

**MINUTES OF VIDEOCONFERENCE MEETING NO. 2358
COMMISSIONERS OF
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**

Place: 4749 Twin City Highway, Suite 300
Port Arthur, Texas

Date: October 19, 2021

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

Phil Kelley, Manager
Pete Steele, Attorney

Visitors: Allen Sims, DD7
Brady Girouard, DD7
Garrett Boudoin, DD7
Kim Carroll, Texan Engineering & Consulting, LLC (Via Zoom)
Jim Townsley (Via Zoom)
Rachel Bear (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. 2357

The Minutes of Meeting No. 2357 was approved as read.

Consider Resolution to Approve 2021 Certified Tax Roll

Resolution No. 479 approving the 2021 Tax Roll was presented for approval. Commissioner Champagne moved that Resolution No. 479 be approved. Commissioner Gamble seconded the motion. The motion carried. A copy of Resolution No. 479 is attached hereto and made a part of these minutes.

Consider Payment to Motiva Enterprises LLC for Pipeline Utility Relocation in Connection to the Sabine Pass to Galveston Bay Project

Mr. Allen Sims stated as part of Contract 3A, the floodwall by Motiva Enterprises LLC's 7th Street Tank Farm will be raised and replaced and there are thirty-five (35) to forty-five (45) pipelines that must be relocated. The engineering for the pipeline relocation has been split into two (2) phases. Phase 1 of the engineering costs is for putting the plans together to relocate the pipe. The total cost is unknown at this time, but it is estimated to be somewhere between \$25 and \$30 million. The engineering costs for Phase 1 will be paid in two (2) payments, with the first payment being in the amount of Two Million Nine Hundred Ninety-Nine Thousand Eight Hundred Five and No/100 (\$2,999,805.00) Dollars. The second payment will be approximately \$4 million. Once Phase 1 of the engineering is completed, it will be reviewed by the Corps of Engineers for approval. Once the Corps approves, the design plans will be finalized and put to construction. Construction costs will be around \$20 million. These funds will go toward the District's thirty-five percent (35%) match to the overall Sabine Pass to Galveston Bay Project. This payment will be made out of the funds the District has received from the General Land Office. Mr. Phil Kelley stated this is merely a formality to get the Board's approval to make this first payment for engineering costs and to evidence the Board's knowledge of the money being disbursed. The payment will be made by wire transfer. Mr. Kelley further stated this is similar to the set up the District has with Valero Refinery. Commissioner Champagne moved to approve the payment of Two Million Nine Hundred Ninety-Nine Thousand Eight Hundred Five and No/100

(\$2,999,805.00) Dollars to Motiva Enterprises LLC for the Pipeline Utility Relocation in connection to the Sabine Pass to Galveston Bay Project. Commissioner Gamble seconded the motion. The motion carried.

Sabine Pass to Galveston Bay Project Summary

Mr. Brady Girouard gave a brief update on the Sabine Pass to Galveston Bay Project Summary (SP2GB). Contract 1 is still under construction and anticipated to be completed by December 2021. Technical difficulties have arisen in the past week which are being worked out by the Corps of Engineers Galveston District. Geotechnical Work-in-Kind is ongoing on Contract 2. The Chicago District Corps of Engineers is working on the design and is reaching a stage where they need survey information. Therefore, survey work is probably about to be initiated even though right-of-entry has not been received from Union Pacific Railroad. Relocates are still moving forward on Contract 3, and an agenda item for Board consideration will be forthcoming soon for a one-time payment to Chevron Phillips for approximately \$4 to \$5 million to cover the actual relocates. There are some environmental issues that need to be resolved before proceeding further with right-of-way acquisition. Contract 3B has reached 100% design level. Gate structures are being worked out and there may be some items pulled out of the contract so scheduling can be met and get bid. Contract 3A is at a 95% design level, with 100% anticipated by early next year. There will be more relocates on Contract 3A. Contracts 4 and 5 are still conceptual at this time as the scope of work has not been fully defined.

Mr. Phil Kelley added that it is up to the District to provide a clean, free of contamination work site to the Corps of Engineers to build this project. There were some test digs done under Contract 3 looking for some underground obstacles and a benzene meter pinged a couple of times. It was below the threshold that required any type of exposure, but the fact remains that part of the District's responsibility is to acquire right-of-way and turn the property over to the Corps to build the project. Mr. Kelley has told the Corps of Engineers it will be up to the District's Board to decide but it will not be on Mr. Kelley's recommendation to purchase the property until it is known what is in the ground and what the District may be facing. During right-of-way acquisition, the District does not know if Valero may want a clause that states they will not be responsible for any exposed or regulated contaminants in the ground, so Mr. Kelley wants to be sure of what is there before he recommends purchase. Allen Sims is working with LJA Environmental on some sort of agreement for a Phase 2 Environmental Assessment, which is estimated at \$30,000 to \$40,000 and which the Corps will consider as work-in-kind.

The District is working very hard on this project and the workload keeps everyone very busy. Mr. Allen Sims reported that the District staff had a very good meeting with the Corps' Engineer, Kalli Egan, over the Hurricane Branch last week; however, she will be leaving the Corps on November 1 and a new person will be coming in. A lot of things that the District has been telling the Corps were acknowledged by her last Wednesday and are now moving forward.

Manager's Miscellaneous Reports/Financials

Since the date of the last Commissioner's meeting, the following work has been done:

HFPL Maintenance/Herbicide Crew

Herbicide Application:

- Lee Ditch, Airport Viterbo, C11, C12, Lat's. 1&2, Main C, Fence Line on W. 7th St.
- Star Lake Ditch, 17 Pit, Pure Oil, Vernon's Slue,
- Pump stations

Levee:

- Closure structure inspection
- Herbicide application to levee surface.

Misc.:

- Main C bank repair across from Halbouty PS.

Contractor:

- GP Evans Contractors: Mowing Areas-1, 2, 3, 7, 8, 9, 10, 11, 11A, 12 and 13.
- Ducks Dragline Service: Main C Ditch Bank Repair

Control Center Operation and Pump Station Maintenance Report

- Houston. Technician came out next day and replaced 2 burnt out circuit boards and transformer. Test run gate, All OK.
- Stations 1, 2, 3, 15 and 19
Test run Automatic rakes.
- Break Room
Install new 55inch TV on the wall bracket in the employee break room.
- B-Diversion Gate
Replace burnt out Surge Protector on Station Breaker Panel.
- Station 16 Annex
Temporarily hookup Plasma Cutter for Contractors.

- Control Room
Computer Backup Unit-Annual Preventive Maintenance check of Unit by XS Electronics Technician Mark Hume, All OK. Clean out backup room and wipe down backup generator. Test run Control Room Generator, Hours 26.5
Replace Air Conditioner for Back up room with new one.
- Station 13
Unit 2-replace 8D battery on diesel engine.
- Station 3
Auto Trash Rake-Ovivo tech came out and went thru program, new proximity switch not working right, changed out switch and test, All OK. Rake back in Auto. Ovivo technician Brent Marshall helped on this problem at no charge to DD7.
- Station 6
Generator Transfer Switch-found burnt-out processor after power outage from thunderstorm. Switch would not return to normal power. Colwell Electric technician came and replaced processor and tested. Start relay for Generator 1 acting up. Ordered new relay, will replace when it comes in. Unit 2 generator in lead position in Auto. Received new Relay, installed and tested. Both units in Auto.
- Station 10
Check Trash Rakes, run rakes and did not find any problem, crew said it tripped out. Believe unit was put in reverse before it was stopped in forward.

Construction Notes - Alligator Bayou Pump Station Annex
September 27, 2021 – October 8, 2021

Monday, September 27:

Alligator Project; Allco worked on site today. Weather conditions were sunny to partly cloudy. The site conditions were dry.

Allco's superintendents (2) on site (Terrell, Joe) with (6) operators/laborers reported.

Allco is continuing work on the cofferdam removal.

Tuesday, September 28:

Alligator Project; Allco worked on site today. Weather conditions were partly cloudy to rainy. The site conditions were wet.

Allco's superintendents (2) on site (Terrell and Joe) with (6) operators/laborers reported.

Allco is working on removing the coffer dam, but they were forced to stop due to muddy conditions on the dam.

Wednesday, September 29:

Alligator Project; Allco is not working on site today. Weather conditions held rain on and off throughout the day.

Thursday, September 30:

Alligator Project; Allco worked on site today. Weather conditions were cloudy. The site conditions were dry.

Allco's superintendents (2) on site (Terrell and Joe) with (6) operators/laborers reported.

Allco is working on the cofferdam, removing dirt from the middle of the dam.

Friday, October 1:

Alligator Project; Allco worked on site today. Weather conditions were cloudy with rain starting right before noon. The site conditions were muddy and wet.

Allco's superintendents (2) on site (Terrell and Joe) with (6) operators/laborers reported.

Allco is continuing work on the cofferdam removal. Rain started around midday, leading to a rain out.

Monday, October 4:

Alligator Project; Allco worked on site today. Weather conditions were sunny. The site conditions were dry.

Allco's superintendents (2) on site (Terrell and Joe) with (6) operators/laborers reported.

Allco is working on finding a way to successfully hold the dirt inside the cofferdam in place while they continue digging. The soil keeps sliding during the removal, making it difficult for the equipment to access the end of the dam. They are trying to find a way to hold the dirt/mud in place to make equipment access easier and safer.

Tuesday, October 5:

Alligator Project; Allco worked on site today. Weather conditions were sunny. The site conditions were dry.

Allco superintendents (1) on site (Joe) with (6) operators/laborers reported.

Allco is continuing work on the cofferdam removal. They are still trying to stabilize the dirt/mud at the end of the dam while removing it from the middle.

Wednesday, October 6:

Alligator Project; Allco worked on site today. Weather conditions were sunny. The site conditions were dry.

Allco superintendent (1) on site (Joe) with (6) operators/laborers reported.

Allco is welding a support across the cofferdam sheet pile to help reinforce it from the pressure of the dirt.

Thursday, October 7:

Alligator Project; Allco worked on site today. Weather conditions were sunny. The site conditions were dry.

Allco superintendent (1) on site (Joe) with (6) operators/laborers reported.

Allco is working on the cofferdam, removing dirt from the middle of the dam.

Friday, October 8:

Alligator Project; Allco worked on site today. Weather conditions were sunny. The site conditions were dry.

Allco superintendent (1) on site (Joe) with (6) operators/laborers reported.

Allco is digging dirt from the outside of each cofferdam sheet pile well so that a diver will be able to cut them below the ground.

Mr. Phil Kelley presented the financial statements prepared by FMW, P.C. for the period ended September 30, 2021, and gave a collateral securities report as of September 30, 2021.

Permits

Kemp Properties – Proposed 24” RCP Drainage Outfall Entry into Rodair Gully. Mr. Garrett Boudoin recommended approval with a \$250.00 permit fee and no bond required. Commissioner Gamble moved to approve Mr. Boudoin's recommendation. Commissioner Moses seconded the motion. The motion carried.

GT Logistics, LLC – Proposed Pipe Bridge Expansion Crossing HFPL. Mr. Garrett Boudoin recommended approval with a \$550.00 permit fee and no bond required subject to the special conditions contained within the permit. Commissioner Gamble moved to approve Mr. Boudoin's recommendation. Commissioner Moses seconded the motion. The motion carried.

GT Logistics, LLC – 12” Pipeline Crossing District's Main Outfall Canal. Mr. Garrett Boudoin recommended approval with a \$550.00 permit fee and no bond

required subject to the special condition contained within the permit. Commissioner Moses moved to approve Mr. Boudoin's recommendation. Commissioner Vincent seconded the motion. The motion carried.

Port Arthur Terminal LLC – Proposed Security Gate Across District's Levee Road. Mr. Garrett Boudoin recommended approval with a \$550.00 permit fee and no bond required subject to the special conditions contained within the permit. Commissioner Champagne moved to approve Mr. Boudoin's recommendation. Commissioner Gamble seconded the motion. The motion carried.

City of Nederland – Storm Sewer Improvement to Existing System Crossing Main B Easement and Entering Main B. Mr. Garrett Boudoin recommended approval with no permit fee or bond required subject to the special condition contained within the permit. Commissioner Gamble moved to approve Mr. Boudoin's recommendation. Commissioner Moses seconded the motion. The motion carried.

Checks & Purchase Orders
Maintenance Fund

Ck. No. 19125 – Allison Nathan Getz, Tax Assessor-Collector
\$24,618.30 – 2021 Tax Year Collection Fee

Ck. No. 19126 – Arceneaux Wilson & Cole LLC
\$215,870.00 – A-3-A Detention HMGP Project

Ck. No. 19127 – City of Port Arthur
\$390.00 – Flu Shots for Employees

Ck. No. 19128 – Department of the Treasury
\$689.31 – IRS 941 Tax Deposit, 3/31/21

Ck. No. 19129 – Duck's Dragline Service, Inc.
\$5,040.00 – Rental LS250X4 Trackhoe, 10/5-10/14/21

Ck. No. 19130 – ESRI, Inc.

\$1,500.00 – ArcGIS Maintenance Contract, 12/1/21-11/30/22

Ck. No. 19131 - FILMR, LLC

\$72.00 – Social Media Posts

Ck. No. 19132 – GP Evans Contractors

\$35,870.00 – Mowing Levee

Ck. No. 19133 – Johnny’s Towing & Recovery

\$450.00 – Rental of Transport Truck 10/6/21

Ck. No. 19134 – KT Trucking & Cattle Co.

\$22,223.50 – Rental of Transport Truck 9/21-9/24/21 and 4 Rentals
of Dump Truck, 9/27-10/05/21, 10/06/21, 10/07/21 and 10/08/21

Ck. No. 19135 – LJA Engineering, Inc.

\$19,894.06 – Data System and GIS Project 2021, Nederland, Groves,
Port Neches, Port Arthur Coalition, Halbouty Detention Pond
and Pump Station Expansion and Stormwater Management Plan

Ck. No. 19136 – Medcom

\$1,375.00 – 2021 Annual ACA Employer Reporting

Ck. No. 19137 – Mutual of Omaha Companies

\$1,155.00 – Health Insurance Payment

Ck. No. 19138 - National Networks

\$3,638.74 – Computer Services for November 2021

Ck. No. 19139 – Phil Kelley

\$800.00 – Advance on Expenses for TWCA Fall Conference

Ck. No. 19140 – Sprint Waste Services, LP

\$3,396.96 – Removal of Waste from Pump Stations September 2021

Ck. No. 19141 – Texan Engineering & Consulting, LLC

\$53,553.94 – PAV-3B Utility Relocations, Sabine Pass to Galveston

Ck. No. 19142 – Texas Water Conservation Association

\$990.00 – Registrations for Phil Kelley and Allen Sims for 2021 Fall Conference

Ck. No. 19143 – Waukesha-Pearce Industries, Inc.

\$24,952.00 – Rental of Komatsu Excavator 9/10-10/8/21, Rental of Komatsu Dozer 9/14-10/12/21 and Pickup Charge

Ck. No. 19144 – LJA Engineering, Inc.

\$164.00 – Stormwater Management Plan

Ck. No. 5015 - Tolunay-Wong Engineers, Inc.

\$119,215.00 – Sabine Pass to Galveston Project (3)

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

Chairman Beaumont asked the visitors in attendance if anyone would like to address the Board. Visitor Rachel Bear stated she had no questions but thanked the District for having the zoom option to attend the meeting. There were no other comments.

Executive Session – Pursuant to Section 551.072, Texas Government Code, Regarding Property Acquisition

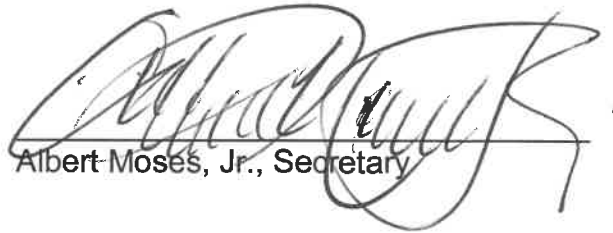
At 2:27 p.m., the Commissioners entered an Executive Session pursuant to Section 551.072, Texas Government Code, regarding property acquisition.

At 2:53 p.m., the meeting returned to regular session.

As a result of the Executive Session, Commissioner Vincent moved to authorize the Manager to move forward to acquire the property located at 3033 Oak West, Nederland, Texas, by agreement or eminent domain. 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 2:54 p.m., Commissioner Gamble moved that the meeting be adjourned. Commissioner Moses seconded the motion. The motion carried.



Albert Moses, Jr., Secretary



Richard Beaumont, Chairman

RESOLUTION

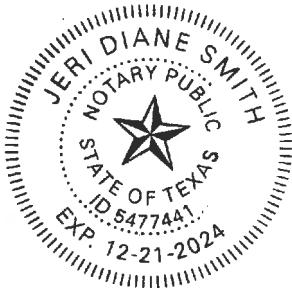
BE IT RESOLVED pursuant to the Texas Property Tax Code, Section 26.09, that the Board of Directors of Jefferson County Drainage District No. 7, hereby approve the 2021 Tax Roll this the 19th day of October, 2021.

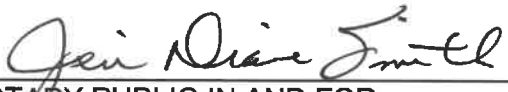
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7



RICHARD BEAUMONT
Chairman

SWORN TO AND SUBSCRIBED before me, the undersigned authority, on this the 19th day of October, 2021.





NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

Jurisdiction: **51 DRAINAGE DISTRICT #7**
 Total Parcels: 58,615 Tax Rate: 0.2847750
 Market Value: 15,794,729,435 State Hom: 0 Opt Hom: 0.2000000
 State O65: 0 Opt O65: 40,000
 Disabled: 40,000 Opt Disabled: 0

AG Exclusion Count: 230 AG Exclusion Amt: 47,455,809
 Timber Exclusion Count: 0 Timber Exclusion Amt: 0
 HS Capped Count: 19,180 HS Capped Amt: 411,791,222
 Assessed Value: 15,335,482,404

Prorated-Exxy Count/Amt: 2,165 Pro Misc Exempts Count/Amt: 13
 100% Exempt Vet Count/Amt: 260 Disaster Count/Amt: 2
 Chdo Count/Amt: 14 Surviving Spouse Active Duty Count/Amt: 1
 Pro Schools Count/Amt: 39 Pollution Control Count/Amt: 80
 Prorated-Exxl Count/Amt: 2 Freeport Count/Amt: 35
 Pro Charitable Functions Count/Amt: 26 Abatement Count/Amt: 5
 Pro Youth Associations Count/Amt: 6 Hh366 Count/Amt: 65
 State Homestead Count: 0 State Homestead Amt: 0
 Local Homestead Count: 23,456 Local Homestead Amt: 624,817,794
 State Over 65 Count: 0 State Over 65 Amt: 0
 Local Over 65 Count: 8,973 Local Over 65 Amt: 339,876,025
 Surviving Spouse Count: 59 Surviving Spouse Amt: 2,282,560
 State Disabled Count: 0 State Disabled Amt: 0
 Local Disabled Count: 1,069 Local Disabled Amt: 40,196,493
 Total VET Count: 499 Total VET Amt: 5,169,586
 *VET Surviving Spouse Count: 17 *VET Surviving Spouse Amt: 199,315
 *included in the Total VET Count/Amt

Partial Exempt Values: 1,012,342,458
 Taxable Value: 11,687,047,371
 Total Levy Amt: 33,309,464.87
 Late Rendition Penalty Count: 1,419 Late Rendition Penalty Amt: 27,676.28
 Frozen Account Count: 0
 Frozen Homestead Value: 0
 Frozen Taxable Value: 0
 Unfrozen Levy Amt: 0.00
 Frozen Levy Amt: 0.00
 Frozen Levy Loss Amt: 0.00
 Total Non-Exempt Parcel Count: 58,615