

GALVESTON COUNTY DRAINAGE DISTRICT NO. 2
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

December 14, 2022

The Board of Directors (the "Board" or "Directors") of Galveston County Drainage District No. 2 (the "District") met in regular session on the 14th day of December, 2022, at 4:00 p.m., in the meeting room of the District at 5000 F.M. 1765, La Marque, Texas 77568, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code, whereupon the roll was called of the members of the Board, to-wit:

Jack Ellison, Jr.	Director
Wayne Hobgood	Director
Angel Murphy	Director

All members of the Board were present, thus constituting a quorum. Also attending the meeting were: Mr. Landry Cravens ("District Manager"); Ms. Candace Wanen ("Office Administrator"); Ms. Monica A. Garza, attorney, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"); Mr. Steve Haskins of Protocol Bookkeeping, Inc.; Mr. Stephen Wilcox, P.E. of Costello, Inc.; and Officer Matthew Cypert. Numerous members of the public were also in attendance. A copy of the sign-in sheet is attached hereto.

1. Call Meeting to Order.

Director Hobgood, after finding that notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order at 4:00 p.m. and declared it open for such business as may regularly come before it.

2. Public Comments.

There being no public comments, the Board proceeded with the agenda.

3. Minutes of November 16, 2022 and November 28, 2022 Special Meetings.

The Board then considered approval of the minutes from the special meetings of November 16, 2022 and November 28, 2022. Upon a motion by Director Hobgood, seconded by Director Murphy, after full discussion and with all Directors present voting aye, the Board approved the minutes from the special meetings of November 16, 2022 and November 28, 2022, as presented

4. New Business.

Mr. Wilcox stated that the developer and engineer for the Marlow Lakes development have requested to abandon the current location of Ditch 6E1 and to relocate to the northern end of the development and/or incorporate into the internal drainage system for the development. Mr. Wilcox reported that such developer is underway with grading activity at such location and is backfilling the ditch, which runs parallel to the Gulf Coast Water Authority's ("GCWA") canal. Mr. Wilcox

stated that Ditch 6E1 is shown on all District maps and exhibits as a District-maintained facility but upon further research of the situation, the District does not have an easement or agreement to maintain the ditch; however, the District has been maintaining such property. Mr. Wilcox further stated the ditch is located on land wholly owned by the developer and services land south of the GCWA canal and west of State Highway 3. Mr. Wilcox stated that Ditch 6E1 only services lands internal to the Marlow Lakes Development and local drainage along the GCWA canal and as such, would not impact adjacent property owners if relocated.

Upon a motion by Director Hobgood, seconded by Director Murphy, after full discussion and with all Directors present voting aye, the Board approved the following: 1) Marlow Lakes' request to abandon and relocate Ditch 6E1 subject to providing the following: a) adequate alternate drainage along and within the proposed development; b) documentation they have notified the Texas Department of Transportation of the proposed plans for Ditch 6E1; and c) a letter of no objection from the GCWA; and 2) the District abandoning its previous maintenance of Ditch 6E1.

Regarding Ditch No. 9 in Sunset Grove Section 6, upon a motion by Director Hobgood, seconded by Director Murphy, after full discussion and with all Directors present voting aye, the Board approved postponing discussion regarding such ditch until a future Board meeting.

Regarding Ditch No. 9 in the Mixed-Use Hitchcock Development, upon a motion by Director Hobgood, seconded by Director Murphy, after full discussion and with all Directors present voting aye, the Board approved postponing discussion regarding such ditch until a future Board meeting.

Regarding Ditch 6D and the Pearl Brook pedestrian crossing, Mr. Wilcox reported that a developer requested to install a sidewalk within the District's easement. Mr. Wilcox stated that RBAP will need to prepare a maintenance agreement between the District and developer regarding the maintenance of such ditch. Upon a motion by Director Hobgood, seconded by Director Ellison, after full discussion and with all Directors present voting aye, the Board approved postponing discussion regarding such ditch until a future Board meeting.

Regarding Ditch No. 9 and the Mitchell and Hutto Storage Building, Mr. Wilcox explained that the developer submitted construction plans showing that approximately one (1) acre of such development will drain into the District's Ditch No. 9 watershed system through a new detention pond to be constructed on such property. Mr. Wilcox further reported that the outfall for such ditch discharges into a roadway owned by the City of La Marque (the "City"); therefore, the City will also need to approve the developer's construction plans. Mr. Wilcox went on to report that based upon the developer's plans, such detention pond complies with the District's drainage requirements. Upon a motion by Director Ellison, seconded by Director Hobgood, after full discussion and with all Directors present voting aye, the Board approved the developer's construction plans for the Mitchell and Hutto Storage Building.

Regarding the impact fee for the Trails at Woodhaven Lakes Section 1, Mr. Wilcox reminded the Board that it previously approved an impact fee for such development. Mr. Wilcox explained that a portion of the land was designated as an amenity lake located within the District's Ditch 9 watershed which will be repurposed for drainage/detention to facilitate an internal development of a senior living center which is currently in the District review process. Mr. Wilcox

stated that such amenity lake is encumbered by an easement which precludes any development within the boundaries of such easement. Mr. Wilcox stated that the developer is requesting that the District consider a reduction in the gross acreage considered part of the development's impact fee calculation based on the amenity lake serving a drainage/detention function. Upon a motion by Director Ellison, seconded by Director Murphy, after full discussion and with two (2) Directors present voting aye and with Director Hobgood abstaining, the Board approved the developer's request for a reduction in the gross acreage, to 43.3461 acres, used to calculate the impact fee owed to the District.

5. Bookkeeping Report.

Mr. Haskins then presented the Bookkeeper's Reports for November 2022 and December 2022. Mr. Haskins reviewed the District's budget for the Fiscal Year Ending September 30, 2023 and the year to-date expenses incurred by the District.

Mr. Haskins next requested authorization from the Board to transfer \$100,000.00 from the District's money market account to the District's general operating fund. Mr. Haskins further requested that the Board authorize Mr. Haskins to communicate with the District's bank regarding each of the District's financial accounts.

Upon a motion by Director Hobgood, seconded by Director Murphy, after full discussion and with all Directors present voting aye, the Board: 1) approved the Bookkeeper's Reports; 2) approved the transfer of \$100,000.00 from the District's money market account to the District's general operating fund; and 3) authorized sending a letter to the District's bank authorizing Mr. Haskins to have access to the District's financial accounts.

Next, Ms. Garza presented to the Board a Resolution Authorizing the General Manager to Sign Disbursements, which would allow the General Manager to sign checks on behalf of the District, upon review and approval of such checks by the Board.

Upon a motion by Director Hobgood, seconded by Director Ellison, after full discussion and with all Directors present voting aye, the Board approved the Resolution Authorizing the General Manager to Sign Disbursements.

6. Engineer's Report.

Regarding the Ditch No. 5 Watershed Study, Mr. Wilcox stated that he has not yet started the survey work and added that he expects to present to the Board in January or February 2023 an update to such study.

Regarding the Ditch Nos. 12 and 13 Watershed Study, Mr. Wilcox reported that the hydraulic model is being prepared. Mr. Wilcox stated that maps of such watershed may need to be updated.

Mr. Wilcox next reported that upon completion of the previously discussed watershed studies, he will have some recommendations for the Board to consider updating the District's Drainage Criteria Manual. Mr. Wilcox further reported that the City of Dickinson's Drainage Criteria Manual, which the District's Manual is largely based upon, is outdated and the

methodology in such manual needs to be updated. Mr. Wilcox stated that a standard table needs to be provided to developers regarding the calculation of impact fees by the District.

7. District Manager's Report.

Mr. Cravens reported that he reviewed the District's QuickBook records relating to the District's previous Office Administrator's, Ms. Teresa Moore, request for payment from the District of her accrued sick time and vacation time following her retirement. Mr. Cravens further reported that such records appear to be correct and were verified by Mr. Haskins.

Upon a motion by Director Ellison, seconded by Director Hobgood, after full discussion and with two (2) Directors present voting aye and with Director Murphy abstaining, the Board approved payment to Ms. Moore in accordance with the District's Personnel Policy for a combined total of 445 hours of accrued sick time and vacation time.

Mr. Cravens next updated the Board regarding maintenance of the District's facilities.

Mr. Cravens then reported that certain tax forms are due to the Texas Municipal League relating to taxes withheld from employees' paychecks. Ms. Moore stated that she prepared such forms prior to her retirement.

Next, Mr. Cravens requested that the Board approve an exception to the District's Personnel Policy and approve payment to him of his unused vacation time for 2022. Ms. Garza explained that the District's Personnel Policy prohibits employees from receiving payment in lieu of taking vacation leave. Mr. Cravens explained that due to recent personnel issues within the District's staff, he was unable to use all of his accrued vacation time. Upon a motion by Director Hobgood, seconded by Director Murphy, after full discussion and with two (2) Directors present voting aye and with Director Ellison opposed, the Board approved Mr. Craven's request for payment from the District for his unused vacation time for 2022.

8. Attorney's Report.

Ms. Garza next presented to the Board the 2023 annual agenda. Upon a motion by Director Hobgood, seconded by Director Murphy, after full discussion and with all Directors present voting aye, the Board approved the 2023 annual agenda.

9. Executive Session.

Pursuant to the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended, specifically Section 551.074 regarding personnel matters, Director Hobgood convened the Board in Executive Session at 5:37 p.m. The persons participating in the Executive Session were all the members of the Board present, Mr. Cravens and Ms. Garza.

Director Hobgood then reconvened the meeting in open session at 6:15 p.m.

10. **District Manager's Report, Continued.**

The Board requested that Ms. Garza correspond with the District's Auditor regarding performing an audit of the District's records regarding Ms. Moore's accrual of sick time and vacation time during her employment as the District's previous Office Administrator.

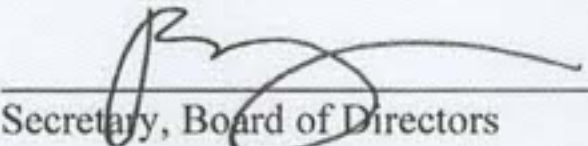
Upon a motion by Director Hobgood, seconded by Director Murphy, after full discussion and with all Directors present voting aye, the Board approved Mr. Cravens' request to donate a portion of his accrued sick time to Ms. Eva Livy pursuant to the terms discussed in executive session.

Following a brief discussion, upon a motion by Director Murphy, seconded by Director Hobgood, after full discussion and with all Directors present voting aye, the Board approved payment of the checks contained the Bookkeeper's Reports for November 2022 and December 2022.

11. **Adjournment.**

There being no further business to come before the Board, the Board meeting was adjourned at 6:29 p.m.

PASSED, APPROVED and ADOPTED this the 11th day of January, 2023.



Secretary, Board of Directors

