



Gulf Coast Water Authority

Gulf Coast Water Authority
Board of Directors Board Workshop
MINUTES
April 20, 2017

Notice is hereby given that the Board of Directors of the Gulf Coast Water Authority will meet on **Thursday, April 20, 2017 at 1:00 PM** at the GCWA Administrative Office, 3630 FM 1765, Texas City, Texas 77591, for the following purpose(s).

1. Call to Order

GCWA Board of Directors President, Russell Jones, called the meeting to order at 1:27 PM.

2. Roll Call

President Russell C Jones, Vice President C.B. "Bix" Rathburn, PhD, Secretary Eric Wilson, Assistant Secretary Brad Matlock PE, Director Cliff Mock, Director Mike O'Connell, and Director James McWhorter PE were in attendance. A quorum was present.

Absent: Hamilton, Jones Jr, Bradley

3. Monthly Financial Report

Bob Webb reviewed a detailed version of the Monthly Financial Report.

- Chemical costs at the Water Treatment Plant caused a variance on Fund 06.*
- Vehicle repair costs in the Canal Division case a variance on Fund 08.*
- Reservoir maintenance at Chocolate Bayou caused a variance on Fund 21.*

4. Quarterly Investment Report

Bob Webb reviewed the first Quarterly Investment Report from Linda Patterson regarding TexPool. Ms. Patterson will be presenting the next Quarterly Investment Report to the Board and will be able to give detailed information on the investment activity.

5. Discussion of the Comprehensive Annual Financial Report for the Fiscal Year 2015-2016 as performed by Whitley Penn LLP.

Whitley Penn reviewed a draft version of Gulf Coast Water Authority's Comprehensive Annual Financial Report. Whitley Penn anticipates making an unmodified and clean opinion on the financial statement.

C.B. "Bix" Rathburn, PhD requested Bob Webb provide an appreciation schedule of GCWA's assets.

Ivan Langford noted GCWA would be requesting a proposal from Whitley Penn to complete the 2016-2017 Audit.

6. Discussion of allocating available Industrial Funds of \$4,000,000 and applying the funds to the construction cost of the Industrial Pump Station Project.

Ivan Langford requested permission from GCWA Municipal and Industrial Customers to divide the Industrial Fund into two additional funds - the Reservoir Fund and the Pump Station & Distribution Fund. Bob Webb, with help from Leslie Wilkes of Whitley Penn, determined the cash made over the past 10 years and split it between the two funds. The information provided includes a summary of the split.

Ivan Langford summarized by requesting \$4 million of the \$7 million in available funds be applied to the Industrial Pump Station Project.

7. Discussion of Resolution 2017-003 authorizing the issuance of Gulf Coast Water Authority Contract Revenue Bond (Industrial Pump Station and Raw Water Transmission System Project), Series 2017 and enacting other provisions relating thereto.

Ivan Langford briefly reviewed the Industrial Pump Station Bond Series 2017. Terrell Palmer will be available at the Regular Board Meeting to answer questions before requesting Board approval.

8. Adjournment

GCWA Board of Directors President, Russell Jones, adjourned the meeting at 2:43 PM.

Passed and approved this 18th day of May, 2017.



Brad Matlock, PE

Assistant Secretary

Gulf Coast Water Authority Board of Directors