Nederland

\$250.00 – New Employee Physicals

Ck. No. 26887 – United of Omaha

\$1,436.18 – Health Insurance Payment

Ck. No. 26888 – W-Industries

\$279,775.00 – 2024-010 SCADA Design-Build Project

Ck. No. 26889 – Waukesha-Pearce Industries, Inc.

\$18,383.0 – Multiple Equipment Rentals

Ck. No. 26890 – Wave Solutions LLC

\$5,648.28 – August Computer and Phone Software, Service

Ck. No. 26891 – Airgas USA LLC
\$443.30 – Multiple Cylinder Rental

Ck. No. 26892 – Cintas Corp
\$42.03 – Traffic Mat Service Administration Building

Insurance Admin Account

Ck. No. 10175 – Assured Benefits Administrators
\$80,164.72 – August 2025 Monthly Insurance Administration Fees

GLO Account

Ck. No. 5106 – Triangle Civil Services
\$146,821.50 – Sabine Pass to Galveston Bay Project PAV03A.1, Port Acres WWTP Relocation

Ck. No. 5107 – LAWCO Construction
\$19,960.00 – Sabine Pass to Galveston Bay Project PAV03A.1 Remove Abandoned Sewer Line FM 365

2014 Maintenance Note Account

Ck. No. 1086 – Norman Highway Constructors, Inc.
\$369,471.11 – Blocks Bayou Ditch Phase II

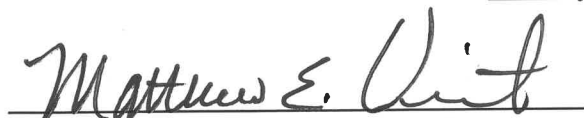
Commissioner Vincent moved that the checks from the Maintenance Fund Account, GLO Account, Insurance Admin Account and the GLO Fund Account be approved for payment. Commissioner Gamble seconded the motion. The motion carried.

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

At 2:41 p.m., Commissioner Vincent moved that the meeting be adjourned. Commissioner Gamble seconded the motion. The motion carried.



Richard Beaumont, Chairman



Matthew E. Vincent, Assistant Secretary

**RESOLUTION NO. 537
AUTHORIZING TAX ABATEMENT AGREEMENT WITH
CRESCENT BAYOU LLC**

STATE OF TEXAS §
 §
COUNTY OF JEFFERSON §

WHEREAS, Jefferson County Drainage District No. 7 (the "District") adopted Resolution 258 on October 15, 1996, setting forth its policy concerning tax abatements; and

WHEREAS, the District has memorialized, restated, and amended its tax abatement policy several times through the years, with its last amendment being by Resolution 528 on December 3, 2024, adopting the Jefferson County Amended Uniform Tax Abatement Policy-2024 as its tax abatement policy; and

WHEREAS, in open meetings the District has stated that the District's policy is to consider tax abatement agreements for entities requesting a tax abatement if they mirror the terms and conditions of the same abatement request approved by the Commissioner's Court of Jefferson County; and

WHEREAS, the District desires to enter into a Tax Abatement Agreement (in the form and content of that approved by the Commissioners' Court of Jefferson County) with Crescent Bayou LLC and wishes to authorize the District's General Manager, Allen Sims, to execute the Agreement on behalf of the District.

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

THAT it is in the best interest of the District to enter into a Tax Abatement Agreement with Crescent Bayou LLC for property located within the Energy Reinvestment Zone #1 for

construction of an industrial scale facility focused on the production, conversion, transportation, storage, and export of low-carbon hydrogen and ammonia and related improvements and authorize its General Manager, Allen Sims, to execute on behalf of the District the Tax Abatement Agreement attached hereto and made a part hereof by reference.

THAT the terms of the Tax Abatement Agreement and the property subject to the agreement meet the applicable guidelines and criteria adopted by the Board of Commissioners of the District under Section 312.002, Texas Tax Code.

THAT the General 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 the General Manager deems necessary or appropriate.

I, Matthew E. Vincent, Assistant 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. 2448 held on the 5th day of August 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 5th day of August 2025.

A handwritten signature in black ink, appearing to read "Matthew E. Vincent", written over a horizontal line.

Assistant Secretary

JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7



VISITOR SIGN-IN SHEET
MEETING NO. 2448
Tuesday, August 5, 2025

| | Name | Email Address | Telephone Number | Public Comment | | |
|----|------------------|----------------------------|------------------|------------------------------|--|--|
| 1 | KEITH ZOTZKY | KEITH.ZOTZKY@AuroraEva.com | 201-543-2663 | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
| 2 | Patrick Connors | Patrick.Connors@Kodiak.com | 314-909-0008 | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
| 3 | DAUREN KARABAYEV | dauren.karabayev | 713-282-6988 | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
| 4 | Debi Cole | chevrom@chevrom.com | U | Yes <input type="checkbox"/> | No <input checked="" 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"/> | |