

**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 the special time of 2:00p.m. on the 18<sup>th</sup> day of October, 2012 and duly constituted members of said Board, to wit

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
Shane Hamilton	Director

A quorum was present. All Board members were in attendance.

**ALSO PRESENT** were: Ivan Langford, Bob Webb, Nancy Matthews, John Martinez, James Vanderwater, Mack Chapman, George Orum, Bobby Gervais, Karen Ivey, Jordan Furnans, Jerry Newell, Mike Hodge, Brad Bailey, W. Scott Carlson, Jeff Peters, SuEllen Staggs, R.J. Fiederlein, Darrell Richardson, Rick Gerlach, and Brenda Smith.

**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.
3. Appointment of Board member(s).
  - (a) Statement of Officer
  - (b) Oath of Office

**Commissioner's Court did not make any appointments and oaths were not administered.**

4. Election of Officers and Committee Appointments.

**Russell Jones seconded James McWhorter's motion to table item 4 until all members have been appointed by the Commissioner's Court.**

**Consent Agenda**

5. Approval of the Minutes of the Board of Directors' Regular Meeting held September 20, 2012.
6. Discussion and approval of a proposed Consent to Assign of a Contract for Surplus Gas dated January 1, 1969, from Quantum Resources Management, LLC to XOG Resources, LLC per the terms of the contract and authorization for the General Manager to sign the pertinent documents.
7. Discussion and approval of Quitclaim Deed for an abandoned canal lateral #3 located in Lot 1, Abstract 564, Brazoria County, Texas and authorization for the General Manager to sign the pertinent documents.

8. Discussion and approval of Work Authorization KA1203 with Klotz Associates, Inc. for permitting improvements to Chocolate Bayou Salt Water Barrier and authorization for the General Manager to sign the pertinent documents.
9. Discussion and approval authorizing the General Manager to send a letter detailing the statutory authority of the Gulf Coast Water Authority to exercise the power of eminent domain to Susan Combs, Texas Comptroller, as required by Senate Bill 18, 92<sup>nd</sup> Legislature with authorization for the General Manager to sign the pertinent documentation.

**Nancy Matthews stated item 7 was not complete and needed to be postponed until the following month. Russell Jones seconded James McWhorter's motion to approve consent agenda items 5 through 9 and with the exception of item 7. The motion carried unanimously.**

10. Managers

- (a) Thomas Mackey Water Treatment Plant (Fund 06)
  - 1) WTP Update
  - 2) WTP Operations
  - 3) Filter Air Scour (Filters 1 – 4)
  - 4) Pipe Gallery Painting Project
- (b) Water Treatment Plant Distribution
  - 1) Transmission Line Rehab across Causeway
- (c) Canal (Funds 08 & 21)
  - 1) Brazos River Update
- (d) Industrial (Fund 02)
  - 1) Project Updates
    - Pump House Replacement/Refurbishment/Header Inspection
    - Meters
    - B.P. Waterline Leaks
- (e) Administrative
  - 1) Legislative Consultant Update
  - 2) Administrative Update

11. Board Committees

- (a) Financial Committee
  - 1) Discussion and Approval of Monthly Financial Report  
**Russell Jones reported the Committee met and discussed YE 8/31/12 and that O&M was overspent due to reimbursements from farmers but under budget on capital disbursements. He reported that September 2012 financial report was under budget also due to capital disbursements. He stated total investments for the month ending September 30, 2012 was \$46,630,000.00.**
- (b) Engineering Committee  
**James McWhorter reported the Committee met on October 11<sup>th</sup> with committee members James McWhorter, Eric Wilson, and staff present. Items discussed were: pipe purchase bids, CIP projects, options for backup generators for IPS, Klotz engineering study for salt water barrier, Intera hydro surveying, sludge management issues, and several monthly status reports of capital projects.**

- (c) Organization and Planning Committee  
**James McWhorter reported the Committee met on October 10<sup>th</sup> with staff and committee members James McWhorter, Rosalyn Sue Edrozo, Eric Wilson, and board members Ray Holbrook and Shane Hamilton present. The Committee heard a legislative report from Mindy Ellmer. The Committee discussed status of Juliff Permit and strategies, status of the Classification Pay Plan/Personnel Policy, and status of water supply strategies.**
- (d) Personnel and Compensation Committee  
**The Committee did not meet this month.**
- (e) Safety Committee  
**The Board Safety Committee did not meet this month, however employee safety meetings were held and Committee members James McWhorter and James Cesarini attended.**

12. Advisory Committees

- (a) Industrial Operating Advisory Committee  
**Darrell Richardson reported the Committee met October 17<sup>th</sup> to discuss backup power generators for the IPS. He stated a decision was made, but will continue the discussion looking for direction from the Plant Managers group.**
- (b) Mainland Municipal Operating Advisory Committee  
**George Orum stated the Committee met on October 2<sup>nd</sup> at the WTP. Items discussed were: WTP operations, CIP projects, maintenance projects, Water Master, and customers' request to put an item on the November Board meeting agenda for the possibility of issuing bonds.**

13. Old Business

Hear request from Carroll Benoit.  
**Mr. Benoit was not in attendance.**

14. New Business

- (a) Discussion and possible action of Work Authorization II1206 with Intera, Inc. to perform Hydrographic Surveying Services and authorization for the General Manager to sign the pertinent documents.  
**James Cesarini seconded James McWhorter's motion to approve of Work Authorization II1206 with Intera, Inc. for an amount not to exceed \$127,000.00 to perform Hydrographic Surveying Services with authorization for the General Manager to sign the pertinent documents. The motion carried unanimously.**
- (b) Discussion and possible action to purchase an additional 1,800 acre feet of water from Brazos River Authority and authorization for the General Manager to sign the related documents.  
**Russell Jones seconded Bill Eisen's motion to approve the purchase of an additional 1,800 acre feet of water from the Brazos River Authority at a cost of \$112,550.00 annually with authorization for the General Manager to sign the related documents. The motion carried unanimously.**

- (c) Discussion and possible action to award a contract with Parrish and Parrish Tractor Services LLC to provide monthly lawn mowing services as outlined in the Bid Documents and authorization for the General Manager to sign the related documents.

**Russell Jones seconded James McWhorter's motion for approval of the award of a contract to Parrish and Parrish Tractor Services LLC to provide monthly lawn mowing services as outlined in the Bid Documents with authorization for the General Manager to sign the related documents. The motion carried unanimously.**

- (d) Discussion and possible action to acquire backup electrical generation for the Industrial Pump Station and authorization for the General Manager to sign the purchase requisition.

**Rosalyn Sue Edrozo seconded James Cesarini's motion to table item (d) to await a decision from the Industrial Plant Managers. The motion carried unanimously.**

- (e) Discussion and possible action to accept the low bid for the purchase of asphalt coated, steel riveted pipe and authorization for the General Manager to sign the purchase requisitions.

**Bill Eisen seconded James McWhorter's motion to approve the low bid for the purchase of asphalt coated, steel riveted pipe from Wyatt Industries in an amount not to exceed \$304,296.10 with authorization for the General Manager to sign the purchase requisitions. The motion carried unanimously.**

- (f) Discussion and possible action to consider the award of engineering services work authorization with Freese & Nichols, Inc. for Industrial Reservoir gate structure rehabilitation and authorization for the General Manager to sign the pertinent documents.

**James McWhorter seconded Ray Holbrook's motion to approve Work Authorization FN09-10 with Freese & Nichols, Inc. for Industrial Reservoir Gate Structure Rehabilitation Preliminary Engineering Report in the amount of \$85,000.00 with authorization for the General Manager to sign the pertinent documents. The motion carried unanimously.**

- (g) Discussion and possible action of an Assignment and Assumption Agreement of water contract with Lyondell to Ascend Performance Materials and authorization for the General Manager to sign the pertinent documents.

**This agenda item was withdrawn and will be discussed by Contract Review Adhoc Committee.**

**The Board adjourned to Executive Session at 2:58 P.M.**

15. 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) Settlement Agreement with the City of Sugar Land.

**The Board reconvened to Regular Session at 3:22 P.M.**

16. Discussion and consideration of possible action involving the following:  
(a) Settlement Agreement with the City of Sugar Land and authorization for the General Manager to sign the pertinent documentation.  
Rosalyn Sue Edrozo seconded James McWhorter's motion to approve the Settlement Agreement with the City of Sugar Land as presented with authorization for the General Manager to sign the pertinent documentation. Russell Jones abstained from voting, and remaining members voted affirmatively. The motion carried.

17. Adjourn

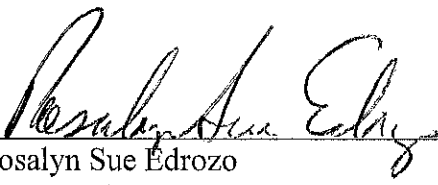
If, during the course of the meeting covered by this Agenda, the Board should determine that an executive session of the Board should be held or is required in relation to any additional items included in this Agenda, then such executive session, as authorized by the Texas Open Meetings Act, will be 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.

18. Brazos River Authority System Operations Permit and Water Mgmt. Plan Workshop

A Quorum of Board members plan to attend the Brazos River Authority System Operations Permit and Water Management Plan Workshop at the Lake Jackson Civic Center located at 333 Hwy. 332 E. in Lake Jackson, TX at 5:30 P.M.

James McWhorter adjourned the meeting at 3:37 P.M.



  
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Rosalyn Sue Edrozo  
Secretary-Treasurer