

FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 7

Minutes of Meeting of Board of Directors
October 3, 2024

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 7 (the "District") met in regular session at 445 Commerce Green Blvd, Sugar Land, Fort Bend County, Texas 77478, an official meeting place of the Board, on October 3, 2024, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

Cindy Picazo, Chairman
Gerald Kazmierczak, Vice-Chairman
Nathan Bedee, Secretary
Susheem Mehta, Assistant Secretary
James R. Grotte, Director

and all of said persons were present, thus constituting a quorum.

Also present were: Phil Martin and Caitlyn Cox of Mike Stone Associates, Inc. ("MSA"); Kane Mudd of LJA Engineering, Inc. ("LJA"); Tyson Duncan of AECOM Technical Services, Inc. ("AECOM"); Brittany Keeswood of Assessment of the Southwest, Inc. ("ASW"); Jeff Perry and Michael Brooks of Levee Management Services, LLC ("LMS"); Rick Marriott of Si Environmental, LLC ("SE"); Calep Estes and Daenon Russell of Touchstone District Services, LLC ("Touchstone"); Sherri Greenwood of Forvis Mazars, LLP ("FM"); Sam Yager of Sam Yager, Inc.; Steven Wilcox of Pape-Dawson Engineers, Inc.; and Christopher Skinner of Schwartz, Page & Harding, L.L.P. ("SPH").

The Chairman called the meeting to order and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. No public comments were offered.

MINUTES

As the next order of business, the Board considered approving the draft minutes of the Board meetings held on September 5, 2024, and September 17, 2024. After discussion, Director Bedee moved to approve the draft minutes for the September 5, 2024, and September 17, 2024, meetings, as written. Director Kazmierczak seconded said motion, which carried unanimously.

**PUBLIC HEARING REGARDING ADOPTION OF THE DISTRICT'S 2024 TAX RATE;
LEVY OF THE DISTRICT'S 2024 TAX RATE AND ADOPTION OF AN ORDER IN
CONNECTION THEREWITH**

The Board discussed the setting of the 2024 tax rate. Ms. Keeswood confirmed that the notice of public hearing to occur at this meeting had been published in accordance with all legal requirements and as directed at the September 5, 2024, Board meeting. The Board conducted a public hearing regarding the imposition of a proposed debt service tax rate and a maintenance tax rate for 2024. No comments from the public were offered in that regard. Upon motion made by Director Kazmierczak, seconded by Director Grotte and unanimously carried, the hearing was closed. After discussion on the matter, Director Kazmierczak moved that: (1) the Board adopt a 2024 debt service tax rate of \$0.2150 per \$100 of valuation and a 2024 maintenance tax rate of \$0.10774 per \$100 of valuation, resulting in a total 2024 tax rate of \$0.32274 per \$100 of valuation; and (2) the Order Levying Taxes attached hereto as **Exhibit A** be adopted in connection therewith, and that the Chairman be authorized to execute and the Secretary to attest same on behalf of the Board and the District. Director Kazmierczak seconded said motion, which unanimously carried.

**AMENDMENT TO THE AMENDED AND RESTATED DISTRICT INFORMATION
FORM**

The Board considered the approval and execution of an Amendment to the Amended and Restated District Information Form (the "Amended DIF"). Mr. Skinner presented to and discussed with the Board the Amended DIF reflecting the District's 2024 tax rate. After discussion regarding same, Director Bedee moved that the Amended DIF be approved and that the Board members present be authorized to execute same on behalf of the Board and the District. Director Kazmierczak seconded said motion which carried unanimously.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Keeswood next presented to and reviewed with the Board the Tax Assessor-Collector Report (the "TAC Report") for the period ended September 30, 2024, attached hereto as **Exhibit B**, including the disbursements presented for payment from the District's tax account and a list of delinquent taxpayers. After discussion, Director Bedee moved that the TAC Report be approved and the disbursements identified therein be approved for payment from the District's tax account. Director Kazmierczak seconded said motion, which unanimously carried.

DELINQUENT TAX COLLECTIONS REPORT

The Board deferred consideration of the Delinquent Tax Report from Perdue, Brandon, Fielder, Collins & Mott L.L.P. Mr. Skinner informed the Board that the report is presented quarterly.

BOOKKEEPER'S REPORT

Ms. Greenwood presented to and reviewed with the Board a Bookkeeper's Report, dated October 3, 2024, prepared by FM, attached hereto as **Exhibit C**. After discussion, Director Bedee

moved that the Bookkeeper's Report be approved, and the checks and wires reviewed by the Board be authorized for payment, as discussed. Director Kazmierczak seconded said motion, which unanimously carried.

ANNUAL REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER

The Board deferred consideration of its annual review of the District's written policy governing the investment of District funds and related Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer until its next regular meeting.

FINANCIAL MANAGEMENT PLAN

It was noted this matter would be discussed under Capital Improvements Projects later in the meeting.

STORM WATER MANAGEMENT PLAN ("SWMP")

The Board deferred consideration of any matters related to the District's Storm Water Management Plan.

STATUS OF NATIONAL FLOOD INSURANCE PROGRAM COMMUNITY RATING FOR NEW TERRITORY

Mr. Martin reported on the status of National Flood Insurance Program Community Rating for New Territory.

FORT BEND LEVEE COALITION

Mr. Martin and Director Bedee reported on the status of activities of the Fort Bend Levee Coalition.

FIRST AMENDMENT TO OPERATION AND MAINTENANCE AGREEMENT WITH LMS

Mr. Perry next presented to and reviewed with the Board a schedule of rates relative to the proposed First Amendment to the Operation and Maintenance Agreement between the District and LMS. Following discussion, Director Bedee moved to approve the First Amendment to Operation and Maintenance Agreement with LMS, and authorize the Chairman to execute same on behalf of the Board and the District. Director Kazmierczak seconded said motion, which unanimously carried. A copy of such First Amendment to Operation and Maintenance Agreement is attached hereto as **Exhibit D**.

INTERIM YIELD RESTRICTION ARBITRAGE REBATE REPORTS

Mr. Skinner reported that the District received the Interim Yield Restriction Calculation Reports relative to the District's \$14,500,000 Unlimited Tax Levee Improvement Bonds, Series 2015, copies of which reports are attached hereto as **Exhibit E** and **Exhibit F**, respectively. He advised the Board that, based on the reports, the District does not owe any rebate or yield reduction payments and that no filing is required at this time.

OPERATIONS AND MAINTENANCE REPORTS

Mr. Perry presented to and reviewed with the Board a written Operations and Maintenance Report dated October 3, 2024, attached hereto as **Exhibit G**, regarding maintenance performed on levee and drainage facilities throughout the District.

Mr. Marriott presented to and reviewed with the Board written Operations Report for the month of September 2024, relative to the District's Reclaimed Water System prepared by SE. A copy of such Operations Report is attached hereto as **Exhibit H**.

Mr. Marriott exited the meeting at this time.

CAPITAL IMPROVEMENTS PROJECTS

Mr. Martin next presented to and discussed with the Board the General Manager's Report dated October 3, 2024, attached hereto as **Exhibit I**. Regarding the Brazos River Bank Erosion Control Project, following discussion, Director Bedee moved to approve Pay Estimate No. 13 in the amount of \$2,424,003.39 from Texas Dewatering, as recommended by MSA and AECOM. Director Mehta seconded said motion, which unanimously carried.

Mr. Mudd next presented to and reviewed with the Board an Engineering Report dated October 3, 2024, prepared by LJA, attached hereto as **Exhibit J**.

ATTORNEY'S REPORT

The Board next considered the attorney's report. In connection therewith, Mr. Skinner advised that he had nothing further of a legal nature to discuss with the Board at this time.

WEBSITE AND COMMUNICATION MATTERS

Mr. Russell presented to and reviewed with the Board Touchstone's Communications Report attached hereto as **Exhibit K**.

CLOSED SESSION

The Chairman announced at 6:50 p.m. that the Board would convene in Closed Session pursuant to Texas Government Code Section 551.071. Those in attendance, with the exception of the Board, Mr. Yager, Mr. Wilcox, Mr. Skinner and Mr. Martin exited at this time.

The Board reconvened in Regular Session at 8:15 p.m.

FUTURE AGENDA ITEMS

The Board considered items for placement on future agendas.

ADJOURNMENT

There being no further business to come before the Board, on motion made by Director Bedee, seconded by Director Picazo and carried unanimously, the meeting was adjourned.

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Secretary
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- EXHIBIT A Order Levying Taxes
- EXHIBIT B Tax Assessor/Collector Report
- EXHIBIT C Bookkeeper's Report
- EXHIBIT D First Amendment to Operation and Maintenance Agreement
- EXHIBIT E 5th Year Yield Restriction Calculation Report for District's \$14,500,000
Unlimited Tax Levee Improvement Bonds, Series 2015
- EXHIBIT F Interim Yield Restriction Calculation Report for District's \$14,500,000
Unlimited Tax Levee Improvement Bonds, Series 2015
- EXHIBIT G LMS Operation and Maintenance Report
- EXHIBIT H SE Operations Report
- EXHIBIT I MSA Report
- EXHIBIT J LJA Engineering
- EXHIBIT K Communications Report