



Gulf Coast Water Authority
Board of Directors Regular Meeting
Minutes
June 19, 2014

COUNTY OF GALVESTON §
STATE OF TEXAS §

The Board of Directors of the Gulf Coast Water Authority of Galveston County, Texas, met on **Thursday, June 19, 2014, at 3:00 p.m.** at the Gulf Coast Water Authority's Administrative Office located at 3630 FM 1765, Texas City, Texas, with the duly constituted Board said to wit:

James McWhorter	President
Russell Jones	Vice President
Sue Edrozo	Secretary / Treasurer
Gary Potter	Assistant Secretary / Treasurer
James Cesarini	Director
Ray Holbrook	Director
Shane Hamilton	Director
Cliff Mock	Director
David Van Riper	Director

All members were present with the exception of Sue Edrozo. A quorum was present.

Also present: Scott Bounds, Ivan Langford, David Sauer, Bob Webb, Nancy Matthews, James Vanderwater, Renee Dondonay, Randy Jones, Rafael Ortega, Rick Gerlach, Les Rumburg, Rick Ramirez, Scott Carlson, Dan Spain, Darrell Richardson

1. Convene Meeting

James McWhorter called the meeting to order at 3:00PM

2. Conflict of Interest Declarations

A Conflict of Interest Declaration was made by Cliff Mock in regards to item 9e. - Discussion and possible action on the approval of Second Crop Contract Template to deliver water for Second Crop to the Rice Farmers and Authorization for the Assistant General Manager to sign the pertinent documents.

3. Requests to Address the Board

No Requests to Address the Board

4. Managers' Report

5. Board Committees

- Finance and Insurance Committee

The Finance and Insurance Committee met on June 19, 2014. Russell Jones and Cliff Mock were in attendance. The committee discussed investments with qualified brokers other than Frost in an effort to obtain higher interest rates.

- Engineering Committee

The Engineering Committee met on June 12, 2014. James McWhorter, James Cesarini and Sue Edrozo were in attendance. The committee discussed two items on this agenda, the Electrical Power Center at the May Pumping Plant and Power Depot – Texas Group A LLC (Enchanted Rock) and the possibility of contracting Jordan Furnans to look into the pros and cons of on system storage.

- Safety Committee

The Safety Committee met on June 12, 2014. Gary Potter and Shane Hamilton were in attendance. No incidents were reported in the last 30 days. The Safety Investigation of 2014 has been completed at all sites and most repairs should be completed within 60 days. The Final Investigation of the Kevin Moser Incident of March 26, 2014 was completed. The investigation concluded Kevin was falling and grabbed the chain to regain his balance, thus resulting in him pulling the chain down and hitting him on the head. In the future, straps will be used in place of chains. The committee was given a presentation of the Arc Flash Study and discussed the job description for the new Safety Director position.

- Organization and Planning Committee

The Organization and Planning Committee met on May 28, 2014. Sue Edrozo, Ray Holbrook and Russell Jones were in attendance. The committee discussed Ivan Langford's participation on the Public Works Response Team, an item in this agenda. The committee also reviewed a possible joint effort between GCWA and Missouri City in the installation of a small pump at the Briscoe Pumping Plant. The committee discussed the Drought Contingency Plan and determined the current proposal to be unworkable. A committee has since been appointed to work on the plan. Lastly, the committee discussed the electrical costs at the Industrial Pump Station.

6. Advisory Committees

- Industrial Advisory Committee

The Industrial Advisory Committee met on June 4, 2014. David Davalos reported the committee reviewed the proposed 2014-2015 Budget and the proposed Drought Contingency Plan.

- Mainland Division Operating Advisory Committee

The Mainland Division Operating Advisory Committee met on June 3, 2014. The committee reviewed the proposed 2014-2015 Budget.

7. Consent Agenda

- a. Discussion and possible action on the approval of the minutes of the Board of Directors' Regular Meeting held May 15, 2014.
- b. Discussion and possible action on the approval of two (2) Crossing Agreements with the City of Manvel for a potable water line and sanitary sewer pipe crossing the American Canal Lateral 10 located in Brazoria County, Texas and authorization for the General Manager to sign the pertinent documents.

Ray Holbrook seconded Russell Jones' motion to approve all items under the Consent Agenda. The motion passed unanimously with the exception of Sue Edrozo who was absent.

8. Old Business

- a. Discussion and possible action on the approval of the lowest qualified bids for ammonia, chlorine, ferric sulfate, zinc orthophosphate, polydadmec polymer, and copper sulfate and the most appropriate bid for powder activated carbon for use at the Thomas S Mackey Water Treatment Plant and authorization for the General Manager to sign the pertinent documents.

Shane Hamilton seconded Gary Potter's motion to approve the chemical bids at the price of \$0.90 per lb. for Ammonia, \$0.1936 per lb. for Chlorine, \$0.0619 per lb. for Ferric Sulfate, \$0.29 per lb. for Polydadmec Polymer, \$11.47 per lb. for Copper Sulfate, \$0.44 per lb. for Zinc Orthophosphate, and \$0.79 per lb. for Powder Activated Carbon for use at the Thomas S Mackey Water Treatment Plant and authorize the General Manager to sign the pertinent documents. The motion passed unanimously with the exception of Sue Edrozo who was absent.

9. New Business

- a. Discussion and possible action on the approval of the Gulf Coast Water Authority 2014-2015 Budget.

Ray Holbrook requested a summary of revenue and expenditures and a comparison of 2013-2014 and 2014-2015 expenditures.

David Van Riper seconded Russell Jones' motion to approve the Gulf Coast Water Authority 2014-2015 Budget. The motion passed unanimously with the exception of Sue Edrozo who was absent.

- b. Discussion and possible action on the approval of the Gulf Coast Water Authority 2014-2015 Rate Order for Raw Water and Treated Surface Water.

Gary Potter seconded James Cesarini's motion to approve the Gulf Coast Water Authority 2014-2015 Water Rate Order for raw water and treated surface water. The motion passed unanimously with the exception of Sue Edrozo who was absent.

- c. Discussion and possible action on approval of the Gulf Coast Water Authority Drought Contingency Plan.

The Drought Contingency Plan was assigned to a sub-committee for review and will be brought back to the Board at a later date.

- d. Discussion and possible action on the approval of a renewed contract with Crowder Gulf for Debris Management Services and authorization for the General Manager to sign the pertinent documents.

Russell Jones seconded Shane Hamilton's motion to approve the renewal of the contract with Crowder Gulf for debris management services and authorize the General Manager to sign the pertinent documents. The motion passed unanimously with the exception of Sue Edrozo who was absent.

- e. Discussion and possible action on the approval of the Second Crop Contract template to deliver water for Second Crop to the Rice Farmers and authorization for the Assistant General Manager to sign the pertinent documents.

Gary Potter seconded Ray Holbrook's motion to approve the Interruptible Water Supply Contract for Second Crop template and to make Second Crop water available at the price of \$39.73/certified acre and authorize the Assistant General Manager to sign the pertinent documents. The motion passed unanimously with the exception of Cliff Mock who declared the item as a Conflict of Interest and Sue Edrozo who was absent.

- f. Discussion and possible action on the approval of Gulf Coast Water Authority's participation on the Texas Department of Public Safety's Public Works Response Team and authorization for the General Manager to sign the pertinent documents.

Shane Hamilton seconded James Cesarini's motion to approve Ivan Langford's active role in the Public Works Response Team and to approve the Memorandum of Understanding. The motion passed unanimously with the exception of Sue Edrozo who was absent.

- g. Discussion and possible action on the approval of a supplemental work authorization with HV Engineering, LLC for electrical engineering services for Thomas S Mackey Water Treatment Plant and authorization for the General Manager to sign the pertinent documents.

James Cesarini seconded Ray Holbrook's motion to approve an additional allocation of \$41,000.00 with HV Engineering, LLC for electrical engineering services for Thomas S Mackey Water Treatment Plant and authorize the General Manager to sign the pertinent documents. The motion passed unanimously with the exception of Sue Edrozo who was absent.

- h. Discussion and possible action on the approval of an increase to the authorization to purchase labor through a Texas Buy Board Contractor for the Electrical Power Center at the William May Pumping Plant and authorization for the General Manager to sign the pertinent documents.

Gary Potter seconded Ray Holbrook's motion to approve the purchase of labor through a Texas Buy Board contractor, Crescent Electric, from \$87,000.00 to \$115,000.00 for labor at the Electrical Power Center at the William May Pumping Plant and authorize the General Manager to sign the pertinent documents. The motion passed unanimously with the exception of Sue Edrozo who was absent.

- i. Discussion and possible action on the approval of a License Agreement with Power Depot – Texas Group A, LLC (Enchanted Rock) for the use of GCWA property and authorization for the General Manager to sign the pertinent documents.

David Van Riper seconded Gary Potter's motion to approve the License Agreement with Power Depot – Texas Group A, LLC for the use of GCWA property and authorize the General Manager to sign the pertinent documents. The motion passed unanimously with the exception of Sue Edrozo who was absent.

- j. Discussion and possible action on the approval of the System Raw Water Availability Agreement with the City of Sugar Land.

Ray Holbrook seconded Russell Jones' motion to approve the System Raw Water Availability Agreement with the City of Sugar Land. The motion passed unanimously with the exception of Sue Edrozo who was absent.

- k. Discussion and possible action on the approval of the Brooks Lake Diversion Weir Agreement.

Ray Holbrook seconded Russell Jones' motion to approve the Brooks Lake Diversion Weir Agreement. The motion passed unanimously with the exception of Sue Edrozo who was absent.

- l. Discussion and possible action to approve amendments to the Mainland Water Project Customer Contracts for the following:

- San Leon MUD
- City of League City

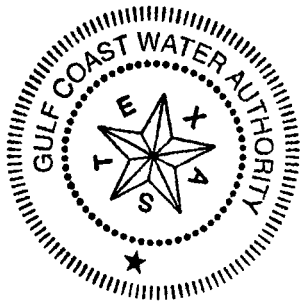
Russell Jones seconded David Van Riper's motion to approve the amendments to the Mainland Water Project Customer Contracts for San Leon MUD and the City of League City. The motion passed unanimously with the exception of Sue Edrozo who was absent.

10. Adjourn Meeting

James McWhorter adjourned the meeting at 4:32PM.

Passed and approved this 17th day of July, 2014.

[S E A L]



Sue Edrozo
GCWA Board Secretary / Treasurer