

FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 7

Minutes of Meeting of Board of Directors
May 2, 2024

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 7 (the "District") met in regular session at the City Hall of the City of Sugar Land, Texas, 2700 Town Center Boulevard, Sugar Land, Texas 77479, an official meeting place of the Board, on May 2, 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, except Director Picazo, thus constituting a quorum.

Also present were: Caitlyn Cox of Mike Stone Associates, Inc. ("MSA"); Shanna O'Hara of LJA Engineering, Inc. ("LJA"); Tyson Duncan of AECOM Technical Services, Inc. ("AECOM"); Cameron Brown of Assessment of the Southwest, Inc. ("ASW"); Michael Brooks of Levee Management Services, LLC ("LMS"); Angie Hartwell and Calep Estes of Touchstone District Services, LLC ("Touchstone"); Sherri Greenwood of FORVIS, LLP ("FORVIS"); Tim Jahn of the City of Sugar Land Engineering Department; Bill Rickert, resident of the District; and Christopher Skinner of Schwartz, Page & Harding, L.L.P. ("SPH").

In the absence of the Chairman, the Vice 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 April 4, 2024, and April 16, 2024. After discussion, Director Bedee moved to approve the draft minutes for said meetings. Director Grotte seconded said motion, which carried unanimously.

TAX ASSESSOR-COLLECTOR REPORT

Mr. Brown next presented to and reviewed with the Board the Tax Assessor-Collector Report (the "TAC Report") for the period ended April 30, 2024, attached hereto as **Exhibit A**,

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 Grotte 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 May 2, 2024, prepared by FORVIS, attached hereto as **Exhibit B**. 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 Grotte seconded said motion, which unanimously carried.

UNCLAIMED PROPERTY REPORT

The Board deferred consideration of an Unclaimed Property Report as of March 1, 2024 and the filing of same with the Texas Comptroller of Public Accounts pending completion of said report.

ANNUAL MAINTENANCE FOR ARBITRAGE ANALYSIS REPORT

Mr. Skinner presented to and reviewed with the Board an Annual Maintenance and Arbitrage Analysis Report ("Report") from Municipal Risk Management Group, L.L.C. ("MRMG") dated April 2, 2024, a copy of which Report is attached hereto as **Exhibit C**, relative to arbitrage rebate and/or yield restriction regulations in connection with the District's various outstanding bond issues. In connection therewith, Mr. Skinner presented to and reviewed with the Board a proposed engagement letter from Arbitrage Compliance Services, Inc. ("ACS"), attached hereto as **Exhibit D**, for preparation of arbitrage compliance computations as required by the Internal Revenue Service and relative to the District's (i) \$14,500,000 Unlimited Tax Levee Improvement Bonds, Series 2015, and (ii) \$60,100,000 Unlimited Tax Levee Improvement Bonds, Series 2020. After discussion of the matter, Director Bedee moved that the Board (i) approve the engagement of ACS for said arbitrage rebate services per the terms of the engagement letter, subject to the receipt of ACS' Texas Ethics Commission ("TEC") Form 1295, (ii) the Vice Chairman be authorized to execute the engagement letter on behalf of the Board and the District, and (iii) SPH be authorized to acknowledge ACS' TEC Form 1295 with the TEC. Director Grotte seconded said motion, which unanimously carried.

Mr. Skinner discussed with the Board that the District potentially may owe rebate payments to the Internal Revenue Service in the current interest rate market as to interest earnings on bond proceeds compared to lower rates at which recent bonds were sold, and advised that MRMG is

monitoring same for the District.

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.

DISCUSSION REGARDING COMMISSIONER DEXTER L. MCCOY EVENT

Mr. Skinner advised the Board that Commissioner Dexter L. McCoy plans to host an event on Tuesday, April 30, 2024, beginning at 6:00 p.m. at Our Lady of Guadalupe Church. He advised that no Board action is requested or required regarding this matter.

OPERATIONS AND MAINTENANCE REPORTS

Mr. Brooks presented to and reviewed with the Board a written Operations and Maintenance Report dated May 2, 2024 attached hereto as **Exhibit E**, regarding maintenance performed on levee and drainage facilities throughout the District.

Mr. Skinner advised that Mr. Marriott was unable to attend the meeting and presented to and reviewed with the Board the Operations Report for the month of April 2024, prepared by Si Environmental, LLC, attached hereto as **Exhibit F**, 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 May 2, 2024, attached hereto as **Exhibit G**. Regarding the Brazos River Bank Erosion Control Project (the "River Erosion Project"), following discussion, Director Kazmierczak moved to approve Pay Estimate No. 8 in the amount of \$2,319,000.18 and Change Order No. 3 from Texas Dewatering, as recommended by MSA and AECOM. Director Bedee seconded said motion, which unanimously carried.

Ms. O'Hara next presented to and reviewed with the Board an Engineering Report dated May 2, 2024, prepared by LJA, included with **Exhibit H**. Regarding the Detention and Drainage Improvements and Facilities project, following discussion, Director Bedee moved to approve Pay

Estimate No. 4 from Harris Construction, LLC in the amount of \$404,739.90, as recommended by LJA. Director Grotte seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board next considered the attorney's report. In connection therewith, Mr. Skinner presented to and discussed with the Board a memorandum prepared by SPH, a copy of which is attached hereto as **Exhibit I**, regarding the use of social media by public officials. In connection therewith, Mr. Skinner advised the Board that directors should exercise caution when posting about District-related matters on their personal social media pages in light of recent U.S. Supreme Court cases, as further discussed in the memorandum.

MEETING LOCATION(S)

Mr. Skinner reported that the City of Sugar Land advised that the meeting rooms are unavailable on May 21, 2024, and discussed possible alternative meeting places for consideration by the Board. Following discussion, the Board concurred to hold the May 21, 2024, Board meeting at the Club at New Territory, if such meeting place is available.

The Board requested SPH look into alternative meeting places for future Board meetings.

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

/s/ Nathan Bedee

Secretary
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- EXHIBIT A Tax Assessor/Collector Report
- EXHIBIT B Bookkeeper's Report
- EXHIBIT C Annual Maintenance and Arbitrage Analysis Report
- EXHIBIT D Engagement Letter
- EXHIBIT E LMS Operation and Maintenance Report
- EXHIBIT F SE Operations Report
- EXHIBIT G MSA Report
- EXHIBIT H LJA Engineering
- EXHIBIT I Memorandum regarding Use of Social Media
- EXHIBIT J Communications Report