

MINUTES
GULF COAST PROTECTION DISTRICT

January 8, 2025

The Board of Directors (the "Board") of Gulf Coast Protection District (the "District") met in regular session, open to the public, on the 8th day of January, 2025, at 1150 Gemini Street, Suite 1050, Houston, Texas 77058, inside the boundaries of the District, and the roll was called of the members of the Board:

Michel Bechtel	President
Bob Mitchell	Vice President
Sally Bakko	Secretary
Larry Taylor	Assistant Secretary
Roger Guenther	Director
Lori Traweek	Director
Billy Combs	Director
Tina Petersen	Director
Allan Ritter	Director
Kirk Roccaforte	Director
Sharon D. Hulgan	Director

and all of the above were present except Directors Traweek and Ritter, thus constituting a quorum.

Also present for all or part of the meeting were: Grace Bader, Administrative Assistant for the District; Dedrea Norman, Chief Financial Officer for the District; Don Carona of Orange County Drainage District ("OCDD"); Allen Sims, Toby Davis, and Alex Thibodeaux of Jefferson County Drainage District No. 7 ("DD 7"); Ray Russo, representing OCDD and DD7; Will Carter of the Office of U.S. Congressional District 36 Representative Brian Babin; The Honorable Jon Powell, City of Taylor Lake Village Council Member Position 2; Lt. Col. Ian O'Sullivan of the U.S. Army Corps of Engineers ("USACE"); Tony Williams, Sarah Purdon, and Mary Davison of the Texas General Land Office ("GLO"); Carlos Jaramillo of the United States Coast Guard; Dawn Pilcher of Tidewater Professional Services LLC; Chris Sallese of Gannett Fleming, Inc.; Ross Gordon of Gordon Consulting Group; David Oliver, Kelly Hanen, and Cheryl Panozzo of Allen Boone Humphries Robinson LLP ("ABHR"); Leslie Hollaway and Justin Tassin of Hollaway Environmental and Communications Services, Inc.; Joseph Ellis of McCall Gibson Swedlund Barfoot Ellis PLLC; Prasad Rajulu and Evan Sitler of Terracon Consultants, Inc. ("Terracon"); Larry Dunbar of the SSPEED Center; Juan Moya of Stantec; Nick Cox of Moffatt & Nichol; Sina Amini of LAN; Luce Bassetti of Jacobs; Eric Potts of Freese and Nichols; Sohaib Alahmed and Johnny Kim of Halff; Austin Ficken of Masterson Advisors; Jay Luckritz of Black & Veatch; Michael Johnson of Solmax;

Christophe Baron-Hyppolite of HDR Simon VanDyk and Calep Estes of Touchstone District Services; and other members of the public.

ROLL CALL

Mr. Gordon called roll and confirmed a quorum was present.

PUBLIC COMMENTS

There were no public comments.

MINUTES OF PREVIOUS MEETING

The Board considered approving the minutes of the December 11, 2024, meeting. After review and discussion, Director Combs moved to approve the minutes as submitted. Director Mitchell seconded the motion, which passed unanimously.

ADOPT RESOLUTION ADOPTING COVERED APPLICATIONS POLICY

Mr. Oliver discussed legislation enacted by the Texas Legislature that requires all governmental entities to adopt a policy prohibiting the use of certain social media applications and services on government-owned or -leased devices. He stated that a model policy was developed by the Texas Departments of Public Safety and Information Resources for use by governmental entities. Mr. Oliver reviewed the proposed Covered Applications Policy with the Board. After review and discussion, Director Guenther moved to adopt a Resolution Adopting Covered Applications Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Roccaforte seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Norman reviewed the bookkeeper's report, including the list of checks for payment of District bills, a copy of which is attached. She noted a wire to Jefferson County Drainage District No. 7 for the transfer of funds appropriated by House Bill 1, 88th Texas Legislature, Regular Session ("HB 1") to DD7 for expenditures towards DD7's non-federal sponsor obligations for the Jefferson County Separable Element of Sabine to Galveston (the "Jefferson County Project"). After review and discussion, Director Bakko moved to approve the bookkeeper's report and payment of the bills. Director Combs seconded the motion, which carried unanimously.

AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2024

Mr. Ellis reviewed the District's draft audit for the fiscal year ended September 30, 2024. He discussed a meeting he attended with the District's Audit Committee on Monday, January 6, 2025, at which the draft audit was reviewed in detail. After review and discussion, Director Petersen moved to approve the audit for the fiscal year ended September 30, 2024, subject to final review. Director Bakko seconded the motion, which passed by unanimous vote.

ADOPT AMENDED DISTRICT OPERATING BUDGET

Ms. Norman presented a proposed amended District budget for the fiscal year ending September 30, 2025, based on Amendment No. 1 to the Local Cooperation Agreement (the "HB 1 Amendment") between the District and GLO for funding appropriated by HB 1 that was approved at the previous meeting. After review and discussion, Director Mitchell moved to adopt the amended operating budget for the fiscal year ending September 30, 2025. Director Roccaforte seconded the motion, which passed unanimously.

REPORT FROM INTERIM EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER

Ms. Norman reported on financial and administrative efforts from the previous month, including: (1) preparation of a District amended budget to reflect the HB-1 Amendment; (2) preparation and submittal of Advance Funds Requests to the GLO for funding appropriated by Senate Bill 1, 87th Texas Legislature, Regular Session and HB-1; and (3) review of the District's audit for fiscal year ended September 30, 2024, including coordination with the District's Audit Committee

Mr. Gordon reported on the following: (1) submittal of the District's Appropriation Request for the 89th Texas Legislature to the House Appropriations Committee and the Senate Finance Committee; (2) preparation of the District's annual report; (3) an upcoming presentation by District staff to the Texas Gulf Coast Infrastructure Coalition; (4) a work session scheduled for January 9, 2025, with the City of Houston regarding the feasibility of accessing sediment from Lake Houston for beach nourishment projects; (5) a proposed communications coordination workshop with USACE on Coastal Texas Protection and Restoration Feasibility Study ("Coastal Texas") matters; (6) status update of the Gate Study being performed by Texas A&M University-Galveston pursuant to the agreement with the District; (7) update on review by USACE of the Memorandum of Understanding for Coastal Texas construction work; and (8) a status update regarding congressional notifications required in connection with the proposed amendment to the Design Agreement between the District and USACE for Coastal Texas.

Mr. Gordon then responded to questions from the Board. In response to an inquiry by Director Mitchell, Mr. Gordon discussed the District's plans for future press releases related to the Gate Study and the projected schedule of design work on Coastal Texas.

REPORT FROM PRESIDENT OF THE BOARD

Director Bechtel reported on recent meetings with stakeholders and elected officials regarding District projects and funding.

REPORT FROM GENERAL LAND OFFICE

Ms. Purdon expressed appreciation to the District for working with the GLO on the finalizing and approval of the HB 1 Amendment. She provided an update on the Interlocal Project Cooperation Agreement between the GLO and the District for ecosystem restoration segment G-28, Bolivar Peninsula and West Bay Gulf Intracoastal Waterway Shoreline and Island Protection, a project included in Coastal Texas, and the related scope of work.

Ms. Purdon reported that the GLO received the Advance Funds Requests recently submitted by the District.

Ms. Purdon updated the Board on a meeting scheduled for tomorrow with the City of Houston regarding the feasibility of accessing sediment sources in the San Jacinto River at Lake Houston for beach nourishment projects. She noted she anticipates that the sediment source study being conducted to identify sediment sources for beach nourishment projects as part of Coastal Texas will be complete in June 2025.

SABINE TO GALVESTON ("S2G") MATTERS AND DISTRICT PROGRAM MANAGEMENT MATTERS

Messrs. Sallese and Gordon gave a presentation on District program management matters related to the Orange County Separable Element of S2G (the "Orange County Project").

Mr. Gordon updated the Board on the Post-Authorization Change Report ("PACR") efforts and reviewed the current schedule for the various elements of the PACR process.

Mr. Sallese reviewed the status and schedule for the various rounds of phase II environmental site assessments by Geotest Engineering, Inc. and Terracon. He reported

on ongoing right-of-entry discussions with Dow Chemical for the Dow Levee project and stated he anticipates that the next round of borings will begin this month. Mr. Gorden reported that the second Surface Use Agreement between Terracon and Texas Parks And Wildlife Department (“TPWD”) for phase II environmental site assessments to be conducted on TPWD land has been received and is being routed for signature.

Mr. Sallese updated the Board on the status of design of the Dow Levee and Arlanxeo Levee projects. He then updated the Board on the status of design of the Torrent Floodwall project by USACE and coordination with ABHR on development of utility relocation reimbursement agreements.

Mr. Sallese reviewed a summary of recent program management activities for the Orange County Project and upcoming program management activities for the next 30-60 days. He also reviewed financials for the program management team. Discussion ensued.

REPORT FROM JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7

Mr. Sims reported on the status of construction contracts and utility relocations for the Jefferson County Project.

Mr. Sims reported that he became General Manager of DD7 on December 1, 2024, following Phil Kelley’s retirement.

COASTAL TEXAS MATTERS

There was no discussion on this matter.

UPDATE FROM REGION 6 STATE FLOOD PLANNING GROUP

Director Bakko updated the Board on the Region 6 San Jacinto Regional Flood Planning Group, including preparation for 2028 Regional Flood Plan.

EMPLOYMENT MATTERS REGARDING DISTRICT MANAGEMENT OFFICIALS AND PERSONNEL

The Board concurred to defer discussion on these agenda items to later in the meeting during executive session.

SCHEDULE AND LOCATION FOR NEXT MEETING

Director Bechtel reported that the District's next meeting is scheduled for February 12, 2025, at 10:00 a.m. at the offices of DD7, 4401 9th Ave., Port Arthur, Texas 77642.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONSULT WITH ATTORNEYS

The Board did not convene in executive session pursuant to Section 551.071, Texas Government Code.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY

The Board did not convene in executive session pursuant to Section 551.072, Texas Government Code.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.074, TEXAS GOVERNMENT CODE, TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE

At 11:23 a.m., the Board convened in executive session pursuant to Section 551.074, Texas Government Code, to discuss employment matters related to District personnel. Present at the closed meeting were Directors Bechtel, Mitchell, Bakko, Taylor, Guenther, Combs, Petersen, Roccaforte, and Hulgan, Mr. Oliver, Ms. Hanen, and Ms. Panozzo.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

At 12:31 p.m., the Board reconvened in open session. Director Taylor moved to authorize the Board President to hire and negotiate employment agreements and salaries for an Executive Director and a Senior Technical Director for the District as discussed. Director Bakko seconded the motion, which passed unanimously.

ADJOURNMENT

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

/s/ Sally Bakko
Secretary, Board of Directors

(SEAL)



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