



Galveston County Drainage District # 2

Minutes of Board of Directors Regular Meeting

May 11, 2023

The Board of Directors (the "Board" or "Directors") of Galveston County Drainage District # 2 (the "District") met in regular session on the 11th day of May, 2023 at 4:01 p.m. in the meeting room of the District at 5000 F.M. 1765, LaMarque, TX, 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:

Wayne Hobgood	Director
Jack Ellison Jr.	Director
Angel Murphy	Director

All members of the Board were present, thus constituting a quorum. Also in attendance were Mr. Landry Cravens ("District Manager"), Ms. Monica A. Garza of Polley Garza PLLC, attorney for the District, Mr. Steve Haskins of Protocol Bookkeeping Inc., Mr. Stephen Wilcox, P.E. of Costello Inc., Ms. Eva Livy, RMO/Admin, Ms. Candace Warren, Office Administrator for the District, Mr. Dean Oliver, Operator for the District, and Detective Matthew Cypert. Other attendees included officials from the City of La Marque, TX – Mr. Cesar Garcia, City Manager, Mr. Dinh Ho, City Engineer, and Mr. Rick Saillor, Public Works Director. Also in attendance were various citizens of the District. 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 4:01 p.m. and declared it open for such business as may regularly come before it.

2. Public Comments:

Ms. C. Johnson stated that the City of LaMarque (the "City") will be adding larger pipes,

so the District will need to keep its money to upgrade its own water capacity. She stated that the City is running out of time to use the grant money awarded to them for this project. She asked the Board not to vote on giving the City this contribution.

Mr. R. Michetish stated that the City is about \$600k short of funding for the project City officials are here to speak about today. He also stated that the City is sitting on a considerable amount of money. He gave numerous examples of the money the City has available to them. He stated that if the District has the money to help and wants to, that's fine, but he wanted the Board to know the City should have the money available to fund this project.

3. **Old Business:**

There being no old business, Director Hobgood proceeded with New Business.

4. **New Business:**

- a) Regarding the Presentation from City of LaMarque - Mr. Cesar Garcia, City Manager, stated that this work will be done by the City whether the District participates or not. The City needs to do what is right for the citizens who live in the area. He stated that this project started right before Covid in 2019, but because of all the restraints due to Covid, the City wasn't able to move forward on this drainage project. In 2019, when this project started, the material was cheaper, along with labor. Now prices have increased substantially. Director Ellison Jr. asked Mr. Garcia if they reached out to the General Land Office and Galveston County about increasing funding. Mr. Garcia stated absolutely. He stated that the General Land Office is working with them. If the General Land Office funds more of the project or even all of it, Mr. Garcia stated he would reimburse the District any funds that may be given by the District. Director Murphy stated that she lives in this area, and she would want the Districts' engineer to weigh in on this project. Mr. Rick Saillor began explaining water flow from the Melody Lane Project. Mr. Dinh Ho, the City of LaMarque Engineer explained how the City wants to put in enlarged pipes and eventually tie into the District's Ditch 12 and then some of it will tie into the Texas Department of Transportation lines that have just been upgraded. After extensive discussions with the City officials and the Board, Director Hobgood thanked the City for coming to this meeting. He stated that the District is currently preparing a study for the Ditch 12 and 13 watersheds to further understand problems within those watersheds. As for his vote to assist the City, at this time, his vote would be no. Director Murphy stated that the District will have to modify our ditches from what the City does. Director Ellison Jr. stated the District needs to get its study completed first. Upon a motion by Director Hobgood, seconded by Director Ellison Jr., after full discussion with all Directors present voting aye, the Board decided not to make a contribution to the City of LaMarque at this time.

- b) Regarding the Approval of April 13th regular meeting minutes, March 8th regular meeting minutes and March 15th special meeting minutes – Director Murphy did not think that the citizens could read and understand the minutes of April 13th. She gave several examples of errors. Director Hobgood made a motion to approve the minutes of March 15th and table the minutes of April 13th and March 8th. Director Murphy seconded the motion.
- c) Regarding the Discussion of Election of Deputy/Assistant Secretary – Director Murphy expressed to the Board the need to elect a Deputy/Assistant Secretary and nominated Ms. Livy to take that position. Director Ellison Jr. stated that the District already has two admins in the office and that the District doesn't need a Deputy/Assistant Secretary. Ms. Garza stated the law allows the District to appoint a Deputy Secretary but it was the Board's discretion on whether it was necessary. Director Hobgood made a motion to table the election of a Deputy/Assistant Secretary. Director Ellison Jr. seconded it.
- d) Regarding the Discussion of Approval of Director Training – Director Murphy stated that if we do not keep maintaining accurate reporting on our ditches, we will lose out on the possibility to access federal funding if we should have an emergency or disaster. She also stated that doing things legally matter. Director Hobgood responded that if things are done illegally, it is the responsibility of our lawyer to point this out. The Districts' attorney is put in place to handle any legal issue that arises. After a brief discussion between all three Directors, Director Hobgood made a motion to table the discussion of approval of Director training until more was learned on this topic. Director Ellison Jr. seconded the motion.
- e) Regarding the Discussion on ADP Time Management System – Director Murphy inquired about an ADP time clock that was agreed upon months ago as being a good idea by both Director Murphy and Director Hobgood. Mr. Cravens stated that the District only has 5 employees and that the District already has strict protocols with regard to time management in place. It's been used in the 30 years Mr. Cravens has been employed here. Mr. Cravens verifies every employee's timecard every two weeks. He makes sure everyone clocks in and out and documents time off on these cards. He felt this was a manager's decision and a waste of \$130.00 each month. Director Hobgood stated this clock would eliminate the possibility of employees clocking other employees out and it's a safeguard. Director Hobgood made a motion to use the ADP Time Management System. Director Ellison Jr. stated that it doesn't make sense to have this system for \$130.00 a month. He agreed with Mr. Cravens. Director Hobgood made a motion to approve the ADP time clock and the motion was seconded by Director Murphy. Director Ellison voted against such motion.

5. Bookkeeper's Report:

- a) Regarding the Review of the Bookkeeper Report - Mr. Haskins went over his bookkeeper's report. This report will be attached with these minutes.
- b) Regarding the Approval from Board of Payments of Bills and Investments - On the payment of the Districts' bill, Director Hobgood made a motion to pay the bills as submitted and Director Murphy seconded the motion. At this time, the District does not have investments in place.
- c) Regarding the Approval from the Board of Money Market Transfer - Mr. Haskins asked the Board for the transfer amount of \$400k to cover the amount for the new excavator. Mr. Haskins stated he could now make money transfers online. Director Murphy stated that she would like to physically sign the Districts' transfer checks so that we can have a hard copy and a paper trail. Director Hobgood stated that he would like to have access to make these transfers online and written. Director Hobgood made a motion, and Director Murphy seconded, to authorize the transfer of \$400,000 from the Districts' money market account. Director Hobgood asked Mr. Haskins about our investments. Mr. Haskins stated he had not yet submitted the Application to Texas Class because he was waiting on signatures from the Board. Mr. Haskins stated he would get the documents signed before he left. He believed the information was here at the office. Director Hobgood stated that the District is missing out on increasing funds.

6. Engineer's Report:

- a) Mr. Wilcox stated there are no new developments. Ditches 12 and 13 are still progressing. Ditch 5 is making progress. He stated that he had started putting together an online map. Mr. Wilcox stated that our ditches will have enough capacity to take in any improvements that the City of LaMarque may make.

Director Hobgood began to discuss with Ms. Garza the attorney's bill. He had a problem with what he perceived as being double charged for preparation and revision of the March 8 minutes. Ms. Garza stated she would review the time entries in question and issue a credit on the next bill. Director Hobgood soon had to leave the meeting around 5:41 pm. So, Director Ellison Jr. led the rest of the meeting.

7) District Manager's Report:

- a) Regarding district property, facilities, infrastructure, vehicles, equipment, projects, developments, compliance, reporting, and personnel matters – Mr. Cravens stated that on the maintenance side we got Ditch 10 mowed through Carbide Park. We had tractor issues, so we used a slope mower and 6' ft. tractor and mowed all of Ditch 2. Mr. Cravens personally sprayed the McCartney rose bushes on Ditch 1. They completed

Ditch 3 and mowed Ditch 8A1 and 82. On the operating side, Mr. Cravens stated that we received the new excavator. Mustang Cat is outfitting it. They are working on a boom system for a new spray tank. Mr. Cravens stated that Dean Oliver and himself were working on acquiring rights of way in three different areas.

8) Attorney's Report:

- a) Regarding the Approval of Order Establishing District Fees of Office and Reimbursement policy – Ms. Garza stated that the Board needs to decide whether to approve the fees of office on a fiscal year basis or calendar year. She recommended the District follow a fiscal year basis, which is what has been referenced in the District's previous audits and how the bookkeeper tracks the Director's fees of office. Director Ellison Jr. wanted all three Board members to be present for this decision. Director Ellison Jr. made a motion to table this and it was seconded by Director Murphy.
- b) Regarding the Approval for Consent to Assignment of Legal Services Agreement - Ms. Garza stated that she and Jon Polley have left the firm of Radcliffe Bobbitt Adams Polley PLLC ("RBAP") and have established the firm of Polley Garza PLLC ("PG"). Ms. Garza stated the District's current Legal Services Agreement is with RBAP and that RBAP has consented to the Assignment of such Agreement to PG, if the District desires to continue working with PG. She stated that nothing has changed because of the new firm and that the agreement will stay the same. She has requested that the contract be signed by the Board if we are interested in continuing with their firm. Director Murphy wants an addendum to be attached listing the services they will provide because some items were taken from the original agreement. Ms. Garza clarified that the Legal Services Agreement lists services her firm could potentially do, but it doesn't mean that they will do all that was listed. Director Ellison Jr. agreed to use Polley Garza PLLC. Director Ellison Jr. made a motion to approve the Consent to Assignment of Legal Services Agreement with PG and it was seconded by Director Murphy.

9) Director's Reports:

- a) Director Murphy stated she will be attending classes related to Emergency Management. Director Ellison Jr. stated that she can attend those classes right here in Galveston County. He also provided her with the name and phone number of an employee with the Galveston County Office of Emergency Management. Director Ellison Jr. reiterated to Mr. Cravens to make sure the ditches are taken care of because of hurricane season coming up.

5) Bookkeeper's Report, continued:

Director Ellison made a motion to approve payment of the bills presented by Mr. Haskins. Director Murphy seconded the motion.


10. Executive Session:

Due to one Board member not being present, the executive session was not held.

11. Adjournment

There being no further business the meeting was adjourned. The time was 6:01 p.m.

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



Director

