



Gulf Coast Water Authority

Gulf Coast Water Authority
Board of Directors Board Workshop
MINUTES
November 2, 2017

Notice is hereby given that the Board of Directors of the Gulf Coast Water Authority will meet on **Thursday, November 2, 2017 at 3:00 PM** at the GCWA Administrative Office, 3630 FM 1765, Texas City, Texas 77591, for the following purpose(s).

1. Call to Order

Gulf Coast Water Authority Board of Directors President Russell Jones called the meeting to order at 3:05 PM.

2. Roll Call

President Russell C Jones, Vice President C.B. "Bix" Rathburn, PhD, Secretary Eric Wilson, Treasurer Bennie Jones Jr, Assistant Secretary Brad Matlock, PE, Director Mike O'Connell, Director Cliff Mock, Director Shane Hamilton and Director James McWhorter PE were in attendance.

Absent: Leaver

3. Conflict of Interest

a. Bennie Jones Jr Item 7A

Bennie Jones Jr. declared a Conflict of Interest on Item 7a. Review Proposed Amendment to INEOS Water Availability Agreement

4. Request to Address the Board

No Requests to Address the Board

5. Monthly Reports

a. Environmental Health & Safety

Assistant General Manager David Sauer reviewed the October 2017 Environmental Health & Safety Report.

b. Financials

Business Manager Bob Webb reviewed the September 2017 Financials.

c. Capital Projects

District Engineer James Vanderwater reviewed a comparison of the FY2017 and FY2018 Capital Project Expenditures.

d. Canal Division

Assistant General Manager David Sauer presented a power point review of the September 2017 Canal Division Report which included the following projects:

- *Harrison Bridge*
- *Link Belt LS108*
- *Mustang Reservoir*
- *Cullinan Park*

e. Assistant General Manager

Assistant General Manager David Sauer reviewed the October 2017 Assistant General Managers Report. Mr. Sauer also informed the Board of a letter from Allen Boone Humphries & Robinson on behalf of Ft Bend County MUD 146 regarding the damages to the concrete slabs of a hiking trail incurred during GCWA's rehabilitation of Oyster Creek. Mr. Sauer will be providing additional information and opening the item for discussion at the Regular Meeting during Executive Session on November 16th.

f. General Manager

General Manager Ivan Langford updated the Board of Directors on the TxDOT meeting regarding the expansion of I-45 and the Region H Meeting regarding Texas Water Development Board's projected use of agricultural and industrial water for the 2021 Planning Cycle. Mr. Langford noted GCWA and Dow both disagreed with the past information the Texas Water Development Board studied to determine the projected amounts and subsequently submitted 5 years of pumping information, which Texas Water Development Board accepted.

6. Old Business

- a. Discussion of initial meeting with FEMA representatives regarding the Authority's claims for reimbursements for emergency actions taken during and immediately following arrival of Hurricane Harvey.

Ivan Langford thanked Director Brad Matlock, PE for attending the meeting. FEMA Representatives reviewed several photos of damage to GCWA's System and will begin touring the areas where the damage occurred soon. FEMA requested GCWA staff provide as much history and information on the repair process on all photos submitted.

7. New Business

- a. Review Proposed Amendment to INEOS Water Availability Agreement

Ivan Langford reviewed changes to the INEOS Contract. Mr Langford

explained Jordan Fumans Water Availability Model has been refined over the past 5 years (the model assumes all contract water is taken and all option water contracts have been exercised) and shows sufficient water is available for INEOS to exercise the 9 MGD Water Option without acquiring additional stored water. The INEOS Contract has been amended to increase from 15 MGD to 24 MGD with the additional 9 MGD coming from Canal J Water Rights. The contract also requires a flat payment of \$100,000.00 to the reserve fund, replacing the previous requirement of \$100,000.00 per MG. Mr. Langford explained there is no need for such a large amount of money to be in the reserve fund. INEOS has agreed to guarantee the new Chocolate Bayou Pump Station which will cost several million dollars.

- b. Review Draft Agreement with City of Houston for a reservation of 20 MGD.

Ivan Langford reviewed the draft agreement with the City of Houston for the City of League City's Transmission Line. The City of League City has been debating on whether to build the line to meet existing demand or to meet future demand. The City of Houston guaranteed the City of League City the 20 MGD of raw water would be available if the larger line is built but requested the option payment begin immediately - at a cost of approximately 1 million dollars per year. GCWA will be submitting a counter offer for the City of Houston's consideration.

- c. Discussion of proposals received for the construction of the Proposed Booster Pump Station on FM 517 to increase the capacity of the Bayshore Waterline to benefit Galveston County WCID No. 12

James Vanderwater presented a power point review of the FM 517 Booster Pump Station. The land has been purchased. The Power Control Building will be presented to the board for consideration at the November 16, 2017 Regular Meeting.

- d. Discussion of Texas Department of Transportation Utility Agreement and proposals for the construction of 39-inch Waterline Relocation at Interstate Highway 45.

James Vanderwater presented a power point on the Texas Department of Transportation Utility Agreement and proposals for the construction of 39-inch Waterline Relocation at Interstate Highway 45. An offer letter has been sent to acquire the easements for the line, but GCWA has begun the appraisal process to prepare for possible condemnation. The utility agreement and the construction proposal will be presented to the board for consideration at the November 16, 2017 Regular Meeting.

- e. Discussion of Statement of Qualifications received for Engineering Services for Restoration and Hazard Mitigation of the Shannon and May Pumping Plants

James Vanderwater reminded the board the work being done to stabilize

the river banks at the May Pumping Plant and the Shannon Pumping Plant are FEMA Projects (GCWA will be requesting reimbursement from FEMA for the cost of the projects). Two very good submittals were received from AECOM and Freese Nichols. The river bank stabilization projects will be presented to the board for consideration at the November 16, 2017 Regular Meeting.

The GCWA Board of Directors retreated into closed session at 5:17 PM.

Executive Session

8. *The Executive Session is held in accordance with Texas Open Meeting Act, (Vernon's Civil Statutes) Texas Government Code, Section 551.074 – Personnel Matters, to discuss the following:
Presentation by Ron Cox on Assistant General Manager Recruiting Efforts*
9. *The Executive Session is held in accordance with Texas Open Meeting Act, (Vernon's Civil Statutes) Texas Government Code, Section 551.074 – Personnel Matters, to discuss the following:
Update from General Manager*

The GCWA Board of Directors reconvened in open session at 6:32 PM.

10. Adjourn Meeting

Gulf Coast Water Authority Board of Directors President Russell Jones adjourned the meeting at 6:33 PM.

Passed and approved this 21st day of December 2017.



Eric Wilson, Secretary

Gulf Coast Water Authority Board of Directors

Brad Matlock, PE, Assistant Secretary