

MINUTES
FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 10

January 9, 2024

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 10 (the "District"), met in special session, open to the public, on the 9th day of January, 2024, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, 24th Floor, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Don Burns	President
Johnny J. Cantu	Vice President/ Assistant Secretary
Rodney Vannerson	Secretary

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

Director Burns attended the meeting via teleconference, participating as a member of the public.

Also attending the meeting were Ali Hasanali, Chief of Staff of Commissioner Dexter L. McCoy's Office; Jeff Worley, Counsel for RiverPark on the Brazos Property Owners Association, Inc. ("POA"); Albert Ramirez of Lake Management Services, LP; Kristy Hebert of Tax Tech, Inc.; Michael Murr of Murr Inc.; Michael Rusk, Jacob Clark, and Shanna O'Hara of LJA Engineering, Inc ("LJA"); Darrell Hawthorne and Mary Ann Mihills of Municipal Accounts & Consulting, LP ("MAC"); Nik Raha of the City of Sugar Land; Jeff Perry of Levee Management Services, LLC ("LMS"); and Angie Lutz and Veronica Seguin of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Ms. Lutz offered any members of the public attending the meeting the opportunity to make public comments.

Mr. Hasanali reported that a Fort Bend County Commissioners Court meeting will be held this afternoon to consider increasing the current District Board from 3 to 5 directors. He noted Director Cantu will remain on the Board and Directors Burns and Vannerson will be replaced. Mr. Hasanali expressed gratitude on behalf of Commissioner McCoy for Directors Burns and Vannerson's service to the District. He then discussed Fort Bend County's (the "County") legal opinion regarding the qualification of County employees to serve on Boards for special districts, noting the County does not see a conflict of interest with any of the proposed District director replacements. He added the County Attorney's office sent a written opinion to ABHR outlining its position.

Director Vannerson and Mr. Hasanali discussed the County's position regarding the District's obligation to submit engineering plans to the County for approval.

MINUTES

There was no discussion regarding this agenda item.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Lutz reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required at this time.

PHASE II MS4 STORMWATER MANAGEMENT PLAN

There was no discussion regarding this agenda item.

CITY OF SUGAR LAND ("COSL") MATTERS

Mr. Raha discussed the COSL park trail projects, including the pending and potential land swap between the COSL and the POA, exchanging the COSL's tennis courts for the POA's splash pad. Director Vannerson outlined the legal, financial and maintenance history regarding the splashpad, noting the coordination with the POA on the construction of the splashpad. Director Vannerson noted the POA does not have the funds to begin to maintain the splashpad and has proposed the COSL accept the splashpad site in exchange for the POA being granted the COSL owned tennis courts. He noted the District and POA are currently working to improve the area adjacent to the tennis courts, which is part of the Park at the Levee (Enclave) improvement project. Mr. Worley stated he is representing the POA in the matter. Director Vannerson recommended Mr. Raha attend tonight's POA meeting to receive further information on the proposed land swap. Ms. Lutz noted the LID has the current metes and bounds for both the tennis court and splash pad sites for further use by the COSL and POA. The Board concurred that the District would move forward with the Park at the Levee (Enclave) improvement project while the COSL and POA contemplate the land swap.

LAKE MANAGEMENT SERVICES

Mr. Ramirez reviewed a lake maintenance report with the Board and discussed lake maintenance and repairs performed in the District. Discussion ensued on maintenance issues throughout the month. A copy of the lake maintenance report is attached.

CONSIDER AMENDING THE LANDSCAPE MAINTENANCE AGREEMENT BETWEEN THE DISTRICT AND RIVERPARK ON THE BRAZOS PROPERTY OWNERS ASSOCIATION, INC.

The Board discussed amending the landscape maintenance agreement (the "Agreement") between the District and the POA to increase the annual contribution from \$200,000 to \$225,000, for increased water and maintenance expenses effective February 1, 2024.

Mr. Vannerson discussed the District's history of working with the POA and contributing to the POA landscape maintenance in light of the previous wall repair work and enhancements the District constructed.

Following review and discussion, Director Vannerson moved to approve the Agreement, subject to finalization, and amend the District's budget, if necessary, to reflect the increase in annual contribution, and direct that it be filed and retained in the District's official records. Director Cantu seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Hawthorne reviewed the bookkeeper's report, including the checks presented for payment as listed in the report, a copy of which is attached.

Discussion ensued regarding the balance of the District's operating reserve fund, the history of large, emergency expenditures the District has made and subsequent Board philosophy on maintaining a high emergency reserve balance. It was noted the District makes an annual \$220,000 contribution to the District's emergency reserve to cover emergency expenditures, when feasible.

Discussion ensued regarding the District's previous efforts and success in challenging the implementation of CenterPoint Energy's high usage/demand charges in emergency situations as applied to special districts occurred.

Ms. Lutz then stated that in accordance with the District's Investment Policy, the District's bookkeeper and the District's Investment Officer, are required to execute disclosure statements that disclose any relationships with banks and brokers who seek to sell investments to the District. She added that the disclosure statements will be filed with the Texas Ethics Commission ("TEC").

The Board concurred to table further discussion on bookkeeping matters until Ms. Mihills entered the meeting.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Hebert reviewed the monthly tax assessor/collector's reports, including the tax bills presented for payment. A copy of the tax assessor/collector's reports is attached.

Director Vannerson inquired if Polee Love and Nico Cagulada appeared on Tax Tech's taxpayer rolls for the District. Ms. Hebert stated neither person appeared on Tax Tech's taxpayer roll for the District, noting that the persons in question may be renters in the District.

Following review and discussion, Director Cantu moved to approve the tax report and the checks presented for payment. Director Vannerson seconded the motion, which passed unanimously.

ENGINEER'S REPORT

Mr. Rusk reviewed the engineer's report, a copy of which is attached.

Mr. Rusk provided an update regarding Brazos River erosion matters.

Mr. Clark provided an update regarding the Park at the Levee (Enclave), noting LJA will proceed with bidding the project, removing any areas from the project specifications that include the areas in the proposed land swap.

Mr. Clark provided an update regarding the Overlook Trail Extension. He reviewed and recommended approval of Pay Estimate No. 6 in the amount of \$49,317.34, submitted by Advanced Construction Development, LLC ("Advanced").

Mr. Rusk provided an update on the District's capital improvement plan, and reviewed a draft Capital Improvement Project List, a copy of which is attached to the engineer's report. Following discussion with Mr. Rusk, the Board concurred that the generator is a top priority for the District and advised LJA to begin design and work on the generator replacement project, to be followed by pump repair and replacement, as necessary.

Mr. Clark presented and reviewed a proposal, in the amount of \$18,750.00, from V.I.S.N., LLC for additional signage, maintenance and improvements to the frisbee course. A copy of which is attached to the engineer's report.

Discussion ensued regarding the recent repainting on the pavilion roof in the Overlook Trail Extension project. It was noted that the color of the repainted roof is incorrect and does not match previous projects. The Board considered requesting a refund from the contractor for the roof painting portion of the contract so the roof can be repainted at a later date.

Following review and discussion, and based on the engineer's recommendation, Director Cantu moved to (1) approve the engineering report; and (2) approve the Pay Estimate, as presented; (3) approve the proposal from V.I.S.N., LLC for additional signage, maintenance and improvements to the frisbee course, as presented; and (4) direct the engineer to coordinate with the contractor and/or subcontractor for the Overlook Trail Extension pavilion roof painting to request a refund for the roof painting portion of the contract. Director Vannerson seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Perry reviewed the operations report, a copy of which is attached, and updated the Board regarding the repairs and maintenance performed since the last meeting.

Mr. Perry updated the Board regarding the Fort Bend County Levee Improvement District No. 7 Brazos River project ("LID 7 Project"). The Board requested LMS and LJA coordinate and include an update on the LID 7 project on reports going forward.

Following review and discussion, Director Vannerson moved to approve the operations report. Director Cantu seconded the motion, which passed unanimously.

PARK LAND SUBSTITUTION WITH THE CITY OF SUGAR LAND FOR ONGOING PARK AND RECREATIONAL PROJECTS, INCLUDING APPROVE AGREEMENT BETWEEN THE DISTRICT AND RIVERPARK ON THE BRAZOS PROPERTY OWNERS ASSOCIATION, INC.

There was no further discussion regarding this agenda item.

PARK AND RECREATIONAL FACILITIES

Mr. Murr reviewed the park maintenance report, a copy of which is attached, and updated the Board regarding the maintenance of park and recreational facilities in the District.

Mr. Murr updated the Board on the turf replacement at the Clubhouse Park turf next to the RiverPark Recreation Center, in which the park land is owned by the District.

Mr. Murr updated the Board on the installation of granite gravel in front of the zip line next to the splash pad. He stated the granite gravel will be installed this month. He noted the temporary fencing should be removed within the next week.

Director Vannerson discussed additional drop zone signage that needs to be installed at the frisbee course at hole nos. 4 and 6.

Discussion ensued regarding hosting a community event to officially re-open the frisbee course.

Following review and discussion, Director Cantu moved to (1) approve the park maintenance report; and (2) authorize the installation of additional "drop zone" signage at hole nos. 4 and 6 of the frisbee course. Director Vannerson seconded the motion, which passed unanimously.

PERIMETER LEVEE MATTERS

Ms. Lutz noted Director Burns is the current District Fort Bend Economic Development Council representative for the District and, since he may be replaced by the County at the Commissioners Court meeting, the District will need to appoint a new District representative. Discussion ensued regarding authorizing Director Cantu to serve as the District representative for any District appointments or previously made authorizations or posts that Directors Burns or Vannerson currently hold. After discussion, Director Vannerson moved to appoint and authorize Director Cantu to serve

as the District's representative or authorizing agent for any position or authority currently held by Directors Burns or Vannerson. Director Cantu seconded the motion, which passed unanimously.

REPORTS FROM DIRECTOR AND/OR DISTRICT CONSULTANTS

Discussion ensued regarding ensuring Directors Burns and Vannerson cancel any Association of Water Board Directors or District funded conferences or trainings.

EDUCATION/TRAINING COMPLIANCE STATUS

Ms. Lutz informed the Board that the list of each Director's continuing education during the 2023 calendar year will be filed with the Fort Bend County Drainage District.

Director Vannerson discussed his work with the County to implement education and training requirements for levee improvement district directors. Ms. Lutz, upon an inquiry from Director Vannerson, confirmed that if the District transitions to an elected Board, the directors will not be required to take and/or submit documentation of relevant training to the County or any entity.

DISTRICT WEBSITE MATTERS

Discussion ensued regarding the District's website.

Director Vannerson addressed the Board regarding assertions made by County Officials regarding Director Vannerson's financial interest in Classic Messaging and its relationship to the District. Director Vannerson stated that to his knowledge Classic Messaging has not billed the District for services for a number of years and the majority of payments made from the District to Classic Messaging have been for passthrough costs incurred by Classic Messaging. Director Vannerson stated that he believes County Officials are spreading misinformation about him and his financial interests in Classic Messaging's contract with the District and he will be taking additional action to clarify any misinformation. Director Burns noted via teleconference that Director Vannerson has historically abstained from voting on any motion made by the District regarding Classic Messaging. Discussion ensued regarding the benefits and positive resident response that has been received from Classic Messaging's service to the District.

Ms. Mihills entered the meeting.

Mr. Hasanali discussed Commissioner McCoy's efforts to expand the Board structure of levee improvement districts with resident directors. He stated the District was not targeted specifically in this effort and residents had previously submitted applications to the County expressing interest in serving on the Board. He stated all potential District director appointments were interviewed by the Commissioner and the most qualified candidates were selected.

FINANCIAL AND BOOKKEEPING MATTERS (CONT.)

Discussion ensued regarding the bookkeeper's report and bills for payment.

Director Vannerson asked Ms. Mihills if anyone from the Commissioner McCoy's office or anyone representing the County has approached MAC requesting information on District payments to himself, Classic Messaging or any documentation regarding the financial relationship between Classic Messaging, himself, and the District. Ms. Mihills stated MAC has not received any inquiries on such matters.

Following review and discussion, Director Cantu moved to (1) approve the bookkeeper's report, including the payment of the bills listed in the report; (2) accept the disclosure statements and authorize filing with the TEC; and (3) authorize an immediate transfer of the District annual \$220,000 contribution to the District's operating reserves. Director Vannerson seconded the motion, which passed unanimously.

HONORING DIRECTORS AND THEIR SERVICE

Ms. Lutz reviewed and presented Directors Burns and Vannerson with Resolutions in recognition of their service to the District.

EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board convened into executive session at 10:49 a.m. pursuant to section 551.071, Texas Government Code. The Board, Ms. Lutz, and Ms. Seguin were present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in open session at 11:34 a.m. and took no action.

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



Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Lake maintenance report	2
Bookkeeper's report.....	3
Tax assessor/collector report	3
Engineer's report.....	4
Operations report.....	4
Park maintenance report.....	5