

**MINUTES OF VIDEOCONFERENCE MEETING NO. 2377  
COMMISSIONERS OF  
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**

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

Date: August 2, 2022

Present: Commissioners  
Richard Beaumont  
Albert Moses, Jr.  
James Gamble, Sr.  
Matthew Vincent  
Phil Kelley, Manager  
Glenn Steele, Attorney

Absent: Lester Champagne

Visitors: Allen Sims, DD7  
Brady Girouard, DD7  
Dean Depew, DD7  
Garrett Boudoin, DD7  
Barron Cook, DD7  
Kim Carroll, Texan Engineering (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. 2376

The Minutes of Meeting No. 2376 was approved as read.

Consider Resolution Adopting Written Investment Policy

Resolution No. 490 Adopting Written Investment Policy was presented to the Board for consideration. Mr. Phil Kelley stated this is an annual routine formality and the proposed Investment Policy is the same as approved for the last several years. Commissioner Gamble moved to approve Resolution No. 490 Adopting Written

Investment Policy. Commissioner Moses seconded the motion. The motion carried. A copy of Resolution No. 490 is attached to and made part of these minutes.

Sabine Pass to Galveston Bay Project Summary

Mr. Brady Girouard advised that there are no significant changes aside from Contract 3B. The District is continuing with property acquisitions. Commissioner Moses inquired about the status of property acquisition negotiations. Mr. Phil Kelley stated that they are currently at a standstill. Mr. Girouard explained that the standstill is not a result of the District's actions. The District has completed appraisals. There are some environmental issues as well as some potential contamination issues in the Valero Refinery. The District is ensuring that all necessary communication and testing is complete before any right of way acquisitions are secured. Mr. Kelley advised that there are also some potential affected areas on the Kansas City Southern and Port of Port Arthur properties. The District has ordered a separate Phase II Environmental study. The District is at odds with the Corps of Engineers Environmental Team as to whether the areas are residential or industrial/commercial. Mr. Sims stated that he was advised that if the properties could be deed restricted as industrial/commercial, the District would be able to move forward. However, the District cannot deed restrict the property unless the property is owned by the District. Due to the unknown environmental factors, Mr. Kelley did not think it was prudent to make an offer on the properties at this time.

Manager's Miscellaneous Reports

The following report was submitted to give an updated status:

July 11, 2022 – July 22, 2022  
Construction Notes – Alligator Bayou Pump Station Annex

DD7's site representative was on Vacation this week, so daily reports were not generated.

Monday, July 18:

Alligator Project; Allco crew did not work on site today. Weather conditions were partly cloudy. The site conditions were dry.

Allco superintendent (0) on site with (0) operators/laborers reported.

I.E.M is on site with (1) representative reported. A technician was working on a control panel problem for units # 1 through 6.

Tuesday, July 19:

Alligator Project; Allco crew did not work on site today. Weather conditions were sunny. The site conditions were dry.

Allco superintendent (0) on site with (0) operators/laborers reported.

B.L.T is on site with (2) representatives reported. Technicians were working on computer problems with the system.

E.S.I is on site with (2) representatives reported. The workers were at station on standby.

I.E.M was in town but did not work at station today.

Wednesday, July 20:

Alligator Project; Allco crew did not work on site today. Weather conditions were partly cloudy. The site conditions were dry.

Allco superintendent (0) on site with (0) operators/laborers reported.

I.E.M is on site with (1) representative reported. A technician checked all the connections in the control panel and for communication.

Thursday, July 21:

Alligator Project; Allco crew did not work on site today. Weather conditions were partly cloudy. The site conditions were dry.

Allco superintendent (0) on site with (0) operators/laborers reported.

I.E.M is on site with (1) representative reported. B.L.T is on site with (2) representatives reported. Both technicians worked together today trying to resolve the problem with computer and the control panels on Units # 1 through 6.

Friday, July 22:

Alligator Project; Allco crew did not work on site today. Weather conditions were cloudy. The site conditions were dry.

Allco superintendent (0) on site with (0) operators/laborers reported.

Mr. Kelley advised that after the 2021 Texas Census, Texas enacted new congressional districts. Our area is now part of Senator Robert Nichols' district, and his

office called and requested a meet and greet with the State Senator. Mr. Kelley, Mr. Sims, Commissioner Vincent, and Chairman Beaumont attended the meeting with State Senator Nichols and his Chief of Staff, Jake Ellis.

Mr. Kelley gave an update on the 3033 Oak West property acquisition in Nederland and stated that due to a pending Small Business Association (SBA) Lien, the District has been executing extensions on a monthly basis. The SBA Lien is due to expire on August 3, 2022, and the District will be free to move forward with the closing on this property.

Mr. Kelley advised that Allen Sims and Kyla Dean attended the Annual Conference for the Texas County and District Retirement System. Mr. Sims explained that he learned that the District is currently below the local industry standard match. Currently the District is paying 150% match whereas other local entities are paying 200% to 250% match. Mr. Kelley shared estimations of the potential cost increase to the District's share should the Board vote to increase the match to 200%, 225% or 250%. At this time, this is for informational purposes only, but will be addressed at a later time.

Mr. Kelley stated that the District received the certified appraisal from the Jefferson County Appraisal District. 2022-2023 Appraisals will increase by \$1,379,615,988. The District's overall fund balance and capital fund balances are increasing but like the rest of the country, the District is facing an increase of cost to operate. However, it is recommended that this Board hold the current funding. The proposal is to lower the tax rate from 0.284775 to 0.258589 (decrease of 9.2%) which will result in a \$0 increase on the average homeowner but will result in an increase of the District's revenue by \$507,219. This option would cover the cost-of-living adjustments. Should the Board

choose this option, an agenda item to consider proposed tax rate for purposes of publishing notice of public hearing on tax rate will be added to the next meeting agenda.

Permits

StayApt Suites – Proposed entrance into Main “C” Canal. Mr. Garrett Boudoin recommended the permit for approval with a \$250.00 permit fee. No bond will be required. Commissioner Moses moved to approve the permit on Mr. Boudoin’s recommendation contingent upon the payment of the \$250.00 permit fee. Commissioner Vincent seconded the motion. The motion carried.

Checks & Purchase Orders  
Maintenance Fund

Ck. No. 20605 – Advanced Staffing, Inc.  
\$12,729.60 – Summer Help Program

Ck. No. 20606 – Bryant James  
\$358.25 – Reimbursement for Pesticide Application and CDL License and TWIC Card

Ck. No. 20607 – Dan Delich Consulting  
\$1,500.00 – Legislative Consulting Fees

Ck. No. 20608 – Danenbaum Engineering Corp.  
\$37,906.13 – Sabine Pass to Galveston Bay Project

Ck. No. 20609 – Duck’s Dragline Service  
\$8,270.00 – LS250X3 Trackhoe Rental

Ck. No. 20610 – Filmr  
\$84.00 – Social Media Posts

Ck. No. 20611 – Function 4 LLC  
\$206.30 – Konmin Copier Lease

Ck. No. 20612 – G.P. Evans Contractors  
\$22,300.00 – Seasonal Mowing Contract

Ck. No. 20613 – Groves Equipment Rental Co., Inc.  
\$2,700.00 – 15 Ton Rough Terrain Crane Rental

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Ck. No. 20614 – James Gamble, Sr.  
\$270.00 – Health Insurance

Ck. No. 20615 – Johnny's Towing & Recovery  
\$300.00 – Transport Truck Rental

Ck. No. 20616 – Mason Construction, LTD.  
\$104,219.84 – Sabine Pass to Galveston Bay Project

Ck. No. 20617 – Mazzanti & Associates, LLC  
\$2,500.00 – Legislative Consulting Fees

Ck. No. 20618 – Medcom  
\$1,375.00 – 2022 Annual ACA Employer Reporting

Ck. No. 20619 – National Networks  
\$2,558.40 – AutoCAD Subscription

Ck. No. 20620 – Nerbert Frelow  
\$4,560.00 – Dump Truck Rental

Ck. No. 20621 – Price Consulting, Inc.  
\$10,300.00 – Wind Life Testing on Roof of Pump Stations 1 & 19

Ck. No. 20622 – Ray Russo  
\$5,066.24 – Legislative Consulting Fees

Ck. No. 20623 – Ritter Forest Products Nederland  
\$1,470.00 – Mat Rental

Ck. No. 20624 – S.H. Absolute Construction, LLC  
\$51,586.00 – Job Site Fencing – New Administration Building

Ck. No. 20625 – Sigma Engineers, Inc.  
\$5,460.00 – Design, Development and Documents – New Administration Building

Ck. No. 20626 – Texas Water Conservation Association  
\$4,100.00 – Membership Renewal

Ck. No. 20627 – Tidal Basin Government Consulting, LLC  
\$123.75 – Rodair Gully & A-3-A Detention HMGP Projects

Ck. No. 20628 – Wells Fargo  
\$362.54 – Generator Belt for Dequeen Pump Station

General Land Office Fund

Ck. No. 5037 – Texan Engineering  
\$13,966.31 - AWC Engineering Services – Utility Relocations

Commissioner Vincent moved that the purchase orders and checks from the Maintenance and General Land Office Fund be approved for payment. Commissioner Moses seconded the motion. The motion carried.

2:25 pm Commissioner Moses moved that the meeting be adjourned. Commissioner Gamble seconded the motion. The motion carried.



Albert Moses, Jr., Secretary



Richard Beaumont, Chairman

**JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7  
RESOLUTION NO. 490  
ADOPTING WRITTEN INVESTMENT POLICY**

STATE OF TEXAS	*
	*
COUNTY OF JEFFERSON	*

WHEREAS, under the Public Funds Investment Act (Sec. 2256.001 *et seq.*, Texas Government Code, hereinafter the "Act"), the District is required to adopt by resolution a written investment policy meeting the criteria of the Act; and

WHEREAS, the District has reviewed the investment policy and investment strategies set forth in the attached written instrument.

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

THAT it is in the best interest and of direct benefit to the District to adopt the investment policy attached hereto; therefore, after reviewing same as required by law, it is hereby adopted.


That the 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 Manager deems necessary or appropriate.

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 2<sup>nd</sup> day of August, 2022, upon



motion made by Commissioner Gamble and seconded by Commissioner Moses and adopted unanimously by said Board, a quorum being present.

Given under my hand this 2<sup>nd</sup> day of August, 2022.

  
Secretary  
JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7

**JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7**  
**INVESTMENT POLICY**

The funds of each account of the Jefferson County Drainage District No. 7 (the "District") are to be invested in Certificates of Deposits or an interest bearing Money Market Account with the District's depository to match maturity with the cash needs of the District. All District funds shall be collateralized by U.S. Government Bonds/Treasury Notes or U.S. Agency Mortgage Backed Securities (Fannie Maes and/or Freddie Macs). Additionally, in the event the interest rate paid on Certificates of Deposit or the interest bearing Money Market Account falls below the interest rate paid on demand deposits, the Investment Officer/Officers are authorized to allow excess funds to remain on demand. As directed by the Board of Commissioners of the District, this investment policy conforms to the policy of Jefferson County Drainage District No. 7.

This investment policy is in compliance with the Texas Government Code, Title 10, Section 2256.023.