

# COASTAL WATER AUTHORITY

## Minutes of Regular Meeting

March 13, 2013

The Board of Directors (the "Board") of Coastal Water Authority ("CWA") convened its Regular Meeting; open to the public, at the CWA Conference Room, 1801 Main Street, Suite 800, Houston, Texas with the following in attendance:

### Directors

D. Wayne Klotz, P.E., President  
Tony L. Council, P.E., First Vice-President  
Alan D. Conner, Second Vice-President  
Zebulun Nash, Secretary-Treasurer

John Odis Cobb, P.E.  
Douglas E. Walker  
Giti Zarinkelk, P.E.

### CWA Staff

Donald R. Ripley  
John J. Baldwin  
Jerry Berry  
Greg Olinger (*Absent*)  
Mary Caballero  
Jackie Leong

### City of Houston Staff

Jun Chang, P.E., Deputy Director, PW&E  
John Liles, Legal

### Legal Counsel

Neil Thomas, Fulbright & Jaworski L.L.P.

### General Engineering Consultant

Ty Thomas, P.E., Lockwood, Andrews & Newnam, Inc.

All members of the board were present, thus constituting a quorum.

### **I. CALL TO ORDER – D. Wayne Klotz**

- A. Welcome and Introduction of the Board.**
- B. Pledge of Allegiance.**
- C. Salute to the Texas Flag.**
- D. Moment of Silence.**

Director Klotz called the meeting to order at 10:00 A.M. and welcomed all guests to the meeting. Copies of the sign-in sheets for those in attendance at the meeting are attached hereto.

### **II. ITEMS FOR CONSIDERATION – D. Wayne Klotz**

#### **A. Minutes of the February 13, 2013 Board Meeting.**

Director Klotz stated that the first item of business was the approval of the Minutes of the Board Meeting of February 13, 2013 as written.

#### **MOTION approving the Minutes of the Board Meeting of February 13, 2013.**

Motion made by Director Nash, Seconded by Director Zarinkelk. The Motion carried unanimously.

### **III. ONGOING PROJECTS – Donald R. Ripley**

#### **A. Luce Bayou Project EIS.**

Mr. Ripley stated that all of the related deliverables due from CWA have been submitted to the United States Corp of Engineers (USACE) and acknowledged by the USACE. Those deliverables included the Zebra Mussel Plan, Lake Houston Alternate Response, Sediment Handling Plan, Responses to USACE Hydraulics and Hydrology questions, the Gillens Bayou Stream Assessment and some wetland delineations at the Pump Station which was prepared by Anne Profilet with EcoLogic. Mr. Ripley then stated that a portion of the EIS would be updated by Mr. Stephen Berckenhoff with AECOM. Mr. Berckenhoff reported that approximately

1500 comments were received on the Draft Environmental Impact Statement (DEIS). Around 800 of these comments consisted of "form type" letters and 158 comments were received from the Sierra Club. All of the comments have been characterized and catalogued into a searchable database and assigned to individuals responsible to revising the DEIS into the Final Environmental Impact Statement, (FEIS). Individual responses to the comments can sometimes be very simple or an extensive and laborious process, depending on the nature of each comment. It is anticipated that various sections of the report could be delivered back to the USACE for preliminary review on or about the first week of April 2013. The entire process should be completed by mid April. Mr. Berckenhoff commented that he participated in a coordination meeting between AECOM and the USACE which was held at their Galveston office on March 6, 2013 to review the schedule as well as the approach to some of the comments. USACE advise in that meeting that due to the sequestration that the federal government is experiencing, there may be a need for mandatory furloughs which could cause a delay/impact in their review of the Luce Bayou Project. AECOM is currently focused on addressing the more critical comment responses contained in Chapter 3 - Affected Environment and Chapter 4 - Environmental Consequences. AECOM does have the Verification Letter from the USACE on the 3,000 acre Mitigation Tract regarding the AJD work there, as well as the alignment.

#### **B. Luce Bayou EIS - Archeological.**

Mr. Ripley stated that a conference call with the Indian Nations was held on February 14, 2013 and a site visit with the USACE, CWA staff, Moore Archeological, and three representatives of the Indian Nations was completed on February 28, 2013. The Indian Nation representative stated that they would need an additional archeological investigation for the approximate 8 acres in Site 42 before they would be able to comment on what their requirements would be to complete a Memorandum of Agreement (MOA). Also requested by the USACE and the Indian Nation was that CWA consider utilizing the Ground Penetrating Radar (GPR) to assist in investigations that the USACE is requesting CWA conduct. In an effort to assess the estimated cost for the GPR request Mr. Ripley stated he had flown in an expert in archeological application of GPR. This assessment cost along with an estimated time frame to complete this work, and the scope is expected to be received sometime next week. Mr. Ripley stated that prior to the GPR, CWA will have to perform clearing of the area that is being subjected to the survey. CWA has staff working now on quantifying that cost. Mr. Ripley stated that after the site is cleared and before the GPR Survey is undertaken, CWA will need the USACE to concur with the Scope of Services so that CWA will avoid unnecessary field work.

Mr. Ripley provided the Board with maps showing the current project alignment and the proposed project alignment. The proposed project adjustment was proposed by CWA to the Indian Nations to potentially avoid human remains. Mr. Ripley stated that Indian Nations are insisting that they have oversight during the investigation in the area where they anticipate finding artifacts. Director Walker asked if the new route is accepted and there are no artifacts found, will CWA remain responsible for all other archeological examinations. Mr. Ripley responded no and then stated it would actually cease the investigation. Director Klotz asked what the speculation is on this process in getting CWA's permit to move forward in the process. Mr. Ripley responded that the only informal comment received by the USACE is that if CWA continues to move at the current pace, they believe it should be wrapped up in August. Director Klotz asked if this includes AECOM's work and the archeological work. Mr. Ripley responded that ultimately the decision on what needs to be done is in the hands of the USACE and the Texas Historical Commission, not the Indian Nations.

#### **C. Property Acquisition.**

Mr. Ripley reported that Parcel 30.4 is the only remaining parcel to acquire for right-of-way. Responses to offer letters are due to CWA next week. If

any offers are outstanding after the deadline, CWA will go into condemnation. CWA has also closed on 65% of the minerals interests. Mr. Ripley stated that he had met with the Trinity National Wildlife Refuge Manager to request his assistance in contacting the National Office of the U.S. Fish and Wildlife to ask them to reconsider requiring 100% ownership. No response has been received as of yet. Mr. Ripley stated that an owner of almost all of the un-owned mineral interests had initially accepted CWA's offer but has now withdrawn his acceptance.

Director Klotz stated that the deadline for the Request for Qualifications (RFQ) for the Luce Bayou Pump Station Technical Advisor Services for the Capers Ridge Pump Station Project is March 19, 2013.

**D. Gillette Street Property Remediation.**

Mr. Ripley stated that the City of Houston Municipal Settings Designation Application was administratively complete with the Public Meeting scheduled for April 23, 2013. The TCEQ's review of the Affected Property Assessment Report (APAR) identified several data gaps in the former maintenance area requiring some limited additional soil and groundwater sampling. Terracon, is preparing a scope and budget for that additional work. Mr. Ripley asked Mr. Prasad Rajulu with Terracon if he had any information to share with the Board. Mr. Rajulu responded that he has contacted the TCEQ asking them if it is possible to circumvent the additional work.

**IV. LAND AND RIGHT-OF-WAY – John Liles**

Mr. Liles reported that presently there are no outstanding crossing/easement requests. There is a review at this time on the Study of the NW Laterals D & E.

**V. MAINTENANCE & OPERATIONS – Jerry Berry**

Mr. Berry referred the Board to the Monthly Operation Report included in their agenda packets.

**A. Monthly Report**

<b>TRINITY RIVER</b>	<b>Water Production</b>	<b>DAILY AVG (MGD)</b>	
	<b>February 2013 28 DAYS (gallons)</b>	<b>INDUSTRIAL &amp; TREATMENT</b>	
Trinity River Pump Station	14.4 billion	Hwy 225 Plants (incl. CWA WTP)	104
Main Canal	13.6 billion	SEWPP	94
Cedar Point Lateral	846.1 million	EWPP	218
San Jacinto Transfer Station	197.3 million	Deer Park WTP	4
Lynchburg Pump Station	12.6 billion	Bayport Plants	27
Water Treatment Plant	135.1 million	BAWA	11
Bayport Pump Station	750.4 million	CPL	30
		SJRA	<u>7</u>
		Trinity River Total	495 MGD
<b>SAN JACINTO RIVER</b>			
Lake Houston Pump Station	1.1 billion	Indus. Customers	24
		EWPP	<u>15</u>
		San Jacinto River Total	39 MGD

**Operations**

Mr. Berry stated that Lake Houston was at 44.38 ft (msl) and all gates were closed (normal pool is 44.5 ft). Lake Conroe was at 198.21 ft and there were no releases (normal pool is 201 ft). Lake Livingston was at 131.20 ft. and was

releasing 1,000 cfs (normal pool is 131 ft). The Trinity River Pump Station (TRPS) February production was 14.4 billion gallons with an average daily production of 495 MGD. The Lake Houston Pump Station (LHPS) February production was 1.2 billion gallons with an average daily production of 40 MGD.

### **Maintenance**

Mr. Berry stated that maintenance activities included the cleaning and removing of vegetation from canals and siphon screens, repairing roads on canal embankments at multiple locations, cutting and removing trees from fence lines, and sediment basin dredging continues. The repairs at the SJRA Pump Station on Pump #2 impeller replacement were completed.

### **B. Fabricate and Deliver Trash Screens to the Lynchburg Pump Station.**

Mr. Berry stated that four vendors requested bid packages; however, only one bid was received on February 15, 2013 for the fabrication and delivery of (2) sets of trash screens for Pump Bays 201 and 202 at the Lynchburg Pump Station. This is to replace trash screens on Pumps 102 and 103 that had failed. There were no questions from the Board and Mr. Berry recommended the motion as presented.

**MOTION accepting the bid of \$66,150.00 from Seguin Fabricators, Ltd. for Fabrication and Delivery of Two (2) Sets of Trash Screens for Pump Bays 201 and 202 at the Lynchburg Pump Station as the bid that in the Board's judgment will be the most advantageous to the Authority and result in the best and most economical completion of the Authority's work.**

Motion made by Director Zarinkelk, Seconded by Director Council. The Motion carried unanimously.

### **C. Purchase a Flap Gate for the Trinity River Pump Station.**

Mr. Berry stated that CWA solicited bids from 4 vendors for the purchase and delivery of a flap gate for the Trinity River Pump Station. Two bids were received on August 10, 2012 to repair Pump P-210 at the Lynchburg Pump Station. This is a continuation of a process that started several years ago replacing all of the flap gates and this is the last one in the series to be purchased and delivered. There were no questions from the Board and Mr. Berry recommended the motion as presented.

**MOTION accepting the bid of \$32,177.00 from Environmental Improvements, Inc. for the Purchase and Delivery of a Flap Gate for the Trinity River Pump Station as the bid that in the Board's judgment will be the most advantageous to the Authority and result in the best and most economical completion of the Authority's work.**

Motion made by Director Conner, Seconded by Director Zarinkelk. The Motion carried unanimously.

### **D. GEC - Trinity River Operating System.**

Mr. Berry provided the Board with a copy of Work Order No. 2013-2, Supplemental No. 2 for GEC Services. This is for routine engineering support services for CWA's utility crossings that Mr. Liles reviews and processes. There were no questions from the Board and Mr. Berry recommended the motion as presented.

**MOTION authorizing the Executive Director to Execute a Work Order with the GEC for \$67,500.00 for Routine Engineering Support as budgeted in the 2013 Trinity River System Budget.**

Motion made by Director Walker, Seconded by Director Zarinkelk. The Motion carried unanimously.

**E. Chevron HDD under Lynchburg Pump Station Floodwall Update.**

Mr. Berry stated that this item was included in the agenda to make the Board members aware of the mitigation issues involving CWA, Chevron and the USACE under the Lynchburg Pump Station. At the request of Director Council, Mr. Berry gave the Board a brief synopsis of the situation and stated that this item would be discussed in detail at the next scheduled O & M Oversight Committee meeting.

At this time, Director Klotz stated that he would exercise the Chair's privilege, on behalf of the Board and on behalf of the citizens of Houston, Texas, to thank Mr. Berry for his outstanding service to Coastal Water Authority. Director Klotz further stated that he wanted it noted in the meeting minutes that in his opinion, Mr. Berry serving in the capacity of Operations Manager is one of the best of the best.

**VI. BUSINESS REVIEW – John J. Baldwin**

**A. Monthly Financial Statements for the Previous Month.**

Mr. Baldwin presented to the Board the financial statements for the month of February 2013. Mr. Baldwin stated that the Trinity River, Lake Houston and Bayport are going along as expected with the Operating Budgets in good shape. The forecast for the year end will stay at 100% level.

**B. Red Bluff Water Treatment Plant Operating Budget.**

With reference to the Red Bluff Treatment Plant, Air Products, L.P. (A/P) usage diminished sharply over the last six months of 2012. As a result, and according to CWA's contract with A/P, their rate will need to be adjusted. Mr. Baldwin stated that he met with Mr. Jacque Joseph, Plant Manager at the Red Bluff Treatment Plant. Mr. Joseph acknowledged their low usage and agreed to the amended water treatment rate of \$1.206 per one thousand gallons of treated water. Mr. Baldwin presented to the Board a calculation of the catch-up rate for A/P for the period March-December 2013. A/P's usage will be re-visited again in July 2013 and should another increase be warranted, it will be brought to the Board for consideration. There were no questions from the Board and Mr. Baldwin recommended the Board accept the motion as presented.

**MOTION approving an Amended Water Treatment Rate of \$1.206 Per One Thousand Gallons of Treated Water Delivered to Air Products L.P. through December 31, 2013.**

Motion made by Director Council, Seconded by Director Walker. The Motion carried unanimously.

**VII. DISBURSEMENTS – John J. Baldwin**

Mr. Baldwin stated that the disbursements to be approved by the Board included: the Construction Fund – Series 2009 (Luce Bayou Project) – in the amount of \$22,844.26, the Construction Fund – Series 2010 (Luce Bayou Project) – in the amount of \$89,232.82, the Construction Fund – Series 2013 (Luce Bayou Project) – in the amount of \$133,000.00, the Luce Bayou – Land & Mitigation Fund – in the amount of \$55,781.88, the Special Project Equity Fund – in the amount of \$24,956.96.

**MOTION to Approve the Disbursements As Presented.**

Motion made by Director Nash, Seconded by Director Conner. The Motion carried unanimously.

**VIII. OLD BUSINESS** – Donald R. Ripley

Mr. Ripley stated that there were no Old Business items to discuss.

**IX. NEW BUSINESS** – Donald R. Ripley

**A. Consulting Agreement with Jerry Berry.**

Mr. Ripley noted to the Board Mr. Berry's retirement date of March 29, 2013 and presented to the Board CWA's offer letter to Mr. Berry to serve as an "on call" Consultant to CWA. There were no questions from the Board and Mr. Ripley recommended the Board accept the motion as presented.

**MOTION approving an offer to Mr. Jerry Berry for a 6-Month "On-Call" Consultant Contract.**

Motion made by Director Conner, Seconded by Director Zarinkelk. The Motion carried unanimously.

In continuation to the offer letter presented to Mr. Berry, Mr. Ripley then requested to the Board the authorization to execute the Agreement with Mr. Berry for a Consulting Service Contract to be effective on April 01, 2013 and ending on September 30, 2013. There were no questions from the Board and Mr. Ripley recommended the Board accept the motion as presented.

**MOTION authorizing the Executive Director to Execute an Agreement with Mr. Jerry Berry for a Consulting Services Contract Effective on April 01, 2013 and Ending on September 30, 2013.**

Motion made by Director Conner, Seconded by Director Council. The Motion carried unanimously.

**X. EXECUTIVE SESSION**

There was no Executive Session.

**XI ADJORNMENT**

The Meeting was adjourned at 10:38 A.M.

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Zebulun Nash, Secretary-Treasurer