

**MINUTES OF VIDEOCONFERENCE MEETING NO. 2426
COMMISSIONERS OF
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**

Place: 3400 Hwy 73
Port Arthur, Texas

Date: September 3, 2024

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

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

Visitors: Allen Sims, DD7
Toby Davis, DD7
Dean Depew, DD7
Brian McZeal, DD7
Garrett Boudoin, DD7
Barron Cook, DD7
Kirby Johnson, DD7
Terry Wade, DD7
Thomas Jordan

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. 2425

The Minutes of Meeting No. 2425 was approved as read.

Public Hearing on Proposed Tax Rate for FY 24/25

Chairman Beaumont asked if anyone from the general public would like to speak to the proposed tax rate of 0.297632 per \$100 valuation. Mr. Thomas Jordan appeared and commended the District for the excellent drainage system and stated that a lot of residents do not realize the benefit the system provides. Mr. Kelley thanked Mr. Jordan

for his comments and stated that the public is welcome to request a tour of the system.

Consider Adopting Tax Rate and Exemptions for FY 24/25

Mr. Phil Kelley stated the proposed tax rate is 0.297632 per \$100 valuation. Commissioner Champagne moved to approve the exemptions and that the tax rate for the 2024 tax collection be set as follows:

Tax Rate

M & O Fund	0.287902 per \$100 valuation
Total	0.297632 per \$100 valuation

2024 tax exemptions are set as follows:

Exemptions

Optional	20% or \$5,000
Over 65 & Disabled	\$40,000
Disabled Veterans	\$12,000 (maximum)
Primary Charitable Organizations	Totally – As Approved by Texas State Comptroller

Commissioner Vincent seconded the motion. The motion carried.

Consider Resolution Authorizing General Manager to Execute Interlocal Agreement with City of Port Arthur Regarding the Rice Field Road Project

Resolution No. 521 Authorizing the General Manager to enter into an Interlocal Agreement with the City of Port Arthur, Texas was submitted for consideration. Mr. Allen Sims has been working with the City of Port Arthur Engineers on the Rice Field Road Project. There are significant flooding issues that need to be addressed. The City of Port Arthur would like to improve the ditch between Main B2-A Canal and a nearby large apartment complex. The City of Port Arthur has enlisted the District's help with the

project. The City of Port Arthur will provide the materials and equipment, and the District will provide the labor. The City of Port Arthur will install the box culverts under Jimmy Johnson Blvd., and the District will concrete line the ditch on each side. Commissioner Vincent moved to approve Resolution No. 521 Authorizing Interlocal Agreement with the City of Port Arthur, Texas. Commissioner Gamble seconded the motion. The motion carried. A copy of Resolution No. 521 is attached hereto and made a part of these minutes.

Consider Approval for Manager to Execute Purchase and Sale Agreement and Easements Pertaining to the Rodair Detention Pond

Mr. Phil Kelley stated the District negotiated a sales price that the board approved to purchase the OCI property. This item pertains to the storage easement allowing OCI or their lessee to drain to the Rodair Detention Pond. This easement will allow OCI to meet the District's drainage criteria. Mr. Toby Davis and Mr. Garrett Boudoin had concerns regarding the language in the Purchase and Sale Agreement (PSA) and Easement Agreement. There is also a list of items that need to be addressed before the District takes possession of the property. Approving this item would authorize Mr. Kelley to execute the PSA and the Storage Easement Agreement once the parties agree on the language in the agreements. OCI is leasing the land to Linde, Inc. Linde, Inc. will have to execute a construction easement with the District. Commissioner Champagne moved to authorize the Manager to execute the Purchase and Sale Agreement and Storage Easement Agreement pertaining to the Rodair Detention Pond. Commissioner Vincent seconded the motion. The motion carried.

Consider Approval to Advertise for Bids for Proposed In-Flow/Out-Fall Structure Pertaining to the Rodair Detention Pond

Mr. Phil Kelley requested approval to advertise for bids for the proposed In-flow / Out-Fall Structure Pertaining to the Future Rodair Detention Pond Pump Station Discharge Project. Mr. Allen Sims stated that OCI received a bid for this project from their contractor, however, the proposed cost was much higher than anticipated. The District would like to seek competitive bids for the project to potentially reduce the cost of the project. Regardless of which contractor is awarded the bid, OCI and the District will each pay half of the cost. Commissioner Moses moved to approve the request to Advertise for Bids for the Proposed In-Flow/Out-Fall Structure Pertaining to the Rodair Detention Pond. Commissioner Champagne seconded the motion. The motion carried.

Consider Pay Request No. 5 to Inland Environments for Asbestos Abatement/Demolition of Former Taft Elementary School

A recommendation letter was submitted by Barron Cook, P.E. for Pay Request No. 5 to Inland Environments Ltd. for the Asbestos Abatement/Demolition of the Former Taft Elementary School in the amount of Twenty-Seven Thousand Eight Hundred Eighty and 00/100 (\$27,880.00) Dollars. The job site has been graded and cleaned up. The contractor requests payment of the 10% retainage for the demolition of the former Taft Elementary School building contract. Commissioner Champagne moved to approve Pay Request No. 5 to Inland Environments Ltd. for the Asbestos Abatement/Demolition of the Former Taft Elementary School in the amount of Twenty-Seven Thousand Eight Hundred Eighty and 00/100 (\$27,880.00) Dollars. Commissioner Gamble seconded the motion. The motion carried.

Preliminary Budget Discussion

Mr. Allen Sims stated that the proposed budget and worksheets were provided to each commissioner. As previously noted, the new tax rate is expected to reduce the District's revenue by approximately \$1.9 million. However, due to the District's recent change in banking and depository arrangements, which includes securing higher interest rates, the District anticipates an increase in revenue of \$2.1 million from interest earnings. The most significant change in this year's budget is the implementation of a 3% cost of living increase in the payroll line item. General liability, automobile, and structure insurance costs increased by approximately \$150,000 (5%). Workers' comp and health insurance remained the same. Fuel increased slightly. Training was increased due to mandated cyclical heavy equipment training.

Four special projects were added. The District's Hazard Mitigation Action Plan is approaching its five-year renewal. This is a requirement of the State of Texas for the District to apply for grants. Rodair Gully Detention Improvements, Stormwater Management Plan, and Abandon Utility Crossings (3) are all new special projects. The Star Lake Remediation Project increased due to the anticipation of the start of construction in this next fiscal year. The Rodair Gully Detention Project was broken into one base project and two sub-projects to accommodate the grant requirements. Most of the District's current special projects are actively in progress. The grant projects are expected to move to the construction phase this fiscal year. The District was awarded a CDBG-MIT grant. The District is waiting for the General Land Office to sign the contract and distribute the funds. The District has submitted a revised budget without the SCADA System project. The General Land Office had some concerns with the design-build

process. So, the SCADA System project was removed from the CDBG-MIT budget and the District will fund the SCADA System project. The grant funds will be used to replace the Shreveport Pump Station, update 10 to 12 pump stations, and improve the Halbouty Detention Pond project. These updates will provide a more resilient system across the entire District.

Sabine Pass to Galveston Bay Project Summary

Mr. Allen Sims stated discussions continue with the USACE regarding the modeling issue. The USACE is conducting calculations to assess whether the elevation changes in the project will be effective in mitigating the impact of a 100-year storm event. The USACE currently believes that the amount of water that could potentially overtop the levee during a 100-year storm event does not justify making changes to the design at this stage of the project. The acceptable range is .1 - .3 Cubic Feet per second. If the design meets these criteria, the USACE is prepared to sign off on it and send a letter to FEMA recommending certification of the levee. Currently, the USACE has analyzed two out of fifty cross-sections.

Manager Reports

There are no manager reports at this time.

Permits

Entergy Texas, Inc. proposed underground encroachment of Rodair Gully Lateral 6B. Mr. Garrett Boudoin recommended approval of the permit. The permit fee is waived, and no bond is required. Commissioner Moses moved to approve the permit on Mr. Boudoin's recommendation. Commissioner Champagne 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. 25001 – Albert Moses
\$529.00 – Health Insurance Payment

Ck. No. 25002 – BLX Group LLC
\$500.00 – Bond Arbitrage Investment Review

Ck. No. 25003 – Cintas Corp.
\$94.00 – Traffic Mat & Hand Sanitizer Service – Admin Bldg.

Ck. No. 25004 – Deep South Crane & Rigging Co.
\$1,680.00 – Crane Rental – PS 10 Unit #2

Ck. No. 25005 – FMW, P.C.
\$2,300.00 – Account Servies – July 2024

Ck. No. 25006 – Freese and Nichols, Inc.
\$1,140.02 – Sabine Pass to Galveston Bay Project – PAV02 – Shreveport Pump Station Fronting Protection

Ck. No. 25007 – GP Evans Contractors
\$21,911.25 – Seasonal Mowing Services

Ck. No. 25008 – Herc Rentals Corporation
\$3005.85 – Dump Truck Rental

Ck. No. 25009 – Inland Environments, Ltd.
\$27,880.00 – Taft Elementary Asbestos Abatement – Groves Detention

Ck. No. 25010 – James Gamble, Sr.
\$270.00 – Health Insurance Payment

Ck. No. 25011 – Jefferson County, Texas
\$82,900.31 – CDBG Grant Project – Crane Bayou PS 7

Ck. No. 25012 – Johnny's Towing & Recovery
\$1,350.00 – Transport Equipment to Horn Auction

Ck. No. 25013 – Ron Lewis & Associates
\$3,500.00 – Legislative Consulting Fees

Ck. No. 25014 – Sam & Tash Services, Inc.
\$1,569.62 – Janitorial Services – Admin Building

Ck. No. 25015 – Sign International, Inc.
\$2,920.00 – Admin Building Exterior Aluminum Letters

Ck. No. 25016 – Steel Insulator Group, LLC.
\$4,777.20 – PS 15 Labor and Equipment 60% Payment

Ck. No. 25017 – Thorpe Plant Services, Inc.
\$679.97 – PS 10 & PS 1 Scaffold Rentals

Ck. No. 25018 – United States Postal Service
\$500.00 – Postage for Postage Meter

Ck. No. 25019 – Wave Solutions LLC
\$4,281.00 – Monthly Email, IT Services & Telephones – Admin Building

Ck. No. 25020 – Weisinger Incorporated
\$214,144.00 – PS 5 Unit 2 Repairs

Ck. No. 25024 – Dan Delich Consulting
\$2,500.00 – Legislative Consulting Fees

Ck. No. 25025 – Disa, Inc.
\$25.00 – Employee Medical Drug Screen

Ck. No. 25026 – Electrical Specialties, Inc.
\$45.00 – Alarm System Monitoring September 2024

Ck. No. 25027 – Glenn H. Steele, Jr. PLLC
\$6,950.00 – Attorney's Fees - August 2024

Ck. No. 25028 – Mazzanti & Associates, LLC
\$2,500.00 – Legislative Consulting Fees

Ck. No. 25029 – Nerbert Frelow
\$2,280.00 – Dump Truck Services

Ck. No. 25031 – Wells Fargo
\$1,121.47 – Meeting Expenses, Office Supplies & Computer Software

Ck. No. 25050 – Ray Russo

\$6,820.85 – Legislative Consulting Fees

Commissioner Vincent 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 2:33 p.m., Commissioner Champagne moved that the meeting be adjourned. Commissioner Moses seconded the motion. The motion carried.


Richard Beaumont, Chairman


Albert Moses, Jr., Secretary

**RESOLUTION NO. 521
AUTHORIZING INTERLOCAL AGREEMENT WITH THE
CITY OF PORT ARTHUR, TEXAS**

STATE OF TEXAS

COUNTY OF JEFFERSON

WHEREAS, Jefferson County Drainage District No. 7 (the "District") desires to enter into an Interlocal Agreement with the City of Port Arthur, Texas (the "City") to improve the existing interurban drainage ditch designated as B2-A row along Rice Field Road; and

WHEREAS, the City has approved funds from the Streets Account in the amount of \$896,488.18 for the "Improvements to the Existing Interurban Drainage Ditch Designated as B2-A Row along Rice Field Road" (Project); and

WHEREAS, the City shall furnish the District with design, engineering, materials, and oversight, which the District will utilize its staff and equipment for this project; and

WHEREAS, the District wishes to authorize the District's General Manager to execute the Interlocal 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 an Interlocal Agreement with the City of Port Arthur, Texas pursuant to the terms and agreements set forth in said Interlocal Agreement regarding Improvements to the Existing Interurban Drainage Ditch Designated as B2-A Row along Rice Field Road and to authorize its General Manager to execute on behalf of the District the attached instrument.

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 such General Manager deems necessary or appropriate.

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. 2426 held on the 3rd day of September 2024, 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 3rd day of September 2024.


Secretary
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7