

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

July 17, 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 17th day of July, 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 Mark McGrath of McGrath & Co., PLLC ("McGrath"); Brenda McLaughlin of Bob Leared Interests, Inc.; Derek Davenport of Municipal Accounts & Consulting, L.P.; Mike Thelen 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 special Board meeting of January 10, 2017, and the regular Board meeting of May 15, 2017. Following review and discussion, Director Jacobson made a motion to approve the minutes as presented. Director Coffman 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.

AUDIT FOR FISCAL YEAR ENDING JULY 31, 2017

Mr. McGrath requested the Board authorize McGrath to begin preparation of the audit for the fiscal year ending July 31, 2017, for an estimated cost of \$8,750. Following discussion, Director Coffman made a motion to authorize McGrath to begin preparation of the audit. Director Jacobson seconded the motion, which carried unanimously.

BOOKKEEPER'S REPORT

Mr. Davenport 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. Following review and discussion, Director Sherrill moved to approve the bookkeeper's report, the summary of investments, and payment of the bills. Director Jacobson seconded the motion, which passed unanimously.

BUDGET FOR FISCAL YEAR ENDING JULY 31, 2018

Mr. Davenport presented and reviewed the proposed budget for the fiscal year ending July 31, 2018. Following review and discussion, Director Jacobson made a motion to adopt the budget as presented. Director Coffman seconded the motion, which carried unanimously.

TAX ASSESSOR/COLLECTOR'S REPORT AND ASSIGNMENT AND ASSUMPTION AGREEMENT

Ms. McLaughlin distributed and reviewed the tax assessor/collector's reports for the months of May and June, 2017, copies of which are attached. She then presented an Assignment and Assumption of Agreement for Services of Tax Assessor and Collector (the "Assignment"). Ms. McLaughlin distributed and reviewed a report on delinquent tax collections from Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"), a copy of which is attached. Following review and discussion, Director Jacobson made a motion to approve the tax assessor/collector's report, the report from Perdue, and the Assignment and to direct that the Assignment be filed appropriately and retained in the District's official records. Director Sherrill seconded the motion, which carried unanimously.

AUTHORIZE ABHR TO REQUEST RENEWAL OF DIRECTOR'S TERM OF OFFICE FROM FORT BEND COUNTY COMMISSIONERS COURT

Ms. Lutz reviewed a Resolution Requesting Commissioners Court of Fort Bend County to Appoint a Director to the Board of Directors for the District requesting that Director Coffman be appointed for a new term to expire on October 6, 2021. Following review and discussion, Director Jacobson made a motion to approve the resolution and to authorize ABHR to request renewal of Director's term from the Fort Bend County Commissioners Court. Director Sherrill seconded the motion, which carried unanimously.

MS4 STORM WATER MANAGEMENT PLAN

There was no discussion regarding the District's MS4 Storm Water Management Plan.

ANNUAL WRITTEN REPORT FROM OPERATOR AND ENGINEER

Mr. Frank and Mr. Thelen did not present a written annual report. Discussion ensued regarding the timeline for the annual written report, and the Board requested this item be added to the agenda annually in January.

OPERATOR'S REPORT, INCLUDING TERMINATE OPERATING AGREEMENT AND ENGAGE LID SOLUTIONS, LLC FOR LEVEE OPERATIONS

Mr. Thelen presented and reviewed the operator's report regarding general mowing, maintenance, weather watch, and turf management, a copy of which is attached. Mr. Thelen reported on SWS staff emergency management training completed.

Mr. Thelen stated SWS has formed a new company, LID Solutions LLC ("LID Solutions"), to handle levee district operations. He requested the Board terminate its current Operation and Maintenance Service Contract with SWS and engage LID Solutions at a monthly base fee of \$1,750. He noted SWS will still handle all storm water quality related services under the SWS's storm water quality consulting service agreement.

Mr. Thelen updated the Board regarding repairs to the homeowners' drainage pipes that drain onto the east levee causing erosion. He reported that of the seven properties in need of repair, two residents have completed the repairs and one is in progress.

Mr. Thelen reviewed the monthly shared perimeter levee report, which is included in the operator's report.

Mr. Thelen updated the Board regarding 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. He presented a revised proposal for the repair from Camino Services in the amount of \$20,400, a copy of which is attached, which he noted excludes the cost of the pipe pursuant to the City's request that they purchase the pipe themselves. Ms. Lutz noted the engineer should not authorize the repair work to proceed until the City agrees to the Interlocal Agreement for cost sharing. Mr. Frank and Mr. Thelen stated they will continue to follow up with the City regarding approval of the Interlocal Agreement.

Mr. Thelen stated the Federal Emergency Management Agency ("FEMA") is processing the claim for costs of services during the April and May, 2016 flood events, and he provided a related form from FEMA to the bookkeeper for completion.

Ms. Lutz reviewed a Conveyance and Bill of Sale of Generator for the purchase of the District's 120/230 volt portable generator by LID Solutions, the consideration for which is \$625 and the District's sole priority of use of the generator at any and all time.

After review and discussion, Director Coffman made the following motion: (1) to approve the report on operations and turf management; (2) to terminate the Operation and Maintenance Service Contract with SWS, to engage LID Solutions, and approve the Operation and Maintenance Service Contract with LID Solutions, subject to final review and approval by ABHR; (3) to approve the revised proposal from Camino Services in the amount of \$20,400 for repair of the swale damage caused by the City's trail culvert design upon the City executing the Interlocal Agreement; and (4) to approve the Conveyance and Bill of Sale of Generator. Director Sherrill 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 Fort Bend County Drainage District ("FBCDD") will begin scheduling meetings with all affected entities to discuss participation and cost sharing options.

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 Sherrill reported on the most recent perimeter levee meeting. He reported it is expected that the District's levee will be certified as "marginally acceptable" by the United States Army Corps of Engineers (the "Corps"). Discussion ensued. Ms. Lutz stated that until the District receives written approval from the Corps, the District is not included in the Rehabilitation and Inspection Program (RIP).

Director Sherrill stated the tour of the perimeter levee is scheduled for October 10, 2017, or October 17, 2017 if it is cancelled due to bad weather. He stated the next meeting of the FBFMA is August 11, 2017.

EMERGENCY ACTION PLANNING

Mr. Frank stated he had nothing to report regarding this item.

REPORT REGARDING LEGISLATIVE MATTERS

Ms. Lutz distributed and reviewed the Capitol Report prepared by ABHR summarizing the 85th Regular Legislative Session, a copy of which is attached.

The Board concurred to meet next on September 18, 2017.

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

(SEAL)



M. Toyman
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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