

**MINUTES OF VIDEOCONFERENCE MEETING NO. 2352
COMMISSIONERS OF
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**

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

Date: July 20, 2021

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

Visitors: Allen Sims, DD7
Dean Depew, DD7
Garrett Boudoin, DD7
Kirby Johnson, DD7
Kim Carroll, Texan Engineering & Consulting, LLC (Via Zoom)
Brock Taylor, TC Energy (Via Zoom)
Eric Johnston, Contract Land Staff (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. 2351

The Minutes of Meeting No. 2351 was approved as read.

Consider Pay Request Number 8 to Norman Highway Constructors, Inc. for Improvements to Lateral A-3-A Crossings at Hogaboom Road and Baird Street

A recommendation letter was received from Kim Carroll of Texan Engineering & Consulting for Pay Request No. 8 to Norman Highway Constructors, Inc. for Improvements to Lateral A-3-A Crossings at Hogaboom Road and Baird Street in the amount of Seventy-Nine Thousand Six Hundred Seventy-Four and 91/100 (\$79,674.91)

Dollars. Mr. Garrett Boudoin stated that the pay request is for work completed during the month of June 2021 and one week in July 2021. The concrete portion of Baird Street has been completed. All that remains is repairing the road and placement of one head wall and two wing walls downstream. The entire structure is built and open. The contractor has completed 97% of work using 77% of the contract time. Commissioner Champagne moved to approve Pay Request No. 8 to Norman Highway Constructors, Inc. for Improvements to Lateral A3A Crossings at Hogaboom Road and Baird Street in the amount of Seventy-Nine Thousand Six Hundred Seventy-Four and 91/100 (\$79,674.91) Dollars. Commissioner Gamble seconded the motion. The motion carried.

Consider Partial Release of Retainer to Allco, Inc. for Alligator Bayou Pump Station Annex Project

A recommendation letter was received from Allen Sims for a Partial Release of Retainer to Allco, Inc. on the Alligator Bayou Pump Station Annex Project in the amount of One Million One Hundred Sixty-Seven Thousand Two Hundred Twelve and 74/100 (\$1,167,212.74) Dollars. Mr. Sims stated that the contractor has removed the interior coffer dam and has addressed most of the items on the punch list. The contractor has completed 99.9% of work using 111 % of the contract time. Commissioner Champagne moved to approve the Partial Release of Retainer to Allco, Inc. for Alligator Bayou Pump Station Annex Project in the amount of One Million One Hundred Sixty-Seven Thousand Two Hundred Twelve and 74/100 (\$1,167,212.74) Dollars. Commissioner Vincent seconded the motion. Commissioner Gamble voted nay and stated the Board had

agreed to hold the company's payment until the job was complete. In his opinion, the company has not completed the job in a timely manner, and the District has granted several time extensions. Commissioner Champagne stated he understands Commissioner Gamble's dissension regarding approving the payment; however, this is only a partial release of the retainer and the District still holds over \$1 million dollars of Allco's money. Mr. Kelley stated he also understands what Commissioner Gamble is saying, but there are still subcontractors that need to get paid by Allco and like Commissioner Champagne stated, the District still holds \$1.2 million of Allco's money. There was discussion as to punch list items that are not completed and are still being worked out, but the pump station is operational and running well. Chairman Beaumont and Commissioner Moses voted aye. The motion carried.

Consider Resolution Authorizing Solicitation for Proposals for Professional Services Regarding DR-4466 HMGP Project

Resolution No. 476 Authorizing Solicitation for Proposals for Professional Services Regarding DR-4466 HMGP Project was presented to the Board for consideration. Mr. Kim Carroll of Texan Engineering stated the District had been in a request for information phase for the Rodair Gully Detention Project and has now received a Notice of Award of the Project from the Texas Department of Emergency Management ("TDEM"). The total grant amount is \$4.65 million for Rodair Gully Detention and there is a virtual kickoff meeting scheduled for tomorrow morning with TDEM and FEMA. The Grant Administrator for the Project has been selected, and now the District needs to solicit proposals for environmental and engineering services. The

project is in Phase I and the District must prove its benefit to cost ratio before the District can move forward and be granted the funds. Commissioner Vincent moved to approve Resolution No. 476 Authorizing Solicitation for Proposals for Professional Services Regarding DR-4466 HMGP Project. Commissioner Champagne seconded the motion. The motion carried. A copy of Resolution No. 476 is attached hereto and made a part of these minutes.

Sabine Pass to Galveston Bay Project Summary

Mr. Allen Sims gave a brief update on the Sabine Pass to Galveston Bay Project Summary (SP2GB) Project. Contract 1 is in construction. There is a section that is a Petroleum Impacted Area. After testing, it is believed to be non-hazardous crude oil, but it changes the ratio of adding cement to the ground to strengthen the area. A test is being conducted today to see if the piles with new mix design will hold up. Contract 2 is in negotiations with the Corps to get work-in-kind approved, which includes surveying and geo-tech work from Highway 87 where Contract 1 ends up across the old Taylors Bayou Section where the failed wall was. Valero's right of entry has been approved and Union Pacific's right of entry is being worked on. The GLO got approved yesterday. Survey work and geo tech will be done once Union Pacific's right of entry is approved. Once the Corps approves the Geo-Tech work, engineering will start in three to four weeks. Mr. Kelley stated the District had a kickoff meeting with the group to be designed by the Corps of Engineers, that is the same group that is working on Contracts 3 and 3B, which is the I-wall inside Valero as well as the Port. A combination of the Chicago District and Buffalo District will be working together, which the District is happy

with. Contract 3 through Valero is at 95% design, and it is expected that 100% of the plans will be complete within the next two weeks and ready for advertisement for bids between now and January to begin construction. It takes the Corps four to six months to advertise and get a contract to begin work. Contract 3A has multiple projects from DeQueen and Shreveport Pump Stations all the way up to the Highway 365 closure structure and is at 65% complete. Some of the design may change around Highway 365 due to TXDOT's plan to move forward with raising the Rodair Gully Bridge. Contract 3B which is at the Port should have 100% plans complete within the next two weeks, and it is hoped to go to construction by the first of the year. Contract 4 will have a kickoff meeting in the next two weeks, and Contract 5 will follow right behind. Contracts 2, 3, 3A and 3B are the hard pieces of the Project due to the vast amount of pipelines that require relocation within the Petrochemical Industries, Contract 1 was supposed to be quick and easy, and Contracts 4 and 5 will be the remainder and split in half to complete the Project. There are still a lot of pipelines to deal with in Contract 4. Contract 4 will be design bid build and Contract 5 will be design build. Mr. Kelley reported that there is a meeting scheduled on Friday with TXDOT and the Corps of Engineers because it appears that TXDOT had postponed the work to rebuild the bridge on Highway 365, right outside of the gate structure, but it appears it is back on. The Bridge Rebuild will affect the section of the levee system right outside of the gate structure as well as the gate closure on Highway 365. Commissioner Moses asked for a dollar amount on Contracts 4 and 5, but Mr. Sims did not have the amount. The original estimate of \$863 million is still currently being used; however, the District's

share has been increased. The District has been told they are still operating within its 15% contingency. Mr. Kelley stated things are working out like planned. Mr. Kelley created a Capital Improvement Fund for this Project and has transferred \$30 million to the capital fund from the fund balance. If the State of Texas does not continue to help fund the Project, the District will be able to pay its way. Commissioner Champagne stated with the Project being broken up into 5 parts, there will be several general contractors and sub-contractors working. Mr. Sims said Contract 3A has 8 pieces within it of which will have a lot of work that will take a lot of time. Mr. Kelley stated pump station fronting protection is another issue. There are no plans on the foundations for the older pump stations, so instead of trying to raise to the building, a concrete wall will have to be built further out in the ship channel as well as impact barriers. Commissioner Moses asks for a status on the soil issue, and Mr. Sims said the Corps statement is they have determined that the materials the District has available should be appropriate for the future; however, the Corps is not willing to go back and change the requirements under Contract 1 that is in construction but are considering changing it for all the future projects. The Corps has not done this yet, and until the change is on paper and in hand, it is not guaranteed.

Manager's Miscellaneous Reports/Financials

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

Control Center Operation and Pump Station Maintenance Report

Dean Depew submitted photos of the Pump Station No. 8, Units 3 which is back in service.

Construction Notes - Alligator Bayou Pump Station Annex
June 28, 2021 – July 9, 2021

Monday, June 28:

Alligator Project; Allco worked on site today until 10:30 AM due to a rainout. Weather conditions were sporadically rainy. The site conditions were muddy.

Allco's superintendents (2) on site (Terrell, Joe) with (5) operators/laborers reported.

Allco is attempting to pull battered piles out of the intake bay with no progress. They broke one off approximately 8 ~10 feet beneath the water. We need the piles to be removed lower.

DD7 is pumping the canal down with five engines.

Tuesday, June 29:

Alligator Project; Allco worked on site today until 9:30 AM due to a rainout. Weather conditions were rainy early and partly cloudy thereafter. The site conditions were muddy.

Allco's superintendent (2) on site (Terrell, Joe) with (5) operators/laborers reported.

DD7 is pumping canal down with two engines (Units # 2 and 5).

Wednesday, June 30:

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

Allco's superintendent (2) on site (Terrell, Joe) with (5) operators/laborers reported.

Allco has brought in a tug to drop off a new barge and pick up the loaded barge. They have started loading the empty tug with sheet pile.

Thursday, July 1:

Alligator Project; Allco did work on site today; however, DD7's site representative was off, so a daily report was not generated.

Friday, July 2:

Alligator Project; Allco did work on site today; however, DD7's site representative was off, so a daily report was not generated.

Monday, July 5:

Alligator Project; Allco and DD7 did not work on site today in observance of the July 4th holiday.

Tuesday, July 6:

Alligator Project; Allco did work on site today; however, DD7's site representative was off, so a daily report was not generated.

Wednesday, July 7:

Alligator Project; Allco worked on site today. Weather conditions were partly cloudy with a single rain shower. The site conditions were dry.

Allco superintendent (3) on site (Terrell, Joe, Roger B.) with (8) operators/laborers reported.

E.S.I. has (2) representatives on site. The crew is wiring up fuel transfer pump on generators. They do not have level switches yet.

Diver Dan has (2) representatives on site. The crew is cutting I-beams off underwater in intake bay. They are also digging and cutting I-beams out of the inside of the cofferdam.

Allco is working on trying to fix leaks in fuel line going to generator and feed line going to main engine. A valve on the second floor of the station looks to have been cross threaded when it was installed the first time. This valve did not seem to be leaking, but they will be monitoring it and resealing/reinstalling it.

Thursday, July 8:

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

Allco's superintendents (2) on site (Terrell, Joe) with (5) operators/laborers reported.

E.S.I. has (2) representatives on site. The crew is working on wiring the fuel transfer pumps to generators #1 and 2.

Allco is pulling the barge out of the intake bay.

Friday, July 9:

Alligator Project; Allco worked on site today. Weather conditions held rain showers on and off throughout the day. The site conditions were dry.

Allco's superintendents (2) on site (Terrell, Roger) with (8) operators/laborers reported.

Allco (Terrell's crew) is pressure washing barge before they get sent back. Roger's crew is working to try and stop fuel leaks in main feed line to engines. They are also working to seal the union in the fuel tank room on the return line to the tanks.

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

Mr. Phil Kelley stated that on next Tuesday, July 27, Nicole Sunstrum, who is Senator Taylor's Chief Staff Member for the Senate Finance Committee and who has been appointed as Executive Director of the new Gulf Coast Protection District (GCPD), will be coming for a meeting and tour of the District and its levee system. Discussion will be held regarding how funding will come about through some sort of agreement between the GCPD and the District. She will be visiting the Orange County Drainage District on Monday.

Permits

LSP Highway 347, LLC – Initial 7-Lot Phase of the Mid-City Commercial Development with A Proposed Controlled Discharge Entering the District's GSU Ditch. Mr. Garrett Boudoin recommended approval with a \$250.00 permit fee and no bond required subject to the special conditions contained within the permit. Commissioner Moses moved to approve Mr. Boudoin's recommendation. Commissioner Champagne seconded the motion. The motion carried.

Port Neches Link, LLC – Proposed 36-inch Underground Crossings of Multiple District Facilities by HDD Method. Mr. Garrett Boudoin recommended approval with no permit fee or bond required subject to the special conditions contained within the permit. Commissioner Vincent moved to approve Mr. Boudoin's recommendation. Commissioner Champagne seconded the motion. The motion carried.

Mr. Phil Kelley stated he wants to inform the Board that there has been discussion about coming to the Board regarding raising District permit fees due to all the work and time it takes the staff to investigate and complete the process. The District will be working with its attorney on the documentation needed.

Checks & Purchase Orders
Maintenance Fund

Ck. No. 18657 – Deep South Crane & Rigging Co.
\$1,600.00 - Rental of Crane & Operator 7/4/21

Ck. No. 18658 – Duck’s Dragline Service, Inc.
\$7,200.00 – Rental LS250X3 Trackhoe 7/1-7/15/21

Ck. No. 18659 – FILMR, LLC
\$132.00 – Social Media Posts

Ck. No. 18660 – Funchess, Mills, White & Co., P.C.
\$3,840.00 – Accounting Services

Ck. No. 18661 – Function 4, LLC
\$169.04 – Copy Charge from Copier

Ck. No. 18662– GP Evans Contractors
\$13,300.00 – Mowing Levee

Ck. No. 18663 – Groves Equipment Rental Co., Inc.
\$2,700.00 – Rental 15-Ton Crane, 6/17-7/16/21

Ck. No. 18664 – Heather Crauford
\$5,320.00 – Engineering Fees

Ck. No. 18665 – Kansas City Southern
\$125.00 – Land Lease

Ck. No. 18666 – LJA Engineering, Inc.
\$76,541.36 – Stormwater Management Plan, Data System and GIS
Project 2021, Nederland, Groves, Port Neches, Port Arthur
Coalition, Stormwater Management Plan, Halbouty Detention

Pond HMGP Project, Engineering, Starlake, PS No. 5 Discharge
Bay, PS No. 3 Discharge Pipes

Ck. No. 18667 – M & S Unlimited Services, LLC
\$900.00 – Heavy Equipment Transport

Ck. No. 18668 - MEDCOM
\$1,375.00 – 2021 Annual ACA Employer Reporting

Ck. No. 18669 – Mutual of Omaha Companies
\$1,155.00 – Health Insurance Payment

Ck. No. 18670 – National Networks
\$3,638.74 – Computer Services for August 2021

Ck. No. 18671 – Nerbert Frelow
\$1,440.00 – Dump Truck Rental 7/13-15, 2021

Ck. No. 18672 – Norman Highway Constructors, Inc.
\$79,674.91 – Improvements to Lateral A3A

Ck. No. 18673 – Ron Lewis & Associates
\$3,500.00 – Legislative Consulting Fees

Ck. No. 18674 – Soutex Surveyors, Inc.
\$1,353.70 – North Port Acres Ditch R.O.W. Staking

Ck. No. 18675 – Sprint Wase Services, LP
\$2,498.34 – Roll-Off Container, Holding Tanks and Fuel
Surcharges Various Pump Stations

Ck. No. 18676 – TCS Consulting
\$450.00 – Yearly Email Hosting and Webhosting

Ck. No. 18677 – Texas Workforce Commission
\$96.38 – Unemployment Benefits

Ck. No. 18678 – Tolunay-Wong Engineers, Inc.
\$1,667.30 – Sabine to Galveston – Contract 3 and 3B,
Port Arthur Floodwall Soil Sample Storage

Ck. No. 18680 – Tower Medical Center of Nederland
\$530.00 – Pre-Employment Physicals

Ck. No. 18681 – Tolunay-Wong Engineers, Inc.
\$1,156.70 – Abandoned Pipe Leak, Pump Station 18

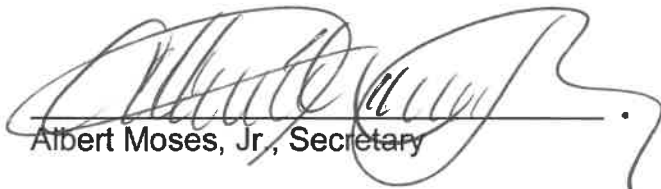
Ck. No. 1069 – Allco, LTD
\$1,167,212.74 – Alligator Bayou Pump Station Annex Upgrade

Ck. No. 18683 – Duck's Dragline Service, Inc.
\$4,740.00 – Rental LS250X4 Trackhoe 7/6-7/15/21


Commissioner Champagne moved that the checks from the Maintenance Fund 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 2:55 p.m., Commissioner Vincent moved that the meeting be adjourned. Commissioner Moses seconded the motion. The motion carried.



Albert Moses, Jr., Secretary



Richard Beaumont, Chairman

engineering services for the Rodair Gully Detention Project as required by the HMGP grants and federal regulations.

THAT the General Manager be, and hereby is, authorized to take any and all action 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, 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. 2352 held on the 20th day of July, 2021, upon motion made by Commissioner Matthew Vincent and seconded by Commissioner Lester Champagne and adopted unanimously by said Board, a quorum being present.

Given under my hand this 20th day of July 2021.


Secretary
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7