

FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 7

Minutes of Meeting of Board of Directors
April 4, 2024

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 7 (the "District") met in regular session at the Club at New Territory, 1200 Walker School Road, Sugar Land, Fort Bend County, Texas, 77479, an official meeting place of the Board, on April 4, 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 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"); Angie Hartwell and Calep Estes of Touchstone District Services, LLC ("Touchstone"); Wendy Ramirez of FORVIS, LLP ("FORVIS"); Bill Glass of Enhanced Energy Services of America, LLC ("Enhanced"); Tim Jahn of the City of Sugar Land Engineering Department; numerous residents of the District; and Christopher Skinner of Schwartz, Page & Harding, L.L.P. ("SPH"). Mr. Martin and Mr. Marriott each entered the meeting after it was called to order, as noted herein.

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 March 7, 2024, and March 19, 2024. After discussion, Director Bedee moved to approve the draft minutes for said meetings. Director Kazmierczak seconded said motion, which carried unanimously.

ELECTRICITY FOR DISTRICT FACILITIES

Mr. Glass presented to and discussed with the Board proposals from various electricity providers of electricity services for power to District facilities. A copy of such presentation is attached hereto as **Exhibit A**. A discussion ensued regarding the current electricity contract with Constellation Energy for the existing Pump Station and the Reclaimed Water Plant. Mr. Glass reported that the current contract with Constellation Energy expires May 1, 2024. Following discussion, Director Bedee moved to approve a new electricity contract for the District's facilities with Constellation Energy (to begin after the expiration of the current contract) on behalf of the District for a term of 24 months at a price of \$0.76 per kilowatt/hour, and authorize the Chairman to execute the new contract on behalf of the Board and the District. Director Kazmierczak seconded said motion, which unanimously carried. Mr. Ciarella exited the meeting.

Mr. Marriott and Mr. Martin each entered the meeting during the above discussion.

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 March 31, 2024, attached hereto as **Exhibit B**, including the disbursements presented for payment from the District's tax account and a list of delinquent taxpayers. She also presented two requests for waiver of penalties and interest from taxpayers included with the TAC Report. After discussion, Director Kazmierczak moved that the TAC Report be approved and the disbursements identified therein be approved for payment from the District's tax account, and that the two requests for waivers and interest be granted. Director Bedee seconded said motion, which unanimously carried.

DELINQUENT TAX COLLECTIONS REPORT

Mr. Skinner reported that a Delinquent Tax Report was received this month from Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue Brandon), the District's delinquent tax collection attorneys, a copy of which is attached hereto as **Exhibit C**, and advised that Perdue Brandon has requested Board authorization to transfer one account listed in the Delinquent Tax Report to the uncollectible roll, as listed on the Delinquent Tax Report. After discussion, Director Bedee moved to authorize Perdue Brandon to transfer said account totaling \$107.63 to the uncollectible roll. Director Kazmierczak seconded said motion, which unanimously carried.

RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT REAL PROPERTY TAXES

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes. Mr. Skinner advised that the Board is authorized, pursuant to Section 33.07 of the Texas Tax Code, as amended, to impose, under certain conditions on July 1, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on taxes that remain delinquent as of July 1 of the year in which they became delinquent. He noted that the additional penalty to be imposed by this Resolution will not apply to delinquent personal property taxes which have incurred an additional penalty pursuant to that

certain Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, which was passed and approved by the District on January 4, 2024. After further discussion, it was moved by Director Bedee, seconded by Director Kazmierczak and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes, attached hereto as **Exhibit D**, be adopted by the District, and that Perdue Brandon be authorized to proceed with the collection of the District's 2023 delinquent real property tax accounts on July 1, 2024, subject to proper notice having been given as provided in said Resolution, including the filing of lawsuits as necessary.

BOOKKEEPER'S REPORT

Ms. Ramirez presented to and reviewed with the Board a Bookkeeper's Report, dated April 4, 2024, prepared by FORVIS, attached hereto as **Exhibit E**. 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.

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

The Board deferred discussion regarding the status of National Flood Insurance Program Community Rating for New Territory.

OPERATIONS AND MAINTENANCE REPORTS

Mr. Perry presented to and reviewed with the Board a written Operations and Maintenance Report dated April 4, 2024 attached hereto as **Exhibit F**, regarding maintenance performed on levee and drainage facilities throughout the District.

Mr. Marriott presented to and reviewed with the Board the Operations Report for the month of March 2024, attached hereto as **Exhibit G**, relative to the District's Reclaimed Water System.

CAPITAL IMPROVEMENTS PROJECTS

Mr. Martin next presented to and discussed with the Board the General Manager's Report dated April 4, 2024, attached hereto as **Exhibit H**. Regarding the Brazos River Bank Erosion Control Project (the "River Erosion Project"), following discussion, Director Kazmierczak moved

to approve Pay Estimate No. 7 in the amount of \$3,529,231.62 from Texas Dewatering, as recommended by MSA and AECOM. Director Bedee seconded said motion, which unanimously carried.

Regarding the construction of the additional Stormwater Pump Station in the Crescent Ridge subdivision (the "Stormwater Pump Station Project"), Mr. Mudd presented to and discussed with the Board the Engineering Report dated April 4, 2024, attached hereto as **Exhibit I**. Following discussion, Director Bedee moved to approve Pay Estimate No. 20 in the amount of \$223,210.80 from NBG Constructors, Inc. for the Stormwater Pump Station Project, as recommended by LJA. Director Kazmierczak seconded said motion, which unanimously carried.

Regarding the Detention and Drainage Improvements and Facilities project, following discussion, Director Bedee moved to approve Pay Estimate No. 3 from Harris Construction, LLC in the amount of \$600,649.20, as recommended by LJA. Director Kazmierczak seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board next considered the attorney's report. In connection therewith, Mr. Skinner reminded the Board that cybersecurity training is required annually by Chapter 2054, Texas Government Code, and should be completed by August 31, 2024. He requested that the directors submit their cybersecurity training certificates to SPH upon completion of the training course.

WEBSITE AND COMMUNICATION MATTERS

Ms. Hartwell presented to and reviewed with the Board Touchstone's Communications Report attached hereto as **Exhibit J**.

CLOSED SESSION

The Board concurred that a Closed Session would not be required in connection with the matters discussed at the meeting.

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 Kazmierczak, seconded by Director Bedee and carried unanimously, the meeting was adjourned.

/s/ Nathan Bedee
Secretary
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- EXHIBIT A Presentation from Enhanced Energy Services
- EXHIBIT B Tax Assessor/Collector Report
- EXHIBIT C Delinquent Tax Report
- EXHIBIT D Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes
- EXHIBIT E Bookkeeper's Report
- EXHIBIT F LMS Operation and Maintenance Report
- EXHIBIT G SE Operations Report
- EXHIBIT H MSA Report
- EXHIBIT I LJA Engineering
- EXHIBIT J Communications Report