



Gulf Coast Water Authority
Board of Directors Regular Meeting
Minutes
April 16, 2015

COUNTY OF GALVESTON §
STATE OF TEXAS §

The Board of Directors of the Gulf Coast Water Authority met on **Thursday, April 16, 2015, 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:

<i>James McWhorter</i>	<i>President</i>
<i>Russell Jones</i>	<i>Vice President</i>
<i>Sue Edrozo</i>	<i>Secretary – Treasurer</i>
<i>Gary Potter</i>	<i>Assistant Secretary – Treasurer</i>
<i>James Cesarini</i>	<i>Director</i>
<i>Ray Holbrook</i>	<i>Director</i>
<i>Shane Hamilton</i>	<i>Director</i>
<i>Cliff Mock</i>	<i>Director</i>
<i>George F Black</i>	<i>Director</i>

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

Also present: Ivan Langford, David Sauer, Bob Webb, Nancy Matthews, Renee Dondonay, Randy Jones, Thomas Gilbert, Eris Farrar, Scott Carlson, David Paulissen, Kerry Lackey, Dan Spain, Trent Epperson, Josh Metcalf, David Davalos, Sharon Valiante

1. Convene Meeting
James McWhorter called the meeting to order at 3:01 PM
2. Conflict of Interest Declarations
No Conflict of Interest Declarations
3. Requests to Address the Board
No Requests to Address the Board
4. Appointment of Board Member to Gulf Coast Water Authority Board of Directors
 - a. Appointment of George Black to City of Galveston Position No 1
The Statement of Officer and the Oath of Office were administered by Renee Dondonay, Notary Public for the State of Texas and sworn by the appointed Board Member George F Black, City of Galveston Position No. 1

5. Appointment of GCWA Board of Director's Committees

a. Engineering Committee

James McWhorter, James Cesarini, Sue Edrozo, George F Black

b. Safety Committee

Gary Potter, James Cesarini, Shane Hamilton

c. Personnel and Compensation Committee

Ray Holbrook, Cliff Mock, Shane Hamilton, Gary Potter

d. Finance and Insurance Committee

Russell Jones, Cliff Mock, George F Black

e. Organization and Planning Committee

Sue Edrozo, James McWhorter, Russell Jones, Ray Holbrook

6. Appointment of GCWA Board of Director's Ad-Hoc Committees

a. Ad-Hoc Drought Contingency Plan Committee

Cliff Mock, Sue Edrozo, Gary Potter

b. Ad-Hoc Subsidence Districts Committee

Gary Potter, Russell Jones, Ray Holbrook, Sue Edrozo

c. Ad-Hoc Water Contract Review Committee

Russell Jones, Ray Holbrook, Cliff Mock

d. Ad-Hoc Sugar Land Negotiations Committee

Russell Jones, James McWhorter

7. Managers' Report

8. Board Committees

- Engineering Committee

James McWhorter and James Cesarini met on April 9, 2015. The committee reviewed the House at the May Pumping Plant, the Fencing at the Water Treatment Plant and Maintenance and Painting of Pipes at the Water Treatment Plant, all items on today's agenda. They also reviewed the RFQ for Water Supply Reservoir Study, the Industrial Pump Station Switch Gear Improvements, the proposed new Galveston Line Project (Feasibility Study)

- Safety Committee

Gary Potter, Shane Hamilton and James Cesarini met on April 9, 2015. The Committee discussed the Safety Inspection of the Water Treatment Plant, the Industrial Pump Station and the Reservoir which took place on April 7, 2015. The committee also reviewed an accident at the McCrary Bridge which resulted in an employee with a pulled muscle. Overall, the Safety Committee felt it was necessary to revisit the Safety Program, look at all of the training and bring it together in a plan which will be presented to the Board at the Retreat on June 26, 2015.

- Organization and Planning Committee

Sue Edrozo, James McWhorter, Russell Jones and Ray Holbrook met on March 25, 2015. The committee was updated on the status of GCWA, the Watermaster and River Metering, the status of various contracts and Legislation. The committee reviewed the By Laws to bring up to date. The committee also discussed looking at employee benefits.

9. Advisory Committees

- Industrial Advisory Committee
- Mainland Division Operating Advisory Committee

10. Consent Agenda

- a. Discussion and possible action to approve the Minutes of the Board of Directors' Regular Meeting held March 19, 2015.

Shane Hamilton seconded Russell Jones motion to approve the minutes of the Board of Director's Regular Meeting held March 19, 2015. The motion passed unanimously.

11. New Business

- a. Discussion and possible action to approve a construction contract for the William May Pumping Plant Housing and authorization for the General Manager to sign the pertinent documents.

Russell Jones seconded Sue Edrozo's motion to approve the negotiation of a contract for construction services for the William May Pumping Plant Housing project pending it meet all legal requirements and authorize the General Manager to sign the pertinent documents. The motion passed unanimously.

- ~~b. Discussion and possible action to approve a construction contract for Fencing Improvements at the Thomas S Mackey Water Treatment Plant and authorization for the General Manager to sign the pertinent documents.~~

- c. Discussion and possible action to approve a construction contract for Low Lift and Distribution Header Painting and authorization for the General Manager to sign the pertinent documents.

Gary Potter seconded James Cesarini's motion to approve a construction contract for Low Lift and Distribution Header Painting to Blastco Texas, Inc in the amount of \$109,450.00 and authorize the General Manager to sign the pertinent documents. The motion passed unanimously with the exception of George F Black who was not present.

- d. Discussion and possible action to approve a new position in Canal Division of Canal Maintenance Supervisor

Gary Potter seconded James Cesarini's motion to approve the new Canal Division position of Canal Maintenance Supervisor. The motion passed unanimously with the exception of George F Black who was not present.

- e. Discussion and possible action to approve Resolution No. 2015-003 confirming that the Board of Directors has reviewed the Authority's Investment Policy and Investment Strategies and recording the changes, if any, made to the policy or strategies.

The approval of Resolution No 2015-003 confirming that the Gulf Coast Water Authority Board of Directors has reviewed the Authority's Investment Policy and Investment Strategies was tabled until the May 21, 2015 Board Meeting.

- f. Discussion and possible action to approve amending the Gulf Coast Water Authority Comprehensive Annual Financial Report for the period ending August 31, 2014.

Cliff Mock seconded Russell Jones motion to approve an amendment to the Gulf Coast Water Authority Comprehensive Annual Financial report for period ending August 31, 2014. The motion passed unanimously with the exception of George F Black who was not present.

- g. Discussion and possible action to approve amendments to the GCWA By Laws
- Sue Edrozo seconded Russell Jones motion to approve the amendments to the Gulf Coast Water Authority By Laws. The motion passed unanimously with the exception of George F Black who was not present.*
- h. Discussion and possible action to approve an Amended and Restated Agreement Relating to the Temporary Assignment of Rights and Obligations under Water Supply Contract with the City of Rosenberg and authorization for the General Manager to sign the pertinent documents.
- Sue Edrozo seconded Russell Jones motion to approve an Amended and Restated Agreement relating to the Temporary Assignment of Rights and Obligations under Water Supply Contract with the City of Rosenberg and authorize the General Manager to sign the pertinent documents. The motion passed unanimously with the exception of George F Black who was not present.*
- i. Discussion and possible action to approve an Amended and Restated System Raw Water Availability Agreement with INEOS Olefins & Polymers, USA
- Sue Edrozo seconded Russell Jones motion to approve an Amended and Restated System Raw Water Availability Agreement with INEOS Olefins & Polymers, USA. The motion passed unanimously with the exception of George F Black who was not present.*
- j. Discussion and possible action to approve amendments to the following Mainland Water Project Customer Contracts
- Second Amendment to Mainland Water Project Customer Contract (South Project) with the City of Texas City
 - Fourth Amendment to Mainland Water Project Customer Contract with the City of Texas City
- Shane Hamilton seconded Russell Jones motion to approve the Second Amendment to the Mainland Water Project Customer Contract (South Project) with the City of Texas City and the Fourth Amendment to Mainland Water Project Customer Contract with the City of Texas City. The motion passed unanimously with the exception of George F Black who was not present.*
- k. Discussion and possible action to approve a System Raw Water Availability Agreement with the City of Pearland
- Ray Holbrook seconded Gary Potter's motion to approve a System Raw Water Availability Agreement with the City of Pearland. The motion passed unanimously with the exception of George F Black who was not present.*

- I. Discussion and possible action to approve the following Mainland Water Project Customer Contracts related to the sale of NRG's H.P. Robinson Plant shares in Gulf Coast Water Authority's Thomas S Mackey Water Treatment Plant
- Decrease in Reserved Capacity and Contract Quantity and the Termination of the Mainland Water Project Customer Contract with NRG
 - Third Amendment to Mainland Water Project Customer Contract (South Project) with the City of League City
 - Fifth Amendment to Mainland Water Project Customer Contract with the City of Texas City
 - Fourth Amendment to Mainland Water Project Customer Contract with Galveston County Water Control and Improvement District No. 12 (Kemah)
 - Seventh Amendment to Mainland Water Project Customer Contract with Bayview Municipal Utility District

Cliff Mock seconded Ray Holbrook's motion to approve the Decrease in Reserved Capacity and Contract Quantity and the Termination of the Mainland Water Project Customer Contract with NRG, the Third Amendment to Mainland Water Project Customer Contract (South Project) with the City of League City, the Fifth Amendment to Mainland Water Project Customer Contract with the City of Texas City, the Fourth Amendment to Mainland Water Project Customer Contract with Galveston County Water Control and Improvement District No. 12 (Kemah), and the Seventh Amendment to Mainland Water Project Customer Contract with Bayview Municipal Utility District. The motion passed unanimously with the exception of George F Black who was not present.

- m. Discussion and possible action regarding House Bill 4168 by Representative Dennis Bonnen

Shane Hamilton seconded Ray Holbrooks motion to oppose the Section 5a of House Bill 4168 which changes the current Gulf Coast Water Authority Board. James McWhorter, Russell Jones, Gary Potter, James Cesarini and Cliff Mock opposed. Sue Edrozo abstained. George F Black was not present. The motion did not pass.

12. Adjourn Meeting

James McWhorter adjourned the meeting at 5:20 PM.

Passed and approved this 21st day of May, 2015.




Sue Edrozo, Secretary / Treasurer
Gulf Coast Water Authority Board of Directors