

**MINUTES OF VIDEOCONFERENCE MEETING NO. 2403
COMMISSIONERS OF
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**

Place: 3400 Hwy 73
Port Arthur, Texas

Date: September 19, 2023

Present: Commissioners
Lester Champagne
Matthew Vincent
Albert Moses, Jr.
Phil Kelley, General Manager
Pete Steele, Attorney for the District

Absent: Richard Beaumont
James Gamble, Sr.

Visitors: Allen Sims, DD7
Toby Davis, DD7
Barron Cook, DD7
Kirby Johnson, DD7
Brady Girouard, DD7
Garrett Boudoin, DD7
Brian McZeal, DD7
Kim Carroll, Texan Engineering

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

Minutes of Meeting No. 2402

The Minutes of Meeting No. 2402 was approved as read.

Consider Resolution Requesting SETRPC Hold Affirmatively Furthering Fair Housing Training

Resolution No. 504 Requesting Southeast Texas Regional Planning Committee Hold Affirmatively Furthering Fair Housing Training was presented to the Board for consideration. Mr. Allen Sims stated this is a requirement by HUD for all entities that

receive CDGB mitigation grant funding. Commissioner Vincent moved to approve Resolution No. 504 Requesting Southeast Texas Regional Planning Committee Hold Affirmatively Furthering Fair Housing Training. Commissioner Moses seconded the motion. The Vice-Chairman voted aye. The motion carried. A copy of Resolution No. 504 is attached to and made part of these minutes.

Consider Approval of Amended Budget for FY 22/23

Mr. Phil Kelley presented the Amended Budget for FY 22/23 for approval. This is an annual formality that is done each year. Mr. Kelley stated that the August 2023 financial statement listed several line items that were over budget, but Mr. Sims was able to amend all of those deficits by moving money around within each category so that all bottom lines remained the same. Those changes will be reflected in the September 2023 financial statement. Commissioner Moses moved to approve the Amended Budget for FY 22/23 as submitted. Commissioner Vincent seconded the motion. The Vice-Chairman voted aye. The motion carried.

Consider Approval of Budget for FY 23/24

Mr. Kelley submitted the proposed Maintenance and Operating Fund Budget for FY 23/24 and the Capital Projects Fund Budget for FY 23/24 for consideration. Mr. Kelley stated that it is basically the same as the preliminary budget presented at the last meeting with a few revisions. A special project was added and the budget for the diesel engine replacement program was increased. Commissioner Moses asked if the District will have the funds for the its cost share for the Sabine Pass to Galveston Bay Project should the state of Texas be unable to continue to pay the District's cost share. Mr. Kelley stated that the amount of funds available for transfer from the remaining fund balance at the end

of this fiscal year to the Capital Funds account is dependent upon how the District's budget ends September 30th. The Capital Funds account balance is currently at \$52 million and with the increase in tax revenue for FY23-24, that amount should increase next year. Commissioner Vincent made a motion that the Maintenance and Operating Fund Budget for FY 23/24 and the Capital Projects Fund Budget for FY 23/24 be adopted as submitted. Commissioner Moses seconded the motion. The Vice-Chairman voted aye. The motion carried.

Sabine Pass to Galveston Bay Project Summary

Mr. Brady Girouard stated that design, work-in-kind, negotiations for rights of entry with landowners and project meetings are ongoing for all contracts. No significant changes since last report.

Mr. Sims stated General Spellmon from USACE Headquarters in D.C. and approximately 25 staff members visited Valero Refinery concerning the HTRW and contaminated soil issue that has been going on for some time now. According to the Galveston Corps staff, General Spellmon was expecting a very difficult situation but after the site visit General Spellmon thought that it was a straightforward issue, and he did not understand why it has taken 2 years to move forward. The Corps requested a soil management plan be drafted. Valero has an internal soil management plan. A meeting is set for tomorrow between Valero, the Corps and the District to adapt Valero's existing soil management plan to the Corps required prerequisites. The proposed plan is to have Corps contractors dig the dirt and set it aside for Valero's contractor to test the dirt and handle the dirt as directed by the soil management plan. The District will be responsible for paying Valero for the cost of testing and possible decontamination. Mr. Kelley stated

the District is asking Valero's contractor to handle the soil and testing and that the District reimburse Valero through a reimbursement agreement or memorandum of understanding. Mr. Sims stated the understanding is that this decision to move forward with the project will be made by the local commander and does not have to be presented to headquarters in Washington, D.C. Once the soil management plan is in place, then the Corps will be allowed to move forward with this portion of the project. Using that same process, the majority of the HTRW issues within the Sabine Pass to Galveston Bay project will move forward with the exception of the Star Lake section of the project.

Mr. Kelley stated that Contract 3D is in the engineering phase which includes several gates around the port area. Toby Davis has been working with levee districts around New Orleans who have designed gates similar to the District's needs. Mr. Kelley, Allen Sims, Toby Davis and Barron Cook are set to tour the facilities in New Orleans next week.

Manager Reports

Mr. Phil Kelley presented the financial statements prepared by FMW, P.C. for the period ending August 31, 2023, and gave a collateral securities report as of August 31, 2023.

Mr. Kelley stated that the District has received the signed Special Warranty Deed pertaining to the transfer of ownership of the Taft Elementary School property, previously owned by the Port Neches-Groves ISD. The deed will be recorded with the Jefferson County Clerk's Office. Mr. Sims stated that the District will need to purchase liability insurance coverage until the facility can be demolished. Mr. Kelley stated that he has received a sample contract that the school district has used to demolish old school

facilities. Mr. Pete Steele is working with the District engineers to rewrite the contract to cover the District's needs. Texas Department of Public Safety SWAT Team has requested permission to perform close quarters training inside the facility before it is demolished. An agreement is being put together by the Texas Department of Public Safety which will absolve the District of any liability during the training session.

Mr. Kelley stated that surplus equipment sold at auction totaled \$41,253.

Permits

Diamond Green Diesel, LLC proposed 12" pipeline crossings at Station 838+50. Mr. Garrett Boudoin recommended approval of the permit with a permit fee of \$550.00 and no bond required. Commissioner Vincent moved to approve Mr. Boudoin's recommendation. Commissioner Moses seconded the motion. The Vice-Chairman voted aye. 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. 22944 – 4 Horn Industrial
\$5,274.04 – Generator Rental – Administration Building

Ck. No. 22945 – A-1 Rentals of Beaumont
\$256.00 – Tablecloth Rental – Sabine Pass to Galveston Bay Project

Ck. No. 22946 – Actuation Plus, LLC
\$1,611.00 – Firmware - Equipment & Software Updates, PS's 8, 10 & 18

Ck. No. 22947 – Duck's Dragline Service, Inc.
\$2,880.00 – LS250X4 Trackhoe Rental – Main C Ext. Project

Ck. No. 22948 – FILMR, LLC
\$60.00 – Social Media Posts

Ck. No. 22949 – FMW, P.C.
\$2,300.00 – Accounting Services for August 2023

Ck. No. 22950 – Function 4 LLC
\$377.99 – Konica Copier Lease Payment

Ck. No. 22951 – HERC Rentals Corporation
\$3,158.81 – Dump Truck Rental 8/8 - 9/5/23

Ck. No. 22952 – Jefferson County Appraisal District
\$64,012.75 – 2023 4th Quarter Entity Allocation Payment

Ck. No. 22953 – Jeffrey S. Ward & Associates, Inc.
\$2,500.00 – Rodair Detention HMGP Project

Ck. No. 22954 – JI Special Risks Insurance Agency, Inc.
\$875.00 – RR Protective Liability Policy 9/11/23 – 5/13/24

Ck. No. 22955 – JLL- KCS Permit Department
\$1,000.00 – Processing Fee – KCS Bridge K-783.9

Ck. No. 22956 – Kansas City Southern Railway Company
\$1,000.00 – Permit Fee – KCS Bridge K-783.9, DD7 PS Sheet

Ck. No. 22957 – LJA Engineering, Inc.
\$4,048.67 – Stormwater Management Plan & Rodair Detention HMGP Project

Ck. No. 22958 – Nerbert Frelow
\$1,440.00 – Dump Truck Rental – Main C Ext Project

Ck. No. 22959 – Sam & Tash Services, Inc.
\$1,569.62 – Janitorial Services – Administration Building

Ck. No. 22960 – Sprint Waste Services, LP
\$2,301.03 – Rollbox – Holding Tank – Portable Toilet Rental at Multiple Sites

Ck. No. 22961 – TCS Consulting
\$9,955.00 – Annual Auto-Cad Subscription & Annual Email & Malware License – Control Center

Ck. No. 22962 – Thorpe Plant Service Corporation
\$45,922.00 – Scaffold Rental, Material & Labor Engine Install PS 1

Ck. No. 22963 – TWCA Risk Management Fund
\$31,007.50 – Motor Vehicle & Commercial Property Insurance Amendment

Ck. No. 22964 – United of Omaha
\$2,148.12 – Health Insurance Payments (2)

Ck. No. 22965 – Dannenbaum Engineering Corp.
\$2,893.22 – Groves Detention HMGP Project

Ck. No. 22990 – Duck’s Dragline Service, Inc.
\$6,650.00 – LS250X3 Trackhoe Rental – Crane Bayou Mucking

Ck. No. 22991 – LAWCO
\$3,500.00 – Dozer Rental – Crane Bayou & Halbouty Detention

Ck. No. 22992 – SWAT Construction
\$1,306.00 – Road Plate at Sinkhole – Main B Diversion

Ck. No. 22993 – Web Development Resource Group
\$1,200.00 – Web Maintenance & Development

General Land Office Fund

Ck. No. 5047 – LJA Environmental Services
\$15,875.84 – Sabine Pass to Galveston Bay Project

Commissioner Moses moved that the checks from the Maintenance Fund and General Land Office Fund accounts be approved for payment. Commissioner Vincent seconded the motion. The Vice-Chairman voted aye. The motion carried.

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

At 2:24 p.m., Commissioner Vincent moved that the meeting be adjourned. Commissioner Moses seconded the motion. The Vice-Chairman voted aye. The motion carried.



Albert Moses, Jr., Secretary



Lester Champagne, Vice-Chairman

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

1. That, at the recommendation of the Texas General Land Office, the District hereby encourages the Southeast Regional Planning Commission to conduct regional affirmatively furthering fair housing planning and training as the allocating organization for Community Development Block Grant - Regional Mitigation Program funds.

2. That should the Southeast Texas Regional Planning Commission conduct regional affirmatively furthering fair housing training, the Board encourages attendance at such by elected officials and relevant staff engaged with the CDBG-MIT and/or other HUD funded projects.

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 19th day of September, 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 19th day of September 2023.


Secretary
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7