

**FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 14**

**INFORMATION KIT**

**TABLE OF CONTENTS**

District Overview (Fact Sheet)	1
District Bond Issuance History (Fact Sheet)	4
What is a Levee Improvement District or LID?	5
How and when was the District created?	5
Who are our customers and what area do we serve?	5
What services does the District provide for its residents?	6
What emergency plans does the District have?	6
How does the District fund its projects?	6
Who manages the District?	7
Who assists in the operation of the District?	8
How can I contact the District?	11

**FACT SHEET: DISTRICT OVERVIEW**

**JANUARY 1, 2018**

**District Mailing Address and Telephone Number**

Fort Bend County Levee Improvement District No. 14  
c/o Allen Boone Humphries Robinson LLP  
3200 Southwest Freeway, Suite 2600  
Houston, Texas 77027  
(713) 860-6400

**Public Information Officer/Media Contact**

Ms. Angela Lutz  
Allen Boone Humphries Robinson LLP  
3200 Southwest Freeway, Suite 2600  
Houston, Texas 77027  
(713) 860-6470

**Emergency Contact**

Mr. Jeff Perry  
Levee Management Services, LLC  
1650 Hwy 6 South, Suite 430  
Sugar Land, TX 77478  
(281) 240-6454

**Date of Creation**

July 2, 1996

**Size of District**

- Original size of District at creation: 210.624 acres
- 217.724 acres annexed September 10, 1996
- 138.468 acres annexed December 10, 1996
- Current size of District: 566.816 acres

**Bond History**

\$16,525,000 in bonds have been authorized by the voters and, as of January 1, 2018, \$8,535,000 have been issued and sold, which are fully paid in 2024, and \$7,990,000 remains authorized but unissued. \$9,915,000 in refunding bonds have been authorized by the voters and as of January 1, 2018, \$9,369,960.05 remains authorized but unissued. For additional information, please see separate section entitled, “How does the District fund its projects?” and separate fact sheet entitled, “District Bond Issuance History.”

**Tax Rate**

The tax rate has declined from a rate of \$0.66/\$100 in assessed value for 1997, to \$0.195/\$100 in assessed value for 2017. For additional information, please see separate section entitled, “How does the District fund its projects?”

**Subdivisions Served**

- Waters of Avalon
- Gardens of Avalon
- Villages of Avalon
- Meadows of Avalon
- Enclave at Waters of Avalon
- Brazos Landing

**Directors**

Jeffrey Anderson	President
Sujeeth Draksharam	Vice President/ Assistant Secretary
Herbert Krog	Secretary/ Assistant Vice President

This is a list by name. For more complete information, please see separate sections entitled “Who manages the District”? and “How can I contact the District”?

**Notable District Projects and Accomplishments**

The District has a weather station that is tied in with other levee improvement districts and the City of Sugar Land’s information website. The weather station is monitored by the District’s operator, Levee Management Services, LLC, and by the City of Sugar Land. In the event of a problem or high reading at the weather station, representatives of Levee Management Services, LLC are contacted.

On December 30, 2009, FEMA issued a letter to the District indicating that the levee certification was accepted and the District’s levee system is shown as providing

protection from the base flood on the Flood Insurance Rate Maps for the Brazos River flood plain. The District's levee system meets or exceeds the freeboard requirements for both FEMA and Fort Bend County.

The District completed rehabilitation to the District's stormwater pump station building in 2013. The work included replacement of the District's existing diesel generator with a natural gas generator. The generator will improve reliability during emergency events since the District will have a more reliable fuel source in natural gas. The District also made improvements to the building which houses the motor control center to withstand wind speeds of up to a Category 3 hurricane. Additional space also was added for storage of emergency supplies. Finally, the District replaced the overhead power transformer with a pod-mounted transformer to further improve reliability of the storm water pump station facility.

The District installed a bridge crane system at the pump station to assist with inserting stop logs to prevent flooding in high water situations. In addition, the District purchased four sets of aluminum stop logs.

#### *Additional Information*

Pipeline easements are located within the District. The contact information is as follows:

Atmos Energy

Pipeline Operations Specialist: Louis Moya

Office: (281) 371-4004

Mobile: (281) 924-8932

Dow Pipeline Company

Field Technician: Robbie Carr

Office: (713) 654-3627

Mobile: (979) 292-9027

**FACT SHEET: DISTRICT BOND ISSUANCE HISTORY**

District voters have authorized a total of \$16,525,000 of bonds for the purpose of acquiring, constructing, repairing, improving and expanding levees and other drainage facilities within the District. Thus far, the following bonds have been issued:

<u>Series</u>	<u>Type Issued</u>	<u>Amount</u>
1999	Unlimited Tax Levee Improvement Bonds	\$2,550,000
2000	Unlimited Tax Levee Improvement Bonds	\$2,465,000
2001	Unlimited Tax Levee Improvement Bonds	\$3,520,000

District voters have authorized a total of \$9,915,000 of refunding bonds and thus far, \$360,000 of such authorization has been used to issue the following refunding bonds:

<u>Series</u>	<u>Type Issued</u>	<u>Amount</u>
2005	Unlimited Tax Levee Improvement Refunding Bonds	\$4,060,000
2012	Unlimited Tax Levee Improvement Refunding Bonds	\$1,815,000
2014	Unlimited Tax Levee Improvement Refunding Bonds	\$2,810,000

## WHAT IS A LEVEE IMPROVEMENT DISTRICT OR LID?

Levee improvement districts, or “LIDs,” are created to help provide flood protection to residents who are not served by a city or county. To accomplish the purposes for which they are created, LIDs are authorized by law to purchase, construct, own, operate and maintain all facilities necessary to provide drainage and flood control for the land within their boundaries. In connection with providing services, a LID adopts rules for the services it provides, enters into contracts for goods and services, incurs debt, and levies taxes to pay its debts.

LIDs are authorized by Article XVI, Section 59 of the Texas Constitution and by Chapters 49 and 57 of the Texas Water Code. LIDs (also called “Districts”) are political subdivisions of the State of Texas. They can perhaps best be described as the most fundamental form of local government because they provide local level services, have appointed officials, and are authorized to assess and collect taxes and sell bonds in order to pay off the debt incurred in providing their services. Because it is a political subdivision, the District’s meetings and files, including the meeting minutes, are open to the public. Unless it is financially dormant or otherwise exempt, each District also has an annual standardized independent audit. The audit results are filed with the Texas Commission on Environmental Quality (“TCEQ”) and are available to the public.

## HOW AND WHEN WAS THE DISTRICT CREATED?

The District was created by the Fort Bend County Commissioners Court on July 2, 1996, with the idea that enhancing flood protection to our communities was a job best done by a group of local citizens.

## WHO ARE OUR CUSTOMERS AND WHAT AREA DO WE SERVE?

The District is comprised of approximately 567 acres of land located entirely within Fort Bend County and the City of Sugar Land, approximately 2.8 miles south of the intersection of U.S. Highway 59 and State Highway 6.

The District is comprised of approximately 13,000 feet of levee, an internal drainage system, and one storm water pump station. The District provides these drainage facilities for subdivisions within its boundaries.

As of January 1, 2017, the certified valuation for properties in the District was \$631,363,948.

The property within the District was annexed by the City of Sugar Land on December 1, 2005. Prior to such date, the District was within the extraterritorial jurisdiction of the City of Sugar Land.

## WHAT SERVICES DOES THE DISTRICT PROVIDE FOR ITS RESIDENTS?

### LEVEES

The District's levee is approximately 13,000 feet long and protects the land within the District from flooding from the Brazos River. The District's levee connects to the existing Fort Bend County Levee Improvement District No. 2 levee on the north and the existing First Colony Levee Improvement District No. 2 levee on the east.

### STORM WATER PUMP STATIONS

The District's storm water pump station provides pumping capacity for the development within the levee when high water levels on the Brazos River preclude gravity flow to the Brazos River.

### DRAINAGE SYSTEM AND OUTFALLS

The District's internal drainage system consists of interconnected detention ponds and channels to receive run-off from the storm sewer outfalls serving the District and convey the run-off south to the gravity outfall structure consisting of four 48-inch reinforced concrete pipes.

## WHAT EMERGENCY PLANS DOES THE DISTRICT HAVE?

### POWER OUTAGES

The District is equipped with a natural gas back-up generator that will automatically turn on to run the storm water pumps in the event of a power outage.

### EMERGENCY ACTION PLAN

The District has an Emergency Action Plan ("EAP") which is on file with Fort Bend County. The EAP is prepared by the District's engineer and operator in conjunction with Fort Bend County and the City of Sugar Land. The EAP outlines actions to be taken during emergency events and provides necessary contact and District information. The District reviews the EAP quarterly as well as after any emergency event and makes updates as necessary.

## HOW DOES THE DISTRICT FUND ITS PROJECTS?

### TAXES

The Texas Constitution allows the District, if authorized by its voters, to levy *ad valorem* taxes. Taxes are used to maintain and improve the District's systems and to pay off any bond debt. The District's tax rate is set annually by its Board of Directors after receipt of certified assessed values from the Fort Bend Central Appraisal District and consultation with its independent financial advisor, and the rate is the same for all properties within the District. The District's 2017 tax rate is \$0.195 per \$100 in assessed value, comprised of sums for debt service and for operation and maintenance. The tax rate is set annually in September or October. For complete and updated information regarding the District's tax rate (current and historical), you may consult the District's monthly meeting minutes, which are available by contacting Nikole Cales of Allen Boone Humphries Robinson LLP at (713) 860-6478 or [ncales@abhr.com](mailto:ncales@abhr.com).

### BONDS

The laws creating the District allow it to finance, subject to voter authorization, various acquisition, construction, maintenance and capital improvement projects by issuing and selling bonds. The District repays the principal and interest on its bonds through *ad valorem* taxes and/or net operating revenues.

At an election, voters within the District must authorize the issuance of bonds prior to the District being able to issue bonds. Also, the TCEQ (except for refunding bonds) must review and approve the projects to be funded with bond proceeds and the Texas Attorney General must approve the District's authority to sell the bonds and levy the taxes to repay them. Thus, a District cannot and does not incur debt without both voter approval and proper governmental safeguards.

The District's directors work to balance the need to minimize taxes with the need to provide consistent, quality services. As of January 1, 2018, the voters in the District have authorized the issuance of \$16,525,000 in levee improvement and drainage bonds and the District has issued \$8,535,000, which are fully paid in 2024. Therefore, \$7,990,000 remains authorized but unissued. \$9,915,000 in refunding bonds have been authorized by the voters and as of January 1, 2018, \$9,369,960.05 remains authorized but unissued. For additional information, please see separate section entitled, "How does the District fund its projects?" and separate fact sheet entitled, "District Bond Issuance History."



## WHO MANAGES THE DISTRICT?

The District is administered by a Board of Directors with three members who are all appointed by the Fort Bend County Commissioners' Court. Board members serve four year terms. The District's Board has financial and operational authority for the District, and retains consultants and contractors who, among other things, operate, maintain, improve, and repair the District's facilities and provide the District with financial and legal advice.

The current directors of the District are listed on page 2.

## WHO ASSISTS IN THE OPERATION OF THE DISTRICT?

### Operator

The operator is the everyday "face" of the District and is responsible for ongoing inspection and maintenance of the facilities.

Levee Management Services, LLC  
1650 Hwy 6 South, Suite 430  
Sugar Land, TX 77478  
(281) 240-6454

### Auditor

The auditor conducts an independent annual audit that is filed with the TCEQ.

Sandersen & Scheffer PLLC  
130 Industrial Blvd., Suite 130  
Sugar Land, TX 77478  
(281) 242-3232

### Bookkeeper

The bookkeeper maintains the general ledger, reconciles bank and other financial statements, invests funds in accordance with the Texas Public Funds Investment Act and with the District's Investment Policy, and prepares monthly activity and budget reports.

Myrtle Cruz, Inc.  
3401 Louisiana Street, Suite 400  
Houston, TX 77002-9552  
(713) 759-1368

### Engineer

The engineer oversees the design, construction and installation of the levee and drainage systems.

LJA Engineering & Surveying, Inc.  
2929 Briarpark, Suite 500  
Houston, Texas 77042  
(713) 953-5064

### Financial advisor

The financial advisor advises the District on issuing bonds and on adopting the annual tax rate.

FirstSouthwest, a Division of Hilltop Securities  
700 Milam Street, Suite 500  
Houston, TX 77002  
(713) 654-8661

### General counsel

The District retains attorneys to act as general counsel, advising the Board of Directors on any matters that are presented. The firm selected by the Board is principally engaged in representing municipal utility districts in all aspects of their operations.

Allen Boone Humphries Robinson LLP  
3200 Southwest Freeway, Suite 2600  
Houston, Texas 77027  
(713) 860-6400

### Bond counsel

The District retains attorneys to act as bond counsel, who assist in the District's issuance of bonds by providing a legal opinion that the bonds are valid and binding obligations of the District payable from a continuing ad valorem tax. The firm selected by the District is nationally recognized in this area.

Allen Boone Humphries Robinson LLP  
3200 Southwest Freeway, Suite 2600  
Houston, Texas 77027  
(713) 860-6400

### *Investment officer*

The District appoints an investment officer to oversee the District's investments pursuant to the District's Investment Policy and in accordance with the Texas Public Funds Investment Act.

Mary Jarmon  
Myrtle Cruz, Inc.  
3401 Louisiana Street, Suite 400  
Houston, TX 77002-9552  
(713) 759-1368

### *Tax assessor/collector*

The tax assessor/collector manages the collection of the District's taxes from property owners in the District pursuant to the tax rate levied by the District each year.

Bob Leared Interests, Inc.  
11111 Katy Freeway, Suite 725  
Houston, Texas 77079  
(713) 932-9011

### HOW CAN I CONTACT THE DISTRICT?

The District's Board of Directors generally meets the second Monday of each month at 3:00 p.m. at the Avalon Recreation Center, One Avalon Place, Sugar Land, Texas 77479. Agendas for each meeting are posted at 5325 Dawnington Place, Sugar Land, Texas 77479, and at the Fort Bend County Courthouse at least 72 hours before every meeting, and the Board of Directors invites all members of the public to attend its meetings. Please email or contact [kgilbert@abhr.com](mailto:kgilbert@abhr.com) or (713) 860-6442 if you need confirmation of a Board meeting.

Information about the District, as well as a contact link are available on the District's website: [www.fblid14.org](http://www.fblid14.org).

The District's consultants and contractors may be contacted as indicated in the previous section.