

**GULF COAST WATER AUTHORITY  
REGULAR BOARD MEETING  
MINUTES**

**COUNTY OF GALVESTON     §  
STATE OF TEXAS           §**

The Board of Directors of the Gulf Coast Water Authority convened at 3:00 p.m. on the 16<sup>th</sup> day of August, 2012 and duly constituted members of said Board, to wit

R. C. Williams	President
Eric Wilson	Vice-President
Rosalyn Sue Edrozo	Secretary-Treasurer
James McWhorter	Assistant Secretary-Treasurer
James R. Cesarini	Director
Bill Eisen	Director
Ray Holbrook	Director
Russell C. Jones	Director
William Pedersen	Director

A quorum was present.

**ALSO PRESENT** were: Ivan Langford, David Sauer, Bob Webb, Nancy Matthews, John Martinez, James Vanderwater, Mack Chapman, George Orum, Karen Ivey, Bobby Gervais, Rick Gerlach, Brenda Bradley Smith, Jerry Newell, John Rudloff, Nick Kotsatos, Michael Huynh, Darrell Richardson, Robert Fiederlein, Mike Hodge, Jeff Peters, James Andrews, and Karen Daly.

**AGENDA:**

1. Convene Meeting
2. The public shall be allowed to address one or more agenda or non-agenda items. Each person shall be limited to five (5) minutes, regardless of the number of items addressed.

**There were no public comments.**

**Consent Agenda**

3. Approval of the Minutes of the Board of Directors' Workshop held July 11, 2012.
4. Approval of the Minutes of the Board of Directors' Regular Meeting held July 19, 2012.
5. Discussion and approval of the purchase of point to point communication systems through HGAC for the SCADA system and authorization for the General Manager to sign the purchase requisition.
6. Discussion and approval of the annual AWWA Water Research Foundation contribution and authorization for the General Manager to sign the purchase requisition.
7. Discussion and approval of qualified lowest bids for granular activated carbon, sodium chlorite, cationic polymer, ferric sulfate, and copper sulfate and the most appropriate bid for powdered activated carbon; all for use at the Thomas S. Mackey Water Treatment Plant with authorization for the General Manager to sign the purchase requisitions.
8. Discussion and approval of Ashland Inc. submittal naming David Pastalaniec as representative to the Industrial Advisory Committee.
9. Discussion and approval of an Interlocal Agreement between Chocolate Bayou Steering Committee and Gulf Coast Water Authority for voting membership on the Chocolate

- Bayou Steering Committee with authorization for the General Manager to sign the Agreement.
10. Discussion and approval of an Interlocal Agreement between Brazoria County Drainage District No. 5 (BCDD#5) and Gulf Coast Water Authority to allow BCDD#5 to use the Juliff Canal for the conveyance of flood water and authorization for the General Manager to sign the Agreement.
  11. Discussion and approval of an Interlocal Agreement between BCDD#5 and Gulf Coast Water Authority to run pumps at Chocolate Bayou Pump Station during extreme flood events to pump water out of Chocolate Bayou P.S. contingent upon permit limitations and authorization for the General Manager to sign the Agreement.
  12. Discussion and approval of a construction contract with the best qualified proposer, based on the competitive sealed proposal method, for construction of Lateral 10 Siphon Crossing at Mustang Bayou and authorization for the General Manager to sign the pertinent documents.
  13. Discussion and approval of work authorization FN09\_06B with Freese and Nichols, Inc. Engineering Construction Phase Services for Lateral 10 Siphon Crossing at Mustang Bayou and authorization for the General Manager to sign the pertinent documents.
  14. Discussion and approval of an Engineering Services Contract with AARK Engineers that includes a Work Authorization for the Construction Management Services for Lateral 10 Siphon Crossing at Mustang Bayou and authorization for the General Manager to sign the pertinent documents.
  15. Discussion and approval of work authorization GT11\_02 with Geotest Engineering, Inc. for construction material testing for Lateral 10 Siphon Crossing at Mustang Bayou and authorization for the General Manager to sign the pertinent documents.

**Ray Holbrook requested discussion on items 5 and 12. After discussion, Russell Jones then seconded James McWhorter's motion to approve consent agenda items 3 through 15. The motion carried unanimously.**

### Reports

16. Managers (See attached reports)
  - (a) Thomas Mackey Water Treatment Plant (Fund 06)
    - 1) WTP Update
    - 2) Project work and Chemical Bid Process
    - 3) Filter #4 update
  - (b) Canal (Funds 08 & 21)
    - 1) Brazos River Update
  - (c) Industrial (Fund 02)
    - 1) Project Updates
      - Pump House Replacement/Refurbishment/Header Inspection
      - Meters
  - (e) Administrative
    - 1) Legislative Consultant Update
    - 2) Administrative Update
17. Board Committees
  - (a) Financial Committee
    - 1) Discussion and Approval of Monthly Financial Report

Russell Jones stated the Committee met prior to the Board meeting. The Committee reviewed the investment policy and made recommendations. Mr. Jones reported that four proposals were received for audit services and committee recommends approval of Sanders and Knox. Ivan Langford stated that Investments totaled \$51,800,000 with \$38,700 in interest earnings.

(b) Engineering Committee

James McWhorter stated the Committee met on August 9<sup>th</sup> with members James McWhorter, William Pedersen, and staff present. The Committee discussed Lat 10 siphon, gate 26 repair, LAN contract, reservoir levees, Scada system project, Industrial Pump Station pipe improvement project, scheduling and project management of capital improvement projects for 2012-13, Archer Lake and Jones/Oyster Creek reservoir study.

(c) Organization and Planning Committee

James McWhorter reported the Committee met on August 8<sup>th</sup> with members James McWhorter, Russell Jones, Rosalyn Sue Edrozo, William Pedersen, and staff present. The Committee discussed stored water contracts, budget update, status of water supply strategies, and status of policy/procedures updates.

(d) Personnel and Compensation Committee

**Committee did not meet**

(e) Safety Committee

R. C. Williams reported safety meetings were held at TMWTP for electrical safety with an emergency generator demonstration by TNMP and in Alvin for rigging safety. He reported there had been no recordable accidents for one year. Mr. Williams stated the Annual Safety Luncheon would be held on September 12 at 11:30 at Joe's BBQ in Alvin.

18. Advisory Committees

(a) Industrial Operating Advisory Committee

Darrell Richardson reported the Committee met and reviewed the 2012-2013 Budget. Committee requested that budget only what could be addressed within the coming year to keep budget increases at a minimum. He thanked Rosalyn Sue Edrozo for providing the Committee with a detailed budget explanation.

(b) Mainland Municipal Operating Advisory Committee

George Orum reported the Committee met on August 7<sup>th</sup> and discussed WTP update, status of BRA reservoirs, and future water supply options.

19. New Business

(a) Discussion and possible action for approval of Resolution No. 2012-003 Confirming the Review and Continuance of the Authority's Investment Policy and Investment Strategies.

**Eric Wilson seconded Bill Eisen's motion to approve Resolution No. 2012-003 Confirming the Review and Continuance of the Authority's Investment Policy as provided. The motion carried unanimously.**

(b) Discussion and possible action for approval of the Gulf Coast Water Authority 2012-2013 Budget.

**Russell Jones seconded Eric Wilson's motion for approval of the Gulf Coast Water Authority 2012-2013 Budget as provided. The motion carried unanimously.**

- (c) Discussion and possible action for approval of the selection of professional audit services for the fiscal years ending August 31, 2012 and August 31, 2013 and to express an opinion thereto with authorization for the General Manager to sign the engagement letter.

**Russell Jones seconded Bill Eisen's motion for approval of the selection of Sanders and Knox for the fiscal year ending August 31, 2012 only with authorization for the General Manager to sign the engagement letter. The motion carried unanimously.**

- (d) Discussion and possible action for approval of LAN0902C with Lockwood, Andrews and Newnam, Inc. for the BP Gate 26 Repair and authorization for the General Manager to sign the pertinent documents.

**Eric Wilson seconded James McWhorter's motion to approve LAN0902C with Lockwood, Andrews, and Newnam, Inc. for the BP Gate 26 Repair in the total amount of \$53,176.00 and authorization for the General Manager to sign the pertinent documents. The motion carried unanimously.**

- (e) Discussion and possible action for approval of the engagement of Baker Botts, LLP as legal counsel for water rights issues et al. with authorization for the General Manager to sign the pertinent documents.

**Bill Eisen seconded Rosalyn Sue Edrozo's motion for approval of the engagement of Baker Botts, LLP as legal counsel for water rights and related matters with authorization for the General Manager to sign the pertinent documents. Ivan Langford explained the agreement reflects Molly Cagle's move from V&E to Baker Botts, LLP. The motion carried unanimously.**

- (f) Discussion and possible action of to set date for Special Board Meeting in August if necessary.

**It was deemed there would be no additional meeting needed and no action was taken.**

#### **Board Convened to Executive Session at 3:50 p.m.**

##### 20. Executive Session

- (a) The Executive Session is held in accordance with Texas Open Meeting Act, (Vernon's Civil Statutes) Texas Government Code, Section 551.071 – Consultation with attorney and Section 551.072 -- Deliberation regarding real property, to discuss the following:
- 1) GCWA Canal J Certificate of Adjudication – Accounting Plan preparation and proposal.
  - 2) Pending mediation at TCEQ involving Fort Bend WCID #1 and/or City of Sugar Land request to amend Certificate of Adjudication to add irrigation use.
  - 3) Pending litigation regarding Brazos River Authority System Operations Permit – Accounting Plan and Water Management Plan.

#### **Board Reconvened in Open Session at 4:20 p.m.**

21. Discussion and consideration of possible action involving the following:

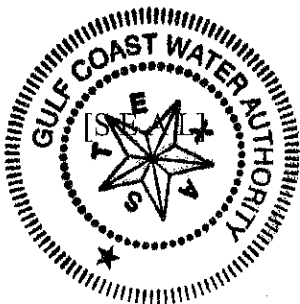
- (a) GCWA Canal J Certificate of Adjudication – Accounting Plan preparation and proposal.  
**No Action Taken.**
- (b) Pending mediation at TCEQ involving Fort Bend WCID #1 and/or City of Sugar Land request to amend Certificate of Adjudication to add irrigation use.  
**No Action Taken.**
- (c) Pending litigation regarding Brazos River Authority System Operations Permit – Accounting Plan and Water Management Plan.  
**No Action Taken.**

22. Adjourn.

If, during the course of the meeting covered by this Agenda, the Board should determine that an executive session of the Board should be held or is required in relation to any additional items included in this Agenda, then such executive session, as authorized by the Texas Open Meetings Act, will be held by the Board at the date, hour, and place given in this Agenda concerning any and all subjects and for any and all purposes permitted by Sections 551.071-551.084 of the Texas Government Code, including, but not limited to, Sections 551.071 and 551.072 for the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law.

R.C. Williams adjourned the meeting at 4:22 p.m.

**PASSED AND APPROVED** this the 20<sup>th</sup> day of September, 2012.



  
James McWhorter  
Asst. Secretary-Treasurer

**GULF COAST WATER AUTHORITY MISSION STATEMENT:  
-EXCELLENCE-**

*To deliver a reliable quantity and quality of water cost effectively to our customers and provide employees the opportunity to learn, grow & succeed in a safe working environment.*

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**David Sauer's Manager Report**

**August 16, 2012**

**(a) Thomas Mackey Water Treatment Plant (Fund 06)**

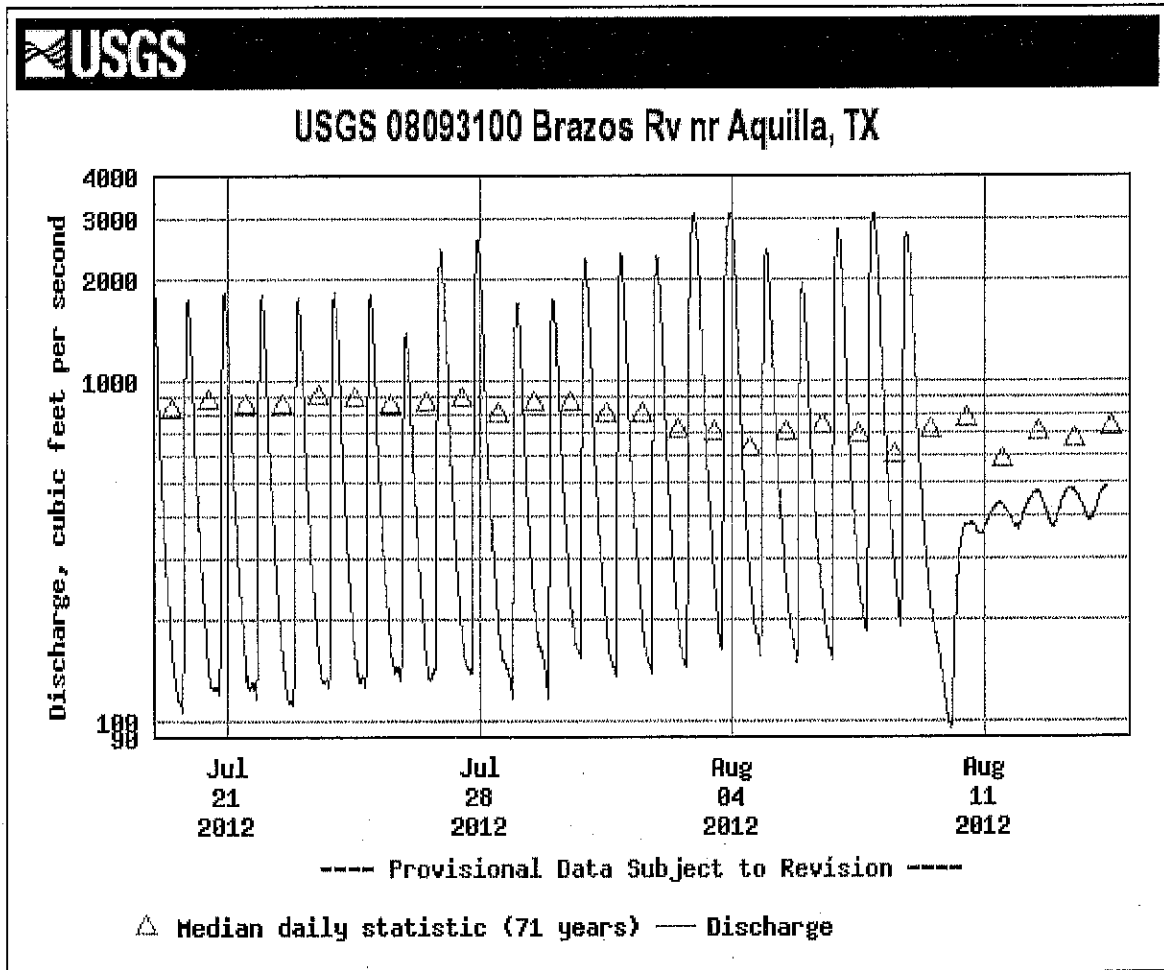
- 1) WTP Update
- 2) Liquid Copper Sulfate Feed System
- 3) Emergency Generator Update

**(b) Canal (Funds 08 & 21)**

**1) Brazos River Update**

- **2012 Brazos River Reservoir Levels (System Total):**
  - Aug 8, 88%, July -92%, June - 94%, May, - 95%, April - 96%, March - 85%, Feb - 78%, Jan - 63%
  - System Total on August 2, 2011 - 74%
- **Somerville:**
  - Aug 8, 94% , July 97%, June, 100%, May, - 101% , April - 133%, March - 80%, Feb -58% , Jan - 40%,
- **Lake Limestone:**
  - Aug 8, 85%, July 90%, - June, 93%, May, - 97%, April - 100%, March - 91%, Feb - 75%, Jan - 53%,
- **Stillhouse:**
  - Aug 8, 93%, July 94%, June 96%, May, - 94%, April - 93%, March - 65%, Feb - 61%, Jan - 61%
- **Belton:**
  - Aug 8, 95%, July 98%, June 100%, May, - 100%, April 11- 103%, March - 92%, Feb - 76%, Jan - 70%,
- **Possum Kingdom:**
  - Aug 8, 82%, July 84%, June, 84%, May, - 86%, April 11 - 88%, March - 84%, Feb - 81%, Jan - 75%

The flows in the Lower Basin continue to drop even though, as shown in the graph below, power generation continued at Whitney since the last Board meeting. On August 9<sup>th</sup> flows at Richmond gauge were reading less than 250cfs and dropping. At that time we were still diverting approximately 600cfs from all three river plants. We began a release of 250cfs on Friday August 10<sup>th</sup> from both Hempstead and Belton. When the water released from Lake Belton catches up to the water being released from Lake Somerville the Somerville water will be stopped. As you can also see by the graph power generation stopped on August 10<sup>th</sup> for repairs to some bad bearings in the gates. Power generation began again on August 14<sup>th</sup>.



(c) **Industrial (Fund 02)**

1) **Project Updates**

• **Pump House Replacement/Refurbishment/Header Inspection**

On July 30<sup>th</sup> we received two proposals for the risk assessment of the wet well area at the IPS from underwater inspection firms of C.H Fenstermaker and Associates, Inc. and Chris Ransome and Associates. We are in the review process now and anticipate the review to be complete by next week. Reports from the underground pipe inspections reported on last month look favorable to making successful taps into the distribution system. The reports have been shared with Industrial Advisory Members, Board Engineering Committee and GCWA Staff.

• **Meters**

As reported in the past the design portion is on hold pending results of SUE investigation. The Genesis Pipeline installation is now complete and SUE work is also complete. Survey work needs to be performed to identify obstructions, poles etc... so they can be incorporated into the design.

- **BP Waterline Leaks**

A meeting was held on August 17 with Trey Industries, LAN and BP to discuss the 12 in branch leak and gate 26 leak. It was decided to first focus on the 12 in. branch exploratory work so the repair clamps could be fabricated. On August 13<sup>th</sup> Trey Industries moved in to BP to perform exploratory excavation. Excavation with backhoe was done to spring line of pipe. Hydro excavation will be used for final excavation. The pipe dimensions should be taken Friday 8/17 and the area will be backfilled. The gate 26 repair is scheduled to begin on August 27<sup>th</sup>. A meeting is scheduled with BP next week to discuss the repair and identify an action plan.



**MEMO**

Date: August 16, 2012

To: Board of Directors

From: Ivan Langford

RE: General Manager's Monthly Highlight Report for August

**Customer visits –**

Aug 2 – Southeast Water Purification Plant co-participants monthly meeting.

Aug 7 – Municipal Advisory Committee meeting and budget presentation.

Aug 8 – Industrial Advisory Committee meeting and budget presentation.

Aug 9 – Meeting with League City staff and LAN consultants to review preliminary work on indirect reuse of wastewater effluent at Thomas Mackey WTP.

Aug 10 – Meeting in Sugar Land with city staff to discuss settlement term sheet.

**Internal Operations –**

July 23 – Conference call with Ron Freeman, contract negotiations.

July 24 – Conference call with Laserfiche vendor, implementation planning.

July 24 – Discussion with Comcast on Alvin office services.

July 25 - Follow up meeting with NRG Energy Services on providing backup power to IPS.

July 27 – Conference call with Kathy Alexander with TCEQ Water Rights Permitting; requirements for Bed and Banks Permit.

Aug 1 – Kick off meeting with HR consultants and key staff.

Aug 2 – Meeting with key staff and Macaulay Controls to review proposed water metering equipment for irrigation and other open flow channels.

Aug 3 – Meeting with PC Cable to review phone system installation challenges.

Aug 10 – Meeting with Jordan Furnans for project review.

Aug 13 – Conference call with Ron Freeman, contract negotiations.

Aug 13 – Meeting with Galveston County Engineer Mike Fitzgerald; somewhat surprised to learn the south and east levees on the Texas City Reservoir are officially designated by the US Corps of Engineers as an integral portion of the TC-LM Hurricane Protection Levee System. (Heretofore, we believed it was the north and west levees.

Aug 14 – Meeting with consultant on a/c design for the WTP control building.

**External Contacts –**

July 20 – Special District and River Authority Manager’s quarterly meeting. Included discussions with TCEQ Commissioner Carlos Rubinstein and Governor’s Policy Advisor Jonathan Stinson, Bastrop.

July 23 – Region H Water Population Demands Committee, Houston.

July 24 – Meeting with Mayor of Manvel to discuss joint project for water storage and future water planning for the city.

July 25 – Hosted visit by Gary Basinger, VP with the Economic Development Alliance of Brazoria.

July 30/31 – BBASC meeting in WACO with BRA and other Brazos River customers and interests.

Aug 1 – Meeting with Allen Munz, City of South Houston, negotiations on contract water for City of League City.

Aug 6 – Meeting with F/N staff and Lower Neches Valley Authority to discuss Neches River as an alternative water source for GCWA; also shared discussion on irrigation metering. Beaumont.

Aug 7 – Meeting with Galveston County Emergency Management staff to review Dam Safety Report.

Aug 9 – Attended BRA public meeting in Brenham on proposed Water Management Plan.

**Upcoming –**

Aug 29 – Juliff Pumping Plant dedication.

Sept 5 – Galveston County United Way luncheon

Sept 6 – Emergency Management Training Exercise for GCWA staff as required by Dam Safety regulations – TC office of Emergency Management.

Sept 19 – Brazoria County Transportation and Infrastructure Summit – Lake Jackson

Sept 25 – Oct 2 – vacation scheduled.