

MINUTES
FIRST COLONY LEVEE IMPROVEMENT DISTRICT
OF FORT BEND COUNTY, TEXAS

March 20, 2017

The Board of Directors (the "Board") of First Colony Levee Improvement District of Fort Bend County, Texas (the "District"), convened in regular session, open to the public, on the 20th day of March, 2017, outside the boundaries of the District, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, 77027, and the roll was called of the members of the Board:

Scott Jacobson	President
Richard E. Sherrill	Vice President/ Assistant Secretary
Debra Coffman	Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Bob Leared of Bob Leared Interests, Inc.; Michelle Harris of Municipal Accounts & Consulting, L.P.; David Beyer of Storm Water Solutions, LP ("SWS"); Greg Frank of Costello, Inc. ("Costello"); and Angela Lutz and Hope Jeffers of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the regular Board meeting of January 23, 2017. Following review and discussion, Director Jacobson made a motion to approve the minutes as presented. Director Sherrill seconded the motion, which carried unanimously.

PUBLIC COMMENTS

Director Jacobson opened the meeting for public comments, and seeing no members of the public present, he closed the public comments portion of the meeting.

BOOKKEEPER'S REPORT

Ms. Harris distributed and reviewed the bookkeeper's report, including the list of checks presented for approval and the summary of investments. Copies of the bookkeeper's report and the summary of investments are attached. She also requested the Board approve check no. 3781 payable to the United States Treasury for payroll taxes and check no. 3782 in the amount of \$285.09 payable to Director Jacobson for per diem payments. Following review and discussion, Director Sherrill moved to approve the bookkeeper's report, the summary of investments, and payment of the bills,

including the additional checks. Director Coffman seconded the motion, which passed unanimously.

DISCUSS MEMBERSHIP IN THE ASSOCIATION OF WATER BOARD DIRECTORS AND ATTENDANCE AT THE ASSOCIATION OF WATER BOARD DIRECTORS SUMMER CONFERENCE

Ms. Lutz discussed the Board’s option to join the Association of Water Board Directors (“AWBD”) as an additional way of earning continuing education credits. Following discussion, the Board did not take any action to join AWBD.

TAX ASSESSOR/COLLECTOR’S REPORT

Mr. Leared distributed and reviewed the tax assessor/collector’s reports for the months of January and February, 2017, copies of which are attached. Following review and discussion, Director Jacobson made a motion to approve the tax assessor/collector’s report. Director Coffman seconded the motion, which carried unanimously.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board reviewed a Resolution Concerning Exemptions from Taxation. They discussed the optional exemptions, including a general residential homestead exemption, an exemption of travel trailers, and a homestead exemption for disabled persons or persons over 65 years of age. The Board noted that the District currently grants a \$20,000 homestead exemption for disabled persons or persons over 65 years of age last year.

After review and discussion, Director Jacobson moved to adopt the Resolution Concerning Exemptions from Taxation (the “Resolution”), reflecting that the Board of Directors rejects a general residential homestead exemption, rejects any exemption of travel trailers from ad valorem taxation, and grants a \$25,000 homestead exemption for disabled persons or persons over 65 years of age, and directed that the Resolution be filed appropriately and retained in the District’s official records. Director Sherrill seconded the motion, which passed by unanimous vote.

MS4 STORM WATER MANAGEMENT PLAN

Mr. Beyer distributed and reviewed the Year 3 annual report for the District’s MS4 Storm Water Management Plan (the “SWMP”), a copy of which is attached. He then distributed and reviewed Year 4 goals for the SWMP and a public education mailer regarding elicit discharges, copies of which are attached. Director Coffman requested Mr. Beyer add coordination with the City of Missouri City’s ordinances as they relate to the SWMP to the Year 4 goals. Following review and discussion, Director Jacobson

made a motion to approve the Year 3 annual report for the SWMP and authorize submittal to the Texas Commission on Environmental Quality. Director Coffman seconded the motion, which carried unanimously.

OPERATOR'S REPORT

Mr. Beyer presented and reviewed the operator's report regarding general mowing, maintenance, weather watch, and turf management, a copy of which is attached.

Mr. Beyer reported the sluice gates are over torqued when they reach approximately 85% and presented and reviewed a quote from Rotork Site Services for the repair work in the amount of \$1,307, a copy of which is included in the operator's report. The Board noted the operator has previously been authorized to make non-emergency repairs under \$5,000 and emergency repairs without Board approval. Further, the Service Agreement with SWS defined sluice gate repair as an emergency.

Mr. Beyer stated Mr. Thelen continues to monitor the homeowners' drainage pipes that drain onto the east levee causing erosion and stated some homeowners have already made the necessary modifications.

Mr. Beyer provided a copy of the monthly shared perimeter levee report, which is included in the operator's report. Mr. Beyer reported on conversations with Mike Stone Associates regarding the lack of completed perimeter reports from other participating levee districts. The Board discussed discontinuing participation in the perimeter levee report if all participants agree to the same. No decision was reached regarding this matter.

Ms. Lutz provided the Board with a disclosure regarding ABHR's dual representation of the District and Fort Bend County Levee Improvement District No. 2 ("LID 2") in connection with the agreement for storage of the District's generator at LID 2's pump station, and she stated the Board may choose to obtain outside counsel to review the agreement.

After review and discussion, Director Coffman made a motion to approve the report on operations and turf management, to direct the operator to proceed with the repair to the sluice gate, and to accept the disclosure from ABHR regarding dual representation of the District and LID 2 regarding the agreement for storage of the District's generator. Director Jacobson seconded the motion, which passed unanimously.

EASEMENTS AND DEEDS

There were no easements or deeds for the Board's approval.

ENGINEER'S REPORT

Mr. Frank distributed and reviewed a report regarding engineering matters, a copy of which is attached. He discussed ongoing District business as detailed in the report.

Mr. Frank had no update to report regarding First Colony Municipal Utility District No. 9's ("MUD 9") maintenance of the Ditch "B" outfall.

Mr. Frank updated the Board regarding the closure of Fort Bend County Municipal Utility District No. 46's ("MUD 46") levee facilities along State Highway 6 due to elevation concerns. He stated the final report was presented to MUD 46 and the Fort Bend County Drainage District ("FBCDD"), and the FBCDD will begin scheduling meetings with other affected entities to discuss participation and cost sharing options. Mr. Frank noted that he would provide a copy of the final report to the Board of Directors and all District consultants.

Mr. Frank stated he is still preparing the exhibit needed for the Interlocal Agreement with the City of Missouri City (the "City") for the repair of the swale damage caused by the City's trail culvert design.

Mr. Frank stated he still intends to provide the Board of Directors with a map of all the perimeter levees in both electronic and paper format.

Following review and discussion, Director Jacobson made a motion to approve the engineer's report with no action items. Director Coffman seconded the motion, which carried unanimously.

FORT BEND FLOOD MANAGEMENT ASSOCIATION ("FBFMA") MEETINGS AND UPDATES AND NATIONAL FLOOD INSURANCE PROGRAM ("NFIP") LEGISLATION

Director Coffman discussed her attendance at the Texas Water Day conference in Washington D.C. hosted by the Texas Water Conservation Association, and she distributed and reviewed a summary of meetings she attended. A copy of her summary is attached.

Director Coffman stated she plans to attend the Association of State Flood Plain Managers conference in Kansas City, Missouri on April 30- May 5, 2017.

The Board noted the next Sugar Stone perimeter meeting is on April 11, 2017.

Ms. Lutz announced the FBFMA 7th Annual Flood Risk Management Symposium will be held on April 21, 2017, and urged the Board members to register online to attend.

Ms. Lutz distributed and reviewed proposed House Bill 3789, which she explained proposes to modify the process for converting levee director positions from appointed to elected positions. A copy of the proposed bill is attached.

Discussion ensued regarding the U.S. Army Corps of Engineers (the "Corps") rehabilitation and inspection program ("RIP"), and Ms. Lutz noted that although the District has submitted its application to be included in the RIP program, it has not received a final letter of approval from the Corps, nor has any other levee District in Fort Bend County to her knowledge. She noted Fort Bend County has an internal levee inspection process in place, and the County's Drainage District engineer inspects and provides a report on several Fort Bend County levees per year.

PARTICIPATION IN SYSTEMS RISK ANALYSIS STUDY

The Board discussed the systems risk analysis study proposed to be conducted by HR Wallingford at the request of LID 2. Director Jacobson distributed and reviewed a summary he prepared regarding his meeting with the Fort Bend County Judge, and Director Coffman distributed and reviewed a summary she prepared regarding the proposed study. Copies of both summaries are attached. Discussion ensued regarding participation and cost sharing among the proposed participant districts. Following review and discussion, Director Sherrill made a motion not to participate in the risk analysis study. Director Jacobson seconded the motion, which carried unanimously.

EMERGENCY ACTION PLANNING


Mr. Frank stated he intends to notify Fort Bend County he has no updates to report on the Emergency Action Plan ("EAP"). Ms. Lutz asked for a copy of the electronic correspondence between the District and Fort Bend County regarding no updates to the EAP for the District's records.

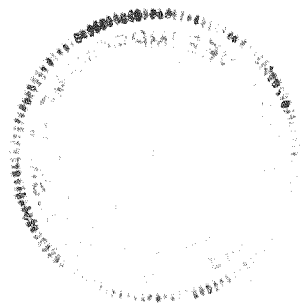
The Board concurred to meet next on May 15, 2017.

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

(SEAL)




Secretary, Board of Directors



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