

MINUTES
GULF COAST PROTECTION DISTRICT

January 11, 2023

The Board of Directors (the “Board”) of Gulf Coast Protection District (the “District”) met in regular session, open to the public, on the 11th day of January, 2023, at the Industrial Safety Training Council, 3749 Highway 69, Beaumont, Texas 77705, inside the boundaries of the District, and the roll was called of the members of the Board:

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| Michel Bechtel | President |
| Bob Mitchell | Vice President |
| Roger Quiroga | Secretary |
| Sally Bakko | Assistant Secretary |
| Roger Guenther | Director |
| Michael VanDerSnick | Director |
| Lori Traweek | Director |
| Billy Combs | Director |
| Adrian Garcia | Director |
| Allan Ritter | Director |
| Kirk Roccaforte | Director |

and all of the above were present except Directors Mitchell, Quiroga, VanDerSnick, Garcia and Roccaforte, thus constituting a quorum.

Also present at the meeting were: Nicole Sunstrum, Executive Director of the District; Grace Bader, Administrative Assistant for the District; Don Carona of the Orange County Drainage District (“OCDD”); Allen Sims of Jefferson County Drainage District No. 7 (“DD 7”); Ray Russo, representing OCDD and DD 7; Dawn Pilcher of LJA Engineering, Inc.; Lanie Brown of the Office of U.S. Congressional District 36 Representative Brian Babin; Kelly Burks-Copes, Maj. Ian O’Sullivan, and Nicole Snyder of the U.S. Army Corps of Engineers (“USACE”); David Oliver, Duggan Baker, and Kristen Hogan of Allen Boone Humphries Robinson LLP; Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC; Chris Sallese of DEC; Chris Mueller of Black & Veatch; Leslie Hollaway, Sam Blanco, and Mariah Najmuddin of Hollaway Environmental and Communications Services, Inc.; Ross Gordon of Gordon Consulting Group; Tina Peterman and Austin Ficken of Masterson Advisors LLC; Ian Hudson of Gauge Engineering; Eric Potts, Mat Leclair, Joseph Majdalani, and Michael Reedy of Freese and Nichols; Darrell Morrison of Ardurra; Raul Wong and Craig Maske of HALFF; Niels Aalund of Bay Houston Towing; Jeff Scarborough of Stantec; Fred Schmidt-Arenales of Museum of Fine Arts, Houston; Simon VanDyk and Glamour Perry of Touchstone District Services; and other members of the public.

ROLL CALL

Ms. Sunstrum called roll and confirmed a quorum was present.

PUBLIC COMMENTS

There were no public comments.

MINUTES OF PREVIOUS MEETING(S)

The Board considered approving the minutes of the December 14, 2022, regular meeting. After review and discussion, Director Combs moved to approve the minutes as submitted. Director Traweek seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Sunstrum reviewed the bookkeeper's report prepared by Municipal Accounts & Consulting, L.P., including the list of checks for payment of District bills, a copy of which is attached. After review and discussion, Director Ritter moved to approve the bookkeeper's report and payment of the bills. Director Combs seconded the motion, which carried unanimously.

PRESENTATION FROM MAT LECLAIR ON SABINE (REGION 4) AND NECHES (REGION 5) FLOOD PLANNING REGIONS

Mr. Leclair gave a presentation on the Regional Flood Plans prepared by the Sabine and Neches Flood Planning Regions. He reviewed the recommended flood management evaluations, strategies and projects, including cost estimates for each. Mr. Leclair discussed the remaining steps for finalization of the plans to be included in the eventual State Flood Plan to be adopted in September 2024. He then responded to questions regarding criteria considered in identifying recommended projects and efforts to identify other available funding options.

AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2022

Mr. Ellis reviewed the District's draft audit for the fiscal year ended September 30, 2022. After review and discussion, Director Guenther moved to approve the audit, subject to final review. Director Combs seconded the motion, which passed by unanimous vote.

REPORT FROM U.S. ARMY CORPS OF ENGINEERS

Dr. Burks-Copes updated the Board on efforts related to the Sabine Pass to Galveston Bay Coastal Storm Risk Management Program ("S2G"). She reported on a recent meeting with Orange County representatives to discuss resolutions to pending issues.

Dr. Burks-Copes then updated the Board on the Coastal Texas Protection and Restoration Feasibility Study ("Coastal Texas"). She discussed Congressional approval of the Water Resources Development Act of 2022, which authorizes the Coastal Texas project. Dr. Burks-Copes acknowledged receipt of the District's request for a Memorandum of Understanding for work in kind and said internal approval was received to proceed with preparing such document as well as design agreements. She then reported on efforts to hire a new chief of USACE Galveston District's Mega Projects Division, in addition to a scheduler to build out the 20-year schedule. Dr. Burks-Copes reported on recent news media covering Coastal Texas and recent meetings and presentations to various organizations. She reported on an interior drainage study being conducted by the City of Galveston. She then responded to questions regarding USACE's hiring process and funding package submittals.

AGREEMENT WITH GENERAL LAND OFFICE

This item was tabled.

DISTRICT MASTER PLAN

Ms. Sunstrum discussed the draft of the District's Master Plan that was previously distributed for review. She reported on efforts to incorporate comments received and noted that the Master Plan will be a "living document" that will change as projects progress. After review and discussion, Director Combs moved to approve the Master Plan, subject to final attorney review. Director Bakko commented on the ability to revise the document as sequencing may change. She also discussed the importance of clearly communicating the supply chain impacts. Director Bakko then seconded the motion, which passed unanimously.

REPORT FROM TEXAS GENERAL LAND OFFICE

There was no report from the General Land Office.

REPORT FROM BOARD PRESIDENT

Director Bechtel commented on authorization of Coastal Texas and reported on upcoming meetings with elected officials.

REPORT FROM EXECUTIVE DIRECTOR

Ms. Sunstrum reported on meetings with State officials regarding legislative appropriations. She also discussed the District's membership in the Texas Water Conservation Association and the National Waterways Conference.

REPORT FROM ORANGE COUNTY DRAINAGE DISTRICT AND JEFFERSON COUNTY DRAINAGE DISTRICT NO. 7

Mr. Carona updated the Board on the Orange County Separable Element of S2G. He reported on two meetings with USACE officials to discuss environmental issues, interior drainage, and other pending matters. He discussed frustration regarding non-federal sponsor participation in interior drainage matters, his appreciation for Major O'Sullivan's involvement, and other challenges for S2G and Coastal Texas projects. Mr. Carona noted that the Regional Flood Plans discussed by Mr. Leclair included initial cost estimates that are likely to change during the amendment process. He also discussed legislative and rule changes that would be needed in order for the project to be eligible for State funds. Mr. Carona responded to questions regarding interior drainage design criteria and cost drivers.

Mr. Sallese gave an update on efforts underway by the District's program management team. He discussed the status of the interior drainage analysis and environmental work. Mr. Sallese also discussed a request the District received from USACE to perform title work on various tracts.

In response to questions from Director Bechtel, Mr. Carona discussed various efforts and actions taken by Orange County and OCDD to fund flood mitigation projects without external

funding. Mr. Carona also discussed grants pursued and received for detention facilities and local policy decisions to mitigate flooding.

Mr. Sims gave an update on the Jefferson County Separable Element of S2G. He discussed possible changes to the environmental standards for industrial property acquired for projects. Mr. Sims then discussed the impact of certain requirements on project costs. In response to questions from Director Bechtel, Mr. Sims discussed alternatives explored by DD 7 to reduce wetlands mitigation costs.

UPDATE FROM REGION 6 STATE FLOOD PLANNING GROUP

Director Bakko reported on the recent submission of the Regional Flood Plan by the Region 6 San Jacinto Regional Flood Planning Group, which includes Coastal Texas. She discussed the next tasks for the Group and noted the Group's next meeting is scheduled for February 9th.

SCHEDULE AND LOCATION FOR NEXT MEETING

Director Bechtel reported that the District's next meeting will be on February 8th at 10:00 a.m. at the Bay Area Community Center.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.074, TEXAS GOVERNMENT CODE, TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, OR DUTIES OF AN EMPLOYEE

At 11:52 a.m., Director Bechtel announced that the Board was convening in executive session pursuant to Section 551.074, Texas Government Code.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING PERSONNEL MATTERS

At 12:31 p.m., Director Bechtel announced that the Board was reconvening in open session. Upon reconvening in open session, Director Trawick moved to approve an updated 2023 employment letter for the Executive Director, 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.




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

| | <u>Minutes</u> |
|---------------------------|----------------|
| | <u>Page</u> |
| Bookkeeper's report | 2 |