

MINUTES
GULF COAST PROTECTION DISTRICT

February 14, 2024

The Board of Directors (the “Board”) of Gulf Coast Protection District (the “District”) met in regular session, open to the public, on the 14th day of February, 2024, at Jefferson County Drainage District No. 7, 4401 9th Ave., Port Arthur, Texas 77642, inside the boundaries of the District, and the roll was called of the members of the Board:

Michel Bechtel	President
Bob Mitchell	Vice President
Vacant	Secretary
Sally Bakko	Assistant Secretary
Roger Guenther	Director
Lori Traweek	Director
Billy Combs	Director
Adrian Garcia	Director
Allan Ritter	Director
Kirk Roccaforte	Director
Sharon D. Hulgan	Director

and all of the above were present except Directors Mitchell, Guenther, and Garcia, 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 and Douglas Manning of Orange County Drainage District (“OCDD”); Allen Sims, Phil Kelley, and Toby Davis of Jefferson County Drainage District No. 7 (“DD 7”); Ray Russo, representing OCDD and DD 7; Kelly Burks-Copes and Nicole Snyder of the U.S. Army Corps of Engineers (“USACE”); Tony Williams, Warren Collier, Elizabeth Ozuna, Sarah Purdon, Mary Davison, and Rhonda Masters of the Texas General Land Office (“GLO”); Dawn Pilcher of Tidewater Professional Services LLC; Chris Sallese of DEC; David Oliver, Duggan Baker, and Kristen Hogan of Allen Boone Humphries Robinson LLP (“ABHR”); Cindy Grimes of Municipal Accounts & Consulting, L.P.; Leslie Hollaway of Hollaway Environmental and Communications Services, Inc.; Michael Roberts of The Coastal Trust; Austin Ficken of Masterson Advisors LLC; Paul Henderson of Five-S Group; Robert Esenwein and Juan Moya of Stantec; Jene Adler of Orion Marine Group; Steve Jordan of Schaumburg & Polk, Inc.; Simon VanDyk and Calep Estes of Touchstone District Services; Mark Faggard; 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 January 10, 2024, regular meeting. After review and discussion, Director Ritter moved to approve the minutes as submitted. Director Traweck seconded the motion, which passed unanimously.

REORGANIZATION AND DISTRICT REGISTRATION FORM

Director Bechtel noted the vacancy on the Board as a result of the recent passing of Roger “Bo” Quiroga. The Board concurred to table this item.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Grimes reviewed the bookkeeper’s report, 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 Roccaforte seconded the motion, which carried unanimously.

SUBLEASE FOR OFFICE SPACE

Ms. Sunstrum reviewed a term sheet for a proposed sublease of office space at 1150 Gemini St., Houston, Texas 77058. She responded to questions from the Board regarding the proposed lease space. Discussion ensued. After review and discussion, Director Combs moved to authorize execution of a sublease agreement for office space at 1150 Gemini St., Houston, Texas 77058, based on the discussed terms and subject to final review by ABHR. Director Roccaforte seconded the motion, which passed unanimously.

REPORT FROM GENERAL LAND OFFICE

Ms. Ozuna updated the Board on coordination of District financials, noting that a draft Local Cooperation Agreement regarding House Bill 1, 88th Texas Legislature, Regular Session, had been provided to the District for review. Ms. Ozuna also updated the Board regarding internal changes in the GLO’s audit staff, noting that the GLO’s audit of the District has been delayed as a result..

Mr. Williams reported on recent and upcoming presentations. He next reported on the use of Lake Houston as a potential sediment source for the GLO’s beach nourishment projects and for the District’s coastal storm risk mitigation projects, and discussed a recent site visit, noting that the use of barges for transport of sediment appears feasible. Mr. Williams discussed a meeting with the City of Houston regarding sediment that could be used for beach nourishment, adding that GLO will continue to look into the amounts available and transport options. He said a stakeholder meeting will be scheduled soon to further evaluate the sediment source and related costs.

REPORT FROM BOARD PRESIDENT

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

REPORT FROM EXECUTIVE DIRECTOR AND EMPLOYMENT MATTERS

Ms. Sunstrum reported on job postings for District positions related to communications and Coastal Texas program management.

IN-KIND MEMORANDUM OF UNDERSTANDING WITH UNITED STATES ARMY CORPS OF ENGINEERS FOR CONSTRUCTION WORK RELATED TO THE COASTAL TEAS PROTECTION AND RESTORATION PROJECT

Ms. Sunstrum discussed the status of the In-Kind Memorandum of Understanding for Construction Work Prior to Execution of a Project Partnership Agreement for the Coastal Texas Protection and Restoration Project (“MOU”).

DISTRICT PROGRAM MANAGEMENT MATTERS AND PROPOSAL FOR BLACK RAIL SURVEYS

Mr. Sallese gave a presentation on efforts related to the Orange County Separable Element of Sabine Pass to Galveston Bay. He reviewed a proposal to conduct black rail listening surveys during the March-May survey window, as required by the U.S. Fish & Wildlife Service prior to completion of phase 2 environmental investigations in the marsh areas. He responded to questions from the Board regarding the scope and follow-up action for the black rail surveys, noting the cost is eligible for work-in-kind credit.

Mr. Sallese updated the Board on the status of the interior drainage system optimization. He reviewed the timeline for completion of the final report and the preliminary findings.

Mr. Sallese next updated the Board on design of the Dow Levee and the Arlanxeo Levee. He said the schedules are contingent on final scopes of work and a work-in-kind determination from USACE.

Mr. Sallese updated the Board on the status of the scoping document for the Post-Authorization Change Report (“PACR”). He reported on upcoming meetings with USACE.

Mr. Sallese reviewed a summary of program management activities completed during the prior month. He discussed the upcoming National Waterways Conference and opportunities for additional discussion with USACE regarding the PACR scoping document.

Mr. Sallese then reviewed financial summaries for the Orange County and Jefferson County Separable Elements of Sabine Pass to Galveston Bay.

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

Messrs. Carona and Russo discussed a federal policy requiring non-federal sponsors of USACE projects to pay the full cost for acquiring public lands, including relocations, for projects included in or authorized subsequent to Bipartisan Budget Act of 2018. They discussed the impact of such policy on the Orange County, Jefferson County and Coastal Texas projects, and the status of current efforts to pursue policy changes in the Water Resources Development Act of 2024. Mr. Russo

reported on discussions with other entities that have similar concerns with the policies related to public land costs and environmental remediation and disposal procedures. Discussion ensued regarding the policies and opportunities for upcoming discussions with elected officials.

DISTRICT PROGRAM MANAGEMENT MATTERS AND PROPOSAL FOR BLACK RAIL SURVEYS, continued

The Board considered approving the proposal for black rail surveys as presented by Mr. Sallèse. After review and discussion, Director Ritter moved to approve and authorize execution of the proposal. Director Roccaforte seconded the motion, which passed unanimously.

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

Mr. Sims updated the Board on the Jefferson County Separable Element of Sabine Pass to Galveston Bay, including the status of projects underway and an upcoming bid advertisement. He reported on the status of environmental sampling, noting the report should be complete in the next two weeks. Mr. Sims reported that USACE has accepted the Texas Commission on Environmental Quality's process for handling environmental remediation and disposal for industrial property, noting he will provide the correspondence to the District upon receipt.

UPDATE FROM REGION 6 STATE FLOOD PLANNING GROUP

Director Bakko reported on the recent meeting of the Region 6 San Jacinto Regional Flood Planning Group, including a presentation from the Texas A&M Institute for a Disaster Resilient Texas on opportunities for collaboration with regional flood planning groups to apply the Infrastructure Resilience Planning Framework to regional flood planning efforts in the Houston Galveston Area. She discussed the stakeholder structure established for the effort, noting the District was not identified as a stakeholder.

SCHEDULE AND LOCATION FOR NEXT MEETING

Director Bechtel reported that the District's next meeting is scheduled for March 13th at 10:00 a.m. in Clear Lake.

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

At 11:47 a.m., Director Bechtel announced that the Board was convening in executive session pursuant to Section 551.071, Texas Government Code, to discuss legal matters related to the MOU.

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

At 12:02 p.m., Director Bechtel announced that the Board was convening in executive session pursuant to Section 551.074, Texas Government Code, to discuss employment matters. At 12:28 p.m., Ms. Sunstrum left the closed meeting and at 12:45 p.m., Ms. Sunstrum reentered the closed

meeting.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

At 12:59 p.m., Director Bechtel announced that the Board was reconvening in open session.

Director Ritter moved to authorize submittal of comments to USACE on the MOU, and authorize execution of same, subject to final review. Director Traweck seconded the motion, which passed unanimously.

Director Ritter then moved to authorize execution of a supplemental employment letter with the Executive Director as discussed. Director Bakko seconded the motion, which carried unanimously.

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.

ADJOURNMENT

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




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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