

MINUTES
FIRST COLONY LEVEE IMPROVEMENT DISTRICT
OF FORT BEND COUNTY, TEXAS

May 16, 2023

The Board of Directors (the "Board") of First County Levee Improvement District of Fort Bend County, Texas (the "District"), convened in special session, open to the public, on the 16th day of May, 2023, at the Fort Bend Economic Development Council ("FB EDC"), 1 Fluor Daniel Dr., Building D, Conference Room: D1-0, outside the boundaries of the District, and the roll was called of the members of the Board:

Scott Jacobson	President
Richard E. Sherrill	Vice President/ Assistant Secretary
Debra Coffman	Secretary

and all of the above were present except Director Jacobson, thus constituting a quorum.

Also present for all or part of the meeting were Elizabeth Currie, resident of the District; Rashid Khokhar, Sam Galyon, Jeffrey Wiley, and Upendra Sahu of Fort Bend County Levee Improvement District No. 2 ("FB LID 2"); Ron Frerich and Zach Weimer of First Colony Levee Improvement District No. 2 ("FC LID 2"); Sujeeth Draksharam and Shaizad Chatriwala of Fort Bend County Levee Improvement District No. 14 ("LID 14"); Jeff Anderson and Glen Gill of Fort Bend County Levee Improvement District No. 15 ("LID 15"); Timothy Benz of Fort Bend County Levee Improvement District No. 19 ("LID 19"); Shirley Buckhanon-Martin, Jery Hubbard, Rai Fauniyar, Sonal Shah, and Shelley Winn of Fort Bend County Municipal Utility District No. 46 ("MUD 46"); Fort Bend County Precinct 3 Commissioner Andy Meyers; Nikita Khambe and Dennis Spellman of Fort Bend County Commissioner Andy Meyers' office; Mark Vogler of Fort Bend County Drainage District; Phil Martin of Mike Stone Associates, Inc.; Jason Klump of LID Solutions, LLC; Ramana Bommareddy of Anlarr; Jeff Perry and Michael Brooks of Levee Management Services, LLC; Craig Kalkomey and Jacob Minter of LJA Engineering, Inc. ("LJA"); Gregory P. Frank of Costello, Inc.; Martin Murdock of Quiddity Engineering, LLC; John Cannon and Laken Jenkins Kilgore of Coats Rose PC; Ben Stephens of Husch Blackwell LLP; Eric Lai of Schwartz, Page & Harding, LLP; and Justine M. Cherne of Allen Boone Humphries Robinson LLP ("ABHR").

The Board attended the First Colony - Missouri City (aka SugarStone) perimeter levee participants meeting and discussed routine business regarding perimeter levee facilities operations matters. No action was taken by the Board.

The meeting was chaired by LID 14. Mr. Draksharam called the meeting to order.

INTRODUCTIONS

The individual meeting attendees introduced themselves.

COMMISSIONER MEYERS REMARKS

Commissioner Meyers thanked the attendees for rescheduling the perimeter levee meeting due to a conflict with his attendance at the Texas legislature. He additionally expressed his appreciation for the attendees' service to their communities.

Commissioner Meyers distributed a handout of the key points of his remarks to include the importance of levee improvement districts, request for introductions, and advocacy related to flood insurance rates. A copy of the handout is attached. Commissioner Meyers stated that he was committed to ensuring that Fort Bend County continues to fund 50% of FB EDC's Fort Bend Flood Management Committee's ("FBFM Committee") annual advocacy budget. Mr. Wiley commended Commissioner Meyers and Mr. Vogler for their advocacy efforts related to legislative and regulatory initiatives regarding federal levee, floodplain management, and flood insurance matters with potential significant impacts on Fort Bend County levees.

PERIMETER LEVEE INSPECTION AND MAINTENANCE MATTERS, POST-HURRICANE HARVEY IMPROVEMENTS, AND VEHICULAR ACCESS

Mr. Frank and Director Coffman reported on current and planned improvements to the District's facilities, including increasing capacity in a detention pond, raising levee heights, and participating with LID 19 on the Lost Creek Pump Station. Director Coffman stated that the District's Emergency Action Plan was submitted to Fort Bend County. In response to Ms. Shah's question, Director Coffman explained that the levees were being raised to provide the ability to certify individually, if needed. Mr. Frank explained that sandbagging of roads would be necessary in a catastrophic event.

Mr. Frerich reported on completed improvements and ongoing maintenance of FC LID 2's facilities, including raising its levee height to a 500-year level, purchasing tiger dams for one low street for use during catastrophic events, replacing all pumps, boring for the installation of a larger drainage pipe to the lake, dredging of an outfall, irrigating of the levee, and camera monitoring of rain gauges at the inside and outside of the outfall. He stated that FC LID 2 was the only levee improvement district in the perimeter levee system to receive a perfect score for the continuing eligibility inspection of the perimeter levee performed by the United States Army Corps of Engineers ("USACE") pursuant to USACE's PL 84-99 Rehabilitation and Inspection Program.

Mr. Minter reported that LJA's analysis of MUD 46's facilities in relation to the National Oceanic and Atmospheric Administration's Atlas 14 precipitation frequency estimates and associated information determined that no improvements were necessary. He reported that MUD 46 constructed two new pump stations and they

should be completed in August 2023. He stated that MUD 46 constructed a facility to store portable gator pumps on site to increase pumping capacity to nearly 60,000 gallons per minute. He stated that the height of State Highway 6 is an issue for MUD 46.

Mr. Martin reported on the status of FB LID 2's nearly \$88 million of capital improvement projects performed in response to the Hurricane Harvey event, including rehabilitation and expansion of ditch storage, levee armoring, and raising of levee heights, expanding the pump stations, and building a large capacity third pump station. He stated that the levee heights are at 500-year levels with the exception of road crossings.

Mr. Kalkomey reported that USACE plans to schedule a continuing eligibility inspection of the perimeter levee this fall that focuses only on changes made to the system.

Mr. Martin reported on current and planned improvements to LID 15's facilities, including participating with LID 19 in expanding a pump station and drainage interconnection facilities. He reported on improvements made in public communications through website updates and distribution of newsletters. Mr. Perry discussed implementation of radio communications for emergency events.

Mr. Perry reported on current and planned improvements to LID 19's facilities, including expansion of pumping and generator capacity and partnerships with the District and municipal utility districts. He reported on interest free funding received from the Texas Water Development Board for a portion of its Lost Creek Pump Station expansion project.

Mr. Kalkomey reported on current and planned improvements to LID 14's facilities, including pre-purchasing spare parts, pre-staging three gator pumps, designing two new 24-inch pumps, installing quick-connecting generators, revamping the motor control center, replacing flap gates with sluice gates, monitoring internal lakes, and designing a flood warning system.

Mr. Draksharam reported that LID 14 is in compliance with perimeter levee operations and maintenance standards. He stated that LID 14's inspection reports are included on its website and its Emergency Action Plan has been updated. He reported on cost savings obtained for LID 14's capital improvements and stated that LID 14 is debt free and has a \$0.108 tax rate. He discussed LID 14's capital improvements in greater detail, including backup diesel and natural gas power supplies and lake improvements. Mr. Draksharam addressed criticism received from an unnamed levee participant regarding LID 14's maintenance and operations and prohibition against vehicular levee access during the annual perimeter levee system inspections and stated that LID 14 is maintaining its facilities pursuant to its residents' needs, expectations,

and privacy concerns. He welcomed any perimeter levee system participant to schedule an appointment with Mr. Kalkomey for an inspection of LID 14's facilities.

Mr. Draksharam thanked LJA for providing lunch for the perimeter levee participants meeting and stated that food is not provided during LID 14's meetings due to constituents' concerns regarding expenditures of taxpayer money.

Mr. Draksharam thanked Commissioner Meyers and discussed Texas House Bill 2508 relating to allowing levee improvement districts to disburse district money by Automated Clearing House, electronic, or wire payments. Commissioner Meyers discussed ABHR's assistance with Texas House Bill 2815 requiring directors of levee improvement districts and special districts to own land subject to taxation in the district or be a qualified voter of the district and to allow fees of office to be set in a manner like state legislators. Discussion ensued.

Mr. Gill requested that LID 14 host an Open House for its facilities. Mr. Draksharam welcomed any participant to schedule an appointment with Mr. Kalkomey for an inspection of LID 14's facilities.

Mr. Gill discussed the history and concept of the perimeter levee, including the millions of dollars saved by each perimeter levee participant and expressed concern regarding the consequences to each participant if one participant causes the entire perimeter levee to become uncertified. He stated that the Perimeter Levee Operation and Maintenance Agreement provides for annual inspections and requested LID 14 to participate in them. Mr. Draksharam stated that LID 14's facilities are in compliance with perimeter levee system maintenance and operation standards. He again offered any participant to schedule an appointment with Mr. Kalkomey for a tour/inspection of LID 14's facilities and stated that transportation will be provided. He stated that LID 14 must maintain its facilities pursuant to its residents' needs and expectations. He recommended that the participants defer to their respective attorneys regarding the requirements of the Perimeter Levee Operation and Maintenance Agreement. He stated that there have been many changes since the participants entered into the agreement.

Mr. Anderson responded to Mr. Sahu's questions regarding the right to inspect the participants' levees pursuant to the Perimeter Levee Operation and Maintenance Agreement. He discussed the historical reasons for joining together and obtaining special permission from USACE to certify as one perimeter levee. He discussed the benefits of the annual inspections.

Mr. Chatriwala stated that the perimeter levee meetings were a chance to discuss best practices and stated that the Perimeter Levee Operation and Maintenance Agreement was not ironclad. He stated that LID 14 must maintain its facilities pursuant to its residents' needs and expectations. He stated that other levee improvement districts are following LID 14's success with saving its taxpayers thousands of dollars

by switching tax collection services to the Fort Bend County Tax Assessor-Collector and stated that the parties needed to compromise.

Ms. Buckhanon-Martin suggested that a meeting be held to determine whether the Perimeter Levee Operation and Maintenance Agreement continues to be appropriate.

Director Coffman stated that it is unrealistic for one participant to leave the perimeter levee because all the participants subsequently would need to spend millions of dollars each to individually certify their levees within six months to one year. She stated that the current partnership is best for the residents and thanked Mr. Draksharam for chairing the meeting. Mr. Gill stated that flood insurance would be mandatory for the residents of uncertified levees.

Mr. Draksharam stated that LID 14 is addressing its internal operations, following the perimeter levee requirements, and is not leaving the perimeter levee system.

Mr. Anderson explained that the right to inspect the participants' levees was included in the Perimeter Levee Operation and Maintenance Agreement to provide a legal means to ensure the perimeter levee remained certified. He stated it was not included to try to find noncompliance and force an invoice on a participant. Mr. Frank added that the inspections are intended to ensure the levees are maintained to a consistent level of standards pursuant to USACE's PL 84-99 Rehabilitation and Inspection Program. He stated that the perimeter levee joined USACE's PL 84-99 Rehabilitation and Inspection Program as one entity. He emphasized that the right to inspect the participants' levees was included in the agreement as a method of mutual support and not to be onerous. Mr. Frank stated that Fort Bend County Drainage District's levee inspections are more stringent than USACE's inspections, which have worked well for the perimeter levee participants.

Mr. Frerich stated that one member cannot unilaterally change the rules, and everyone needs to abide by the Perimeter Levee Operation and Maintenance Agreement.

LEGISLATIVE AND REGULATORY DEVELOPMENTS

Director Coffman reported that she attended the Association of State Floodplain Managers conference and Mr. Frank and Mr. Klump were the only additional attendees from Fort Bend County. She urged the other directors to participate in conferences related to federal levee, floodplain management, and flood insurance matters with potential significant impacts on Fort Bend County levees.

In response to Mr. Draksharam's question, Mr. Kalkomey discussed the proposed levee improvement districts' participation in Fort Bend County's updated

Multi-Jurisdiction Hazard Mitigation Plan to obtain eligibility for future Public Assistance Grant funding for recovery from natural disaster events.

Director Coffman reported on the District's and FB LID 2's coordination with the City of Sugar Land ("COSL") related to efforts to resolve the issue of the levee improvement districts' residents not receiving COSL's Community Rating System ("CRS") Discount of 20% on National Flood Insurance Program ("NFIP") insurance policies. Discussion ensued regarding the limitations of Fort Bend County obtaining a CRS due to legal constraints. Commissioner Meyers discussed possibly crafting local legislation to address the constraints. Mr. Wiley stated that certification by the county was worth investigating due to Harris County's recent cost-benefit analysis of the matter. He stated that FB EDC's FBFM Committee is investigating the matter. Ms. Currie reported on her coordination with the District to try to obtain COSL's CRS discount.

PERIMETER LEVEE MAINTENANCE MATTERS (CONTINUED)

Mr. Draksharam recommended that the participants explore whether there would be cost savings for performing mowing maintenance of the entire perimeter system levees under one contract.

REPORTS ON EMERGENCY OPERATIONS

There were no reports on emergency operations.

MEETING SCHEDULE, ASSIGNMENTS, AND RESPONSIBILITIES

Following discussion, the meeting attendees concurred to hold the next quarterly meeting on July 18, 2023, at the FB EDC with LID 15 as the chair.

There being no further business to come before the Board, the meeting was adjourned.



DM Coffman
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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