

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

May 15, 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 15th day of May, 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 Robin Goin of Bob Leared Interests, Inc.; Michelle Harris 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 July 12, 2016 and the regular Board meeting of March 20, 2017. Following review and discussion, Director Coffman 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. Ms. Harris noted Director Sherrill has reached his maximum allowable fees of office for the year and she voided check no. 3784 for his most recent per diem payment. She then requested the Board approve check no. 3792 in the amount of \$138.52 payable to Director Jacobson for a per diem payment for May 12, 2017. Following review and discussion, Director Jacobson moved to approve the bookkeeper's report, the summary of investments, and

payment of the bills, including the additional check. Director Sherrill seconded the motion, which passed unanimously.

BUDGET FOR FISCAL YEAR ENDING JULY 31, 2018

Ms. Harris presented and reviewed a draft budget for the fiscal year ending July 31, 2018. Director Jacobson requested she increase the capital reserve fund line item to \$4,000,000. Mr. Frank requested Ms. Harris review the contract maintenance line item, which he stated may be too low. Ms. Harris requested the Board and consultants review the draft budget and provide any additional comments or revisions to her prior to the next meeting.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Goin distributed and reviewed the tax assessor/collector's reports for the months of March and April, 2017, copies of which are attached. She reported the preliminary value for the 2017 tax year is \$1,375,268,934. Ms. Goin also distributed a tax rate comparison and map of surrounding Districts, a copy of which is 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.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTIONS

Ms. Lutz stated the delinquent tax attorney can begin collection of delinquent taxes on July 1, 2017. Following discussion, Director Jacobson made a motion to authorize the delinquent tax attorney to proceed with collections on July 1, 2017. Director Coffman seconded the motion, which carried unanimously.

ADOPT RESOLUTION NOMINATING CANDIDATE FOR BOARD OF DIRECTOR ELECTION FOR FORT BEND CENTRAL APPRAISAL DISTRICT

Ms. Lutz stated the Board can nominate a candidate to serve on the Board of Directors for the Fort Bend Central Appraisal District. Following discussion, the Board concurred not to nominate a candidate.

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 requested the Board table this item.

OPERATOR'S REPORT

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 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, one resident has completed the repairs and one is in progress.

Mr. Thelen reviewed the monthly shared perimeter levee report and stated it has been provided to Mike Stone Associates for distribution to other participating levee districts. Director Coffman stated that at the last perimeter levee meeting the participants concurred the reports should be provided to the perimeter levee group participants on a monthly basis and discussed as a group at the quarterly meeting.

Mr. Thelen presented and reviewed a proposal from Camino Services for the repair of the swale damage caused by the City of Missouri City's (the "City") trail culvert design in the amount of \$23,655.00. Mr. Frank noted the City agreed to restore and install the granite path themselves, and the Board requested Mr. Thelen obtain a revised proposal to remove the granite line item in the amount of \$1,650. Ms. Lutz noted the engineer should not authorize the repair work to proceed until the City agrees to the Interlocal Agreement for cost sharing. She stated that the revised proposal from Camino Services will be an exhibit to the Interlocal Agreement.

Mr. Thelen reported two SWS staff members are in the process of completing National Incident Management System ("NIMS") training certifications. Discussion ensued regarding emergency training for directors and consultants.

Ms. Lutz updated the Board regarding the proposed agreement with Fort Bend County Levee Improvement District No. 2 ("LID 2") for storage of the District's generator at LID 2's pump station. She stated LID 2 did not approve of the agreement. Mr. Thelen proposed SWS purchase the District's generator and manage its storage. In response to the Board's inquiries, he assured the Board that the District will receive first priority use of generator if they sell it to SWS. He stated that if the Board is agreeable, he will deduct the original cost of the generator from SWS's next invoice for operations of the District.

After review and discussion, Director Jacobson made the following motion: (1) to approve the report on operations and turf management; (2) to approve the proposal from Camino Services for repair of the swale damage caused by the City's trail culvert design, subject to removal of the line item for granite; and (3) to authorize the sale of the

District's generator to SWS in exchange for receiving a first priority usage guarantee from SWS. Director Coffman 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 in January 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. He stated the approximate cost of the project is \$15,000,000.

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 FBFMA meeting, which he stated focused on increasing district membership and possibly restructuring the way membership dues are calculated. He noted Fort Bend County Commissioner Patterson strongly encourages district participation in FBFMA. Director Coffman distributed a recommendation prepared by Commissioner Patterson for calculating dues based on each district's assessed value, a copy of which is attached.

Ms. Lutz stated the conference for the National Association of Flood & Stormwater Management Agencies will be in Charleston, South Carolina on June 26-29, 2017.

The Board concurred to meet next on July 17, 2017.

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

D.M. Gajman
Secretary, Board of Directors

(SEAL)



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