

MINUTES

FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 2

September 20, 2019

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 2 (the "District") met in special session, open to the public, on the 20th day of September, 2019, at the William "Bill" Little Pump Station (aka Pump Station A), 4435 Greystone Way, Sugar Land, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Andre D. McDonald	President
Bryan K. Chapline	Vice President/ Assistant Secretary
Glen R. Gill	Secretary
Rashid Khokhar	Director
Sam Galyon	Director

and all of said persons were present, thus constituting a quorum.

Also present for all or part of the meeting were Ahmad Alaswad, Chief of Staff for Ken DeMerchant, Fort Bend County Commissioner Precinct 4; Joe R. Zimmerman, Mayor of the City of Sugar Land (the "COSL") and resident of the District; Rick Ramirez of the COSL; Phil Martin of Mike Stone Associates, Inc.; Jason Klump and Tyler Werlein of LID Solutions, LLC; Arturo Michel of Husch Blackwell LLP ("HB"); and David Oliver and Justine M. Cherne of Allen Boone Humphries Robinson LLP ("ABHR").

DIRECTORS' SWORN STATEMENTS, OFFICIAL BONDS, AND OATHS OF OFFICE

Mr. Oliver reported that the executed Sworn Statements, Oaths of Office, and Official Bonds have been received for newly appointed Directors Khokhar and Galyon. Copies of the executed documents are included in the attached Board Book. Mr. Oliver stated that the Oaths of Office have been filed with the Secretary of State and all of the documents will be retained in the District's official records. Mayor Zimmerman administered the Oaths of Office for Directors Khokhar and Galyon.

REORGANIZE THE BOARD AND AUTHORIZE EXECUTION OF DISTRICT REGISTRATION FORM

The Board considered reorganizing. Director McDonald moved to reappoint the current officers to their current officer positions and appoint Directors Khokhar and Galyon to the position of Assistant Secretary. Director Gill seconded the motion.

Discussion ensued regarding a proposed change in the District's leadership. Director McDonald discussed his active involvement in local, state, and national

organizations as an officer, director, and invited speaker. He stated that the District is one of the leading entities of its kind in the nation and has won many awards. He welcomed the new Directors and stated that it was not a good time to change leadership due to the District's current level of activity.

Director Gill agreed that it was not a good time to change the District's leadership. He discussed his recent attendance at a conference during which two important levee issues were discussed: (1) the Federal Emergency Management Agency's ("FEMA") anticipated implementation of Risk Rating 2.0; and (2) the related use of the United States Army Corps of Engineers' Levee Safety Action Classification tool to assign, rate, and communicate levee system risk assessments.

Directors Khokhar and Galyon discussed the importance of the Board members working together as a team, including sharing in Board members' expertise to serve the District's residents. In response to Director Khokhar's inquiry, Mr. Oliver explained the implementation of officer positions and roles prescribed in the Texas Water Code and discussion ensued.

Following discussion, the motion failed with Directors McDonald and Gill in favor and Directors Chapline, Khokhar, and Galyon opposed.

Director Chapline moved to appoint himself as President, Director Galyon as Vice President, and Director Khokhar as Secretary. Director Galyon seconded the motion.

Directors McDonald and Gill discussed reasons why they believed appointing Director Chapline as President of the Board would be detrimental to the District and the District's influence on legislative and regulatory development matters related to federal levee, floodplain management, and flood insurance matters with potential significant impacts on Fort Bend County levees. Director Chapline discussed his seven plus years of experience on the Board and over 40 years of experience with special districts in eight counties. He stated that he has chosen to refrain from attending conferences to focus on operational and capital improvement matters to improve drainage for the community, including building positive relationships with the participants in the perimeter levee system.

Director Galyon discussed the importance of the Board functioning as a team to serve the District's purpose of serving the interests of the public. He stated that he will oppose any Directors or efforts that don't support the District's purpose of serving the public interest. Directors McDonald and Gill discussed the importance of maintaining Director McDonald as President of the Board to maintain continuity in the District due to Director McDonald's knowledge of and participation in institutional and national policy matters.

Following additional discussion regarding officer positions, roles, and the District's influence on legislative and regulatory development matters, the motion passed by majority vote, with Directors Chapline, Galyon, and Khokhar in favor and Directors McDonald and Gill opposed.

OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING REQUIREMENTS

Mr. Oliver reviewed requirements for each elected or appointed public official related to completing a course of training of not less than one and not more than two hours regarding the responsibilities of a governmental body and its members under the Texas Open Meetings Act, Chapter 551, Government Code within 90 days of taking the oath of office. A copy of ABHR's memorandum regarding the Texas Open Meetings Act and Public Information Act is included in the attached Board Book.

Mr. Oliver discussed and responded to questions regarding implementation of the Texas Open Meetings Act, including agenda posting requirements, email and other communications, and recent legislation related to emergency response situations.

Mr. Oliver discussed ABHR's role as the District's Records Management Officer for responding to Texas Public Information Act requests.

Director McDonald recommended that Directors Khokhar and Galyon attend training regarding the Public Funds Investment Act ("PFIA"). Mr. Oliver briefly discussed implementation of the PFIA.

CONFLICT OF INTEREST DISCLOSURE AND LIST OF LOCAL GOVERNMENT OFFICERS

Mr. Oliver reviewed a memorandum from ABHR regarding conflict of interest disclosure required under Chapter 176 of the Texas Local Government Code and disclosure forms adopted by the Texas Ethics Commission. A copy of the memorandum, including the forms, is included in the attached Board Book.

Director McDonald recommended that Directors Khokhar and Galyon attend the Texas Water Conservation Association's Fall Seminar as a training opportunity.

Mr. Oliver reviewed a List of Local Government Officers that the District is required to maintain pursuant to Chapter 176 of the Texas Local Government Code. A copy of the list is included in the attached Board Book. The Board discussed a proposed revision to the list to identify Mr. Martin as the District's General Manager. After review and discussion, Director Galyon moved to approve and authorize execution of the List of Local Government Officers, as revised, and direct that the list be retained in the District's official records. Director Khokhar seconded the motion, which passed by unanimous vote.

STATEMENTS OF QUALIFICATIONS FOR LEGAL AND LOBBYING SERVICES

Mr. Martin reviewed updated Requests for Statements of Qualifications (“RFQ”) for legal and lobbying services, copies of which are included in the attached Board Book. Mr. Martin stated that the date for submission of the RFQs was blank and reviewed the Board’s meeting schedule. A copy of the District’s calendar is included in the attached Board Book.

Director McDonald briefly discussed the history of the creation of the District and the District’s engagement of ABHR. He stated that the RFQs are needed to evaluate whether the District could be served better by a law firm that has more knowledge and involvement with federal issues that may impact the District than ABHR. Director Chapline disagreed and stated that the District currently has top rated local and national legal representation.

Mr. Oliver stated that he believed Director McDonald’s characterization of him and ABHR was inaccurate. He stated that he understands, keeps current on, and is involved in addressing federal issues that may impact the District. He stated that he wrote the first white paper regarding the National Flood Insurance Program (the “NFIP”) and potential changes to the NFIP that could impact Fort Bend County levee districts, and that many of the concepts he developed in the white paper continue to be used. He stated that ABHR attorneys attend state and national conferences on levee-related topics, are recognized leaders in providing legal representation to special districts in Texas, and have been invested in the District’s community for more than 45 years. He said that ABHR monitors and can respond to proposed federal legislation that may impact the District through its engagement of an attorney based in Washington, DC. He stated that if the District desires ABHR to assume a more active role related to federal issues that may impact the District, ABHR will be happy to do so.

Discussion ensued regarding deferring issuance of the RFQs. Following discussion, Director Chapline moved to defer consideration of issuing the RFQs. Director Galyon seconded the motion. Additional discussion ensued regarding a proposed schedule for considering issuance of the RFQs. Following discussion, Director Chapline modified his motion to defer considering issuance of the RFQs until after January 1, 2020, subject to a Director requesting the item to be included on a Board meeting agenda. Director Galyon seconded the revised motion, which was approved by majority vote, with Directors Chapline, Galyon, and Khokhar in favor and Directors McDonald and Gill opposed.

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

Galvin W. Uehle

Secretary, Board of Directors

(SEAL)



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