

**MINUTES OF VIDEOCONFERENCE MEETING NO. 2425  
COMMISSIONERS OF  
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**

Place: 3400 Hwy 73  
Port Arthur, Texas

Date: August 20, 2024

Present: Commissioners  
Richard Beaumont  
Matthew Vincent  
Lester Champagne  
Albert Moses, Jr.

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

Absent: James Gamble, Sr.

Visitors: Allen Sims, DD7  
Toby Davis, DD7  
Garrett Boudoin, DD7  
Barron Cook, DD7  
Kirby Johnson, DD7  
Terry Wade, DD7  
Kim Carroll, Texan Engineering & 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. 2424

The Minutes of Meeting No. 2424 was approved as read.

Consider Award of Bid for Supply and Delivery of Pre-Cast Concrete Box Culverts for Future Rodair Gully Detention Pond Pump Station

Mr. Kirby Johnson stated that the proposals for the Supply and Delivery of Pre-Cast Concrete Box Culverts for the Future Rodair Gully Detention Pond Pump Station were opened at the board meeting held on August 6, 2024. The responding companies were Southern Sourcing Solutions, LLC and Doughtie Construction Co., Inc. Both bidders

complied with the bid requirements. References were checked. A recommendation letter was submitted by Mr. Johnson recommending the low bidder, Southern Sourcing Solutions, LLC be awarded the bid in the amount of Two Hundred Thousand Five Hundred Thirty-Four and 40/100 (\$200,534.40) Dollars with 60 working days. Commissioner Moses moved to award the Supply and Delivery of Pre-Cast Concrete Box Culverts for the Future Rodair Gully Detention Pond Pump Station bid to Southern Sourcing Solutions, LLC for the amount of Two Hundred Twenty Thousand Five Hundred Thirty-Four and 40/100 (\$220,534.40) Dollars. Commissioner Champagne seconded the motion. The motion carried.

Consider Proposed Tax Rate for Purposes of Publishing Notice of Public Tax Hearing on Tax Rate

Mr. Kelley stated that this week's meeting packet included a draft Notice of Public Hearing on Tax Rate that reflects a zero-dollar tax increase. At the previous Board meeting, Mr. Allen Sims submitted different tax rate scenarios for the Board's consideration. Discussion was had amongst the Board members and the majority was in favor of Mr. Sims' proposal to lower the tax rate from 0.320573 to 0.297632 (a decrease of 7.16%) which will result in no increase in taxes for the average homeowner but will decrease the District's revenue by approximately \$1,901,632. Commissioner Vincent moved to approve the proposed rate of 0.297632 per \$100 value for the purpose of publishing the Notice of Public Hearing on Tax Rate. Commissioner Champagne seconded the motion. The motion carried.

Consider Resolution Adopting Written Investment Policy

Resolution No. 520 Adopting Written Investment Policy was presented to the Board for consideration. Mr. Phil Kelley stated that this is an annual routine formality. Mr.

Allen Sims and Mrs. Alex Thibodeaux completed an online Public Funds Investments training course. The District's Investment Policy was revised to bring it into compliance with state laws and to accommodate the change in the District's bank and depository services. The District needs to establish an Investment Advisory Committee consisting of the District's Assistant Manager, the District's Accountant, and one or two of the District's Board. The Committee will meet annually to evaluate the District's investments and ensure they align with the District's goals. The Investment Policy Act states that the District should be attempting to maximize the District's interest income. The recent change in the District's bank and depository services is a positive step in maximizing the District's interest income. Mr. Kelley stated that if the Board approves Resolution No. 520 Adopting the amended Written Investment Policy, they will also approve appointing the Assistant Manager and District Accountant as Investment Officers. Commissioner Champagne moved to approve Resolution No. 520 Adopting Written Investment Policy. Commissioner Moses seconded the motion. The motion carried. A copy of Resolution No. 520 is attached to and made part of these minutes.

Consider Appointing Commissioner(s) to the Investment Policy Committee

Mr. Phil Kelley asked if a member(s) of the Board would like to volunteer to be a part of the District's Investment Policy Committee. The Committee would likely only meet once a year and give an annual report to the Board. Commissioner Moses moved to appoint Commissioner Champagne to the District's Investment Policy Committee. Commissioner Champagne seconded the motion. The motion carried.

Consider Surplus Property for Sale

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

Qty	Item	V.I.N.# / Serial #	Unit #
1	2005 New Holland LB 75 B Backhoe	31054923	13
1	2012 Ford F-750 Dump Truck	3FRWF7FB8CV199890	40
1	2012 Ford F-750 Dump Truck	3FRWF7FBXCV199891	47
1	2007 New Holland TB 100 Tractor	B61036M	4
1	2007 Chevrolet 1500 Single Cab	1GCEC14C77Z635908	31
1	2004 Bobcat Skid Steer	528011150	20
1	500 Gallon Liquid Storage Tank with Skids for Petroleum Products	N/A	N/A
1	Military Cargo Trailer	*11302094288	N/A
1	Brother Typewriter Model BEM-530	M78544697	N/A
1	HP Laser Jet Printer M234sdwe	VNG4G10433	N/A
1	OKI MC562w Printer	N/A	N/A
1	String Trimmer-Echo SRM-410U	T75412016078	N/A
1	String Trimmer-Echo SRM-410U	T75412016714	N/A
1	String Trimmer-Echo SRM-410U	T75412007602	N/A
1	String Trimmer-Echo SRM-410U	T75412007631	N/A
1	String Trimmer-Echo SRM-410U	S0S403008990	N/A
1	String Trimmer-Echo SRM-410U	S05403006025	N/A
1	String Trimmer-Echo SRM-410U	S05403009004	N/A
1	String Trimmer-Echo SRM-410U	S05403007194	N/A
1	String Trimmer-Echo SRM-410U	S05403008999	N/A
1	String Trimmer-Echo SRM-410U	S05403009058	N/A
1	String Trimmer-Echo SRM-410U	S05403005970	N/A
1	String Trimmer-Echo SRM-410U	S05403007183	N/A
1	String Trimmer-Echo SRM-410U	S50403001174	N/A
1	String Trimmer-Echo SRM-410U	S50403007186	N/A
1	String Trimmer-Echo SRM-410U	S50403009055	N/A
1	String Trimmer-Echo SRM-410U	S50403009011	N/A
1	String Trimmer-Echo SRM-410U	S72812417042	N/A
1	String Trimmer-Echo SRM-410U	127199	N/A
1	String Trimmer	None	N/A
1	String Trimmer	None	N/A
1	String Trimmer-Kawasaki KBL26A	047381	N/A
1	String Trimmer-Kawasaki KTR27A-A1	004984	N/A
1	String Trimmer-TroyBilt TB22	1C176SB3700	N/A
1	Chop Saw-Stihl	N/A	N/A
1	Polesaw-Stihl	N/A	N/A

1	String Trimmer-Craftsman 316.711200	1D163DF1027	N/A
1	String Trimmer-Craftsman 316.711200	1A174DF2487	N/A
1	Backpack Blower-Echo PB400E	552197	N/A
1	Avaya Telephone 9508	17WZ52000445	N/A
1	Avaya Telephone 9504	13WZ223704N0	N/A
1	Avaya Telephone 9504	13WZ223704LE	N/A
1	Avaya Telephone 9508	17WZ5200042M	N/A
1	Avaya Telephone 9504	18WZ023004NT	N/A
1	Avaya Telephone 9504	18WZ49300GK3	N/A
1	Avaya Telephone 9508	17WZ5200047H	N/A
1	Avaya Telephone 9504	13WZ223704R6	N/A
1	Avaya Telephone 9504	13WZ223704QJ	N/A
1	Avaya Telephone 9508	18WZ023001KT	N/A
1	Avaya Telephone 9508	17WZ520004DX	N/A
1	Avaya Telephone 9508	18WZ023001TK	N/A
1	Avaya Telephone 9508	13WZ152702MS	N/A
1	Avaya Telephone 9504	13WZ223704QQ	N/A
1	Avaya Telephone 9504	13WZ223704QB	N/A
1	Avaya Telephone 9508	17WZ5200044W	N/A

Commissioner Vincent moved to declare the subject property as surplus and to be sold. Commissioner Champagne seconded the motion. The motion carried.

#### Sabine Pass to Galveston Bay Project Summary

Mr. Allen Sims stated that he, Mr. Phil Kelley, Mr. Toby Davis, Mrs Alex Thibodeaux and Mr. Barron Cook attended meetings with the Gulf Coast Protection District ("GCPD") and Corps last week. The meeting with the Corps was related to the method to acquire easements along the wall. The main concern is the language of the easement agreements and how the District can control what is allowed to be placed on the surface near or against the wall. The current easement agreement states that the District has no say in what is put on the surface. The issue is what is placed on the surface can negatively affect the footings underneath the wall. The Corps wants the District to put restrictions on what can be placed on the surface near or against the wall. Mr. Kelley

stated this wall will be supported by subsurface piles at an angle. The District has to provide a subsurface easement to protect the tips of those piles, but the District will not own the surface. The District cannot restrict what is put on someone else's property. Mr. Sims stated that the second issue that was discussed with the Corps is the 2022 Coastal Hazards model which determines the height of the levee. Errors were discovered in the model that will change the height of the levee significantly. A discussion was held with the Colonel, Lieutenant Colonel and others from the Corps to determine how this was overlooked and how the issue would be resolved. The Corps acknowledged that they made a mistake and are working to develop options to resolve the errors.

#### Manager Reports

Mr. Phil Kelley presented the financial statements prepared by FMW, P.C. for the period ending July 31, 2024, and gave a collateral securities report as of July 31, 2024.

Mr. Allen Sims stated that he has been working on the budget for the upcoming year. Insurance costs will be significantly higher. The cost of doing business has increased in general, but the budget is not expected to change much. The grant projects that have not moved forward, will begin progressing next year due to deadlines.

Mr. Sims stated that the District applied for a Flood Mitigation Assistance Grant to fund a new Master Drainage Study. Notice was received last week advising that the District was awarded a 1.2 million dollar grant. The District has applied for three more grants to help fund the study. Mr. Kelley stated that District has already advertised for proposals and qualifications for grant administrators and engineering firms. Freese and Nichols, Inc. and LJA Engineering, Inc. will were selected to provide services associated with the grant projects, i.e. perform this study.

Mr. Kelley, Mr. Sims, and Mr. Beaumont attended a ceremony at the Jefferson County Courthouse last week where the Texas General Land Office presented the District with a 41.6 million dollar cardboard check. The funds will be distributed after the District signs the contract and work begins.

Permits

USA Rail Terminals Beaumont proposed modifications to Lateral A-1 and A-1-C. Mr. Garrett Boudoin recommended approval of the permit with a permit fee of \$1,020.00 and no bond required. Commissioner Champagne moved to approve Mr. Boudoin's recommendation. Commissioner Moses seconded the motion. The motion carried.

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

No Executive Session was held.

Checks & Purchase Orders

Maintenance Fund

Ck. No. 24922 – Airgas USA, LLC

\$405.48 – Multiple Cylinder Rentals-Argon, Acetylene, Etc.

Ck. No. 24923 – Arcadis U.S., Inc.

\$131,107.50 – Sabine Pass to Galveston Bay Project – PAV03D – Gate Alternative Study

Ck. No. 24924 – Bosco Industries

\$450.00 – Annual Aerobic Inspection – Alligator Upgrade

Ck. No. 24925 – Cintas Corp.

\$100.00 – Traffic Mat & Hand Sanitizer Service – Admin Bldg.

Ck. No. 24926 – Circle R Controls LLC

\$3,462.50 – Transfer Switch Replacement at PS 11

Ck. No. 24927 – City of Port Arthur

\$7,290.69 – Supplemental Tax Refund – TIRZ FY 24

Ck. No. 24928 – Fidelity Exterminating Company

\$200.00 – Quarterly Pest Control – Admin Building

Ck. No. 24929 – Function 4 LLC  
\$402.81 – Konica Copier Lease Payment – August 2024

Ck. No. 24930 – GP Evans Contractors  
\$14,452.20 – Seasonal Mowing Services

Ck. No. 24931 – Groves Equipment Rental Co., Inc.  
\$2,700.00 – 15-Ton Terrain Crane Rental, 07/17 – 08/16/24

Ck. No. 24932 – Lawco Construction  
\$35,560.00 – Sabine Pass to Galveston Bay Project – PAV01 – Repairs, Removal & Disposal

Ck. No. 24933 – LJA Engineering, Inc.  
\$39,432.41 – Stormwater Management, Rodair HMGP, General Engineering

Ck. No. 24934 – LJA Environmental Services, LLC  
\$7,485.00 – A-3-A and Groves Detention HMGP Projects

Ck. No. 24935 – Nerbert Frelow  
\$3,800.00 – Dump Truck Services – 08/08 – 08/15/24

Ck. No. 24936 – Richard Beaumont  
\$131.67 – Health Insurance Payment

Ck. No. 24937 – Sam & Tash Services, Inc.  
\$1,569.62 – Janitorial Services for Admin Building

Ck. No. 24938 – TWCA Risk Management Fud  
\$15.00 – MVR Billing

Ck. No. 24939 – Blue Cross Blue Shield of Texas  
\$330.78 – Health Insurance Payment

Ck. No. 24940 – Jeffrey S. Ward & Associates, Inc.  
\$22,500.00 – Rodair Detention HMGP, Hazard Mitigation

Ck. No. 24941 – Lawco Construction  
\$6,800.00 – Grade Eroded Area & Hydromulch North of Hwy 365

Ck. No. 24967 – GFL Plant Services  
\$6,214.55 – Equipment Rental 07/01 – 07/31/2024



GLO Fund

Ck. No. 5084 – Union Pacific Railroad Company

\$2,423.13 – Sabine Pass to Galveston Bay Project – PAV02 – UPRR Review

Commissioner Vincent moved that the checks from the Maintenance Fund and GLO Fund accounts be approved for payment. Commissioner Moses seconded the motion. The motion carried.

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

At 2:29 p.m., Commissioner Moses moved that the meeting be adjourned. Commissioner Champagne seconded the motion. The motion carried.

  
\_\_\_\_\_  
Richard Beaumont, Chairman

  
\_\_\_\_\_  
Albert Moses, Jr., Secretary



District No. 7, at their meeting held on the 20<sup>th</sup> day of August, 2024, upon motion made by Commissioner Champagne and seconded by Commissioner Moses and adopted unanimously by said Board, a quorum being present.

Given under my hand this 20<sup>th</sup> day of August 2024.



Secretary

JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7