



Gulf Coast Water Authority
Board of Directors Regular Meeting
Minutes
August 21, 2014

COUNTY OF GALVESTON §
STATE OF TEXAS §

The Board of Directors of the Gulf Coast Water Authority of Galveston County, Texas, met on **Thursday, August 21, 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
Shane Hamilton	Director
Ray Holbrook	Director
James Cesarini	Director
David Van Riper	Director
Cliff Mock	Director

All Board Members were present with the exception of James Cesarini. A quorum was declared.

Also present: Bobby Gervais, Ivan Langford, Bob Webb, Nancy Matthews, John Martinez, James Vanderwater, Renee Dondonay, Randy Jones, Mack Chapman, Eric Wilson, Rick Ramirez, Kerry Lackey, Henry Walker, Brenda Smith, Darrell Richardson, Karen Green, Otis O'Callaghan, Rick Gerlach, Les Rumburg, Lora Marie Bernard, David Huang

1. Convene Meeting
James McWhorter called the meeting to order at 3:00PM
2. Conflict of Interest Declarations
No Conflict of Interest Declarations
3. Requests to Address the Board
No Requests to Address the Board
4. Managers' Report

5. Board Committees

- Engineering Committee

The Engineering Committee met on August 14, 2014. Members James McWhorter, Sue Edrozo and James Cesarini were present. Jordan Furnans reported via Skype on the Possibility of Water Storage on the GCWA System (approx. +/- 4,000 A/F). The committee members asked Jordan to complete a Feasibility Study for an Off System Reservoir. The committee also reviewed several ongoing projects with GCWA Engineers.

- Safety Committee

The Safety Committee did not meet in August. Chair Gary Potter reported the Safety Director Position was posted. Also, there was a recordable accident in which there was a washout and when an employee stepped off a catwalk, the ground gave way under the employee, resulting in a sprained ankle and knee as well as a hurt back. The committee recognizes the effort which has been made to train employees in safety but felt there is something lacking to get the organization to the next step in making the training a reality. After meeting with Ron Sokul of the Safety Council of Texas City, staff is moving forward in retaining the assistance of a Safety Professional who will work to take the training employees have received and put it into everyday use.

- Organization and Planning Committee

The Organization and Planning Committee met on July 23, 2014. Members Sue Edrozo, Russell Jones, Ray Holbrook and James McWhorter were present. The committee discussed the Long Range Water Supply Study, reviewed the minutes of the Board Retreat to determine items to pursue and discussed the status of the Water Contracts and the Drought Contingency Plan. The committee also discussed having a grant writer for agricultural meter funding.

6. Advisory Committees

- Industrial Advisory Committee

The Industrial Advisory Committee met on August 6, 2014. The committee discussed the Drought Contingency Plan and reviewed various projects.

- Mainland Division Operating Advisory Committee

The Mainland Division Operating Advisory Committee met on August 5, 2014. The committee discussed the Water Treatment Plant Shut Down to connect generators and replace the Clearwell Header.

7. Consent Agenda

- a. Accept Minutes from the Board of Directors' Retreat held July 11, 2014.
- b. Accept Minutes from the Board of Directors' Regular Meeting held July 17, 2014.
- c. Discussion and possible action to authorize the General Manager to enter into four (4) Crossing Agreements with Phillips 66 Pipeline, LLC for an eighteen (18) inch steel Natural Gas Liquids Pipeline crossing the American, Briscoe, and Juliff Canals located in Brazoria County, Texas and to sign the pertinent documents.

Ray Holbrook seconded Russell Jones' motion to approve the Consent Agenda Items. The motion passed unanimously with the exception of James Cesarini who was not present.

8. New Business

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

- Galveston County WC&ID No. 1 (South Project Supplement)

Russell Jones seconded Ray Holbrook's motion to approve the Mainland Water Project Customer Contract for WC&ID No 1 (South Project Supplement). The motion passed unanimously with the exception of James Cesarini who was not present.

- b. Discussion and possible action on the purchase of GCWA Property, Equipment, General Liability and Boiler and Machinery insurance coverage from AquaSurance, LLC.

Cliff Mock seconded Gary Potter's motion to approve the purchase of GCWA Property, Equipment, General Liability and Boiler and Machinery insurance coverage from AquaSurance, LLC. The motion passed unanimously with the exception of James Cesarini who was not present.

- c. Consideration affirming the adoption of the Drought Contingency Plan dated October 2012 and instructing the General Manager to 1) actively pursue an implementation strategy to clarify the 'water shortage stage trigger points', based on available and projected stored water as well as any alternative water sources, and 2) actively engage all customers with alternative water sources, (ground water or alternate surface water sources) in contract amendments whereby the Authority will be able purchase said alternate source water as its primary strategy for reduction in use of surface water in the A & B canal systems during a drought.

Sue Edrozo seconded Gary Potter's motion to adopt the Drought Contingency Plan dated October 2012 and instruct the General Manager to actively pursue an implementation strategy to clarify the 'water shortage stage trigger points', based on available and projected stored water as well as any alternative water sources, and actively engage all customers with alternative water sources, (ground water or alternate surface water sources) in contract amendments whereby the Authority will be able to purchase said alternate source water as its primary strategy for reduction in use of surface water in the A & B Canal systems during a drought. The motion passed unanimously with the exception of James Cesarini who was not present.

A large portion of the alternative water sources will be ground water which will require GCWA working with the surrounding subsidence districts. Russell Jones suggested an Ad Hoc Committee to meet with the Subsidence Districts and encourage them to create Drought Contingency Plans and meet with Municipal Customers to make sure they are aware of the water available. Ivan Langford agreed to an Ad Hoc Committee. Board Members Gary Potter, Sue Edrozo, Russell Jones and Ray Holbrook agreed to be a part of this committee. The committee will be formally recognized at the September 2014 Regular Board Meeting.

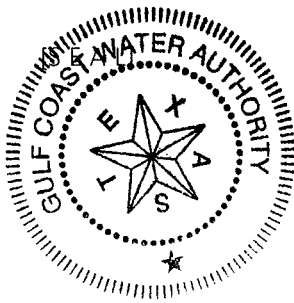
- d. Discussion and Possible action on the approval of a Resolution of the Board of Directors of Gulf Coast Water Authority authorizing the submission of a grant application to the Texas Water Development Board for a grant from the Agricultural Water Conservation Fund in the amount of \$100,000.00 and authorizing the General Manager to submit the application and perform all reasonable and necessary action in support of the application and to perform the terms and conditions of any award of money from the fund.

Sue Edrozo seconded Cliff Mock's motion to approve the Resolution of the Gulf Coast Water Authority authorizing the submission of a grant application to the Texas Water Development Board for a grant from the Agricultural Water Conservation Fund in the amount of \$200,000.00 and authorize the General Manager to submit the application and perform all reasonable and necessary action in support of the application and to perform the terms and conditions of any award of money from the fund. The motion passed unanimously with the exception of James Cesarini who was not present.

9. Adjourn Meeting

James McWhorter adjourned the meeting at 4:03PM.

Passed and approved this 18th day of September, 2014.



Sue Edrozo 9/18/14

Sue Edrozo, Secretary / Treasurer

Gulf Coast Water Authority Board of Directors