

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

September 18, 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 18th day of September, 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 members of the public as listed on the attached attendance roster; Rick Ramirez of the City of Sugar Land; Anthea Moran of FirstSouthwest, a division of Hilltop Securities ("FirstSouthwest"); Robin Goin of Bob Leared Interests, Inc.; Michelle Harris and Derek Davenport of Municipal Accounts & Consulting, L.P.; Mike Thelen and Jason Klump of LID Solutions, LLC ("LID Solutions"); 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 April 11, 2017 and the regular Board meeting of July 17, 2017. Following review and discussion, Director Sherrill made a motion to approve the minutes as presented. Director Jacobson seconded the motion, which carried unanimously.

PUBLIC COMMENTS

Director Jacobson welcomed those members of the public who were in attendance and introduced each Board member. He generally discussed Hurricane Harvey and the operation of the District and announced that a town hall meeting will be scheduled in the coming weeks. Director Jacobson then opened the meeting for public comments.

Residents of the District addressed the Board regarding various topics related to Hurricane Harvey (the "Hurricane"). The residents who spoke included Mr. Ziad Chbeir, Mr. Richard Patience, Mr. Jitesh Kawedia, Ms. Aracely Gonzalez, Mr. David

Cayll and Ms. Magna Cayll, Ms. Paige Hassall, Mr. Lynn Crawford, Ms. Kamojna (Yona) P-Naik, Ms. Marilyn Strong, Mr. Javier Janer, and Ms. Mylla Marvin. Their comments included the following topics: the meeting schedule and agenda postings; communication among the Board of Directors, the District's consultants, the homeowners association, and the various jurisdictions within Fort Bend County; communication among the levee districts; distribution of information during the Hurricane to residents; social media during the Hurricane; the decision making process for the mandatory evacuation issued by Fort Bend County; evacuation procedures; evacuation and communication issues among elderly residents; lack of shelters for evacuation; creation of a District website; concerns regarding drainage in Fort Bend County Levee Improvement District Nos. 15 and 19 and effects on the District; and emergency preparation and planning. The Board then responded to comments from the residents.

Director Jacobson urged residents to review the Fort Bend County Office of Emergency Management ("FBOEM") website during emergency events rather than relying on social media for information. He recommended residents register online for the FBOEM email updates. Director Coffman noted that during the Hurricane, the District's engineer, operator, attorney, Board members, and Fort Bend County representatives were all in frequent communication. She also reviewed various training and emergency preparation exercises in which the Board members and District's consultants participate. She noted that Director Sherrill serves on an emergency preparation committee within the Fort Bend Flood Management Association.

Mr. Frank responded to inquiries from the residents regarding his recommendation for a mandatory evacuation and communication among levee district engineers and operators.

Director Jacobson closed the public comments portion of the meeting.

HURRICANE HARVEY RELATED MATTERS AND APPLICATIONS FOR FINANCIAL ASSISTANCE

Mr. Frank distributed and reviewed a written summary of the performance of the District's facilities during the Hurricane, a copy of which is included in the engineer's report. He said the Brazos River crested at 55.2 feet. He reviewed storm drainage and flow in various areas of the District and the methodology used to open and close the District's sluice gates. He noted gravity drainage was restored in the District by August 30, 2017, which was approximately the 5th day of the Hurricane.

In response to an inquiry from Director Coffman, Mr. Frank reviewed the mechanics and design of the flap gates and sluice gates. He noted that the District can store approximately 14 inches of storm water when the flap gates are closed. Mr. Frank

explained sluice gates are designed to use as a back-up gate in the event the flap gates get jammed in the open position. In such event, the operator may choose to close the sluice gate to prevent backflow into the District. He noted the gravity system performed as it was designed.

Ms. Lutz stated Fort Bend County has requested all districts complete a mitigation project form to assist with obtaining grant funds for projects that could prevent damage to facilities and homes during future flood events. She requested Mr. Frank and Mr. Thelen complete the form and return it to Fort Bend County.

The Board discussed scheduling the town hall meeting, and concurred to hold the meeting at a school in the District at 6:30 p.m. on either October 16, 17, 24, or 30th. Ms. Lutz stated ABHR will coordinate the meeting and notify the District's consultants and residents when the date and location is determined.

BOOKKEEPER'S REPORT

Ms. Harris distributed and reviewed the bookkeeper's report, including the list of checks presented for approval and the quarterly investment report. Copies of the bookkeeper's report and the quarterly investment report are attached. She requested the Board approve check no. 3823 in the amount of \$282.04 payable to Director Sherrill for fees of office for meetings attended on August 15 and 27, 2017, which she stated is not reflected in the bookkeeper's report. Director Jacobson noted the Board previously voted to place \$5 million in the capital outlay reserve fund and requested Ms. Harris revise the District's budget accordingly. Ms. Harris announced that today would be her last time to attend a meeting as the District's bookkeeper, and the Board thanked her for her service to the District. Following review and discussion, Director Jacobson moved to approve the bookkeeper's report, the quarterly investment report, and payment of the bills, including check no. 3823. Director Coffman seconded the motion, which passed unanimously.

DISCUSS RENEWAL OF DISTRICT'S INSURANCE POLICIES

Ms. Lutz notified the Board that the District's insurance policies with Harco Insurance Services will expire on December 31, 2017, and inquired if the Board would like to seek additional proposals at this time. Following discussion, the Board concurred not to seek additional proposals.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Goin distributed and reviewed the tax assessor/collector's reports for the months of July and August, 2017, copies of which are attached. Following review and discussion, Director Coffman made a motion to approve the tax assessor/collector's report. Director Jacobson seconded the motion, which carried unanimously.

2017 TAX RATE

Ms. Moran reviewed FirstSouthwest's 2017 maintenance and operation tax rate recommendation, a copy of which is attached. In response to an inquiry from Director Coffman, Ms. Goin stated 831 residents claimed the over 65 exemption in 2016 and 823 residents claimed the exemption in 2017. Ms. Moran stated the District is required to publish the proposed tax rate in a newspaper that has general circulation in the District, which also notifies the public of the date of the public hearing regarding the adoption of the tax rate. After review and discussion, Director Jacobson moved to set the public hearing date to adopt a proposed tax rate of \$0.15 per \$100 of assessed valuation and authorize the tax assessor/collector to publish a notice of the Board meeting on October 16, 2017, in the *Fort Bend Independent*. The motion failed due to lack of a second vote. Director Jacobson then moved to set the public hearing date to adopt a proposed tax rate of \$0.1462 per \$100 of assessed valuation and authorize the tax assessor/collector to publish a notice of the Board meeting on October 16, 2017, in the *Fort Bend Independent*. 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.

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 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, three residents have completed the repairs. Following discussion, the Board directed ABHR to send a second notice to the remaining four residences notifying them that a cap will be placed on the pipe if repairs are not made by November 1, 2017.

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

Director Coffman requested Mr. Thelen investigate a report from a resident of a downed tree close to the levee at Oyster Creek.

Discussion ensued regarding conducting the annual tour of the District's levee facilities in order to locate and resolve any Hurricane debris or facility damage, if any,

as soon possible. Following discussion, the Board concurred to hold its annual levee tour on September 29, 2017 at 8:00 a.m.

After review and discussion, Director Coffman moved to approve the report on operations and turf management. 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 Fort Bend County Drainage District ("FBCDD") will begin scheduling meetings with all affected entities to discuss participation and cost sharing options. He noted that the design plans may change as a result of the Hurricane.

Mr. Frank discussed 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 stated he met with the City and will provide a revised cost estimate to LID Solutions.

Mr. Frank stated he will review and update the District's Emergency Action Plan with respect to the Hurricane.

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

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

Ms. Lutz stated the FBFMA is urging previous members to re-join the FBFMA. She reported that at its last meeting, the FBFMA approved retaining the lobbyist, Husch Blackwell, for the remainder of the year in connection with the National Flood

Insurance Program ("NFIP") reauthorization. The Board generally discussed the NFIP in the aftermath of the Hurricane.

Director Coffman requested the Board consider updating the District's brochure. Ms. Lutz discussed a communications service offered by Classic Messaging. Ms. Lutz stated she will include communication matters, including brochure planning, Classic Messaging, and a proposal for a District website on the next agenda.

The Board requested ABHR and the tax assessor's office coordinate the mailing a notice to all residents announcing the upcoming town hall meeting.

Director Sherrill reported the tour of the perimeter levee system is scheduled for October 10, 2017, or October 17, 2017, in the event of bad weather.

EMERGENCY ACTION PLANNING

Ms. Lutz stated an Open Records Request was made pursuant to the Texas Public Information Act requesting a copy of the District's Emergency Action Plan (the "EAP"). She noted she is filing a brief with the Attorney General requesting the EAP be declared a confidential document.

Ms. Lutz noted the engineer and operator should review the EAP as compared to actual performance during the Hurricane to determine if any changes need to be made to the EAP.

SPECIAL MEETING SCHEDULE, ITEMS FOR NEXT MEETING AND 2017 REGULAR MEETING SCHEDULE

The Board concurred to meet as their next regular meeting on October 16, 2017.

Ms. Lutz distributed a memorandum regarding website procedures and a proposal from Off Cinco for website creation and administration services, copies of which are attached. She requested the Board review these items for discussion at the next meeting.

Director Jacobson discussed traffic issues during the Hurricane at the road leading to the outfall structure and requested Mr. Thelen prepare a proposal for purchase and installation of road barriers to be used in emergency situations.

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

M. M. Foxman
Secretary, Board of Directors

(SEAL)



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